

Lombardia



Reference	EGF/2007/007
Member State	Italy
Sector	Textiles
Submitted to European Commission	17 August 2007 and last complemented by additional information on 9 June 2008
Total budget planned	€ 25 068 250
EGF contribution	€ 12 534 125
Intervention criterion	Article 2(b) Regulation (EC) No 1927/2006
Period of reference	1 September 2006 – 31 May 2007
Redundancies during period of reference	1 816 redundancies in 190 companies in the NUTS II ITC4-Lombardia Region
Active employment measures	Include: - job search benefit, - service vouchers, - job search allowances, - definition of a personalised intervention plan, - services for the re-insertion and training services.

BACKGROUND

- Since the early 1990s, the European textiles, clothing and footwear sector has undergone large-scale restructuring; this has included an almost one-third reduction in the workforce.
- The Multifibre Arrangement (MFA) expired on 1 January 2005. Since then, exports from low-cost countries to the main markets have increased considerably. The effects of the ending of the MFA on the Italian textile industry were not unforeseen, but the impact on specific regions was greater than foreseen.
- Italian manufacturers have been unable to compete on cost, and have depended upon niche markets and relatively low production volumes.
- Italian textile producers have lost market share in the main western markets (USA, Canada, EU).
- There has been a reduction in exports of Italian textiles since 2002, and an increase in imports (mostly from China but also from India and Turkey). This is reflected in a reduction in the number of firms and jobs in the sector.
- While there is little evidence of delocalisation, it is clear that aggregate production has delocalised from the EU to low-cost countries (China and India in particular).
- The greatest concentration of textile companies in Lombardy is in Milano, Brescia, Varese, Bergamo and Como and these have already been in decline for a number of years. The number of people employed in the textile sector in this region dropped from 22,426 in 2000 to 17,267 in 2004, a reduction of some 23 % in four years.