Basic information

2022/0023(BUD) BUD - Budgetary procedure	Procedure completed
Mobilisation of the European Globalisation Adjustment Fund: redundancies in the vending machines wholesale trade in France **Subject** 4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF) 8.70.52 2022 budget **Geographical area** France	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	GARDIAZABAL RUBIAL Eider (S&D)	08/02/2022
	Shadow rapporteur SARVAMAA Petri (EPP) KELLER Fabienne (Renew) VANA Monika (Greens/EFA) RZOŃCA Bogdan (ECR) KUHS Joachim (ID) OMARJEE Younous (The Left)	

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs	Chair on behalf of committee PÎSLARU Dragoş (Renew)	08/02/2022
REGI Regional Development	Chair on behalf of committee OMARJEE Younous (The Left)	10/02/2022

Council of the European Union

European

Commission DG	Commissioner

Commission	Employment, Social Affairs and Inclusion	SCHMIT Nicolas

Key events

Date	Event	Reference	Summary
07/02/2022	Non-legislative basic document published	COM(2022)0035	Summary
14/02/2022	Committee referral announced in Parliament		
16/03/2022	Vote in committee		
17/03/2022	Budgetary report tabled for plenary	A9-0048/2022	
24/03/2022	Decision by Parliament	T9-0098/2022	Summary
24/03/2022	Results of vote in Parliament		
24/03/2022	Draft budget approved by Council		
06/04/2022	Final act published in Official Journal		

Technical information

Procedure reference	2022/0023(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/9/08310

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE704.901	11/02/2022	
Amendments tabled in committee		PE719.822	02/03/2022	
Specific opinion	EMPL	PE719.658	03/03/2022	
Specific opinion	REGI	PE729.865	10/03/2022	
Budgetary report tabled for plenary, 1st reading		A9-0048/2022	17/03/2022	
Budgetary text adopted by Parliament		T9-0098/2022	24/03/2022	Summary

European Commission

Document type	Reference	Date	Summary

Non-legislative basic document	COM(2022)0035	07/02/2022	Summary

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

Final act
Decision 2022/0548 OJ L 107 06.04.2022, p. 0076

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the vending machines wholesale trade in France

2022/0023(BUD) - 24/03/2022 - Budgetary text adopted by Parliament

The European Parliament adopted by 556 votes to 21, with 10 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 by France - EGF/2021/007 FR/Selecta.

Parliament approved the proposal for a decision to mobilise the EGF to provide a financial contribution of **EUR 4 074 296** in commitment and payment appropriations from the Union budget for the financial year 2022 in response to the application submitted by France concerning redundancies in the wholesale trade sector (except automobiles and motorbikes) in the company Selecta.

This contribution represents 85% of the total cost of EUR 4 793 290, comprising expenditure of EUR 4 766 930 for personalised services and expenditure of EUR 26 360 for the implementation of the EGF.

Events leading to the redundancies

Sales by **vending machines** have been hit hard by the COVID-19 pandemic in Europe due to either the closure of sites where the machines were located (businesses and public places such as airports, train stations, etc.) or the lack of access to the machines on open sites. In the Ile-de-France region, vending machine companies have lost 70% of their turnover (September 2020 figures compared to the previous year) due to teleworking.

According to Selecta, despite the recovery in business in the summer of 2020, the replenishment of the machines has decreased by 47% compared to February 2020, the last month before the pandemic. Despite renegotiating contracts in order to reduce losses, Selecta recorded operating losses of EUR 60 million in 2020 and organised the redundancy of 473 workers.

The social consequences of the redundancies are expected to be significant for France, and in particular for the Ile-de-France region and the city of Lille, where respectively 32% and 13% of the redundancies took place.

Beneficiaries

The application concerns a total of **473 redundant workers** whose activity has ceased. Members welcomed the fact that France plans to ensure that all eligible beneficiaries (targeted recipients) will participate in the measures. The resolution points out that 29.8% of the targeted beneficiaries have secondary education or less.

Personalised services

Members recalled that the personalised services to be provided to redundant workers include the following: advisory services and vocational guidance, psychological support, training, contribution to business creation, job search allowance, allowance for quick reemployment, outplacement incentive, and a contribution to moving and installation costs.

Parliament welcomed the fact that France has developed the coordinated package of personalised services for which it is applying for EGF co-funding in consultation with staff and trade union representatives. It welcomed the fact that Selecta has put in place a very active training policy which goes well beyond its legal obligations.

Members consider that the EGF's financial contributions should be primarily directed at active labour market policy measures and personalised services that aim to reintegrate beneficiaries rapidly into decent and sustainable employment within or outside their initial sector of activity, while preparing them for a greener and more digital European economy.

They recalled that the coordinated package may include special time-limited measures, such as childcare allowances, in order to facilitate jobseekers' participation in the activities offered.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the vending machines wholesale trade in France

2022/0023(BUD) - 07/02/2022 - Non-legislative basic document

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) to support France in the face of redundancies in the wholesale trade sector (except motor vehicles and motorbikes) in the company Selecta.

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

CONTENT: on 26 July 2021, France submitted an application for a financial contribution from the EGF, following the redundancies in Selecta.

Following the assessment of this application, the Commission has concluded, in accordance with all the relevant provisions of the EGF Regulation, that the conditions for a financial contribution from the EGF have been met.

Grounds for the application

France submitted the application under the intervention criterion of Article 4(2)(a) of the EGF Regulation, which requires at least 200 workers to be made redundant over a reference period of four months in an enterprise in a Member State.

The application concerns **473 displaced workers whose activity has ceased in Selecta**. The redundancies are spread throughout mainland France. The four-month reference period runs from 1 June 2021 to 1 October 2021.

Events leading to redundancies and closure

Sales by **vending machines** have been hit hard by the economic and financial consequences of the COVID-19 pandemic. In France there are about 600 000 vending machines, 70% in businesses and 30% in public places. According to NAVSA, the French Organisation for Automatic Sales and Services, although vending machines were allowed to continue operating during the pandemic, the sector found itself in a situation of inactivity/limited functioning.

Once the lockdown was softened, machine/site access was eased. However, sanitary measures still lead to interruption or restriction of sales by vending machine. Furthermore, massive teleworking caused a sharp drop in consumption at the workplaces.

According to NAVSA, the sector's turnover in France has fallen by 50-90% in 2020 compared to 2019, putting around 25 000 jobs at risk.

The fall in the number of visitors to places where Selecta's vending machines are located, following the lockdown, resulted in a drastic fall in turnover per machine. Despite re-negotiating contracts in an attempt to curb loss-making, exacerbated by fixed cost and falling sales, **Selecta recorded operating losses of EUR 60 million in 2020**. In the first half of 2021, turnover improved by 0.4% compared to 2020. However, the turnover is about half (-48,3%) of what it was in 2019.

The region Île-de-France (32%) and the city of Lille (13%) have been most affected by displacements in Selecta.

The number of unemployed people in the Île-de-France region increased by 8.6% (in the fourth quarter of 2020 compared to the previous year), with more than one million registered jobseekers and an unemployment rate of 8.3%. In October 2021, the unemployment rate was 7.6% but the number of jobseekers remains above one million.

Beneficiaries

All 473 redundant workers are expected to be affected. By age group, the under 30s represent 7.6% of the beneficiaries; the 30-54 age group represents 73.6% of the beneficiaries and the over 54s represent 18.8% of the beneficiaries.

The **personalised services** to be provided to redundant workers include the following actions: (i) advisory services and vocations guidance; (ii) psychological support in the context of reorganisation; (iii) tailer-made training and business start-up training; (iv) a business start-up contribution of up to EUR 6 000 for workers returning to work as self-employed; (v) a job search allowance; (vi) a rapid re-employment allowance; (vii) an outplacement allowance; and (viii) a contribution to moving and installation costs.

France has stated that Selecta regularly offers training to its staff in which particular attention is paid to digital skills and the skills required in a resource-efficient economy.

The total estimated cost amounts to EUR 4 793 290; this amount corresponds to expenditure for personalised services for an amount of EUR 4 766 930 and expenditure to finance preparation, management, information and publicity, and monitoring and reporting activities for an amount of EUR 26 360.

Budget proposal

The annual allocation to the EGF does not exceed EUR 186 million (in 2018 prices), as foreseen in the Council Regulation (EU, Euratom) 2020/2093 laying down the multiannual financial framework for the years 2021-2027.

Following the examination of the application, the Commission proposes to mobilise the EGF for an amount of **EUR 4 074 296**, representing 85% of the total cost of the proposed actions, in order to provide a financial contribution for the application.