



EUROPEAN COMMISSION  
Employment, Social Affairs and Inclusion DG

Employment and Social Governance  
**Social dialogue**

**Working Group Meeting of the  
SECTORAL SOCIAL DIALOGUE COMMITTEE  
TEXTILE AND CLOTHING**

**20 April 2018  
MINUTES**

Chair: Commission

**1. Approval of the minutes of the last meeting and of the agenda**

During the "tour de table" at the beginning of the meeting, Mr Mauro SCALIA introduced himself as the new contact point for EU social dialogue in Euratex, following the departure of Mr Francesco MARCHI, the former Director General. For industriAll, Mr LEFEBVRE honoured Mr MARCHI for his long-term engagement in social dialogue. He also welcomed the new Euratex representation, and hoped for a continuation of a constructive EU social dialogue in the sector.

The agenda of the meeting and the minutes of the working group meeting dd. 7 November 2017 were approved.

**2. The OECD Forum on "Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector"**

In her presentation (attached) Ms LOVELL (OECD) informed the participants about the activities of the OECD, and introduced the MNE (multi-national enterprises) guidelines on responsible business practices. She also introduced the "Garment webpage" of the OECD and the OECD Forum (20-21 June 2018), which is, however, not sector-specific. She pointed at the Memorandum of Understanding with China. The OECD also developed an online tool for self-assessment on purchasing practices for SMEs; in many cases, there is no written contract related to purchases. She stated clearly that the OECD is a policy maker, and thus does not take legislative initiatives. For industriAll, Mr LEFEBVRE praised the impressive enumeration of OECD initiatives related to industrial, employment and human issues, one of which is due diligence. Due diligence concerns multiple sectors, and industriAll is active in the tanning sector with Cotance. At EU level, industriAll intends to go further, combining development of the industry in numerous sectors with creating better working conditions in supply chains. For Euratex, Mr SCALIA pointed at the importance of discussing the fragmentation of the value chain at such a high level. He stated that progress has been made compared to 5 years ago, but pointed at the boundaries of due diligence for SMEs. Mr RAINA (TCLF) added that, instead of soft law on voluntary basis, binding rules are needed. For example, the Bangladesh Accord is legally binding. Mr ZIBELL added that voluntary rules are

good to start the process, but binding rules are needed to push "slower" companies. He therefore called upon the Commission to develop binding rules. The trade unions also agreed that at a global level, having China on board is positive, in order to address freedom of association and wages.

### **3. Strengthening Trade Union capacity in South-East Europe**

Jyrki Raina, the expert for this project, made reference to the ACT methodology (Act on Living Wages), GFA (Global Fashion Alliance), and collective bargaining agreements. He stressed the win-win situation and common interest for Euratex, pointing at salaries in the South-Eastern European factories, which are often lower than those in China. Mr GARRIDO added that wages should be linked to purchasing practices.

In his presentation on the project (attached), Mr ZIBELL expressed the need for strong employers' organisations. For EURATEX Mr SCALIA agreed to explore collaborations including liaising with affiliated and other industry organisations. He pointed at the need for clear communication, more in particular with regard to geographical demarcation, and living costs per country. He welcomed the objective to attract new workforce, in order to address the "brain drain" in certain countries. Mr WALTER added that a good membership had been developed in some of the countries. However, many South-East European companies are owned by West-European countries, which explains the lack of interest for affiliation.

Finally, Mr KREUZER referred to the problems encountered by the tanning and footwear industries in the context of the "Change your shoes" project, which showed the potential of social dialogue in addressing issues with working conditions.

### **4. CSR risk management tool (Texdr)**

Euratex presented the state of play of the project, which is now to be delivered to the potential users. Euratex is also thinking about the life after the project, in terms of continuation and commercialisation. At present, it is fully operational in 9 EU countries. For industriAll, Mr ZIBELL said that it is quite a challenge to convince SMEs to step in. Finally, Mr KREUZER pointed at the added value of this project in the light of cooperation between EU social partners.

### **5. The EU "Goods Package" draft regulation on compliance and enforcement in the Single Market.**

In his presentation (attached) Mr ZIBELL informed the meeting about non-compliance rates, and the resulting economic and environmental damage. He enquired whether this should be considered as a source of joint concern to social partners. Mr SCALIA replied that the relevant message can be found in the Euratex position papers, referring to the importance of a level playing field. This position is supported by all Euratex members, and important efforts for product safety are made by EU as well as non-EU manufacturers. However, he acknowledged the problem of free-riders and the importance of deterrents. Since market surveillance is member states' competence, and legislation is the task of the EU, it is difficult to develop appropriate deterring measures. He also pleaded to increase consumers' awareness, and to launch a discussion with all partners in the value chain. On industriAll's request for a joint position on the matter, however, Euratex showed openness to discuss options.

### **6. AOB.**

As an information point, Mr WALTER informed the participants of the ongoing skills project in the framework of the Blueprint for sectoral skills cooperation (Erasmus+). This flagship project is based on intelligence and analysis of sectoral skills with the aim to develop profiles resulting in an updated VET curriculum. It is piloted by VET providers and other stakeholders, but does not include industriAll in the consortium. Digitalisation and creativity are amongst the element that will be taken into account

to develop 8 different profiles. For industriAll, Mr LEFEBVRE welcomed the attention paid to the evolution of professions and of the sector.

- Annexes :
- List of participants
  - Presentation : “Due diligence guidance for responsible supply chains in the garment and footwear sector (OECD)”
  - Presentation : “Strengthening trade unions in the South-East European TCLF sector (industriAll)”
  - Presentation : “Market surveillance : protecting industrial jobs against unfair competition (industriAll)”