

Ford Genk

[MAP]

Reference	EGF/2013/012 BE/ Ford Genk
Member State	Belgium
Sector	Automotive
Submitted to European Commission	23.12.2013
Total budget planned	€1 141 890
EGF contribution	€570 945
Intervention criterion	2(a) – globalisation
Period of reference	1.7.2013-1.11.2013
Redundancies during period of reference	469 (plus 43 redundancies after the reference period)
Active employment measures	To be provided to 479 workers and include: <ul style="list-style-type: none">- Job-search assistance- Training and re-training

BACKGROUND

- There has been a rapid decline of the EU's market share in the sector of the production of passenger cars at worldwide level in recent years. Between 2007 and 2012, at worldwide level, the EU-27's market share in the production of passenger cars (in volume terms) decreased from 32.2 % to 23.2 %, whereas, by contrast, China's market share increased from 12.0 % to 24.6 %, while the production of passenger cars at worldwide level also increased from 53.05 million units to 63.07 million units.
- Ford's announcement, in October 2012, that it would close the Genk plant at the end of 2014 and assign the production of new car models to other plants in the EU was unforeseen as Ford had previously appeared to claim that production would continue at the Genk plant for a number of years following agreements reached with the trade unions.
- This first wave of 512 redundancies is part of a much wider series of redundancies which are planned to occur in 2014 due to the closure of Ford Genk, which is expected to cause around 4 340 direct redundancies at Ford Genk and 2 820 redundancies at its suppliers in the province of Limburg. These redundancies are likely to have a serious impact on employment and the local economy in terms job losses, reductions in output and purchasing power and lower labour productivity growth.