

Procedure file

Basic information		
BUD - Budgetary procedure	2016/2043(BUD)	Procedure completed
Mobilisation of the European Globalisation Adjustment Fund: redundancies in the road haulage sector 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)		
8.70.56 2016 budget		
Geographical area		
France		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	BUDG Budgets		08/04/2016
		 JÄÄTTEENMÄKI Anneli	
		Shadow rapporteur	
		 PLENKOVIĆ Andrej	
		 VANA Monika	
		 ZANNI Marco	
	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	Meeting	Date
	Transport, Telecommunications and Energy	3472	06/06/2016
European Commission	Commission DG	Commissioner	
	Budget	GEORGIEVA Kristalina	

Key events			
07/04/2016	Non-legislative basic document published	COM(2016)0185	Summary
14/04/2016	Committee referral announced in Parliament		

23/05/2016	Vote in committee		
24/05/2016	Budgetary report tabled for plenary	A8-0182/2016	Summary
26/05/2016	Results of vote in Parliament		
26/05/2016	Decision by Parliament	T8-0229/2016	Summary
06/06/2016	Draft budget approved by Council		
06/06/2016	End of procedure in Parliament		
21/06/2016	Final act published in Official Journal		

Technical information

Procedure reference	2016/2043(BUD)
Procedure type	BUD - Budgetary procedure
Procedure subtype	Mobilisation of funds
Other legal basis	Rules of Procedure EP 159
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/8/06156

Documentation gateway

Non-legislative basic document	COM(2016)0185	07/04/2016	EC	Summary
Committee draft report	PE580.769	15/04/2016	EP	
Amendments tabled in committee	PE582.281	10/05/2016	EP	
Budgetary report tabled for plenary, 1st reading	A8-0182/2016	24/05/2016	EP	Summary
Budgetary text adopted by Parliament	T8-0229/2016	26/05/2016	EP	Summary

Final act

[Decision 2016/989](#)
[OJ L 162 21.06.2016, p. 0010](#) Summary

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the road haulage sector in France

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) to assist France in respect of redundancies in the road haulage sector.

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](#).

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

France: EGF/2015/010 FR/MoryGlobal: on 19 November 2015, France submitted application EGF/2015/010 FR/ MoryGlobal for a financial contribution from the EGF, following redundancies in MoryGlobal SAS in France.

France submitted its application within 12 weeks of the date on which the intervention criteria were met. The deadline expired on 7 April 2016.

In order to establish the link between the redundancies and the global financial and economic crisis addressed in Regulation (EC) No 546/2009, France argues that MoryGlobal was 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. This decline has been following the general decline of physical output in Europe and the road transport sector in Europe has not yet recovered from the major activity decline it suffered in 2009 due to the economic crisis. In 2014, the activity of road freight transport remained more than 10% lower compared with the pre-crisis activity.

Faced with the reduction in volumes to be transported, a price war broke out within the sector.

The current difficulties of MoryGlobal go back to 2012/2013. At the time the enterprise was known as Mory-Ducros. Mory-Ducros declared itself insolvent on November 2013 and entered into liquidation procedures. The difficulties were not resolved after the take-over and the company eventually went bankrupt and ceased all activity.

This is a follow-up application to a [previous request](#), in support of the Mory-Ducros workers who moved to MoryGlobal.

Basis of the French application: France 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 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 reference period of four months for the application runs from 27 April 2015 to 27 August 2015. During the reference period 2 093 workers were made redundant in MoryGlobal. The total number of eligible beneficiaries is 2 132.

Having examined this application, the proposed contribution from the EGF to the coordinated package of personalised services is EUR 5 146 800.

BUDGETARY IMPLICATION: 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 5 146 800, 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 to the European Parliament and to the Council a proposal for a transfer to the relevant budgetary line for the amount of EUR 5 146 800.

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 the road haulage sector in France

The Committee on Budgets adopted the report by Anneli JÄÄTTEENMÄKI (ADLE, FI) on the proposal for a decision of the European Parliament and of the Council on the mobilisation of the European Globalisation Adjustment Fund for an amount of EUR 5 146 800 in commitment and payment appropriations to assist France in respect of redundancies in the road haulage sector.

Members recalled that the Union has set up legislative and budgetary instruments to provide additional support to workers who are 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.

French application: France submitted application EGF/2015/010 FR/MoryGlobal for a financial contribution from the EGF, following redundancies in the economic sector classified under the NACE Rev.2 Division 49 (Land transport and transport via pipelines) and Division 52 (Warehousing and support activities for transportation) throughout mainland France, and whereas 2 132 redundant workers eligible for an EGF contribution are expected to participate in the measures. The request follows the judicial liquidation of MoryGlobal and is a follow-up to the application EGF/2014/017 FR/MoryDucros.

The application was submitted under the intervention criteria of point (a) of Article 4(1) of the EGF Regulation, which requires at least 500 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 selfemployed persons whose activity has ceased.

Nature of the redundancies: Members considered that the redundancies in MoryGlobal are linked to the general decline in physical output in Europe, which has led to a reduction in volumes to be transported and 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, followed by a wave of bankruptcies, including that of Mory-Ducros and later of MoryGlobal, which re-employed 2 107 of Mory-Ducros' former workers.

A package of personalised services: Members welcomed the fact that the French authorities started providing the personalised services to the affected workers on 23 April 2015, ahead of the application on the granting of EGF support for the proposed coordinated package. They noted that the EGF cofunded personalised services to be provided consist of advice and guidance provided by a team of expert consultants, which are additional to the social plan and the Contrat de Sécurisation Professionnelle funded by the French State to help the workers back into employment.

They considered that workers in the 55-64 age group are at a higher risk of long-term unemployment and exclusion from the labour market with the possible effect of social exclusion. They considered therefore that those workers, who make up over 19% of the beneficiaries expected to be targeted by the proposed actions, have specific needs when it comes to providing them with personalised approach in

accordance with Article 7 of the EGF Regulation.

Members noted that the French authorities confirmed that the proposed actions do not receive financial support from other Union funds or financial instruments and that they are complementary to actions funded by the Structural Funds.

They reiterated that assistance from the EGF comes in addition to national measures and must not replace actions which are the responsibility of Member States or of companies.

Lastly, Members recalled their appeal to the Commission to assure public access to all the documents related to EGF cases.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the road haulage sector in France

The European Parliament adopted by 540 votes to 73, with 2 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 an amount of EUR 5 146 800 in commitment and payment appropriations to assist France in respect of redundancies in the road haulage sector.

Parliament recalled that the Union has set up legislative and budgetary instruments to provide additional support to workers who are 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.

French application: France submitted application EGF/2015/010 FR/MoryGlobal for a financial contribution from the EGF, following redundancies in the economic sector classified under the NACE Rev.2 Division 49 (Land transport and transport via pipelines) and Division 52 (Warehousing and support activities for transportation) throughout mainland France, and whereas 2 132 redundant workers eligible for an EGF contribution are expected to participate in the measures. The request follows the judicial liquidation of MoryGlobal and is a follow-up to the application EGF/2014/017 FR/MoryDucros.

The application was submitted under the intervention criteria of point (a) of Article 4(1) of the EGF Regulation, which requires at least 500 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 selfemployed persons whose activity has ceased.

Nature of the redundancies: Parliament considered that the redundancies in MoryGlobal are linked to the general decline in physical output in Europe, which has led to a reduction in volumes to be transported and 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, followed by a wave of bankruptcies, including that of Mory-Ducros and later of MoryGlobal, which re-employed 2 107 of Mory-Ducros' former workers.

Older workers: Parliament recalled that the EGF support for 2 513 former Mory-Ducros workers, approved in April 2015, amounts to EUR 6 052 200. It considered that workers in the 55-64 age group are at a higher risk of long-term unemployment and exclusion from the labour market with the possible effect of social exclusion. Members considered therefore that those workers, who make up over 19% of the beneficiaries expected to be targeted by the proposed actions, have specific needs when it comes to providing them with personalised approach in accordance with Article 7 of the EGF Regulation.

A package of personalised services: Parliament welcomed the fact that the French authorities started providing the personalised services to the affected workers on 23 April 2015, ahead of the application on the granting of EGF support for the proposed coordinated package. It noted that the EGF cofunded personalised services to be provided consist of advice and guidance provided by a team of expert consultants, which are additional to the social plan and the Contrat de Sécurisation Professionnelle funded by the French State to help the workers back into employment.

External consultants for the implementation of measures: Parliament noted that the EGF cofunded personalised services to be provided consist of advice and guidance provided by a team of expert consultants, which are additional to the social plan and the Contrat de Sécurisation Professionnelle funded by the French State to help the workers back into employment. It noted that the three contractors operating the team of consultants are the ones providing services to the workers made redundant by Mory-Ducros. It expects the Commission and the French authorities to strictly follow the principle according to which payments to the agencies are to be made on the basis of results achieved.

Parliament noted that the contractors (BPI, Sodie and AFPA Transitions) shall assist the redundant workers and help them find solutions to remain in the labour market and find new jobs, through personalised services such as collective and individual information sessions, job transition and accompaniment towards new jobs. The contractors operating the team of consultants are the same as those providing services to the workers made redundant by Mory-Ducros. Parliament called on the Commission to provide an evaluation of the cost-effectiveness of the ongoing support for the redundant workers of Mory-Ducros, as the current application is a follow-up to the EGF/2014/017 FR/Mory-Ducros application, and the personalised services are provided by the same contractors.

Parliament noted that the French authorities confirmed that the proposed actions do not receive financial support from other Union funds or financial instruments and that they are complementary to actions funded by the Structural Funds. It reiterated that assistance from the EGF comes in addition to national measures and must not replace actions which are the responsibility of Member States or of companies.

Lastly, Parliament recalled its appeal to the Commission to assure public access to all the documents related to EGF cases.

Mobilisation of the European Globalisation Adjustment Fund: redundancies in the road haulage sector in France

PURPOSE: to mobilise the European Globalisation Adjustment Fund (EGF) to assist France in respect of redundancies in the road haulage sector.

NON-LEGISLATIVE ACT: Decision (EU) 2016/989 of the European Parliament and of the Council on the mobilisation of the European

Globalisation Adjustment Fund (application from France EGF/2015/010 FR/MoryGlobal).

CONTENT: with this Decision, the European Parliament and the Council decided to mobilise EUR 5 146 800 in commitments and payments under the European Globalisation Adjustment Fund in the framework of the 2016 budget.

This amount shall assist France in respect of redundancies in the road haulage sector.

On 19 November 2015, France submitted an application EGF/2015/010 FR/MoryGlobal for a financial contribution from the EGF, following redundancies in MoryGlobal SAS in France.

Given that the application complies with the requirements for determining a financial contribution from the EGF as laid down in Article 13 of Regulation (EU) No 1309/2013 ([EGF Regulation 2014-2020](#)), the European Parliament and the Council decided to mobilise the amount requested.

To recall, the European Globalisation Adjustment Fund (EGF) aims 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, or as a result of a new global financial and economic crisis, and to assist them with their reintegration into the labour market.

The EGF is not to exceed a maximum annual amount of EUR 150 million, as laid down in [Council Regulation \(EU, Euratom\) No 1311/2013](#).

Therefore, it has been decided to mobilise the EGF in order to provide the requested financial contribution in respect of the application submitted by France.

ENTRY INTO FORCE: 21.06.2016. This Decision shall apply retroactively from 8 June 2016.