WRITTEN QUESTION P-3451/01 by Theodorus Bouwman (Verts/ALE) to the Commission

Subject: Threatened closure of the Wärtsilä factory in Zwolle and suspected secret agreements on job guarantees in connection with the takeover of the Wärtsilä factory in Trieste

The Finnish engine manufacturer Wärtsilä has recently decided to transfer the whole of its production, in spite of the fact that it makes a profit and has a full order book, from its establishment at Zwolle (Netherlands) to its establishment in Trieste (Italy). This means the immediate loss of 700 jobs and possibly the disappearance of hundreds more jobs with suppliers. Since this closure is not being done directly because of trading results, it is to be feared that improper motives may be involved.

Millions of guilders have been provided in recent years by national and local authorities and the European Investment Bank in subsidies and development loans. In addition to the serious loss of jobs, this relocation also means an enormous loss of capital and the draining away of know-how developed thanks to Dutch development loans.

In the short term, will the Commission investigate and report on what agreements have been made between the Italian Government and Wärtsilä in connection with the latter's takeover of the former state undertaking in Trieste – agreements on guaranteed jobs (for the 1800 staff) or other agreements which in some way led to the improper relocation of production from one Wärtsilä establishment to another?

Will the Commission also examine what financial and non-financial incentives were provided by the Italian government, via European funds or otherwise, in order to facilitate this improper relocation of production?

Does the Commission agree that this is an instance of the improper use of financial and other incentives and an example of subsidy shopping? If so, will the Commission take counter-measures, including the suspension of the relocation pending its investigation?

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