

Fiat Auto Poland S.A.



Reference	EGF/2013/006 PL/ Fiat Auto Poland
Member State	Poland
Sector	Automotive
Submitted to European Commission	29.7.2013
Total budget planned	€2 519 220
EGF contribution	€1 259 610
Intervention criterion	2(a) – globalisation
Period of reference	21.1.2013-21.5.2013
Redundancies during period of reference	1 079
Active employment measures	To be provided to 777 workers and include: <ul style="list-style-type: none"> - Training and retraining <ul style="list-style-type: none"> o Training courses in several fields leading to licences, diplomas or qualifications or aiming at promoting entrepreneurship - Hiring incentives: <ul style="list-style-type: none"> o The aim is to reintegrate workers in the labour market covering some entrepreneurial costs - Self-employment promotion: <ul style="list-style-type: none"> o Support to business creation providing legal advice, counselling and training - Internship <ul style="list-style-type: none"> o Experience in the workplace and health checks reimbursement

BACKGROUND

- There has been a significant decline of production of the automotive industry at EU level during the last 7 years, when European market share represented a third of the total in the world. Since 2007, production of passenger cars has declined and recorded negative growth, while at international level, the production volumes have registered a continuous increase; This is confirmed by 2012 statistics, when world production rose by 5,3% and EU production decreased by 7%.
- The automotive decline has been particularly bitter for Poland whose production has decreased by a third in just one year. FAP (Fiat Auto Poland), one main employer in Śląskie, started to dismiss workers in June 2012 until May 2013. This has had an immediate impact on suppliers, too, which have been obliged to dismiss staff due to the decreasing production of FAP.
- The redundancies were unforeseen because the Tychy plant, which had produced in 2009 605 797 vehicles, endeavoured to remain competitive to be selected for the production of new car models. Despite these efforts, the group of Fiat decided to produce the new car models in other locations. In 2013, the production fell below 250 000.
- The redundancies had a dramatic effect on suppliers that relied on Fiat production and consequently, they were forced to dismiss a part of their staff