

## Piemonte



<b>Reference</b>	EGF/2007/006
<b>Member State</b>	Italy
<b>Sector</b>	Textiles
<b>Submitted to European Commission</b>	10 August 2007 and last complemented by additional information on 9 June 2008
<b>Total budget planned</b>	€15 597 500
<b>EGF contribution</b>	€7 798 750
<b>Intervention criterion</b>	Article 2(b) Regulation (EC) No 1927/2006
<b>Period of reference</b>	1 September 2006 – 31 May 2007
<b>Redundancies during period of reference</b>	1 537 redundancies in 202 companies in the NUTS II ITC1-Piemonte Region
<b>Active employment measures</b>	Include: - pre-guidance and occupational guidance, - job-search assistance, - entrepreneurship promotion, - job search allowances, - training voucher and - incentives for companies to recruit redundant workers and to retrain them and prepare them for their new tasks.

### BACKGROUND

- Since the early 1990s, the European textiles, clothing and footwear sector has undergone large-scale restructuring; this has included an almost one-third reduction in the workforce.
- The Multifibre Arrangement (MFA) expired on 1 January 2005. Since then, exports from low-cost countries to the main markets have increased considerably. The effects of the ending of the MFA on the Italian textile industry were not unforeseen, but the impact on specific regions was greater than foreseen.
- Italian manufacturers have been unable to compete on cost, and have depended upon niche markets and relatively low production volumes.
- There has been a reduction in exports of Italian textiles since 2002, and an increase in imports (mostly from China but also from India and Turkey). This is reflected in a reduction in the number of firms and jobs in the sector.
- While there is little evidence of delocalisation, it is clear that aggregate production has delocalised from the EU to low-cost countries (China and India in particular).
- The redundancies are mostly in the Province of Biellese where 50 % of the workforce is employed in the manufacture of textiles. Economic activity in the 8 Piedmont provinces varies, but is mostly link to car manufacturing (E:g. Group Fiat) or to the textiles industry