



## CEC GENERAL ASSEMBLY EUROPEAN FOOTWEAR ASSOCIATIONS SET UP PRIORITIES FOR 2022

*On the 25th of November 2021, CEC held its end-of-year General Assembly with its affiliates from all major European footwear associations. After a difficult year for the industry and an economic recovery at risk of being hampered by new Covid-19 restrictions, logistical deadlocks, and difficulties in accessing certain raw materials, CEC and its affiliates have been particularly focused on devising strategies to overcome these obstacles in the coming year and make sure that the European footwear industry can resume growth over the medium-to-long term.*

### Getting the economy back on track

Despite an encouraging economic rebound upon the re-opening of the world's economies in the spring of 2021, the European footwear industry still faces many challenges: lack of tourists in European capitals, difficult access to essential raw materials to manufacture footwear products, or labour shortages. To fully recover, footwear manufacturers need a more stable and predictable economic environment. CEC and its affiliates continue to maintain a **regular and quality dialogue with national public authorities** to make sure that Member States allocate NextGenerationEU funds where it is most needed to **reduce the economic uncertainty** and set up **solid economic foundations** for European footwear manufacturers to recover and thrive.

### Free but fair trade

Open trading rules are essential for footwear companies, allowing them to respond easily and at reduced costs to global consumers' keen interest in European shoes. In this relation, CEC Members celebrated the Biden administration's decision to **drop the threat of retaliatory tariffs on footwear** initially planned to strike back to the EU digital services tax. As CEC president emphasized: "CEC's work and dialogue with different actors on both sides of the Atlantic proved to be once more the best option for a successful outcome. Furthermore, the recent inauguration of the **EU-US Trade and Technology Council** will certainly ensure a more coordinated trade relationship going forward.

CEC Members also discussed another priority for EU footwear, the urgent ratification of the **EU-MERCOSUR Free Trade Agreement**, in which CEC with other EU industrial associations is actively pursuing in discussions with EU officials and Members of the European Parliament. remains a long-standing dossier.

The recent European Commission proposal for the **revision of the EU Generalised System of Preference scheme** was also a relevant point in the General Assembly. The scheme is undoubtedly an essential element to effectively encourage the protection of



human and labour rights and the environment in developing countries, and an appropriate tool to eradicate poverty, create jobs, diversify the economy and promote beneficiary countries' economic and social development. However, the system fails in some points, in particular regarding **product diversification**, essential to build up solid and sustainable economies. It also requires additional adjustments to the **graduation mechanism** and an increase in **transparency and monitoring** to ensure its **effective enforcement**. Footwear should be treated in the same manner **as textile and apparel when it comes to automatic safeguards**. A stronger focus on diversification and enforcement would **make the GSP an effective development tool for beneficiary countries without undermining the EU industry's economic interests**. Members approved in this sense the [CEC's Position Paper](#) on this topic.

As 2021 comes to a close, CEC and its affiliates looked back on the work achieved and set up priorities for the upcoming year. Despite past economic hardships, current supply-chain disruptions, and looming additional Covid-related restrictions, CEC is convinced that European footwear manufacturers' capacity to innovate and please their customers by creating high-quality products will allow them to bounce back and prosper in 2022, provided that European and national governments take the right decisions to support them. CEC President Luis Onofre closed the meeting by stressing the necessity to carry on regular dialogue between public and private stakeholders to devise and coordinate economic recovery strategies that are fair, inclusive, and effective. Joint efforts will ensure that European footwear companies remain competitive, prosperous and attractive for a new generation of talents.