

Caterpillar - Belgium



Reference	EGF/2017/001 BE/Caterpillar
Member State	Belgium
Sector	Manufacture of machinery and equipment
Submitted to European Commission	18 December 2017
Total budget planned	EUR 7 702 694
EGF contribution	EUR 4 621 616
Intervention criterion	Article 4(1)(a) of the EGF Regulation
Period of reference	31 May 2017 - 30 September 2017
Redundancies during period of reference	1 364
Active employment measures	To be provided for 2 285 workers and 300 NEETs, and include: <ul style="list-style-type: none"> - Individual job search assistance, case management and general information services; - Training and re-training; - Promotion of entrepreneurship; - Contribution to business start up; Allowances for training, mobility, back to education, job search and entrepreneurship.

BACKGROUND

- The Caterpillar plant in Gosselies primarily manufactured construction equipment. The application is justified by a worldwide competition in the construction and mining machinery sectors, and the consequent loss of machinery market share by Caterpillar.
- The event giving rise to these redundancies is the permanent closure of the Caterpillar plant in Gosselies, announced on 2 September 2016. The management justified the closure of the Gosselies plant by a significant loss of competitiveness vis-à-vis the Asian and Latin American markets, where production costs are lower due to less restrictive environmental regulation and lower hourly labour costs in those markets.
- The redundancies have an adverse impact on the local economy in Gosselies. The region is characterised by an employment almost five percentage points lower than the average rate in the Walloon Region and an unemployment rate of 14.2 % which is higher than the Walloon average (13.4% in 2017). (
- The contribution from EGF will finance active labour market measures for 2 285 workers made redundant by Caterpillar and five suppliers and 300 NEETs from the Hainaut region.