

1,100 Spanish textile workers to receive help worth €3.3 million from European Globalisation Fund

The European Commission has approved an application from Spain for assistance from the European Globalisation adjustment Fund (EGF). The application will now be sent to the European Parliament and Council for decision. If approved, the €3.3 million requested will help 1,100 redundant workers in the textile sector back into employment.

"All corners of the EU are feeling the effects of the current crisis. It has aggravated problems that were already building up in several sectors, particularly textiles. I am glad that the affected workers can be supported by the safety net which the EGF can provide," said Employment Commissioner Vladimír Špidla. "I am confident that it will help take the edge off these job losses and assist the Spanish authorities in getting the workers back onto the labour market as soon as possible."

The Spanish application relates to 1,720 redundancies in 46 small- and medium-sized enterprises in Cataluña. The funding will help the 1,100 most disadvantaged of these redundant workers back into employment.

Following the end of the World Trade Organisation Multi-Fibre Arrangement at the end of 2004, imports of textile and clothing articles into the EU from lower-cost countries almost doubled. EU producers, including those in Spain, were faced with a very competitive market. In addition, much of the production has been relocated from the EU to low-cost countries (China and India in particular). In the last four years, employment in the textiles sector in Cataluña has shrunk by one-third, representing some 14,624 jobs. In the same period, the number of businesses has declined by a quarter, representing a loss of 712 firms.

The total estimated cost of the package of EGF assistance for the textile workers of Cataluña, which will include career guidance, vocational training, support for entrepreneurship and skills recognition and certification for the redundant workers is €6.6 million, of which the European Globalisation adjustment Fund has been asked to fund €3.3 million.

Background

There have been 21 applications to the EGF so far, for a total amount of over €112 million, helping over 30,000 workers. The Cataluña application is the seventh concerning the textile sector approved by the Commission for presentation to the European Parliament and the Council. Other applications have concerned the automotive sector, mobile phones and domestic appliances.

The EGF was established by the European Parliament and the Council at the end of 2006 to provide help for people who have lost their jobs due to the impact of globalisation. In December 2008, the European Commission proposed to revise the EGF to strengthen its role as an early intervention instrument as part of Europe's response to the financial and economic crisis (see [IP/08/1985](#)). The revised EGF Regulation will enter into force shortly and will apply to all applications received from 1 May 2009 onwards.

Further information

EGF website

<http://ec.europa.eu/egf>

Video News Releases:

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http://ec.europa.eu/avservices/video/video_prod_en.cfm?type=details&prodid=9847&src=1

Facing up to a globalised world – The European Globalisation Fund

http://ec.europa.eu/avservices/video/video_prod_en.cfm?type=detail&prodid=4096&src=4