

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the retail trade sector in Belgium

2023/0352(BUD) - 22/11/2023 - Budgetary text adopted by Parliament

The European Parliament adopted by 598 votes to 28, with 4 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 for workers made redundant following an application from Belgium - EGF /2023/002 BE/Makro.

Parliament approved the proposal for a decision to mobilise the EGF in order to provide a **financial contribution of EUR 2 828 223** in commitment and payment appropriations from the EU budget for the financial year 2023, in response to the application submitted by Belgium following the redundancy of 1 431 workers at Makro Cash & Carry Belgium NV (Makro NV).

This contribution represents 85 % of the total cost of EUR 3 327 322, comprising expenditure for personalised services of EUR 3 233 822 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 93 500.

Events leading 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.

Makro NV used to run eleven stores for food and non-food products open to food and beverage services professionals ("Metro" brand) and six such stores open to general customers ("Makro" brand). Following years of financial difficulties and declining sales Makro NV applied for judicial reorganisation in 2022. The redundancies resulted from the absence of any sound offer for taking over the Makro brand and its subsequent bankruptcy.

Beneficiaries

The application relates to **1 431 workers made redundant** in the company Makro Cash & Carry Belgium NV. 421 workers will be targeted beneficiaries in total, corresponding to the number of former Makro workers in Wallonia while the Flemish regional authorities consider that there is no need to top-up the support available to former Makro workers in Flanders with co-financing from the EGF.

The displacements in Makro are particularly impacting workers that are over 50 years old and/or low skilled.

Personalised services

Members called that the personalised services to be provided to the workers and self-employed persons consist of the following actions: information services, occupational guidance and outplacement assistance, training, retraining and vocational training, support towards and contribution to business creation, as well as incentives and allowances; welcomes that particular attention will be paid to vulnerable people in a situation of psychological distress, indebtedness, or disability through professionals specialised in assisting these groups.

Parliament welcomed the inclusion of a module on circular economy and efficient use of resources that was developed for former Swissport workers (EGF/2020/005 BE) 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.