

## Draft - Nokia Network Systems (Finland)



<b>Reference</b>	EGF/2016/008 FI/Nokia Network Systems
<b>Member State</b>	Finland
<b>Sector</b>	Manufacture of computers, electronic and optical products
<b>Submitted to European Commission</b>	22.11.2016
<b>Total budget planned</b>	4 403 000
<b>EGF contribution</b>	2 641 800
<b>Intervention criterion</b>	Article 4(1)(a)
<b>Period of reference</b>	02.06.2016-02.10.2016
<b>Redundancies during period of reference</b>	945
<b>Active employment measures</b>	To be provided for 821 workers and include: <ul style="list-style-type: none"> <li>- Coaching and other preparatory measures</li> <li>- Employment and business services</li> <li>- Training and start-up grants</li> <li>- Expert assessments</li> <li>- Pay subsidy and allowances for travel, overnight and removal</li> </ul>

### BACKGROUND

- Nokia Network Systems is a fully owned subsidiary of Nokia Oy, Finland. It is a data networking and communication equipment company, engaged in product development, design, programming, manufacturing and sales in this sector, mainly for broadband networks.
- Between 2008 and 2015, employment in the technology industry in Finland dropped from 326 000 to 289 000.
- The major lay-offs from Nokia in the last couple of years led to two EGF applications and to two EGF applications from Microsoft. The Finnish ICT sector is experiencing considerable difficulties to compete in the global market, particularly with East Asian companies.
- The major lay-offs in Nokia Networking Systems are a continuation of this trend. The affected workers are in the field of programming, design, product development and other areas. There are 945 workers made redundant in 4 enterprises in the sector, who are targeted by the measures. Many of them have very specialised knowledge. They reside in the regions of Helsinki-Uusimaa (Uusimaa), Länsi-Suomi (Pirkanmaa) and Pohjois- jä Itä Suomi (Pohjois-Pohjanmaa).
- The redundancies occurred in areas already greatly affected by unemployment in the ICT sector and with unemployment rates higher than the national average.
- The increase in long term unemployment of highly qualified workers is worrying in the sector. Many of the dismissed workers are over 50 years.
- The application provides for a number of tailor-made measures to serve the specific needs of the redundant workers, to develop existing or create new skills and to promote entrepreneurship, to increase the mobility of the redundant workers, nationally and internationally.