

EGF Fact sheet

Reference: EGF/2007/001

Case: Peugeot SA (PSA) suppliers

Member State: France

Sector: Car manufacturing

Total budget planned: €5 116 500

Amount requested from EGF: €2 558 250

Submitted to European Commission: 9 March 2007

Intervention Criterion: Article 2(a) Regulation (EC) No 1927/2006

Period of reference: 1 September 2006 – 31 December 2006

Redundancies during period of reference: 1345 redundancies in Peugeot suppliers, involving 18 different enterprises, operating at 38 different sites in 11 French regions.

Active employment measures: Targeted at 267 redundant employees in *Ateliers de Thomé Génot*, Nouzonville (Département des Ardennes), a Peugeot supplier in judicial liquidation. Measures include: training, job-search allowance and grants to stimulate disadvantaged or older workers to remain in the labour market.

Background/Globalisation context:

- Direct and increased competition with the EU in the small car market, from Asia in particular. Japanese and Korean manufacturers in particular gaining in competitiveness on European market, increasing imports into the EU by 27% over the period 2001-2005.
- 2001-2005 annual world car production up by 14% while EU production rose by 5%.
- Imports of cars manufactured outside of the EU rose from 9.3% to 13.9% between 2002 and 2006.
- The increasing numbers of imports of small cars from Asia into the EU and greater competition in the world car market has contributed to a reduction in the activities of PSA in France by 14.3% in 2006.
- No large scale-redundancies in PSA as a result of competition in the world car market, but several thousand temporary and contract jobs have disappeared. Firms that supply PSA – in the context of reduced activity and pressure on component prices – have suffered from uncertainties and have been affected by redundancies.