Basic information

2015/2056(BUD) BUD - Budgetary procedure	Procedure completed
Mobilisation of the European Globalisation Adjustment Fund: redundancies in transport services in France **Subject** 3.20.05 Road transport: passengers and freight 3.40.18 Services sector 4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF) 8.70.55 2015 budget	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	DENANOT Jean-Paul (S&D)	23/02/2015
	Shadow rapporteur NOVAKOV Andrey (PPE) KÖLMEL Bernd (ECR) PAET Urmas (ALDE) NÍ RIADA Liadh (GUE/NGL) VANA Monika (Verts/ALE) ZANNI Marco (EFDD)	

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs	The committee decided not to give an opinion.	
REGI Regional Development	The committee decided not to give an opinion.	

Council of the European Union

Council configuration	Meetings	Date
Agriculture and Fisheries	3381	2015-04-20

European Commission

Commission DG	Commissioner
Budget	GEORGIEVA Kristalina

Key events

Date	Event	Reference	Summary
23/02/2015	Non-legislative basic document published	COM(2015)0068	Summary
25/02/2015	Committee referral announced in Parliament		
01/04/2015	Vote in committee		
01/04/2015	Budgetary report tabled for plenary	A8-0124/2015	Summary
15/04/2015	Decision by Parliament	T8-0090/2015	Summary
15/04/2015	Results of vote in Parliament		
20/04/2015	Draft budget approved by Council		
20/04/2015	End of procedure in Parliament		
08/05/2015	Final act published in Official Journal		

Technical information

Procedure reference	2015/2056(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Mobilisation of funds
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/8/02881

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE549.437	10/03/2015	
Amendments tabled in committee		PE552.039	23/03/2015	
Budgetary report tabled for plenary, 1st reading		A8-0124/2015	01/04/2015	Summary
Budgetary text adopted by Parliament		T8-0090/2015	15/04/2015	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2015)0068	23/02/2015	Summary

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Decision 2015/0738 OJ L 117 08.05.2015, p. 0047	Summary

Mobilisation of the European Globalisation Adjustment Fund: redundancies in transport services in France

2015/2056(BUD) - 23/02/2015 - Non-legislative basic document

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) to assist France following redundancies in its transport services.

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

CONTENT: Article 12 of Council Regulation (EU, Euratom) No 1311/2013 laying down the multiannual financial framework for the years 2014-2020 provides that the EGF shall not exceed a maximum annual amount of **EUR 150 million** (2011 prices) over and above the relevant headings of the financial framework.

The rules applicable to financial contributions from the European Globalisation Adjustment Fund (EGF) are laid down in Regulation (EU) No 1309/2013 of the European Parliament and of the Council on the European Globalisation Adjustment Fund (2014-2020) and repealing Regulation (EC) No 1927/2006 (the 'EGF Regulation').

In this context, the Commission examined the application for mobilisation of the EGF to assist France and concluded the following:

France:EGF/2014/017 FR/Mory-Ducros: the French authorities submitted application EGF/2014/017 FR/Mory-Ducros for a financial contribution from the EGF, following redundancies in Mory-Ducros SAS in France.

The French authorities submitted the application within **12 weeks** of the date on which the intervention criteria set out below were met. The deadline expired on 23 February 2015.

In order to establish the link between the redundancies and the global financial and economic crisis addressed in Regulation (EC) No 546/2009, France argued that Mory-Ducros is active in the fields of courier services, freight transport and delivery, warehousing and rental of related materials, and provided these services both within France and abroad.

As a result of the global financial and economic crisis, road haulage in vehicles weighing more than 3.5 tonnes declined by 13.7% in the EU and by 21% in France between 2007 and 2012 (Eurostat). This decline has been following the general decline of physical output in Europe. Faced with the reduction in volumes to be transported, a price war broke out within the sector. This has been followed by a wave of bankruptcies in the road haulage sector, estimated to have increased by 35% annually when comparing 2013 with 2007.

To date, the 'Land transport and transport via pipelines' sector has been the subject of two EGF applications, this one and EGF/2011/001 AT/Nieder- und Oberoesterreich.

Basis of the French application: the French authorities submitted the application under the intervention criteria of Article 4(1)(a) of the EGF Regulation, which requires at least 500 workers being made redundant or self-employed persons' activity ceasing, over a reference period from 13 March 2014 to 12 July 2014, including workers made redundant by suppliers and downstream producers and/or self-employed persons whose activity has ceased.

The application relates to 2 513 workers made redundant in Mory-Ducros SAS which operated in the economic sector classified under NACE Rev. 2 division 49 ('Land transport and transport via pipelines'). The redundancies made by the enterprise concerned are located throughout mainland France. The location with the highest number (257) is situated in the NUTS level 2 region of Ile de France.

The Commission therefore proposes to mobilise the EGF for the amount of **EUR 6 052 200**.

FINANCIAL IMPLICATIONS: having examined the application in respect of the conditions set out in Article 13(1) of the EGF Regulation, and having taken into account the number of targeted beneficiaries, the proposed actions and the estimated costs, the Commission proposes to mobilise the EGF for the amount of **EUR 6 052 200**, representing 60% of the total costs of the proposed actions, in order to provide a financial contribution for the application.

The proposed decision to mobilise the EGF will be taken jointly by the European Parliament and the Council, as laid down in point 13 of the Interinstitutional Agreement of 2 December 2013 between the European Parliament, the Council and the Commission on budgetary discipline, on cooperation in budgetary matters and on sound financial management.

At the same time as it presents this proposal for a decision to mobilise the EGF, the Commission will present a proposal for a transfer to the relevant budgetary line for the amount requested.

At the same time as it adopts this proposal for a decision to mobilise the EGF, the Commission will adopt a decision on a financial contribution, by means of an implementing act, which will enter into force on the date at which the European Parliament and the Council adopt the proposed decision to mobilise the EGF.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in transport services in France

2015/2056(BUD) - 01/04/2015 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Jean-Paul DENANOT (S&D, FR) on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund, in the amount of EUR 6 052 200 in commitment and payment appropriations in order to assist France which has been affected by redundancies in the transport sector.

Members recalled that the Union had set up legislative and budgetary instruments to provide additional support to workers who were suffering from the consequences of major structural changes in world trade patterns or of the global financial and economic crisis and to assist their reintegration into the labour market.

France's application: France submitted application EGF/2014/017 FR/Mory-Ducros for a financial contribution from the EGF, following 2513 redundancies in Mory-Ducros SAS operating in the NACE Rev. 2 division 49 ('Land transport and transport via pipelines'). **France was entitled to a financial contribution under that Regulation.**

Members welcomed the fact that, in order to provide workers with speedy assistance, the French authorities decided to initiate the implementation of the personalised services to the affected workers on 24 February 2014, well ahead of the decision and even the application on the granting the EGF support for the proposed coordinated package.

Nature of redundancies: Members observed that the redundancies in Mory-Ducros SAS were linked to the general decline in physical output in Europe, which lead to a the reduction in volumes to be transported and triggered a price war in the road haulage sector, resulting in a steady deterioration in operating margins and a series of losses for the sector in France since 2007. This was followed by a wave of bankruptcies, including that of Mory-Ducros. Those events were directly linked to the global financial and economic crisis.

Members underlined that over 17 % of the beneficiaries expected to be targeted by the proposed actions were in the 55-64 age group and that their participation in the proposed support measures would help them to avoid long-term unemployment and social exclusion.

Personalised services: Members noted that the personalised services to be provided consisted of only one action to be implemented by a one-stop-shop, which was run by three contracting agencies. France requested only the funding of this one-stop-shop from the EGF. Members noted that the task of the contractors was to assist and guide the redundant workers and help them find solutions enabling them to remain in the labour market and start new jobs.

Members considered that workers in the 55-64 age group were at a higher risk of prolonged unemployment and exclusion from the labour market. These workers had specific needs when it came to providing them with a personalised approach. Members recalled that the design of the coordinated package of personalised services should **anticipate future labour market perspectives** and required skills and should be compatible with the shift towards a resource-efficient and sustainable economy.

They noted that the information provided on the coordinated package of personalised services to be funded from the EGF included information on complementarity with actions funded by the Structural Funds. The French authorities confirmed that the eligible actions did not receive assistance from other Union financial instruments.

Lastly, Members called on the Commission to present a comparative evaluation of those data in its annual reports in order to ensure full respect of the existing regulations and that no duplication of Union-funded services could occur.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in transport services in France

2015/2056(BUD) - 29/04/2015 - Final act

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) to assist France following redundancies in its transport services.

NON LEGISLATIVE ACT: Decision (EU) 2015/738 of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund (application EGF/2014/017 FR/Mory-Ducros, from France)

CONTENT: with this Decision, the European Parliament and Council decide that, for the general budget of the European Union for the financial year 2015, the European Globalisation Adjustment Fund shall be mobilised to provide the sum of **EUR 6 052 200** in commitment and payment appropriations.

This amount is intended to assist France, which has been affected by redundancies in the transport sector at Mory-Ducros SAS.

Noting that the French application complies with the requirements for determining a financial contribution from the EGF as laid down in Regulation (EU) No 1309/2013 (EGF Regulation 2014-2020) Parliament and Council decided to grant the amount requested.

To recall, the European Globalisation Adjustment Fund was established to provide support for workers made redundant and self-employed persons whose activity has ceased as a result of major structural changes in world trade patterns due to globalisation, as a result of a continuation of the global financial and economic crisis addressed in Regulation (EC) No 546/2009 of the European Parliament and of the Council, or as a result of a new global financial and economic crisis and to assist them with their reintegration into the labour market.

Council Regulation (EU, Euratom) No 1311/2013 allows the mobilisation of the EGF within a maximum annual amount of **EUR 150 million**.

ENTRY INTO FORCE: 29.04.2015.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in transport services in France

2015/2056(BUD) - 15/04/2015 - Budgetary text adopted by Parliament

The European Parliament adopted by 535 votes to 79 with 9 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, amounting to **EUR 6 052 200** in commitment appropriations in order to assist France which has been affected by redundancies in the transport sector.

Parliament recalled that the Union had set up legislative and budgetary instruments to provide additional support to workers who were suffering from the consequences of major structural changes in world trade patterns or of the global financial and economic crisis and to assist their reintegration into the labour market.

France's application: France submitted application EGF/2014/017 FR/Mory-Ducros for a financial contribution from the EGF, following 2513 redundancies in Mory-Ducros SAS operating in the NACE Rev. 2 division 49 ('Land transport and transport via pipelines'). **France was entitled to a financial contribution under that Regulation**.

Parliament welcomed the fact that, in order to provide workers with speedy assistance, the French authorities decided to initiate the implementation of the personalised services to the affected workers on 24 February 2014, well ahead of the decision and even the application on the granting the EGF support for the proposed coordinated package.

Nature of redundancies: Parliament observed that the redundancies in Mory-Ducros SAS were linked to the general decline in physical output in Europe, which lead to a the reduction in volumes to be transported and triggered a price war in the road haulage sector, resulting in a steady deterioration in operating margins and a series of losses for the sector in France since 2007. This was followed by a wave of bankruptcies, including that of Mory-Ducros. Those events were directly linked to the global financial and economic crisis.

Members underlined that over 17 % of the beneficiaries expected to be targeted by the proposed actions were in the 55-64 age group and that their participation in the proposed support measures would help them to avoid long-term unemployment and social exclusion.

Personalised services: Parliament noted that the personalised services to be provided consisted of only one action to be implemented by a one-stop-shop, which was run by three contracting agencies. France requested only the funding of this one-stop-shop from the EGF.

Contracting agencies: Parliament noted that the task of the contractors was to assist and guide the redundant workers and help them find solutions enabling them to remain in the labour market and start new jobs. The three contractors operating the Cellule de reclassement were selected by the judicial administrator following consultations with the representatives of the redundant workers. The monitoring of the activity of the agencies by means of regular written reports ensured the appropriate use of the EGF funding to provide participants with a personalised career path, a sufficient number of job offers and mentoring for business creation within the framework of the one-stop-shop system.

Parliament recalled that EGF funding was intended to help the workers find new employment through training and not in any case to support the agencies and their administrative costs. It also recalled that the design of the coordinated package of personalised services should **anticipate future labour market perspectives** and required skills and should be compatible with the shift towards a resource-efficient and sustainable economy.

Older workers: Parliament considered that workers in the 55-64 age group were at a higher risk of prolonged unemployment and exclusion from the labour market. These workers had specific needs when it came to providing them with a personalised approach. Members noted that the information provided on the coordinated package of personalised services to be funded from the EGF included information on complementarity with actions funded by the Structural Funds. The French authorities confirmed that the eligible actions did not receive assistance from other Union financial instruments.

Parliament reiterated its call to the Commission to present a comparative evaluation of those data in its annual reports in order to ensure full respect of the existing regulations and that no duplication of Union-funded services could occur.