Mobilisation of the European Globalisation Adjustment Fund: redundancies in automotive industry in Belgium

2025/0061(BUD) - 26/03/2025 - Non-legislative basic document

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) to assist workers following redundancies at Van Hool NV in Belgium.

PROPOSED ACT: Decision of the European Parliament and of the Council.

CONTENT: on 29 October 2024, the Belgian authorities submitted application EGF/2024/003 BE/Van Hool for a financial contribution from the EGF following redundancies at Van Hool NV, Belgium (automotive sector).

Following examination of this application, the Commission concluded, in accordance with all relevant provisions of the EGF Regulation, that the conditions for granting a financial contribution from the EGF were met.

Basis of the application

Belgium submitted the request under the intervention criterion set out in Article 4(2)(a) of Regulation (EU) 2021/691, which requires the cessation of activity of at least 200 employed or self-employed persons, over a reference period of four months, in an undertaking in a Member State.

The application concerns **2 411 dismissed workers** whose activity ceased at the company Van Hool NV, which operated in the economic sector falling under NACE Rev. 2 division 29 (Manufacture of motor vehicles, trailers and semi-trailers). The dismissals took place in the NUTS 2 level region Province of Antwerp.

The four-month reference period for the application is from 8 April 2024 to 8 August, 2024.

Events leading to the displacements and cessation of activities

The displacements at Van Hool are linked to various factors such as the impact of the COVID-19 pandemic on demand for coaches and the impact of the war in Ukraine on the cost structure.

Between 2012 and 2019, Van Hool's average annual sales in Europe were 427 units. Sales fell to 287 units in 2020 and to 128 in 2020 due to the pandemic's impact on demand for coaches. Profits declined sharply. On 8 April 2024, Van Hool was declared bankrupt by the Commercial Court of Mechelen. As a result, 2 411 employees were made redundant.

The industrial sector has always played an important role in the Lier region (Mechelen district, Antwerp province), which is why the current industrial decline in Belgium has a significant impact on the Lier labour market.

The company's closure caused significant disruption to the local labour market. Unemployment increased by 32% in Berlaar, 23% in Heist-op-den-Berg, 17% in Nijlen, and 14% in Lier, leaving one in ten working-age residents unemployed in the municipalities of Lier and Berlaar. The redundancies hit

vulnerable workers hardest. One in three laid-off workers is over 50, and eight in ten have a secondary education or less and outdated skills.

Beneficiaries

An estimated **2 397** displaced workers are expected to participate in the measures (89.5% men and 10.5% women).

The **personalised services** that will be provided to displaced workers consist of the following measures: (i) social intervention advisor and worker registration; (ii) outplacement (including administrative and psychological support, individual assessment sessions, digital skills assessment, assistance in job search or self-employment, advice on negotiating employment contracts); (iii) job search support and job placement; (iv) vocational guidance; (v) training, retraining and vocational training; and (vi) on-the-job training.

The ICT training and additional support foreseen within the outplacement services caters for the dissemination of the skills required in the digital industrial age and in a resource-efficient economy.

Budget proposal

The estimated total costs are EUR 9 410 607, comprising expenditure for personalised services of EUR 9 034 607 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 376 000.

Having examined the application and having taken into account the number of targeted beneficiaries, the proposed measures and the estimated costs, the Commission proposes to **mobilise the EGF for the amount of EUR 7 999 015**, representing 85 % of the total costs of the proposed measures, in order to provide a financial contribution for the application.