



EUROPEAN COMMISSION

Employment, Social Affairs and Inclusion DG

Employment and Social Legislation, Social Dialogue
Social dialogue, Industrial Relations

Brussels, 22 June 2012

Minutes of the 29 May 2012 working group meeting of the Tanning and Leather Sectoral Social Dialogue Committee

1. Presentation, adoption of the agenda and approval of the minutes

The meeting was chaired by the Commission (DG EMPL).

ETUF-TCL announced that the federation would cease to exist as from 31 May. Its activities would continue within the framework of the newly founded "industriALL – European Trade Union"¹. Mr Triangle, Deputy General Secretary of the new federation, was confident that the concerns of the tanning and leather workers would continue to be a priority within the organisation. Thanks to the bigger structure, it was possible to be assisted by an adviser who was present today.

The agenda was adopted. The minutes were adopted. For the social partners, it was crucial that the minutes be short and contain the decisions taken. Both sides of industry reported that their delegates from IT did not attend the meeting because simultaneous interpretation into IT was not provided. The DG EMPL colleague reminded the limitation of three active languages; the choice of languages was in the hands of the social partners. The social partners suggested including IT not only at the next plenary meeting, but also at the first meeting in 2012.

2. Trade issues: access to raw materials – Ukraine

Mr Cuisson and Mr Ferri from DG TRADE informed the social partners in detail of the results obtained in the EU-Ukraine FTA on raw hides and skins (see summary in the annex). The political deal was reached at the end of last year but the agreement would only be signed within the framework of an Association Agreement, which depended also on the political situation².

The Q & A session focussed on the following aspects: the too long 15-years-period; the disappointing size of the quota exempted from export duties; the future management of the quota; the quality of imported raw material; the access to raw materials of the industry's competitors on the global market; and possibly safeguards in the agreement.

¹ <http://www.industrial-europe.eu/>

² <http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/12/238>

The social partners decided to issue a joint statement in which they would raise their concerns to the Commission, including the fear that this deal could serve as a model for forthcoming FTA negotiations such as with India or Mercosur. Result: Joint Statement on the Free Trade Agreement between the EU and Ukraine, 29 May 2012.

3. Chromium VI in Leather restriction proposal

Ms Luvarà and Ms Hualde from DG ENTR provided detailed information on the restriction dossier submitted by Denmark in January 2012 (see slide presentation). According to the proposal, leather articles, coming into direct and prolonged or repetitive contact with the skin, shall not be placed on the market if the leather contains chromium (VI) in concentrations equal to or higher than 3 mg/kg. There was currently a public consultation on the proposal³.

The social partners confirmed the importance of the proposal for their sector. Their questions were related to the following aspects: statistics/study about the percentage of products which higher concentrations, the possibility to request a certificate from an accredited laboratory; the importance of health and safety not only for consumers, but also for non-consumer products and for workers; the need for effective control of restrictions. The DG ENTR representatives invited the social partners to provide as many technical details as possible in the public consultation.

Both sides of industry held a first exchange of view on a possible joint statement on the issue, which focussed on the question how to best to ensure effective controls of the ban. Result: Joint Statement on the Ban of Cr VI in Leather and Leather Products, 29 May 2012.

4. Animal Welfare

Mr Simonin from DG SANCO presented the new EU Strategy for Protection and Welfare of Animals 2012 - 2015⁴ and the possible effects for the EU leather industry (see slide presentation). He particularly mentioned the conference on the implementation of Council Regulation (EC) No 1099/2009 on the protection of animals at the time of killing to be held on 24 October 2012 in Brussels.

The presentation was followed by a Q & A session during which the following items were raised: the quality of the skin as possible indicator for animal welfare; how to ensure that animal welfare is taken into account in international cooperation; how to identify good quality breeders and how to achieve traceability of skins. The DG SANCO representative invited the social partners to share any good practices/projects, such as the project on animal welfare mentioned by the employers' side. Employers' delegates from ES reported that they had difficulties with the new rules on slaughter since the amperage for the stunning of lambs was detrimental to the animals' skins. The DG SANCO representative regretted the lack of awareness of these new parameters which were first published in 2004 by the EFSA (European Food Safety Authority). Now, changes of parameters are possible but would need a favourable opinion of the EFSA before

³ <http://echa.europa.eu/restrictions-under-consideration>

⁴ http://ec.europa.eu/food/animal/welfare/actionplan/actionplan_en.htm

considering an amendment of the legal text through comitology procedure. This procedure takes around three or four months but obtaining an EFSA opinion can take much more time, especially if there are no new scientific publications on the subject since 2004. The leather industry regretted that they had not been consulted on the 2004 EFSA study and that the scientists had not considered the effects on the skin quality.

The social partners decided to leave it to the Spanish delegates to follow the issue up. If they decided to introduce a request for a change of parameters, the social partners could possibly support it with a joint statement.

5. Social dialogue projects and proposals

The parties informed about progress:

TCL Sector's Skill Council: Both sides of industry had the impression that the work went in the right direction. The four deliverable reports were allocated to national observatories. The final conference was planned for 12 December 2012. The next phase project will have to be requested in September.

OIRA Risk Assessment in Tanneries: The final conference would take place tomorrow. The social partners were confident that they would deliver a very good on-line tool to assess health and safety risks. It would be linked to the OSHA website after the testing phase (end of June). (??ED-please check if correct??)

Transparency of the Origin of Hides and Skins: See slide presentation. The draft recommendations need to be agreed before the final event in Barcelona so that they can be translated in time. The workers' side announced that they would forward the draft report to their affiliates and provide comments by 5 June.

Social & Environmental Reporting III: The project had just started. The first report would be discussed in Bucharest on 27 September. (??ED-please check if correct??)

CSR Rating of Leather and Leather Products Supplying Countries: The employers presented a proposal which would follow up the project on transparency. It would include social indicators (such as the respect of core labour standards) and try to establish a ranking of countries. The workers' side considered that the project idea was very ambitious and stressed that the ratification of ILO conventions did not necessarily mean that they were observed in practice. In order to properly prepare the proposal, it might be worth meeting with some countries who already have such a rating system. In this context, the strategy of some French leather goods brands to hold their own tannery was an interesting development.

6. Adoption of the 2012 Work Programme

The final version of the work programme, which had been previously discussed and agreed, would be forwarded to the Commission without further delay.

7. Any other business

The social partners decided to request the following languages for the plenary meeting planned for 26 November: EN-FR-ES-HU-IT.

Those present:

Trade union representatives (6♂, 1♀):

Mr Gallice (FR)
Mr Hansen (EMF)
Mr Kreuzer (AT)
Ms Laine-Tuominen (FI)
Mr Menes (PL)
Mr Triangle (ETUF-TCL)
Mr Zöldi (HU)

Employers' representatives (7♂, 1♀):

Ms Albu (IT)
Mr Ballbe (ES)
Mr Gonzalez-Quijano (COTANCE)
Mr Kocsis (HU)
Mr Neumayer (SE)
Mr Pearson (UK)
Mr Ramière (FR)
Mr Schneider (DE)

European Commission:

Mr Cuisson (DG TRADE/DGA2.E.2 – Russia, CIS, Ukraine, Western Balkan, EFTA, EEA and Turkey)
Ms Durst (DG EMPL/B.1 – Social Dialogue, Industrial Relations)
Mr Ferri (DG TRADE/DGA2.G.3 – Market Access, Industry, Energy and Raw Materials)
Ms Hualde (DG ENTR/G.1 – Textiles, Fashion and Forest-based Industries)
Ms Luvarà (DG ENTR/F.4 – Chemicals – REACH)
Mr Simonin (DG SANCO/G.3 – Animal Welfare)

Annex: Summary of the results obtained in the EU-Ukraine FTA on raw hides and skins

Ukraine currently applies an export duty of 26% on exports to all WTO members on raw hides and skins. According to Ukraine's WTO accession protocol, this duty will go down to 20% in 2018, for all WTO members, and remain blocked at this level afterwards. The EU-Ukraine FTA allows for cutting these rates in half from the day of entry into force of the agreement, creating from day one a significant preference for EU importers, and reaching full elimination of all export duties whatsoever to the EU after a transition period.

For raw hides and skins outside HS codes 4101, 4102 and 410390, Ukraine will have to eliminate any export duties to the EU from the day of entry into force of the agreement. For raw hides and skins under HS codes 4101, 4102 and 410390, a yearly quota of exports from Ukraine to the EU will be defined from 300 tons going progressively up to 450 tons. For exports below this quota, the export duty rate will be reduced to half the rate applied to other WTO members and be progressively eliminated to reach 0% 10 years after entry into force. For exports above this quota, the same principle will apply, but Ukraine will retain the right to impose, if necessary, safeguard measures under the form of an additional export duty. The total export duty will at most be equal to half the rate applicable to other WTO members, preserving in all cases a significant preference for EU importers. This right will persist for 15 years after entry into force and be eliminated after that, meaning that any remaining export duties would be effectively eliminated at this point.