

Comunidad Valenciana - Cerámica



Reference	EGF/2009/014
Member State	Spain
Sector	Ceramic
Submitted to European Commission	2 September 2009
Total budget planned	€10 151 900
EGF contribution	€6 598 735
Intervention criterion	Article 2(b) Regulation (EC) No 1927/2006
Period of reference	25 September 2008 – 24 June 2009
Redundancies during period of reference	2 425 redundancies in 181 small and medium sized enterprises, of whom 1 600 are targeted for assistance.
Active employment measures	Including: - occupational guidance, - counselling for setting-up a business, - various types of training courses, - training workshops combined with apprenticeship, - mobility allowances - participation and outplacement incentives.

BACKGROUND

- The construction industry in the EU has seen demand plummet as a result of the crisis. Loans to the construction sector or to individuals have been drastically reduced and the demand for new houses decreased due to declining consumer confidence and the lack of cash. For instance the number of building permits granted in Spain decreased by 15 % in 2007 and by a further 57 % in 2008.
- This decline in demand has had a strong negative impact on employment in the construction sector and ancillary industries like building materials (including ceramic). The demand for ceramic products and wall and floor tiles is closely linked to demand in the construction sector.
- Almost the entire Spanish production of ceramics (2nd producer at EU level) is located in an area of about 30 km around Castellón de la Plana, the main town of the province of Castellón. 75 % of the total population of the province lives in this area. The ceramic industry represents an average of 20 % of the total jobs, while in some municipalities this percentage rises to 80 %.
- In this 'ceramic industrial district' the number of unemployed workers in the ceramics industry has increased by almost 500 % over the last two and half years (January 2007 – June 2009). Due to the concentration of the sector in a small number of areas (85 % of the jobs in the ceramics industry are located in seven municipalities) the local impact is very significant.