PLENARY MEETING OF THE SECTORAL SOCIAL DIALOGUE COMMITTEE FOOTWEAR INDUSTRY

16 December 2016 MINUTES

Chair: Commission

1. Approval of the agenda – adoption of the minutes

The agenda and the minutes d.d. 21/06/2016 were adopted.

2. Update on EU Social Dialogue (European Commission - DG EMPL)

The social partners were informed about the upcoming publication dates for unit A2's calls for proposals. Also, the involvement of national social partners in the European semester was discussed. On the Pillar of Social Rights, the public consultation (open until end of the year) and the next steps were mentioned. There was interest from industriAll to discuss the Social Pillar in the upcoming meetings of the TCLF sectoral social dialogue committees.

3. "Change your Shoes" project

Ms BENTO PAIS, Head of Unit DEVCO.B.2, informed the participants about the latest steps taken (including legal action) against the NGO-lead beneficiary of the "Change your shoes" project. In spite of the financial volume and the long existence of the NEAR programme, this was the only project that had caused problems. A possible explanation is the difference in approach between NGOs, some of which have a more activist attitude. She invited the social partners to see the events as an opportunity, e.g. to propose a project on high standards, possibly in cooperation with NGOs at the occasion of a next call for proposals (2018). The social partners expressed their appreciation for the efforts made. They announced their intention to consider including CSR and traceability-related items in their work programme.

4. Intellectual Property Rights and the fight against counterfeiting

Ms MARTIN (DG GROW) informed the social partners of the OECD/EUIPO study on the Trade in counterfeit and pirated goods (2016), as well as the OECD report "The economic cost of IPR infringements in the clothing, footwear and accessories sector" (2015). They led to the conclusion that counterfeiting is mainly affecting SMEs and leads to the loss of 360.000 employment units. She also gave an overview of the different tactics used and resulting problems in the value chain. An adapted version of the IPRED Directive could be expected in spring 2017, focusing mainly on an adapted Art. 17 on codes of conduct, together with other steps with a more global approach (see background document attached). She also announced a high-level conference on supply chain integrity, scheduled for September 2017. In their reactions, the employers pleaded for enforcement of existing Memoranda of Understanding, rather than imposing

additional costs on SMEs that often produce for labels. Also the consumers' responsibility should be enhanced by the responsible authorities. The trade unions pointed at the efforts in other sectors, such as the Textile sector CSR project. The Italian trade unions proposed to use incentives for correctly acting companies, rather than using sanctions.

5. Modernisation of Trade Defence Instruments (MTDI)

In her presentation (attached) Ms SANCHEZ (DG TRADE) informed the social partners about the objectives, scope and main elements of the MTDI, which exists since 2013 already. The recently adopted Commission proposal (9 November 2016) is triggered by the expiry of certain provisions of China's WTO accession protocol. She explained the difference between the current and the new methodology in the calculation of dumping, and the "lesser duty rule" (LDR). The next steps are the organisation of trilogues for the MTDI, and an ordinary legislative procedure for the new methodology.

6. Education and training in TCLF: the Blueprint for sector skills cooperation

Ms KUSKE (DG GROW) informed the participants about the objectives, timetable and eligibility criteria for partners of the call for proposals for the "Blueprint for Sectoral Cooperation on Skills in the TCLF sectors". Both social partners were supportive for the initiative, although industriAll expressed its reserve regarding the activity related to curricula drafting. Also, industriAll claimed that governance is bilateral, which put them in a difficult position giving their involvement in 5 different sectors. On a critical note, Mr GALLICE mentioned the existence of peer schemes for skills in French enterprises; however, the enhanced skills levels did not always result in higher salaries.

7. The 2017 Work Programme

Ms ARIAS (CEC) presented the draft 2017 Work Programme for the SSDC. Apart from the activities included, she enquired about the possibility to include a new item related to the tariff elimination requested by Japan, and questions related to the rules of origin in this context. She proposed to include a specific activity focussed on addressing the negotiation team of DG TRADE on the subject. In his reply, Mr ZIBELL (industriAll) pointed at the social aspect involved, since the leather industry in Japan mainly employs workers belonging to a minority. Therefore, it was proposed to adopt the work programme in its proposed form.

8. Social dialogue project "Attracting new skilled workforce for quality jobs in the European Footwear Sector"

In his presentation (attached) Mr BRUGNOLI (Spin360) focussed on the work programme of this project, recently selected for Commission funding. He pointed at the territorial, region-based approach and the potential to replicate good practices. In a first reaction, Mr ZIBELL stressed the need to underpin an image by an underlying reality in terms of working conditions and opportunities.

8. Dates for 2017 meetings

The social partners decided to cancel the working group meeting of 20 April since a number of project meetings will create the environment for discussions. The plenary meeting will take place on 15 December. The possibility of a joint TCLF meeting around two common themes was discussed. The Commission will propose a date, based on discussion with social partners of the three TCLF sectors.

9. AOB

N/A

Annexes: - List of participants

- Background document on intellectual property rights
- Presentation "Trade Defence"
- Presentation "Blueprint for Sectoral Cooperation"
- Presentation "Attracting new skilled workforce for quality jobs in the EU Footwear Sector"