



EUROPEAN COMMISSION
Employment, Social Affairs and Inclusion DG

Employment and Social Governance
Social dialogue

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

**13 November 2020
MINUTES**

Chair: Commission

1. Approval of the agenda – adoption of the minutes

The agenda and the minutes dd. 26 November 2019 were adopted.

2. Report on the social partners' roadmap 2021 – 2022

In her presentation (attached) Elspeth HATHAWAY pointed at the importance of COVID-19 in IndustriAll's activities. She highlighted the joint statement on COVID-19 which contains elements for continuous dialogue in the committee. Also the Textile Strategy, expected in 2021, will be key. Trade, sustainability and skills are the other main areas of attention.

For CEC, Carmen ARIAS conveyed a pessimistic view : due to COVID, consumption decreased dramatically. Export intra-EU and extra-EU decreased with a similar ratio (+/- 30%) both in terms of value and number of pairs. In the shoe-sector the majority of the companies are SMEs, and marketing for on-line selling is not their specialty. Also Brexit had a very negative impact; she invited the social partners to set up joint efforts for claiming the EU funding that is available. Finally, she proposed to include an item on "product origin" in the work programme, since it is closely linked with product labelling and hence also product safety.

The work programme will be finalised at secretariat level, and adopted by written procedure.

3. Update on social partners' statement on COVID-19.

For IndustriAll, Patrizia PITRONACI pointed at the joint declaration of the TCLF sectors on the impact of COVID-19, signed on 9 July. IndustriAll developed a questionnaire containing six questions. It includes references to due diligence and the Green Deal, but also to health and safety standards. Regarding the position of workers, it should be mentioned that references to GSP are included. The questionnaire was sent to affiliates, in order to obtain innovative information on the impact of COVID-19. It is also an instrument to find out whether national trade unions can give an effective response to the lockdowns, i.a. by avoiding dismissals. It should also give a better insight on national politicians' diverging responses to the crisis, which are often based on recipes from the past. The exercise is ongoing; the results will be presented at a later stage. The main objective is to come to a unanimous response to the effects of this sanitary crisis.

4. EU's Generalised Scheme of Preferences (GSP) : trading with a purpose (current affairs)

In his presentation (attached) Walter VAN HATTUM (DG TRADE), pointed at the effectiveness of GSP in combining economic factors with values. Also, he stated that GSP shows potential for other sectors than TCLF. The instrument is working, since the total world imports from least developed countries (LDC) is 0,95%, while the EU imports 2,1% from those countries. As an example of values, he presented the GSP+ with Mongolia, which includes a commitment to address child labour (e.g. child jockeying), as well as environmental measures.

Enforcement of GSPs is a current issue. In this respect, a single entry point will soon open; the DG TRADE website will include a forum for complaints. A Chief Trade Enforcement Officer has recently been appointed; he will reach out to other DGs, including DG EMPL. Trade has been used as a leverage in many cases, notably to abolish tariffs in an EBA (Everything but Arms) engagement. The European Parliament and Council welcomed this approach. Following the 2012 GSP reform, the number of beneficiary countries went down from 178 to 96, either because some became too rich for the scheme, or because an FTA was signed.

For IndustriAll, Judith KIRTON-DARLING, who had been involved in negotiations on Parliament resolutions on the subject, asked what the potential would be for improved transparency and increased leverage of the Commission in working conditions in GSP countries. Roadmaps and the benchmarks used are not made available to stakeholders. Also, she asked more details on the role of the Chief Trade Enforcement Officer. Walter VAN HATTUM replied that some comments in the EP Resolution of 2019 concerned increased transparency. Also a website will be created under an "EU GSP Hub" project, which will contain the priorities per country. Sharing roadmaps and scorecards might undermine the discussions with some governments. The Chief Trade Officer puts market access at the same level as sustainability, which led to the creation of a second legal unit in DG TRADE.

Carmen ARIAS and Matteo SCARPARO claimed that GSP often works against diversification of the industry, but rather helps countries in specialising (e.g. in TCLF products) and becoming aggressive market players. Also, some countries are applying national instead of WTO standards (e.g. India for footwear).

5. Scope of an EU mandatory due diligence : expected developments.

The social partners were informed that DG JUST could not join the meeting, and that a dedicated hearing was scheduled for February 2021. The agenda point was postponed until the next meeting. IndustriAll announced that it was preparing a position paper.

6. Progress on EU SD projects

a) *"Implementing best practices to increase the attractiveness of the Footwear sector"*
Carmen ARIAS informed the participants on the state of play of this project (VS/2019/0037) which ends on 31/01/2021. The project is based on 4 best practices : process and skills innovation, mentoring, apprenticeships and sectoral communication. The COVID mobility restrictions had an important impact on the implementation of the project, but the project consortium managed to replace project activities with on-line solutions where necessary. The contest with prizes for two different categories was concluded. A video can be seen at : <https://vimeo.com/476390494> . More information can be found on www.inmyshoesproject.eu ,

b) *"A sustainable future for the South-East European Textiles, Clothing, leather and Footwear Industries"*.

Ildiko KREN (IndustriAll) briefly presented the project "Ensuring a sustainable future for the South East European Textiles, Clothing, Leather and Footwear Industries". The lead

applicant was informed on 17 December 2020 that the project had been selected for EU co-funding.

7. AOB

The scheduled dates for the 2021 meetings are :

- Joint TCLF Working group : 28 May
- Plenary : 26 November

Annexes :

- List of participants
- Presentation : "SSDC Footwear – IndustriAll Europe's Work"
- Presentation : "EU Generalised Schemes of Preferences : trading with a purpose"
- Presentation : "Implementing best practices to increase the attractiveness of the footwear sector"

Annex : List of participants

<p><u>Employers</u></p> <p>CEC</p> <p>Carmen ARIAS CASTELLANO (EU) Paul LASSERRE (EU) Andreea STEFAN (EU) Miriam ARRECHEA (ES) Mariusz BABRAL (PL) Joao MAIA (PT) Karabinis MELETIS (GR) Matteo SCARPARO (IT)</p> <p>8 employers representatives (3 EU, 5 MS)</p>	<p><u>Workers</u></p> <p>industriAll</p> <p>Elsbeth HATHAWAY (EU) Judith KIRTON-DARLING (EU) Ildiko KREN (EU) Patrizia PITRONACI (EU) Szabolcs BEOTHY-FEHER (HU) Mauro CASOLA (IT) Ivano DALLA BREA (IT) Manuel DOMINGUEZ (ES) Ana FILIPE (PT) Gerald CUNY-KREUZER (AT) Nina LAINE (FI)</p> <p>11 workers representatives (4 EU, 7 MS)</p>
<p><u>European Commission</u> Walter VAN HATTUM (DG TRADE) Danny SCHEERLINCK (EMPL.A.2)</p>	