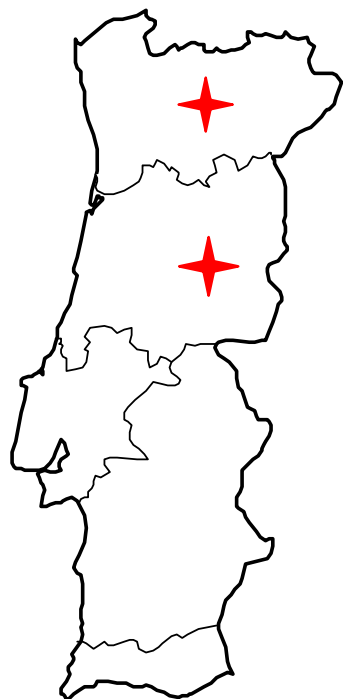


Norte - Centro



Reference	EGF/2009/001
Member State	Portugal
Sector	Textiles
Submitted to European Commission	23 January 2009
Total budget planned	€1 665 600
EGF contribution	€832 800
Intervention criterion	Article 2(b) Regulation (EC) No 1927/2006
Reference period	16 February 2008 to 15 November 2008
Redundancies	1 588 redundancies in 49 enterprises during the reference period (of which 39 in the region Norte and 10 in the region Centro), plus 138 redundancies in the following two months.
Active employment measures	to be provided to 1 504 workers, include: - skills recognition, validation and certification - vocational training and training grants - assistance for insertion - entrepreneurship support - personal employment plans

BACKGROUND

- Since the early 1990s, the European textiles, clothing and footwear sector has undergone large-scale restructuring, which has included a reduction of almost one-third in its workforce.
- Following the end of the WTO Multifibre Arrangement at the end of 2004, imports of textile and clothing articles into the EU from lower-cost countries almost doubled. EU producers, including those in the Norte and Centro regions of Portugal, were exposed to a rapid increase in competition.
- The expectation was that the labour market would stabilise in 2007 and 2008 as a result of the adjustment of companies and of the efforts made towards the modernisation of the national textile industry. The deteriorating economic context has, however, led to further company closures and a drop in consumer confidence.
- The Norte region of Portugal is the most specialised of the EU-27 in the textiles and clothing sector, in terms of employment - in this region, the sector represents over 14 % of the labour force. In the Centro region, the textile and clothing industries represent 15% of total industrial employment.
- In Portugal, in 2007 the redundancies in the textile sector represented 4% of total unemployment. Taking unemployment in the textile sector on its own, 97.8% of unemployment in this sector is concentrated in the Centro and Norte regions.
- The Norte region of Portugal has the lowest per capita income and the highest rate of unemployment in the country. Both the Norte and Centro regions have a population with relatively low education and qualification levels.