



EUROPEAN COMMISSION
Employment, Social Affairs and Inclusion DG

Employment and Social Governance
Social dialogue

SECTORAL SOCIAL DIALOGUE COMMITTEE FOR TANNING AND LEATHER

10 December 2018
Plenary meeting
MINUTES

Chair : Commission

1. Approval of the minutes of the meeting dd. 27 February 2018, and adoption of the draft agenda

The minutes were approved. The agenda was adopted

2. Introductory remarks of the social partners

Ms NIGGEMANN introduced herself as representative of industriAll. Mr KINDERMANN was introduced as new President of COTANCE.

3. Trade & Industry Topics

3.1 EU Animal Slaughter figures and projections & Animal Welfare.

In his presentation on the welfare of ruminants (attached), Mr SIMONIN (DG SANTE) explained the EU regulatory framework in this domain. He focussed on the directive for calves (2008/119/EC), which is most relevant to this sector, but also mentioned the regulations on transport (1/2005) and on slaughter (1099/2009). For calves, the directive sets out rules for housing and feeding. The regulation on animal transport contains provisions on transport of animals, which may have an impact on the quality of the hides. Both the transport and the slaughter regulations contain provisions on certificates proving the competence of persons dealing with animals. Essentially member states are responsible for inspection and implementation. This is based on an audit system, complemented by infringement procedures. National contact points on animal transport regularly gather to discuss their procedures. The situation outside the EU is governed by the guidelines of the World Organisation for Animal Health(OIE). The only EU animal welfare rules which apply in third countries are the ones applicable to slaughterhouses exporting meat to the EU. All involved operators in the EU and in third countries should be listed in the TRACES system. For the employers, Ms CONTU (IT) claimed that information from slaughterhouses is difficult to obtain. Consequently, she asked whether a traceability system for skins could be developed.

In his presentation (attached) Mr ORDEIG VILA (DG AGRI) pointed at the overall reduction of the number of cows in the EU between 2005-2018, which was mainly due to a re-structuration of the beef sector and the evolution of the dairy sector, in particular in the recent years, with the abolishment of milk quotas .. The general outlook for the EU is that there will be less bovine animals, due to low sectorial profitability, destocking measures and societal changes. Figures are expected to further go down gradually between today and 2030. Sheep and goat production

figures have gone down since 2005, but slightly recovering figures are expected between 2018 and 2030. However, a return to the 2005 production is not envisaged, due to low profitability combined with a generational problem.

3.2 EU rules & policy on protection of workers at the workplace.

Ms VICENTE (EMPL.B.3) informed the participants of recent legislative changes with regard to limit values in the Carcinogens and Mutagens Directive (CMD). Priority substances are defined in consultation with social partners in the Working Party on Chemicals. The substances are scientifically assessed by SCOEL or RAC and a tripartite consensus is achieved throughout the process, also recognising the fact that SMEs are an important part of the discussions. The new limit values will have an impact on the health of workers, as well as on administrative structures; also, an economic cost can be expected. Member States have to transpose these binding limit values into national occupational exposure limits, taking into account that they can be more restrictive. On the second amendment of the CMD, an agreement was reached by the co-legislators on 11 October 2018. Diesel exhaust was added by the co-legislators to the other 7 carcinogens included in the Commission proposal. The third amendment will include limit values for 5 substances, among which formaldehyde. For formaldehyde, the Commission's proposal is 0.3 ppm and no transitional period, but discussions on the inclusion of a transitional period are expected in the trilogues. Other point of discussion is the reference to biomonitoring (i.e. biological limit values) for cadmium. A fourth proposal to amend the CMD is being prepared. Regarding OIRA no changes are necessary since the core provisions of the CMD do not change. The Commission's proposals are based on an impact assessment that takes into account the sectors using the substances; public consultations are held. The second and third proposals are no longer with the Commission, but with the co-legislator.

3.3 Review of EU Regulation on Persistent Organic Pollutants (POP)

Mr GONZALEZ-QUIJANO provided historical background for the agenda point, explaining that the use of Perfluorooctanesulfonic acid (PFOS), used as water repellent in i.a. Teflon, is being outphased since 2006. However, the regulation in question does not take into account the involuntary contamination of river beds by industrial sectors having used PFOS. The legislation refers to a testing method textiles and coated materials that does not measure PFOS in the mass. This discriminates on leather as a three-dimensional material. Although DG Environment indicated that a guidance document would be produced already in November, the document was not yet presented. DG ENV decided not to take part in this committee meeting. Therefore, COTANCE called upon industriAll to issue a joint position, calling on DG ENV to act. industriAll replied that it preferred not to intervene before further work with the social partners.

3.4 Joint Declaration on Market Surveillance

As a follow-up to the discussion held during the joint Tanning-Footwear meeting of 6 September 2018, Mr ZIBELL informed the participants that the Regulation is on the table of the Council. A possible further reaction by the social partners is to be determined.

3.5 Leather authenticity : a stock-taking

By way of introduction Ms KUSKE (DG GROW) referred to the meeting between Mr KINDERMANN, President of COTANCE, and Director TOKARSKI in July 2018. The industry was requested then to provide additional data. According to Ms KUSKE the additional information was received the morning of this meeting itself, so that it had not been possible to evaluate it. GROW will re-launch a survey on the subject to those member states who did not react. The replies received up to now indicated diverging positions between member states as regards the need for leather authenticity measure at the EU level. Afterwards, in the absence of quantitative information, DG GROW will make a qualitative assessment; the time-frame of that assessment will depend on the feedback received on the survey, taking into account the end of the mandate of the present College. At this stage Ms KUSKE could not give information on the respective opinions of member states, nor on the number of respondents.

The subsequent discussion revealed that there seem to be open questions regarding the exact definition of the data needed, and the authors, the content and the timing of the replies sent. It was agreed to discuss these issues further bilaterally between employers' organisations and DG GROW. The employers' organisations also preferred to continue taking contact with national ministries themselves. To conclude, IndustriAll reminded that the Commission can take a courageous approach despite not having quantitative data, e.g. regarding the impact of counterfeiting on employment. COTANCE suggested DG GROW launching a study to obtain the data they deem necessary for substantiating the case and claimed that this dossier relies mainly on political willingness.

4. Roadmap 2018-2025

The social partners discussed the actions accomplished in 2018, and the proposals for actions to be implemented in 2019, based on the 2018-2025 Roadmap (see presentation attached). The discussion focused on leather authenticity, and the inclusion thereof in a vision paper of DG GROW (as indicated by Director Tokarski). The social partners also reflected on the possibility of developing a COSME-funded project on attractiveness of the three TCLF sectors to youngsters. PEFCR (Product Environmental Footprint Category Rules) will also be discussed in the SSDC.

5. Ongoing and proposed projects

5.1 Digital TCLF.

The project focuses on the skills gap and the training offer in the TCLF sectors (see presentation attached); industriAll informed the participants that the project is proceeding according to the work plan. The results will be used for the Blueprint project, also funded under Erasmus+.

5.2 Due Diligence

This project is concluded. industriAll considers it as the starting point for future actions. The project identified gaps and relevant questions regarding the role of brands and manufacturers, as well as the importance of purchasing practices. industriAll stressed that due diligence implies that a company should enquire whether some of its purchasing practices (e.g. last minute orders) have a negative impact on working conditions in its suppliers' factories. COTANCE replied that the SSDC is an important tool in the matter, and asked whether OIRA could be certified

as a protocol for due diligence. In reply, industriAll stressed that OIRA remains a tool.

5.3 Leather : Social and Environmental report (submitted)

The Social partners were informed that – at the time of the meeting – the communication on the results of the projects submitted for call VP/2018/001 was imminent. The social partners received information on the acceptance of the project on 17 December 2018.

6. AOB

- The Commission gave the dates for the 2019 meetings : 28 February (working group), 9 July (joint tanning-footwear working group), and 9 December (plenary). The social partners were informed that the "Textile and Clothing" SSDC showed interest to participate in the joint working group meeting on 9 July, possibly dealing with due diligence.

- Mr ZIBELL presented an update on the project "Strengthening the capacity of Trade Unions in South-East Europe", a project funded by the VP/2017/002 call (Information and Training measures for Workers' organisations). The project activities are taking place in Romania, Bulgaria, Albania, North Macedonia, Serbia and Croatia. A number of national seminars were held, most recently in Bulgaria. The intention of the project is to strengthen both sides of industry in countries where social dialogue is not functioning well at national level. Until now, no concrete outcome can be reported; the outputs are mainly kick-off meetings and training sessions, as well as stocktaking on potential. The project also deals with living wages, since many employees are emigrating from these countries. A possible instrument to increase attractiveness of the garment and footwear industries is to increase wages. Also, it is important to stress the need for acceptable purchasing practices, which are influencing wages.

Mr GONZALEZ-QUIJANO asked not to focus on living wages only, but to put OIRA and the Code of Conduct on the agenda of upcoming project meetings also. Mr KINDERMANN added that price pressure in the leather sector is closely linked to the authenticity issue. For the Hungarian employers, Ms KOKASNE said that – following the increase of wages by the Hungarian government some employers experienced difficulties to the point that they are emigrating themselves.

Annexes :

- List of participants
- Presentation : EU regulatory framework for the welfare of ruminants, implementation and situation in third countries.
- Presentation : Production in EU beef and veal sector and EU sheep and goat sector
- Presentation : Roadmap 2018-2025