

# Castilla y León mining



<b>Reference</b>	EGF/2017/001 ES Castilla y León mining
<b>Member State</b>	Spain
<b>Sector</b>	Mining of coal and lignite
<b>Submitted to European Commission</b>	20 January 2017
<b>Total budget planned</b>	€1 670 440
<b>EGF contribution</b>	€1 002 264
<b>Intervention criterion</b>	Article 4.2 Regulation (EU) No 1309/2013
<b>Reference period</b>	1/2/2016/ to 1/11/2016
<b>Redundancies during reference period</b>	339 in five enterprises in the NUTS level 2 region Castilla y León Aragón (ES41)
<b>Active employment measures</b>	To be provided for all redundant workers and 125 NEETs and include: <ul style="list-style-type: none"> <li>- Welcome and information sessions,</li> <li>- Occupational guidance and counselling,</li> <li>- General training, re-training and vocational training,</li> <li>- Intensive job-search assistance,</li> <li>- Promotion of entrepreneurship and support for business start up</li> <li>- Various types of incentives, contributions and allowances.</li> </ul>

## BACKGROUND

- The coal market in Europe is characterized by increasing imports along with the decline in production. In 2010, imports surpassed production and since then EU coal production has been lower than imports. The volume of imports of coal from non-EU countries grew as the price of coal decreased from EUR 120/tonne (mid-2011) to EUR 50/tonne (2015) turning unprofitable many of the EU coal mines and triggered its closure.
- During the period 2010-2015, Spanish coal production fell by 63,3 % (from 8,35 to 3,06 million tonnes) and Spanish imports increased by 36,76 %. The decline in coal production in Castilla y León was even sharper (86,27 %).
- At current prices, domestic coal production is not profitable. This has led to a decrease in coal domestic production and the closure of several sites resulting in redundancies.
- The territory affected by the redundancies is the mining district of Castilla y León, a series of 81 towns economically dependent of coal mining. These towns, often spread out in isolated areas, have issues regarding mobility and connectivity to high capacity roads, technological infrastructures, industrial land development, etc. mainly because of the difficulties associated with being a mountainous area.
- There is a very difficult employment situation in the mining district as there is a growing shortage of jobs which has triggered a fall in population by 22 % in the group under 25-years and by 17 % in the age-group 25-44 years.