

ALDI Hellas



Reference	EGF/2011/004 ALDI Hellas
Member State	Greece
Sector	Retail
Submitted to European Commission	10 May 2011
Total budget planned	4,490,000
EGF contribution	2,918,500
Intervention criterion	Article 2b (a) Regulation (EC) No 1927/2006
Period of reference	4.11.2010-4.3.2011
Redundancies during period of reference	554
Active employment measures	To be provided for 624 workers and include: <ul style="list-style-type: none"> - Occupational guidance and job-search assistance. - Training and re-training. - Entrepreneurship promotion - Participation incentive. - Contribution to business start-up - Mobility allowance and job-search allowance.

BACKGROUND

- The economic and financial crisis had devastating consequences for the Greek economy and led the Greek government to take measures such as decreasing public employees' salaries. There has also been a decrease in the average income in the private sector in an attempt to increase the competitiveness of the Greek economy. An immediate effect of reduced income was decreased consumption which has severely affected the retail sector and in particular supermarkets.
- ALDI's decision to invest in Greece was made during a phase in which the retail sector showed high rates of growth (13 % for the period 1992-2009) and the Greek GDP per capita (83 % of the EU's GDP in 1999) was expected to rise up to 93 % of EU's GDP in 2006. ALDI Hellas announced the impossibility of achieving economies of scale -due to the market conditions resulting from the crisis- and its subsequent intentions of closing down all its stores.
- The territory most concerned by the redundancies is the region of Central Macedonia where the ALDI headquarters were located. However in other Greek regions such as Attica, there were also ALDI redundancies although in a less extent.
- In December 2010 the unemployment rate in Central Macedonia was 16,5 % and 81,4 % of the enterprises participating in a survey by the Thessaloniki Chamber of Commerce declared to be slightly or at all optimistic about the future of their business.