Basic information

2023/0031(BUD) BUD - Budgetary procedure	Procedure completed
Mobilisation of the European Globalisation Adjustment Fund: redundancies in warehousing and support activities for transportation in Belgium **Subject** 3.20.10 Transport undertakings, transport industry employees 4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF) 8.70.53 2023 budget **Geographical area** Belgium	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	CHASTEL Olivier (Renew)	02/02/2023
	Shadow rapporteur WINZIG Angelika (EPP) VANA Monika (Greens/EFA) RZOŃCA Bogdan (ECR) KUHS Joachim (ID)	

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs	TOMC Romana (EPP)	09/02/2023
REGI Regional Development	Chair on behalf of committee OMARJEE Younous (The Left)	14/02/2023

Council of the European Union

European Commission

Commission DG	Commissioner
Employment, Social Affairs and Inclusion	SCHMIT Nicolas

Key events

Date	Event	Reference	Summary
08/02/2023	Non-legislative basic document published	COM(2023)0069	Summary
13/02/2023	Committee referral announced in Parliament		
02/03/2023	Vote in committee		
06/03/2023	Budgetary report tabled for plenary	A9-0043/2023	Summary
14/03/2023	Decision by Parliament	T9-0062/2023	Summary
14/03/2023	Results of vote in Parliament		
15/03/2023	Draft budget approved by Council		
10/07/2023	Final act published in Official Journal		

Technical information

Procedure reference	2023/0031(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/9/11214

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE742.374	09/02/2023	
Amendments tabled in committee		PE742.498	15/02/2023	
Specific opinion	EMPL	PE742.465	02/03/2023	
Specific opinion	REGI	PE745.202	03/03/2023	
Budgetary report tabled for plenary, 1st reading		A9-0043/2023	06/03/2023	Summary
Budgetary text adopted by Parliament		T9-0062/2023	14/03/2023	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2023)0069	08/02/2023	Summary

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

Final act
Decision 2023/1430 OJ L 175 10.07.2023, p. 0015

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

2023/0031(BUD) - 08/02/2023 - Non-legislative basic document

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) to support Belgium in the face of redundancies in the warehousing and support activities for transportation.

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

CONTENT: on 18 October 2022, Belgium submitted an application for a financial contribution from the EGF, following displacements in TNT Express Worldwide (Euro Hub) SRL in Belgium.

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

Grounds for the application

Belgium 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 relates to 548 displaced workers whose activity has ceased in TNT Express Worldwide (Euro Hub) SRL in the economic sector classified under the NACE Revision 2 division 52 (Warehousing and support activities for transportation). The redundancies made by TNT are located in Liège. The reference period of four months for the application runs from 27 March 2022 to 27 July 2022.

Events leading to the displacements and cessation of operations

On 19 January 2021, TNT Express Worldwide (Euro Hub) SRL – the Belgian subsidiary of the group resulting from the takeover of the Dutch TNT Group by the US Fedex Group in 2016 – announced its intention to dismiss 671 workers and modify the contracts of another 861 workers.

The enterprise plans to use Liège airport as a secondary hub, linked only to some European airports, while Paris-Charles de Gaulle becomes FedEx's primary hub, linked to all European airports, as well as to airports in America, Asia and the Middle East resulted in the decreased number of flights at Liège airport and therefore a reduced workload resulting in redundancies and revised working conditions for hundreds of employees. The changes aim to avoid a duplication of activities and strengthen the position of the group in a context of fierce competition in the sector at European and national level.

The proposal highlights that the unemployment rate in Wallonia (8.7%) is 2.8% higher than the unemployment rate at national level (5.9%). Besides, the employment market in Province Liège is particularly disadvantaged compared with other provinces in Wallonia. Moreover, Province Liège along with Province Hainaut have the highest job demand rate (share of unemployed registered job seekers in the active population) in Wallonia, at 13.8% in March 2022.

Age is associated with difficulties in job search in Province Liège, where those aged 50+ accounted for 27.5% of the job-seekers in March 2022. Almost half (47%) of former TNT workers belong to this age group.

The Walloon authorities argue that the displacements in TNT will have a particular impact on two categories of workers (the low skilled and those aged 50+) that are already disadvantaged in the regional labour market.

Thus, TNT former workers will need additional and targeted support to increase their chances of finding new jobs.

Beneficiaries

All 559 displaced workers are expected to participate in the measures.

The coordinated package to be provided to displaced workers consists of the following measures: (i) information services, occupational guidance and outplacement assistance; (ii) training, retraining and vocational training; (iii) support towards business creation; (iv) contribution to business creation; (v) incentives and allowances.

The estimated total costs are EUR 2 301 644, comprising expenditure for personalised services of EUR 2 270 644 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 31 000.

The total financial contribution requested from the EGF is EUR 1 956 397 (85 % of total costs).

Budgetary proposal

The EGF should not exceed a maximum annual amount of EUR 186 million (in 2018 prices), as laid down in Article 8 of Council Regulation (EU, Euratom) No 2020/2093 laying down the multiannual financial framework for the years 2021 to 2027.

Having examined the application, the Commission proposes to mobilise the EGF for the amount of EUR 1 956 397, representing 85 % of the total costs of the proposed measures, in order to provide a financial contribution for the application.

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

2023/0031(BUD) - 14/03/2023 - Budgetary text adopted by Parliament

The European Parliament adopted by 592 votes to 25, with 3 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 (EGF) to assist displaced workers following an application from Belgium.

Parliament approved the proposal for a decision aiming to mobilise **EUR 1 956 397** in commitment and payment appropriations to assist Belgium in supporting displaced workers made redundant in the company TNT Express Worldwide (Euro Hub) SRL in Belgium (TNT Belgium).

This contribution represents 85 % of the total cost of EUR 2 301 644, comprising expenditure for personalised services of EUR 2 270 644 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 31 000.

Link between the redundancies and a global financial and economic crisis

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.

It is recalled that TNT Belgium had to downsize its workforce in reaction the decision to use Liège airport as a secondary hub, with links to only some European airports, while Paris-Charles de Gaulle became the primary hub of its parent company FedEx, which has resulted in a decreased workload and a reduced number of flights at Liège airport. The changes aimed to strengthen FedEx's position within its highly competitive sector at European and national level.

Beneficiaries

The application relates to 548 workers made redundant in the company TNT Belgium. In addition, **559 workers** will be eligible beneficiaries in total, as the EGF should also support 11 displaced workers whose activity ceased between the end of the reference period and the day before the adoption of the proposal by the Commission.

A large proportion of the former workforce of TNT Belgium are disadvantaged groups, as 60 % of the displaced workers held low-qualified jobs and almost half of them (47 %) are over 50 years old.

Members recalled that the unemployment rate in Wallonia at 8.7 % is 2.8 % higher compared to the national level and that the employment market in the province of Liège, like that of Hainaut, is particularly disadvantaged compared to other provinces in Wallonia.

Personalised services

The personalised services to be provided to the workers and self-employed persons consist of the following actions: information, job-search assistance, including identifying job perspectives in other regions of the Member State concerned or in other Member States, occupational guidance and outplacement assistance, trainings, (inter alia horizontal competencies, reskilling, upskilling and internships), retraining and vocational training, and support towards and contribution to business creation, as well as incentives and allowances.

Parliament welcomed:

- the provision of specialised professionals to provide particular assistance to vulnerable people, irrespective of their nationality, in situations of psychological distress, indebtedness, or recognised disabilities;

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

- the fact that Belgium drew up the co-ordinated package of personalised services in consultation with targeted beneficiaries' representatives, including trade unions (FGTB and CSC) and social counsellors who accompanied the workers.

Parliament recalled the important role that the EU should play in providing the necessary qualifications for the **just transformation** in line with the European Green Deal. Given that the digital and green transformation will also have an effect on the labour market, especially in the transport sector, Members believe that special attention should be paid to qualified education, including vocational training, and promoting the so-called dual apprenticeship system, which has proved to be effective in some Member States.

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

2023/0031(BUD) - 06/03/2023 - Budgetary report tabled for plenary, 1st reading

The Committee on Budgets adopted the report by Olivier CHASTEL (Renew Europe, BE) on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund for a total of EUR 1 956 397 in commitment and payment appropriations to assist Belgium in supporting displaced workers.

Belgium's application

On 18 October 2022, Belgium submitted application EGF/2022/002 BE/TNT for a financial contribution from the European Globalisation Adjustment Fund (EGF), following 548 redundancies in the economic sector classified under the NACE Revision 2 division 52 (Warehousing and support activities for transportation) in the province of Liège, within a reference period for the application from 27 March 2022 to 27 July 2022.

The application relates to 548 workers made redundant in the company TNT Express Worldwide (Euro Hub) SRL in Belgium (TNT Belgium). The activity of 11 workers ceased between the end of the reference period and the day before the adoption of the proposal by the Commission and those workers will also be eligible for support from the EGF.

Members agreed with the Commission that the conditions set out in the EGF Regulation are met and that Belgium is entitled to a financial contribution of EUR 1 956 397 under that Regulation, which represents 85 % of the total cost of the proposed actions.

Link between the redundancies and a global financial and economic crisis

The European Globalisation Adjustment Fund (EGF) is intended to provide additional support to workers suffering from the consequences of major structural changes in world trade patterns. 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. As a result, TNT Belgium had to downsize its workforce in reaction the decision to use Liège airport as a secondary hub, with links to only some European airports, while Paris-Charles de Gaulle became the primary hub of its parent company FedEx, which has resulted in a decreased workload and a reduced number of flights at Liège airport. The changes aimed to strengthen FedEx's position within its highly competitive sector at European and national level.

A large proportion of the former workforce of TNT Belgium are disadvantaged groups, as 60 % of the displaced workers held low-qualified jobs and almost half of them (47 %) are over 50 years old. It recalled that the unemployment rate in Wallonia at 8.7 % is 2.8 % higher compared to the national level and that the employment market in the province of Liège, like that of Hainaut, is particularly disadvantaged compared to other provinces in Wallonia.

Personalised package of services

Members noted that Belgium started providing personalised services to the targeted beneficiaries on 1 April 2022 and that the period of eligibility for a financial contribution from the EGF will therefore be from 1 April 2022 until 24 months after the date of the entry into force of the financing decision.

The actions include: (i) information, occupational guidance and outplacement assistance; (ii) training, retraining and vocational training; (iii) support for business creation; (iv) contribution to business creation; (v) incentives and allowances.

Lastly, Members reiterated that assistance from the EGF must not replace actions which are the responsibility of companies, by virtue of national law or collective agreements, or any allowances or rights of the recipients of the EGF allocation to ensure full additionality of the allocation.