Basic information

2024/0226(BUD) BUD - Budgetary procedure	Procedure completed
Mobilisation of the European Globalisation Adjustment Fund: redundancies in the retail sector in Belgium **Subject** 3.40.17 Manufactured goods 4.15.05 Industrial restructuring, job losses, redundancies, relocations, Globalisation Adjustment Fund (EGF) 8.70.54 2024 budget	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
BUDG Budgets	HADJIPANTELA Michalis (EPP)	18/09/2024

Committee for opinion	Rapporteur for opinion	Appointed
EMPL Employment and Social Affairs	DANIELSSON Johan (S&D)	24/09/2024
REGI Regional Development	The committee decided not to give an opinion.	

Council of the European Union

European Commission

Commission DG	Commissioner
Employment, Social Affairs and Inclusion	SCHMIT Nicolas

Key events

Date	Event	Reference	Summary
16/09/2024	Non-legislative basic document published	COM(2024)0275	Summary
17/09/2024	Committee referral announced in Parliament		
14/10/2024	Vote in committee		
15/10/2024	Budgetary report tabled for plenary	A10-0009/2024	
22/10/2024	Decision by Parliament	T10-0025/2024	Summary

22/10/2024	Results of vote in Parliament		
23/10/2024	Draft budget approved by Council		
07/11/2024	Final act published in Official Journal		

Technical information

Procedure reference	2024/0226(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/10/00919

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE763.160	19/09/2024	
Amendments tabled in committee		PE763.258	01/10/2024	
Specific opinion	EMPL	PE763.284	03/10/2024	
Budgetary report tabled for plenary, 1st reading		A10-0009/2024	15/10/2024	
Budgetary text adopted by Parliament		T10-0025/2024	22/10/2024	Summary

European Commission

Document type	Reference	Date	Summary
Non-legislative basic document	COM(2024)0275	16/09/2024	Summary

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Decision 2024/2854
OJ OJ L 07.11.2024 Summary

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

2024/0226(BUD) - 22/10/2024 - Budgetary text adopted by Parliament

The European Parliament adopted by 601 votes to 47, with 17 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 Displaced Workers following an application from Belgium – EGF /2024/001 BE/Match-Smatch.

Parliament approved the proposal for a decision to mobilise the EGF to provide a financial assistance contribution of EUR 2 661 564 in commitment and payment appropriations from the EU budget for the financial year 2024, in response to the application submitted by Belgium following the displacement of 513 workers made redundant in Match-Smatch (Match SA. and Profi SA.) - retail trade, except of motor vehicles and motorcycles.

This contribution represents 85 % of the total cost of EUR 3 131 252, comprising expenditure for personalised services of EUR 3 009 752 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 121 500.

Events leading to redundancies

The Belgian food retail sector recorded a significant decline in volumes sold in 2023, due to the energy and inflationary crisis, and increased cross-border shopping and e-commerce. Match-Smatch faced a difficult economic situation for several years and eventually reported a gross operating loss of EUR 36.5 million in 2022, and in order to prevent a further accumulation of losses, Match-Smatch accepted the Colruyt Group’s offer to acquire 57 of the 84 stores in September 2023, also taking over the stores' staff (1 069 people). Eight additional stores went to Carrefour, Delhaize, Intermarche and Delfood.

The economic crisis caused by the COVID-19 pandemic has accelerated the demand for more qualified workers in the Belgian labour market, making it more difficult for the former Match-Smatch workers to reintegrate into employment.

Beneficiaries

The application relates to 513 displaced workers whose activity has ceased in Match-Smatch. 365 displaced workers in total will be targeted beneficiaries and are expected to participate in the measures. Half of the Match-Smatch redundant workers (46 %) are aged fifty or older, an age group that faces more barriers to employment. Therefore, reskilling and upskilling the workers in line with labour-market demand for qualified jobs will pose a challenge, all the more considering the large number of people dismissed at the same time.

Personalised services

Parliament welcomed the fact that the co-ordinated package of personalised services has been drawn up by Belgium in consultation with targeted beneficiaries, their representatives and the social partners to make the affected areas, and the overall labour market, more sustainable and resilient in the future. It considers it a social responsibility of the Union to provide these workers made redundant with the necessary qualifications for the digital and green transformation of the Union industry and economy.

In addition, Members welcomed the fact that aiming to prepare a sound package of tailored measures to support the Match-Smatch workers’ efforts to return to work, the Regional Public Employment and Vocational Training Service of Wallonia (Le Forem), trade unions (FGTB and CSC), and other partners met on several occasion in 2024 to better understand workers' retraining needs.

Parliament strongly supports the fact that, during the 2021-2027 MFF period, the EGF will continue to show solidarity with persons affected and maintain the focus on the impact of restructuring on workers.

Belgium started providing the personalised services to the targeted beneficiaries on 1 January 2024 and that expenditure on the measures will therefore be eligible for a financial contribution from the EGF from 1 January 2024 until 24 months after the date of the entry into force of the financing decision.

The resolution recalled that 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 and contribution towards business creation, as well as incentives and allowances.

Parliament stressed that the Belgian authorities have confirmed that the eligible actions do not receive assistance from other Union funds or financial instruments, and that the principles of equality of treatment and non-discrimination will be respected in the access to the proposed actions and their implementation. Moreover, 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 displaced workers, to ensure full additionality of the allocation.

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

2024/0226(BUD) - 16/09/2024 - Non-legislative basic document

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) to support Belgium in the face of redundancies in the retail sector.

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

CONTENT: on 3 June 2024, Belgium submitted an application for a financial contribution from the EGF, following displacements in Match-Smatch supermarkets (Match SA. and Profi SA.) 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 criteria of Article 4(2), point (a), of Regulation (EU) 2021/691, which requires the cessation of activity of at least 200 displaced workers over a reference period of four months in an enterprise in a Member State.

The application relates to 513 displaced workers whose activity has ceased in Match-Smatch. This enterprise operates in the economic sector classified under the NACE Revision 2 division 47 (Retail trade, except for motor vehicles and motorcycles). The redundancies are mainly located in the NUTS 2 regions of Province of Hainaut (BE32), Province of Liège (BE33), and Province of Namur (BE35).

The reference period of four months for the application runs from 11 December 2023 to 11 April 2024.

Events leading to the displacements and cessation of operations

Match-Smatch faced a difficult economic situation for several years. In 2019, a first restructuring led to the closure of 15 stores and 140 redundancies. In 2020, the COVID-19 pandemic lead to a sharp increase of Match-Smatch's turnover, as well as in the retail food sector in general, because of the closure of the hospitality sector, rush to buy food, etc. This exceptional situation allowed Match-Smatch to obtain a positive net result of EUR 3.6 million. However, as the health situation was returning to normal, Match-Smatch again reported losses of EUR 11.9 million in 2021.

Overall, the Belgian food retail sector recorded a significant decline in volumes sold in 2023. Increased cross-border shopping and e-commerce are part of the explanation.

The Match-Smatch redundancies concern all of Belgium. However, the territorial impact of the redundancies varies due to the differences between the Flemish and Walloon labour markets and because more than 70 % of the layoffs are concentrated in Wallonia.

Beneficiaries

An estimated 365 displaced workers are expected to participate in the following measures.

The personalised 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.

Belgium started providing the personalised services to the targeted beneficiaries on 1 January 2024.

The estimated total costs are EUR 3 131 252, comprising expenditure for personalised services of EUR 3 009 752 and expenditure for preparatory, management, information and publicity, control and reporting activities of EUR 121 500.

Budgetary proposal

The EGF will not exceed a maximum annual amount of EUR 30 million (in 2018 prices), as laid down in Council Regulation (EU, Euratom) No 2020 /2093 laying down the multiannual financial framework for the years 2021 to 2027 as amended by Council Regulation (EU, Euratom) 2024/765 of 29 February 2024.

Having examined the application, the Commission proposes to mobilise the EGF for the amount of **EUR 2 661 564**, representing 85 % of the total costs of the proposed measures, in order to provide a financial contribution for the application.

Related acts

At the same time as it presents this proposal for a decision to mobilise the EGF, the Commission will present to the European Parliament and to the Council a proposal to transfer to the relevant budgetary line the amount of EUR 2 661 564.

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

2024/0226(BUD) - 07/11/2024 - Final act

PURPOSE: to mobilise the European Globalisation Adjustment Fund in respect of redundancies in the retail sector in Belgium.

NON-LEGISLATIVE ACT: Decision (EU) 2024/2854 of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund for Displaced Workers following an application from Belgium – EGF/2024/001 BE/Match-Smatch.

CONTENT: the European Globalisation Adjustment Fund for Displaced Workers (EGF) aims to demonstrate solidarity and promote decent and sustainable employment in the Union by providing support for workers made redundant and self-employed persons whose activity has ceased in the case of major restructuring events and assisting them in returning to decent and sustainable employment as soon as possible.

The European Parliament and the Council have decided that for the general budget of the European Union for the financial year 2024, the European Globalisation Adjustment Fund for Displaced Workers will be mobilised to provide the amount of **EUR 2 661 564** in commitment and payment appropriations in response to the application submitted by Belgium following the displacement of 513 workers whose activity has ceased in Match-Smatch (Match SA. and Profi SA.) - retail trade, except of motor vehicles and motorcycles.

The annual allocation to the EGF will not exceed EUR 30 million (at 2018 prices).

The application is deemed admissible under the intervention criteria of Article 4(2)(a) of the EGF Regulation, which requires at least 200 workers being made redundant over a reference period of four months in an enterprise in a Member State, including workers made redundant by suppliers and downstream producers and/or self-employed persons whose activity has ceased.

The agreed amount is intended to cover the following activities:

- information services;

- occupational guidance and outplacement assistance;

- training, retraining and vocational training;

- support and contribution towards business creation;

- incentives and allowances.

ENTRY INTO FORCE: 07.11.2024.