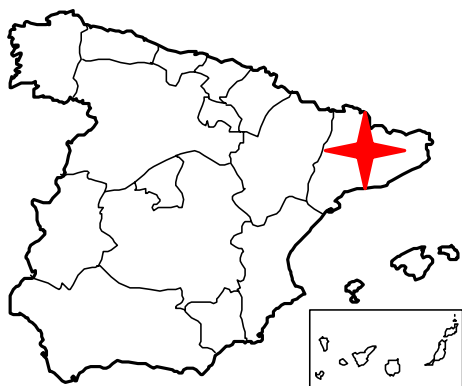


Cataluña



Reference	EGF/2008/005
Member State	Spain
Sector	Textiles
Submitted to European Commission	29 December 2008
Total budget planned	€6 613 500
EGF contribution	€3 306 750
Intervention criterion	Article 2 (b) Regulation (EC) No 1927/2006
Reference period	28 February 2008 to 27 October 2008
Redundancies	1 269 redundancies in 30 enterprises during the reference period, plus 451 eligible redundancies in the following two months
Active employment measures	to be provided to 1,100 workers, include: <ul style="list-style-type: none"> - guidance, - outplacement assistance - job-search allowances, - training and re-training, - support for entrepreneurship, - outplacement incentives,

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 its workforce.
- Following the end of the WTO Multifibre 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 Cataluña, were exposed to a rapid increase in competition.
- The strength of the Euro exacerbated the situation, making it harder to compete on the world market, and further reducing the cost, in Euro terms, of imports.
- EU textile producers have lost market share in the main western markets (USA, Canada, EU).
- While there is little evidence of delocalisation, it is clear that aggregate production has delocalised from the EU to low-cost producers (China and India in particular).
- Between September 2004 and September 2008 employment in the textiles sector in Cataluña has shrunk by one third, representing some 14,624 jobs, and in the same period the number of businesses declined by one quarter, representing a loss of 712 firms in only four years.