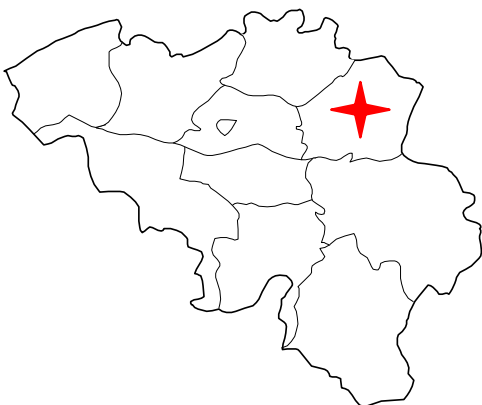


Limburg



Reference	EGF/2009/005
Member State	Belgium
Sector	Textiles
Submitted to European Commission	5 May 2009
Total budget planned	€2 583 460
EGF contribution	€1 679 249
Intervention criterion	Article 2(b) Regulation (EC) No 1927/2006
Reference period	1 August 2008 to 31 March 2009
Redundancies	631 redundancies in 7 enterprises during the reference period in one NUTS II region: Limburg (BE220)
Active employment measures	to be provided to 600 workers, include: <ul style="list-style-type: none"> - competence screening - interview skills training - job search and career assistance - individual job search support - training

BACKGROUND

- For the period 2003 – 2007 imports of textiles into the EU-25 increased by 23 ; for the same period the export of textiles from the EU-25 to the rest of the world only increased by 3,6 %. The trade balance for textiles for the EU-25 decreased from a surplus of EUR 2,3 billion in 2003 to a deficit of EUR 744,8 million in 2007. The EU-27 market share in textiles decreased from 37,9 % in 2003 to 33,9 % in 2007. The textiles industry in Belgium has also been directly affected by a delocalisation of production to third countries, in particular Turkey and China, due to significantly lower labour costs.
- The impact of the rapid liberalisation of the Chinese import quota in 2002 and 2005 on the European textiles sector was not foreseen. This situation was further exacerbated by the liberalisation of import quotas for Chinese textiles by other third countries such as Turkey and by high import duties on textiles from the EU in countries such as Brazil and India. More recently, the collapse of the real estate market in the United Kingdom since November 2007 and the resultant drop in UK imports of textiles, such as carpets, upholstery and furnishing fabrics had a severe negative impact on the Belgian textiles industry. The recent economic and financial crisis added further to the downturn.
- 86,6 % of the jobs in the textiles industry in Belgium is located in 3 NUTS II regions (East and West Flanders and Limburg). Between 2005 and 2007, 3 419 jobs were already lost in the textiles industry, i.e. a reduction of 12,5%, whereas in the same period the reduction was only 0,7% for the manufacturing sector as a whole. The current number of direct job losses in the textiles industry, as well as the ensuing number of indirect job losses in sectors such as transport, maintenance and catering will have a significant impact on local and regional employment. The situation will be further exacerbated by the low job mobility in the textiles industry (only 2% against 5,5% for the Flemish labour market as a whole). In addition, as a result of the current economic and financial crisis a large number of job losses in other sectors have occurred in the regions concerned.