

WRITTEN QUESTION E-0289/03
by Arlindo Cunha (PPE-DE)
to the Commission

Subject: Closure of the C&J Clark footwear factory in Castelo de Paiva (Portugal)

On 10 January 2003 the multinational company 'C&J Clark - Fábrica de Calçado, Lda', a maker of footwear located in Castelo de Paiva (Portugal), announced the closure of its factory, thus making 588 workers redundant.

The decision to close this factory is justified by the company itself on grounds relating to 'imports of vamps from India and Romania' and 'the objective of maintaining a competitive price structure' (cf. press release issued by the Clark management on 10 January 2003).

Clark set up operations in Castelo de Paiva in 1988, with both national and Community aid. In May 2000 the company signed a protocol with the local municipal council in which it undertook to continue operations up to at least 2007, in return for a significant level of investment from the municipality.

Castelo de Paiva is a municipality located in the Portuguese interior, with a very fragile economy. The closure of this undertaking will bring in its wake disastrous economic and social consequences.

Given that this decision to close runs totally counter to the notion of corporate social responsibility, can the Commission answer the following questions?

- What sums were granted from Community funds, and when, to the company 'Clark - Fábrica de Calçado, Lda' in Castelo de Paiva?
- What conditions were required from this company in relation to the above Community funding?
- Should it be established that Clark is in breach of its obligations regarding its receipt of Community support, what action will the Commission take to prevent the factory's closure and ensure the continuation of its activities in Castelo Paiva, guaranteeing the workers' jobs?
- What political measures will the Commission take in order to prevent, and, ultimately, penalise actions of this nature, as frequently perpetrated by companies which establish themselves in the EU, receive Community funding and then, having exhausted its advantages and benefits (above all on the human level), relocate their operations?