

Employment and Social Governance **Social dialogue** 

## SECTORAL SOCIAL DIALOGUE COMMITTEE FOR TANNING AND LEATHER

### 12 December 2017 Plenary meeting MINUTES

Chair : Commission

1. Approval of the minutes of the meeting dd. 17 March 2017, and adoption of the draft agenda

The minutes were approved and the draft agenda was adopted.

## 2. Introductory remarks of the social partners

For COTANCE, Mr GONZALEZ-QUIJANO pointed at the importance of the agenda items in the context of sectoral social dialogue. As a consequence, a high participation rate at both sides of industry could be noticed.

For industriAll, Mr LEFEBVRE stressed the relevance of the EU social pillar and invited the meeting to consider the possible consequences of the Brexit. Finally, he announced that the foreseen agenda point on the situation in slaughterhouses had to be postponed to the next meeting.

## 3. Trade & Industry Topics

## 3.1 Authenticity labelling.

COTANCE sketched the background of the file, notably the abuse of the term "leather",. He mentioned the impact assessment of DG GROW, which proved the need for labelling. However, since there was no follow-up, the tanning industry submitted a paper with factual information on the damage to the industry in January 2017. This was followed by a letter to Commissioner Bienkowska on 12 October 2017. Mr GONZALEZ-QUIJANO deplored the unavailability of DG GROW to explain their position vis-à-vis the documents forwarded by the industry.

In his reaction, Mr LEFEBVRE added that labelling would also be a proof of honesty towards the consumer. In general, industriAll advocates transparency to consumers as well as to workers.

DG GROW announced their availability for an explanation during the next SSDC meeting in February 2018.

## 3.2 The issue of export restrictions and ways forward

Ms BOUCKAERT (DG TRADE) explained the legal framework of the Raw Materials Strategy and the EU toolbox, namely FTA negotiations, WTO accession negotiations, WTO Dispute Settlement, and bilateral fora with third countries. As stipulated in the 2015 "Trade for All" Communication, each EU trade agreement now contains a specific chapter on energy and raw materials. DG TRADE has achieved to eliminate export restrictions on raw hides and skins in a number of FTAs. While WTO agreements allow for export duties, EU seeks to eliminate export duties in WTO accession negotiations. She also pointed at the recently presented TIBR report – during the Market Access Advisory Committee meeting in July – which showed the need for new ways of attacking barriers.

In his presentation (attached) Mr GONZALEZ-QUIJANO referred to the price advantage for some leather producing countries, based not only on cheap labour but notably their position enabling them to keep raw material out of the international market. This creates high pressure on the availability of raw materials in the EU. He pleaded for agreements between the EU, US, Mercosur, India, China and Russia, which represent 62.7% of the global availability of raw material for the sector. He asked industriAll for support both at EU and national level. COTANCE considers a sector agreement addressing the social and political impact a necessary first step.

Though acknowledging the importance of the file, industriAll replied that it is dealing with international trade. It considered this discussion not entirely falling within the remits of industriAll Europe, and suggested discussing the matter with industriAll Global.

### 3.3 Traceability in the Tanning and Leather Sector

In his presentation (attached) Mr KLEMENCIC (DG SANTE) explained the legal background (Regulation EC N° 1069/2009) and its Implementing Regulation EC N° 142/2011. He also explained the functioning of TRACES, the EC multilingual online management tool for all sanitary requirements on intra-EU trade and importation of animals, semen and embryo, food, feed and plants (<u>https://ec.europa.eu/food/animals/traces\_en</u>). The Portuguese employers criticised difficulties to register in TRACES and with the relevant certification request.

In COTANCE's presentation on the subject (attached), it was stressed that – in the present set-up – each actor only knows about the previous actor in the supply chain (often for reasons of business confidentiality). However, brands are putting pressure to have a full picture of the supply chain, including on the slaughterhouse involved. The existing solutions for complete traceability are often not compatible with existing practices in the sector.

industriAll shared the concerns of the industry, acknowledging the importance of the industry for consumers and animal welfare, but most of all because of the strong link with working conditions and human welfare.

#### 3.4 The European Pillar for Social Rights

The social partners were informed of the most recent developments related to the EU social pillar (see presentation attached). More in particular, the importance of the Goteborg summit was stressed. The trade unions were interested to know the place of collective bargaining in the social pillar, and the use of the European semester to monitor progress. Employers were critical about the absence of social dumping in the text, since third countries are not covered.

Both parties agreed that the EU social pillar needs to be further developed, but provides a basis for further discussions and efforts.

#### 4. Presentation of AGM

Mr BULARCA informed the participants about the functionalities of the new AGM (Advanced Gateway to Meetings) tool (presentation attached). Following a question from the French trade union representative, it was confirmed that it is the intention to

provide a French version of the system. Regarding invited experts, the rules will remain in line with the vademecum.

# 5. Work Programme 2018-2019

The social partners have decided to develop a multi-annual work programme. The long-term aim is to have a Roadmap with objectives for 2025. Common activities would be developed around issues like leather authenticity, healthy workplaces, due diligence, export restrictions, product environmental footprint (PEF) and allocation rules. Mr ZIBELL enquired about the possibility to include traceability. A proposal would be sent to members, with a view to adopt the paper in the first meeting of 2018.

# 6. Ongoing projects.

6.1 For the "Due Diligence" project a survey was ongoing at the time of the meeting. The final meeting is scheduled for September 2018.

6.2 The "Digital TCLF" project under Erasmus+ joins the social partners of the three sectors. The main objective of the project is to identify skills needed for digitalisation in the TCLF sectors. The Skills4Smart TCLF project aims at establishing a new dynamic community of private/public actors committed to support skills development and employment opportunities across EU in the TCLF sector. Since industriAll is not involved in this project, it was mentioned for information.

# 7. Project proposals

"Leather is my Job III" will be submitted for funding under the 2018 call for proposals for "Support for Social Dialogue".

# 8. AOB

The dates for meetings in 2018 are :

- working group on 27 February

- plenary on 10 December.

The social partners will also explore the possibility to organise a joint meeting with the Footwear sector, possibly on 18 June 2018.

Annexes :

- List of participants
- Presentation : Export Restrictions on Tanners' Raw Materials (COTANCE)
- Presentation : Traceability in the Tanning and Leather Sector (DG SANTE)
- Presentation : Traceability in the Tanning and Leather Sector (COTANCE)
- Presentation : European Pillar of Social Rights (DG EMPL)
- Presentation : AGM (DG EMPL)
- Presentation : Social Projects (COTANCE)
- Presentation : Education and Training in TCLF (COTANCE).