

Early Warning System - Case 16

ICT company

Final methodological assessment - prepared by the EWS secretariat with the approval of relevant EWS network members

Based on information available in January 2020

Published March 2020

Company X, a multinational ICT company based outside the EU, is planning a reorganisation that involves the closing of units in several EU Member States. Some of the activities will be continued by partner companies. Changes are also planned in other countries outside the EU.

The reorganisation was announced in 2018, and is to be completed by 2020.

The main impact of the company X reorganisation in the EU will be the closure of a manufacturing plant in country A. This should become visible in the statistics during 2020. The company also has other units in country A, in wholesale trade, programming and head offices. It is too soon to estimate the impact on statistics, but given the size of the company relative to country A's economy, it is not likely to be significant.

In the other EU countries affected by the restructuring, company X is mainly active in wholesale trade of ICT equipment and in programming. The units in these countries are relatively small, and some of the activities will be continued by other companies, so impact is expected to be small.

There does not seem to be a need for coordination through the EWS.