

AB Snaigė



Reference	EGF/2009/010
Member State	Lithuania
Sector	Domestic appliance manufacture
Submitted to European Commission	23 July 2008
Total budget planned	€ 397 175
EGF contribution	€ 258 163
Intervention criterion	Article 2 (c) Regulation (EC) No 1927/2006
Period of reference	10 December 2008 – 20 May 2009
Redundancies during period of reference	651 redundancies in Snaigė and two of its suppliers. The application concerns personalised measure to be provided to the 480 workers still in need of assistance at the time of the application.
Active employment measures	Including: - the provision of information on employment opportunities, - the development of personalised employment plans, - job-search assistance, - training and re-training, - outplacement assistance, - promotion of entrepreneurship, - job-search allowances and training allowances.

BACKGROUND

- Redundancies follow the steep decline in sales of refrigerators as a result of the economic crisis.
- Snaigė's production mostly went to export markets in the EU, Ukraine and Moldova. The sharp slowdown in consumer expenditure as a result of the economic crisis led to a collapse in sales.
- Lithuania has a small domestic market and the economic crisis has also caused a severe drop in domestic sales.
- The closure of Snaigė was unforeseen as the company was performing well before the onset of the economic crisis.
- Alytus, where Snaigė is based, has already been badly hit by the closure of the textile producer Alytaus Tekstilė (see case EGF/2008/003), and thus opportunities for the redundant workers are especially poor. For this reason the Commission has accepted that the application from Lithuania is eligible under exceptional circumstances, as foreseen in Article 2 (c) of the EGF regulation. For this reason the application derogates from the normal 4-month period for counting the redundancies, and includes redundancies over a longer period.