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

2023/0152(BUD) - 11/07/2023 - Budgetary text adopted by Parliament

The European Parliament adopted by 590 votes to 46, with 2 abstentions, a resolution on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund to assist workers made redundant in response to a request from Belgium - EGF/2023/001 BE/LNSA.

Parliament approved the proposal for a decision to mobilise the EGF in order to provide a financial contribution of **EUR 2 153 358** in commitment and payment appropriations from the Union budget for the financial year 2023, in response to the application submitted by Belgium following redundancies in the warehousing and ancillary transport services sector at Logistics Nivelles SA (LNSA) and one of its suppliers in Belgium.

This contribution represents 85% of the total cost of EUR 2 533 363, which includes EUR 2 484 363 for personalised services and EUR 49 000 for preparation, management, information and publicity, monitoring and reporting.

Events giving rise to redundancies

The COVID-19 pandemic and the Russian war of aggression against Ukraine have reduced economic competitiveness and have a negative impact on economic growth in Belgium.

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. No worker was relocated between logistic centres of Kuehne + Nagel.

Beneficiaries

The application concerns **603 workers made redundant** at Logistics Nivelles SA (LNSA) and SuperTransport SA/NV, a supplier of LNSA.

Members pointed out that the redundancies at LNSA are likely to have a particular impact on workers aged over 50 and/or with low qualifications, as it is more difficult for them to return to stable employment, particularly given that the unemployment rate in Walloon Brabant is 8.4%, 2.8 points higher than the national level, and that over 30% of jobseekers registered in February 2023 were over 50.

Personalised services

Members recalled that personalised services to be provided to the workers and self-employed persons consist of the following actions: information services, job-search assistance, occupational guidance and outplacement assistance, training, retraining and vocational training, support towards and contribution to business creation, as well as incentives and allowances.

Members welcomed the fact that the co-ordinated package of personalised services was drawn up by Belgium in consultation with targeted beneficiaries, their representatives and social partners.

Parliament welcomed the inclusion of a **module on circular economy** and efficient use of resources that was developed for former Swissport workers as part of the Regional Public Employment and Vocational Training Service (Forem) standard training offer, which will be co-financed by the ESF+.

Members reiterated in this context the important role the Union should play in providing the **necessary qualifications for the just transformation** in line with the European Green Deal. 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; calls for future applications to maximise policy coherence.

Taking account of the digital and green transformation on the labour market, especially in the logistics sector, Members called for special attention to be paid to **qualified education**, including vocational training and promoting the so-called dual apprenticeship system, which has proven to be effective in other Member States.