

Air France



Reference	EGF/2017/009 FR Air France
Member State	France
Sector	Air transport
Submitted to European Commission	23 October 2017
Total budget planned	€16 410 805
EGF contribution	€9 846 483
Intervention criterion	4.1(a)
Period of reference	1 April 2017 – 31 July 2017
Redundancies during period of reference	1 086
Active employment measures	To be provided for 1 858 workers and include: <ul style="list-style-type: none"> - Advisory services and vocational guidance, - Vocational training, - Contribution for business recovery or business start-up - Job-search allowance, - Mobility allowance.

BACKGROUND

- The international air transport sector has undergone serious economic disruption, in particular a decline of the EU's market share. Over the period 2008-2015, the global traffic, measured in revenue passenger-kilometres (RPK), increased by 5.3% per year, as part of a trend of long-term growth observed since 1970. However, since 2008, traffic between Europe and the rest of the world has been growing more slowly than global traffic. Between 2008-2015 annual growth in the traffic 'Europe-Rest of the World', was 3.4% which is 36% lower than the average annual growth in world traffic
- The most damaging effects of the globalization of air transport on the EU companies are to be attributed to the very strong increase in capacity of Emirates, Qatar Airways and Etihad Airways. The total number of long-haul aircraft of these three carriers tripled over the period 2005- 2013, from just over 100 aircraft to more than 300 in 2013.
- European companies and their correspondence platforms have been particularly challenged on flows representing the largest volumes of traffic like Europe-Asia and on high-growth flows like Africa-Asia. The massive increase in the capacity of these subsidized airlines based in countries with much better investment and production conditions has resulted in a sharp decline of EU companies in terms of market share. Between 2008 and 2016, the evolution of the market shares origin-destination between Europe, on the one hand, and sub-Saharan Africa, the Middle East and Asia, on the other hand, shows a regression of EU companies by nearly 10 points.
- The redundancies covered in this application occurred mainly in the regions Ile-de-France (76.2%) and Provence-Alpes-Cote d'Azur (11.7%). The remaining 12% are spread across the country including Corse and overseas departments.