#### SECTORAL SOCIAL DIALOGUE COMMITTEE FOR TEXTILE AND CLOTHING

# 28 April 2014 Working group meeting MINUTES

<u>Chair</u>: Commission

### 1. Discussion and approval of the minutes of the last meeting and of the agenda The minutes of the plenary meeting dd 17 December 2013 were approved. The

The minutes of the plenary meeting dd. 17 December 2013 were approved. The agenda of the meeting was adopted.

The social partners asked the Commission not to organise the plenary meeting in December 2014 on a Monday, in order to have a higher participation rate.

Also, at the request of the French trade union delegation, it was convened to provide a French translation of the minutes for the plenary meetings (incl. for December 2013).

#### 2. CSR project

EURATEX presented a state of play of the project "Harmonisation Guidelines for Implementation/Promotion of CSR in the EU Textile and Clothing Industry" (VS/2013/0384). The project initially aims at identifying CSR requirements in line with ISO 26000 which contains 24 relevant requirements; it was the intention to make a selection of 5 or 6 of these requirements (to be included in a checklist) due to the time constraints of the project and the risk of non-compliance with the complete set of requirements. industriAll, however, does not agree with this limited choice of requirements since CSR is already well defined. The issue should be further discussed during upcoming steering meetings. However, they agree with the latest adaptation of the project proposal, which includes a redefinition of the risk profile for a number of countries entering in the supply chain, and the related level of control. They would find it more appropriate to develop an assessment of the balance between the benefit of including certain countries in the value chain and the higher costs related to CSR-related risks.

The social partners considered the possibility of asking for an extension of the duration, possibly combined with some changes in the budget.

Replying to Mr MOREAU's question about the inclusion of decision makers' and importers' responsibility in the CSR project, Ms LE BERRE stated that their activities may be part of the debate in a possible forthcoming project. Also, EURATEX confirmed the importance of NGO involvement in this process given their involvement in the market.

# 3. Industrial Renaissance and Industrial Policy Agenda a) Sustainable competitiveness of the fashion industries

In her presentation (attached) Ms SOBCZAK (DG ENTR) provided an overview of the Commission's actions in the field of industrial competitiveness. More in particular, The key areas of this policy are access to finance and skills, innovation, maximising geo-strategic sectors and internationalisation. The Commission intends to develop a roadmap for implementation, which will be reviewed by the Member States before a Council review, foreseen for March 2015. In addition, the WORTH Market Uptake initiative was introduced, in the framework of the COSME programme. The social partners welcomed the proposed activities giving proof of the attention given by the Commission to industrial policy for the manufacturing industry, which is in need of investments and growth in jobs.

#### b) Manifesto: "Put Industry back to work"

Developing further on the previous presentation, industriAll (Mr ZIBELL) presented this manifesto which stresses the importance of an effective, innovative and sustainable industrial policy in order to restart the economy following the consequences of the crisis. The document also calls for fostering the social dimension of industrial policy, giving appropriate status to social dialogue. EURATEX agreed with the general tendency of the document that calls for massive investment and innovation in the industry, and increased awareness raising. Mr MARCHI also pointed at the importance of operational programmes at regional level, which are often the missing link in the EU context.

## c) Discussion on the Industrial Policy Agenda of the Textile and Clothing sector

By way of introduction, Mr MOREAU stressed the need to inform future candidates for the Commission and the European Parliament of the importance of social dialogue in a Europe that is – in his view – no longer social. Mr MARCHI suggested to actualise some outputs of social dialogue before addressing them to the newcomers, but also asked for a joint effort to convince the Member States of the importance of social dialogue and industrial policy.

Mr MOREAU also pleaded for a radical change of the mindset regarding social dumping and fiscal techniques. In addition, he stated, the role of the ECB should be shifted to re-activate the SMEs of the manufacturing industry. Mr TRIANGLE pointed at the need for an industrial policy showing a balance between austerity and investment – and taking into account also social indicators - in order to restore an often dismantled industrial framework.

Making the link with her presentation Ms SOBCZAK stressed that the Commission is aware of the need for solidarity, cooperation, communication and patience. She confirmed the importance of SMEs, but also the need for synergies that can be better obtained via consortia in the case of COSME funded projects.

#### 4. GSP+ for Pakistan

Mr MARCHI introduced the subject by saying that Pakistan is benefiting of tax-free export to the EU for all textile and clothing products since January 1<sup>st</sup>, 2014. During a meeting with DG TRADE, the employers received the assurance that the Commission is taking compliance with the requirements very seriously, making use of a strict monitoring programme. Although the employers asked for access to GSP trade data related to rules of origin, a publicly available website – originally promised for March – it is uncertain when the relevant will be available. Consequently, the textile sector now calls for action and attracted support from a number of MEPs. Given the mutual interest, the trade unions confirmed their support for a joint action, possibly providing relevant data coming from local sources - affiliates of industriAll Global – which have, however, often a very limited capacity. They also suggested working proactively on a roadmap for future actions making the link between

industrial policy and trade. It was suggested to address a new letter to Commissioner DE GUCHT in that sense.

Coming to the issue of Vietnam, participants were informed that negotiations are gaining momentum to sign an agreement in October mainly covering the TCLF industry. An ambitious offer with rapidly reducing tariffs has been offered, provided that very flexible rules of origin are accepted. Since China is frequently used as a third country for semi-finished products, this will create an imbalance in terms of the agreement. Mr MARCHI therefore called for joint action towards the European Parliament, and to liaise with CEC for the footwear sector. Given the risk for the sector, the trade unions marked their agreement on the idea.

#### 5. Ongoing projects

- a) The sector skills council has entered its second year of activity. At the first steering group meeting, it was agreed to adopt a more strategic approach with a clear description of the reports to be produced. Following talks between DG ENTR and DG EMPL the coverage of the council will have to be enlarged. A reconsidered methodology should aim at increased synergy, which is the reason for including the European footwear confederation CEC as an observer. The geographical enlargement of the council showed that there is not always a (bipartite) observatory, and that it is not always necessary. The social partners showed their concern about the sustainability of the sector skills council after the grant duration. So Mr MARCHI asked the social partners to start looking for alternative project funding. Finally, the social partners made an appeal for increased coordination between the DGs of the Commission that are responsible for skills, in order to establish better links with the industry.
- b) The sector skills alliance project now includes the TCLF sector skills council after an adaptation of DG EAC's call for proposals. The objective is to develop two EU harmonised curricula of a different level, using the experience of the ESCO project. industriAll supports the two-year project, but is not involved as a partner since it lacks the technical knowledge. The project covers 17 partners from 3 countries and 3 sectors. The result of the evaluation is awaited; a positive reply would be interpreted as a motivation for producing a tangible result out of the sector skills council.

#### 6. AOB

The Committee wished to thank Mr MOREAU for his activity and efforts during many years, and wished him a satisfactory retirement.

Annexes:

List of participants

Presentation: "EU Industrial Competitiveness"

Presentation: "industriAll Manifesto: Put Industry Back to Work"