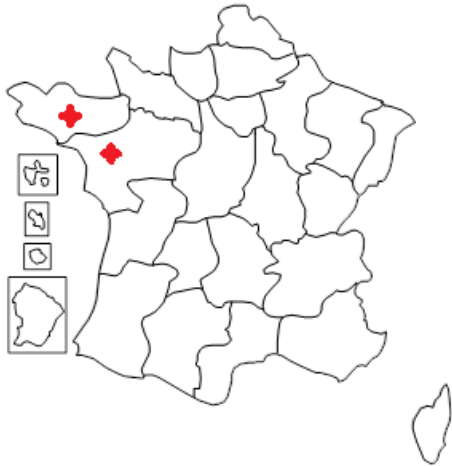


# GAD



<b>Reference</b>	EGF/2014/005 GAD.
<b>Member State</b>	France
<b>Sector</b>	Manufacture of food products
<b>Submitted to European Commission</b>	6 June 2014
<b>Total budget planned (€)</b>	1 530 000
<b>EGF contribution (€)</b>	918 000
<b>Intervention criterion</b>	Article 4.1.(a) Regulation (EC) No 1309/2013
<b>Period of reference</b>	29.11.2013 - 28.03.2014
<b>Redundancies during period of reference</b>	744
<b>Active employment measures</b>	To be provided for 760 workers and consist of <ul style="list-style-type: none"> <li>- vocational assistance and guidance for the redundant workers,</li> <li>- training workshops for general competences (e.g. CV preparation, interview preparation, job-search skills and business creation),</li> <li>- training in the use of the internet, job fairs and meetings with employers or sector representatives,</li> </ul>

## BACKGROUND

- The global financial and economic crisis led to reduced pigmeat consumption in Europe, which in turn caused a decline in the production of pigmeat and throughput of abattoirs such as GAD.
- Pigmeat consumption in 2007 was still 43 kg per annum per head of population, it dropped to 39 kg per annum in 2013.
- Between 2006 and 2011, the price of a tonne of pigfeed rose from EUR 150 to EUR 250, reaching EUR 300 in the second half of 2012 and remaining at an average of EUR 287 in France throughout 2013. The cost of pigfeed must be recovered in the sale price of the finished pigs, and finally passed on to the consumer.
- At a time when the EU was still suffering from the effects of the crisis, consumers were unwilling or unable to buy the same amounts of pork, which they had previously bought. GAD, as an abattoir and meat processing enterprise, was caught in the vice between the two sets of price pressures -- that of the farmers struggling to cope with the increased price of feed, and that of the consumers struggling to cope with reduced income. As this pressure lasted for five years and more, the enterprise ended up in serious financial difficulties.
- In February 2013, GAD was no longer able to comply with its debts; it was therefore placed in receivership by the court.
- The events giving rise to the redundancies in GAD are the closure of three production sites, in Lampaul and Saint-Martin (both in Brittany) and Saint-Nazaire (in Loire-Atlantique).