



EUROPEAN COMMISSION
Employment, Social Affairs and Inclusion DG

Working Conditions and Social Dialogue
Social dialogue

**PLENARY MEETING OF THE
SECTORAL SOCIAL DIALOGUE COMMITTEE
FOOTWEAR INDUSTRY**

25 November 2022

MINUTES

Chair: Commission

1. Approval of the agenda – adoption of the minutes

The agenda and the minutes dd. 26 November 2021 were adopted.

2. Update from secretariats

The social partners discussed their 2023-2024 work programme, linking it to current challenges for the sector.

For CEC, Carmen ARIAS pointed at the need to discuss the multiple latest EU legislation in the committee, which is expected to substantially impact the sector. Apart from that, the sector experiences the consequences of the Covid pandemic crisis, the high inflation rates and the war in Ukraine. Finally, there is a real need to attract students and qualified newcomers, and the required training should be assessed to develop it at regional level within the EU TCLF Pact for Skills.

For IndustriAll Europe, Elspeth HATHAWAY underlined the importance to assess the impact of a sustainable footwear sector and the circular economy on workers. She also stressed that the Textiles eco-system comprises the sectors of Textiles, Clothing, Leather and Footwear (TCLF). Regarding Ukraine, and the impact of the energy crises and the cost-of living crisis, it was stressed that industrial workers should not be the victims of this war, and that concrete support should thus be offered. In this context, IndustriAll Europe also launched a campaign for higher wages to compensate for high energy prices. Finally, industriAll Europe mentioned their engagement with the EU on their work on forced labour – including forced overtime – which affects 27 to 28 million people outside the EU.

Both social partners stressed the need to focus on trade with India, taking into account the EU-India trade deal, and the EU GSP from which they benefit

Ana FILIPE (SIMA) stated that the sector continues to suffer from a certain lack of sustainability; therefore, more training on technical aspects and on working in teams is needed. Gerald KREUZER (PRO-GE) added that every transition is a challenge, and it needs to be accepted by everyone. The EU environmental goals and environmental footprint accountability will create unfair competition between the EU and third countries.

A discussion took place on wages in the footwear sector. According to Ana FILIPE and Oceano LETTERIO (FILMCTEM CGIL), the lack of attractiveness is – at least partially - linked to low wages. Carmen ARIAS pointed out at the situation in Portugal, where the taxation steps annihilate wage increases, but this was contradicted by the Portuguese trade union representative.

Victor GARRIDO (CCOO) mentioned the importance of traceability in global value chains, in order to avoid unfair competition. Carmen ARIAS added that SMEs do not have the skills needed to ensure traceability, and proposed to participate in an EU project on this

topic. Elspeth HATHAWAY reminded participants that the ILO were interested in working with EU SSDCs on this topic.

The 2023-2024 work programme was adopted.

3. Corporate and sustainability due diligence.

The Commission informed the meeting that DG JUST could not attend the meeting due to human resource issues. DG EMPL is considering organising a Liaison Forum with due diligence on the agenda, and a DG JUST speaker. IndustriAll Europe is disappointed about the Commission proposal because its scope is too large, and does insufficiently the TCLF sectors. During an event on due diligence, MEPs present said that the scope could be re-assessed. Specific support for SMEs is key. Also specific concerns for the global TCLF and for women workers in particular are expressed. Gerald KREUZER added that balance of competition is needed, and attention for the size of the players in the global supply chain. Victor GARRIDO stressed the need to ensure that due diligence excludes human rights violations, and mentioned child labour in India and workers locked up in footwear factories in Vietnam in this respect.

Carmen ARIAS underlined the need for SMEs' skills to deal with due diligence.

4. Sustainability and circularity: labelling waste-generating products

DG ENV (B.3) provided information on the revision of the Packaging Directive which dates back to 1994. The revision is necessary to take into account both the environmental impact and the benefits of packaging. Following an impact assessment, a positive opinion was received, which is expected to result in a draft regulation which will allow for more harmonisation. The Regulation will focus on four issues: the growing generation of waste, the low recycling rates for plastic, the low level of uptake of recycled content, and finally the fragmented markets which hinder cost-effective waste management. Another purpose of the proposal is to avoid cross-contamination between paper and plastic packaging. Another objective is to prevent waste by means of an obligation to limit empty space packaging and by avoiding unnecessary packaging. There is a divergence between the industry's time to adapt and societal expectations. Another issue is the confusion in waste-sorting, which could be remedied by labelling and easier identification.

Following questions from the social partners, DG ENV replied that the footwear sector (and the TCLF sectors at large) is not directly impacted by the labelling proposal, although the packaging measures may have an influence. There will be a need for an implemented act for labelling, and stakeholders will be involved in related discussions. The impact assessment showed that there will be a balance between job loss and job creation generated by the revision.

5. Standards and labelling: from product safety to environmental and social conditions.

In her presentation, Valeria BOTTA (ECOS) presented the view of an NGO on the subject. For ECOS, it is important that circularity is embedded in the product, taking into account environmental and social aspects. She started by saying that footwear is more complex than textile in the context of recycling, but shoe repair is possible. She pointed at the circular economy hierarchy, and the need to avoid greenwashing. Sustainability should be the standard option for products. The Digital Product Passport should contain both environmental and CSR data, focussing on social criteria and human rights. Valeria BOTTA asked for input from the sector, because the digital passport is based on accessibility of data. Finally, in order to raise the level playing field, harmonisation in labelling will be needed.

Carmen ARIAS pointed at the limitations faced by the footwear sector, which is mainly composed of SMEs. She also stated that non-EU countries do not always align with ISO standards, but a large amount are sold in the EU, so recycling for obtaining new products

should be carefully considered. Also, shoes cannot be recycled into new shoes because of safety/health reasons, and there are still many challenges regarding the dismantling and possible reuse of the different materials obtained. Therefore, more research and a pragmatic approach is needed.

6. EU projects : update

1) Carmen ARIAS presented the outcomes of the GreenShoes4All project www.greenshoes4all.eu , submitted under the LIFE programme, that just came to an end,

2) Elspeth HATHAWAY updated the participants on the project “Ensuring a sustainable future for the TCLF industries in South East Europe”. The final conference will be held in Bucharest on 28 and 29 March 2023. Among the challenges of these countries, Carmen ARIAS pointed at the absence of VET curricula for the TCLF sectors in addition to the lack of attraction to the sectors.

3) Carmen ARIAS presented the EU Pact for Skills. This is a non-mandatory charter signed by the TCLF sectors in December 2021. It represents a call for all private and public stakeholders to contribute and join forces, starting for the local and regional levels. The objective is to promote life-long-learning of TCLF workers in Europe. However, they have found out that it is not easy difficult to engage public authorities in some of the countries, in particular Central-Eastern countries. Social partners are now setting up an EU steering committee that gathers social partners, research centres and other stakeholders, and engaging with regional stakeholders.

7. AOB

The Commission announced the 2023 European Year of Skills, launched by the Commission President in her State of the Union speech.

Annexes : - Presentation : “IndustriAll – EU update Footwear”
 - Presentation : "Ecos – Standards and Labelling"
 - Presentation : “LIFE GreenShoes4All”
 - Presentation : " Ensuring a sustainable future for the TCLF industries in South East Europe”