

## Comunidad Valenciana – Automotive



<b>Reference</b>	EGF/2016/004 Comunidad Valenciana – Automotive
<b>Member State</b>	Spain
<b>Sector</b>	Manufacture of motor vehicles, trailers and semi-trailers
<b>Submitted to European Commission</b>	21 June 2016
<b>Total budget planned (€)</b>	€ 1 428 000
<b>EGF contribution (€)</b>	€ 856 800
<b>Intervention criterion</b>	Article 4.2 (derogating from Art.4.1(a)) Regulation (EC) No 1309/2013
<b>Period of reference</b>	30 June 2015 – 30 March 2016
<b>Redundancies during period of reference</b>	250 in 29 enterprises in the NUTS II ES55 Comunidad Valenciana region
<b>Active employment measures</b>	To be provided for all 250 workers and include: <ul style="list-style-type: none"> <li>- welcome and information sessions,</li> <li>- profiling, occupational guidance and counselling,</li> <li>- job placement,</li> <li>- training including basic training in transversal skills and in vocational,</li> <li>- support towards entrepreneurship,</li> <li>- various types of incentives</li> </ul>

### BACKGROUND

- The European automotive industry has lost significant market share within the past decade.
- In absolute terms, while the EU-27 faced a production decline for motor vehicles in 2015 compared with 2006 by 0.5 million units (from 18.7 million units in 2006 to 18.2 in 2015) or -2.8%, global production increased by 31.1% (from 69.2 million units in 2006 to 90.9 in 2015), notably in China as well as other South-East Asian economies.
- According to the Spanish authorities, the exceptional circumstance underlying the admissibility of the application are the fact that 250 jobs lost in Sagunto is a large number in the circumstances of this small-town and rural area which has severely suffered the consequences of the economic and financial crisis, along with the effects of globalisation, on the sectors like automotive of great importance for the economy of the territory. Although employment has shown signs of recovery in the last year, unemployment rate in Comunidad Valenciana is still at 21.8% .
- Comunidad Valenciana is one of the EU regions hardest hit by the effects of the economic and financial crisis and globalization. Since 2009 Spain has submitted nine EGF applications in support of workers made redundant in this region, in a variety of sectors such as ceramics, footwear, textiles and construction. In total 1 560 enterprises, mostly SME's, were concerned by almost 7 600 redundancies.
- The redundancies covered by this application will further aggravate the unemployment situation in the affected region which seems particularly fragile.