Mobilisation of the European Globalisation Adjustment Fund: redundancies in warehousing and support activities for transportation in Belgium

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The Committee on Budgets adopted the report by Eleni STAVROU (EPP, CY) on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, amounting to **EUR 2 153 358** in commitment and payments appropriations, to assist Belgium facing redundancies in the warehousing and ancillary transport services sector at Logistics Nivelles SA (LNSA) and one of its suppliers in Belgium.

Belgian application

Belgium submitted application EGF/2023/001 BE/ LNSA for a financial contribution from the European Globalisation Adjustment Fund (EGF), following **603 redundancies** in the economic sector classified under the NACE Revision 2 division 52 (Warehousing and support activities for transportation) in the province Brabant Wallon, within a reference period for the application from 23 August 2022 to 23 December 2022.

Members agreed with the Commission that the conditions set out in Article 4(2), point (a), of the EGF Regulation are met and that Belgium is entitled to a financial contribution of EUR 2 153 358 under that Regulation, which represents 85 % of the total cost of EUR 2 533 363, comprising expenditure for personalised services of EUR 2 484 363 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 49 000.

Events leading to the displacements

LNSA used to provide logistics services regarding fresh and dry food products, wines and spirits to Carrefour. The redundancies resulted from the decision of LNSA's parent company Kuehne + Nagel to close down its Belgian subsidiary, following financial difficulties of LNSA and significant losses of the company in 2020, which exceeded the total budget for 2020, and in 2021 losses again higher than expected. Kuehne + Nagel decided to turn its regional distribution into a national distribution and to rely on its subsidiary Kontich NV to supply Carrefour stores across Belgium.

Eligible beneficiaries

The application relates to 603 workers made redundant in the companies Logistics Nivelles SA (LNSA) and SuperTransport SA/NV, a supplier of LNSA. The displacements in LNSA are expected to particularly impact workers that are **over 50 years old** and/or low skilled, as they are more difficult to re-integrate into stable employment. 53.3 % of LNSA former workers are older than 45 years and the majority of LNSA workers had a handler profile.

Personalised services

Members recalled that personalised services to be provided to the workers and self-employed persons consist of the following actions: (i) information services, (ii) job-search assistance, (iii) occupational

guidance and outplacement assistance, (iv) training, retraining and vocational training, (v) support towards and contribution to business creation, as well as incentives and allowances.

Members welcomed that Belgium started providing personalised services to the targeted beneficiaries on 1 August 2022 and that the period of eligibility for a financial contribution from the EGF will therefore be from 1 August 2022 until 24 months after the date of the entry into force of the financing decision. They strongly supported the fact that, during the 2021-2027 MFF period, the EGF will continue to show solidarity with persons affected and maintain the focus on the impact of restructuring on workers.

Lastly, the report reiterated that assistance from the EGF must not replace actions which are the responsibility of companies, by virtue of national law or collective agreements, or any allowances or rights of the displaced workers, to ensure full additionality of the allocation.