

Social Dialogue Committee – Footwear Work Programme 2016

In 2013, the footwear sector was represented by approximately 20,200 companies in Europe (including components) with approximately 289,000 direct employees. It is considered as a high-end industry, and has difficulties in obtaining and retaining the necessary highly-skilled workers. This situation will worsen in the very near future because of the large ageing workforce, difficulties to attract young generations, despite the available job opportunities thanks to the slow but progressive relocation of footwear production to Europe.

The Social Dialogue Committee in the European Footwear sector was re-launched at European level at the end of 2013. The first two years of activities have been satisfactorily completed,

For the year 2016 and in accordance with the outcome of the report, the following action points are proposed:

1. Continue developing the European Social Dialogue

During 2014 and part of 2015, industriAll Europe and the CEC implemented the first joint Social Dialogue project financed by the European Commission, which has allowed to analyse and map out the existing national Social Dialogue structures and practices, in particular in France, Italy, Portugal, Romania and Spain. The project concluded with a final conference presenting the outcome of the project activities compiled in a study report. The report included an overview of the footwear sector and economic structure, the evolution of the sectoral social dialogue in five major countries for the industry, and a comprehensive SWOT analysis, which provided for the identification of most relevant topics where social partners could undertake.

2. Skills and qualifications

In 2014, the European trade union and sector associations the Textile, Clothing, Leather and Footwear as well as the ISPs did strong efforts in order to identify and develop the skills, which are necessary for the further development of the sector under the Sector Skills Council.

The footwear project developed under the Social Dialogue programme, mentioned in the first point, made possible to identify and establish good relations with two potential new ISPs. Thanks to this project, the Sector Skills Council TCLF could include two new countries: Portugal and Romania.

Despite such positive results, not only in content, but also in the number of countries contributing to and benefiting from exchange of knowledge and good practices, the Commission suspended the funding to Sector Skills Councils in 2015. The current option is to present a project proposal under the current Erasmus+ Sector Skills Alliances' call open until February 2016. Social partners are considering if a joint proposal with so many partners (involving the textile, clothing, leather and

leather sectors) is viable under such scheme, and would be able to finance the necessary structure to consolidated Sector Skills Council network and their activities in 2016.

A project presented by the CEC and 12 other footwear stakeholders with the support of industriAll Europe was approved by the European Commission in the 2015 Sector Skills Alliance's call. The project "FIT TO CONFORT" will officially be launched in January 2016, and industriAll Europe will follow its implementation through the CEC.

FIT2CON's objective is to create a **new occupation and qualification profile and the correspondent training** that will respond to the identified skills/competences gap in the comfort & healthy footwear segment, improving the knowledge in this field, allowing SME and large enterprises to embrace the opportunity of growth offered by this segment of differentiation. The training contents to be developed will allow to cope with the skills gap as well as to provide opportunities to upskill already existing footwear employees with the final goal of enhancing the high added value of European footwear

3. Attracting young generations to the footwear sector

The sector suffers from an ageing workforce, which is not being replaced because of lack of attractiveness of the sector to the new generations. There is a big risk of losing the current skills and savoir faire of the profession. In 2015, Social partners submitted a project proposal under the Social Dialogue call for proposals, which content was not evaluated because of a financial issue. Social partners will therefore re-submit the proposal in the 2016 after doing the necessary adjustments to the proposal. The project proposal will include the elaboration of promotional material to be distributed among educational institutions (schools, VET providers and universities), the organisation of "Open Days" to present the different educational offers in relevant "footwear countries" in Europe as well as a website that promotes the image of the sector.

4. Corporate Social Responsibility along the footwear supply chain

a) Follow-up and participate at the different initiatives on corporate social responsibility along the supply chain issued by different international stakeholders.

- EU Flagship initiative on responsible management of the supply chain of the garment and footwear sectors launched by different EC services
- OECD Roundtable on Due Diligence in the Garment and Footwear Supply Chain
- Awareness campaign "Change your Shoes" launched by DG DEV on the occasion of the 2015 European Year for Development
- The new web based risk management tool developed under a Social Dialogue project by Euratex and IndustriAll Europe project, which allows companies to evaluate their level of compliance with five categories of core subjects foreseen under ISO26000. If the project is a success, the tool could be adapted to be used in the footwear sector.
- Business Social Compliance Initiative of the Foreign Trade Association

b) Work on a possible joint position paper confirming the commitment of the social partners in facilitating and promoting the compliance of social standards by European companies.

5. Trade

Social partners will continue following the evolution of Free Trade Agreements currently under discussion between the European Union and third countries (specifically the United States of America, Japan, India, Malaysia and Mercosur), and assess their impact on the European Footwear industry.

Of particular concern for the social partners is the possibility that the EU grants Market Economy Status (MES) to China in December 2016. Article 15(d) of China's WTO Accession Protocol setting out the terms of China's entry into the WTO provides that, in order to obtain the status of a Market Economy, China has to prove that it meets the EU five criteria for market economy treatment in the anti-dumping investigations.

If China was granted MES in 2016, all anti-dumping cases would no longer use analogue country (export prices are compared with prices from a third ME country), and this would influence the calculation of the injury and duties after this date. Therefore, a premature granting of MES to China risks undermining the EU's Trade Defence Capabilities and Resources. 80% of EU trade defence- (anti-dumping and anti-subsidy) actions target China.

Almost 30 European sectorial industrial associations (including the CEC), concerned that something like this could be decided politically instead of technically, joined forces in December 2014 to create the AEGIS Alliance. They are against about granting automatic MES to China, and they have been actively engaged on dialogue with the EU institutions and approaching economic media in order to ensure that this hypothesis does not happen.

IndustriAll Europe supports the work done by AEGIS Europe and they have jointly issued a position paper in this regard. Joint efforts will continue during 2016 in order to stop the Commission to present any legislative proposal to grant MES to China without the mandatory economic impact assessment.

6. Action plan for fashion and high-end industries

A significant segment of the European Footwear sector produces high-end and fashion products. This segment is highly creative. It generates trade surpluses and above-average wages and working conditions. The Footwear sector will be involved in the design and implementation of this action plan in coordination with the other fashion and high-end sectors and the relevant Commission services.



Confédération Européenne de l'Industrie de la Chaussure
European Confederation of the Footwear Industry


