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B5-0160/2003 }
B5-0165/2003 }
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B5-0168/2003 }
B5-0169/2003 }

RC1

JOINT MOTION FOR A RESOLUTION

pursuant to Rule 37(4) of the Rules of Procedure by

- Bartho Pronk and Regina Bastos, on behalf of the PPE-DE Group
- Carlos Lage, Manuel António dos Santos and Stephen Hughes, on behalf of the PSE Group
- Jean Lambert and Elisabeth Schroedter, on behalf of the Verts/ALE Group
- Ilda Figueiredo, Sylviane H. Ainardi, Gérard Caudron and Laura González Álvarez, on behalf of the GUE/NGL Group
- José Ribeiro e Castro and Luís Queiró, on behalf of the UEN Group

replacing the motions by the following groups:

- PSE (B5-0160/2003),
- PPE-DE (B5-0165/2003),
- GUE/NGL (B5-0166/2003),
- UEN (B5-0168/2003),
- Verts/ALE (B5-0169/2003),

on closure of undertakings after receiving EU financial aid

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PE 328.831}
PE 328.837}
PE 328.838}
PE 328.840}
PE 328.841} RC1

European Parliament resolution on closure of undertakings after receiving EU financial aid

The European Parliament,

- having regard to the Charter of the Fundamental Social Rights of Workers of 1989 and the action programme relating to it,
 - having regard to Directive 98/59/EC on the approximation of the laws of the Member States relating to collective redundancies,
 - having regard to Directive 94/45/EC¹ on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees,
 - having regard to Directive 2002/14/EC establishing a general framework for informing and consulting employees in the European Community,
 - having regard to its earlier resolutions on restructurings, mergers, relocations and closures of undertakings,
 - having regard to the sometimes unfair trade practices applied in non-EU countries in this sector,
 - having regard to the numerous protests by the workers affected, their trade unions, their communities and local authorities in defence of the jobs concerned and the viability of the undertakings,
 - whereas the traditional leather and tanning industry is currently undergoing a restructuring process,
- A. whereas in a number of European countries there is now a widespread trend towards relocating factories, the sole aim being to obtain short-term profit by means of speculation, thereby creating unemployment and jeopardising the social stability of the region in which they are located,
- B. whereas restructuring relocation affects not only the ‘traditional’ – i.e. labour-intensive – industries such as textile, shoe or toy making, but also capital-intensive industries such as steel, ships, machine tools, aircraft and electronic equipment, as well as important areas of the service sector such as software development and financial, information and logistic services,
- C. whereas this problem is especially acute in the less economically developed Member States,

¹ OJ L 254, 30/9/1994, p. 64.

in the light of the relocations, recently carried out or announced, of a number of companies or branches of companies (such as C&J Clark, Gerry Weber, Bagir, Sasimac, Schuh-Union, Scottwool, Ecco'let, Bawo, Rohde, Philips, Yasaki Saltano, Efacec, Eres, Alcoa, Delphy and Alcatel), which will make thousands of workers redundant and jeopardise the realisation of economic and social cohesion,

- D. whereas, for instance, C & J Clark applied for public funding amounting to almost 1.7 million euro for its plant in Castelo de Paiva in the region of Aveiro (Portugal) and, as a result of reorganisation, has made 1 056 workers redundant in the past two years in its two plants in Arouca and Castelo de Paiva in the same region, and has operated many closures elsewhere in the EU; whereas, also, this company had a contractual agreement with the local authorities to maintain its production in the plant in Castelo de Paiva until at least 2007,
1. Considers that aid from public funds should be linked to long-term agreements by the management of a company in matters of employment and local development;
 2. Urges the Commission, accordingly, to refuse aid under Community programmes to undertakings which fail to honour the above commitments, which misuse investment subsidies or which directly or indirectly subsidise relocation within the Union; demands, in particular, the refusal of Community aid to undertakings which, having received aid in a Member State, transfer their plants to another country without having fulfilled all elements of the contracts signed with the Member State concerned;
 3. Calls on the Commission to draw up a code of conduct in order to avoid subsidised company transfers where jobs are shifted from one EU country to another and relocation of companies from the EU to the candidate countries with the sole purpose of obtaining financial aid from the EU and using the cheaper work force in those countries;
 4. Expects the Commission, when it grants aid under the Structural Funds, to ensure that that aid is dependent on guarantees of long-term employment;
 5. Calls on the Commission to draw up and maintain an up-to-date record of actions which harm competition and failures to comply with contracts on the part of companies benefiting directly or indirectly from public incentives, in connection with operations to transfer assets either inside or outside the Union, in order to assess their compatibility and decide whether to impose sanctions;
 6. Asks the Commission to call on the European Monitoring Centre on Change (EMCC) to devote particular attention to studying relocation, with a view to devising policies to neutralise the adverse effects thereof;
 7. Recommends to the Commission that it should undertake the full and proper monitoring of the current wave of company closures and relocations, and should adopt, as a matter of urgency, practical measures to support workers and promote economic recovery in the regions affected;
 8. Asks the Commission, as well as the Member States, to withdraw subsidies from aid

programmes and to claim reimbursement of these subsidies from companies which do not respect their obligations;

9. Calls on the Commission to ascertain whether the companies C&J Clark, Gerry Weber, Bagir, Sasimac, Schuh-Union, Scottwool, Ecco'let, Bawo, Rohde, Philips, Yasaki Saltano, Efacec, Eres, Alcoa, Delphy and Alcatel have complied with the provisions of Directive 94/45/EC and Directive 98/59/EC on the approximation of the laws of the Member States relating to collective redundancies;
10. Recalls that in other cases where collective redundancies appeared to offer the only solution to a company crisis, negotiations with the employees helped to develop alternative plans which allowed jobs to be safeguarded;
11. Recommends, therefore, that the management of the companies involved, together with workers' representatives and the local authorities, find alternative solutions in order to safeguard jobs; calls on the Commission, in collaboration with the local authorities involved, to consider the efficient and targeted use of the European Social Fund for the vocational training and reconversion of the workers involved;
12. Considers that firms in sectors threatened by global competition need to collaborate, with assistance from Member States and the Commission, in developing world best practice technologies that will reduce costs and improve customer value;
13. Emphasises that investment in research and development, with the engagement of EU funds through the Sixth Framework Programme, can be used to develop the new materials, designs and processes that can reconfigure traditional industrial sectors;
14. Expresses its solidarity with the workers who are directly or indirectly affected by the closure and, in particular, the relocation of undertakings;
15. Asks its committees with responsibility for this area to evaluate carefully the Commission's follow-up to this resolution;
16. Instructs its President to forward this resolution to the Council, the Commission, the governments and parliaments of the Member States and the social partners, in particular those linked to the firms C&J Clark, Gerry Weber, Bagir, Sasimac, Schuh-Union, Scottwool, Ecco'let, Bawo, Rohde, Philips, Yasaki Saltano, Efacec, Eres, Alcoa, Delphy and Alcatel.