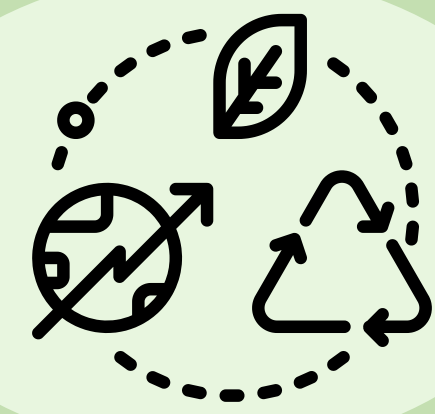




COTANCE MANIFESTO



01. Sustainability & Circularity

ECODESIGN

EU ecodesign criteria for leather, under development in the ESPR, should be based on leather's unique characteristics, not the product group function. These criteria should equate by-product valorization with recycled content and view biodegradability as natural recycling.

The EU should develop horizontal durability criteria for consumer products that take appropriately into consideration the durability of their main component materials.

REACH

Restricting the use of chemicals ought to be based on sound science following an appropriate impact assessment.

Impractical measures, like controlling over 1000 skin sensitizers regardless of use, or reducing CrVI limits without reliable testing, do not enhance safety but force unnecessary changes in products and processes. Similar issues arise with EU restrictions on bisphenols and the use of Glutaraldehyde.

TRACEABILITY

Although the leather industry rejects to be accused of driving Deforestation, it is not opposed to traceability. Traceability challenges are significant because hides and skins, as low-value by-products of meat production, do not motivate slaughterhouses to invest in traceability systems. Additionally, the ability to trace hides and skins back to the animal's birthplace is virtually non-existent globally.

As about 40% of the EU's needs for raw materials supply come from over 100 extra-EU countries, traceability needs to be developed at global scale for ensuring compliance to recent EU Due Diligence legislation (CSRD, CS3D, EU ban for forced labour).

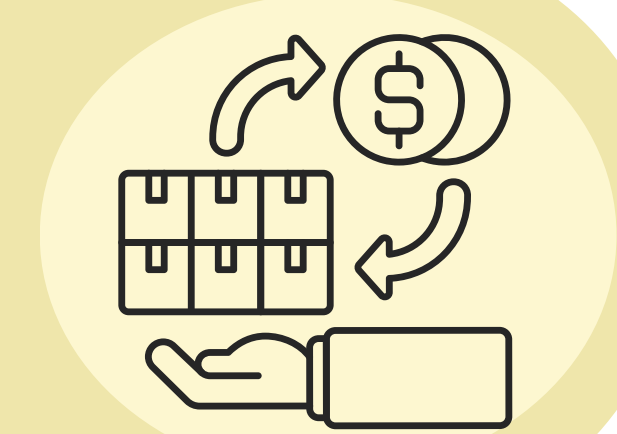
Circular Economy & Environmental Footprint Methodologies

EU legislation does not yet appropriately acknowledge the value of by-products to the circular economy, in particular animal by-products, such as hides & skins. Rather than unfairly assigning them part of the environmental footprint of livestock, their market use **should be encouraged by treating them as waste with 0-allocation.**

DEFORESTATION

No cattle, sheep or goat is slaughtered for its hide or skin. Demand for leather has virtually no influence on livestock breeding or slaughter. The hides and skins of animals are by-products and as such regulated in the Animal By-Products Regulation. Common sense tells that, if leather is not a driver of livestock production, it can't be considered a driver of deforestation. **The review of the EUDR, which will examine in 2025 the validity of the current scope, ought to exclude hides, skins and leather from the Regulation's Annex 1.**

02. Industry & Trade

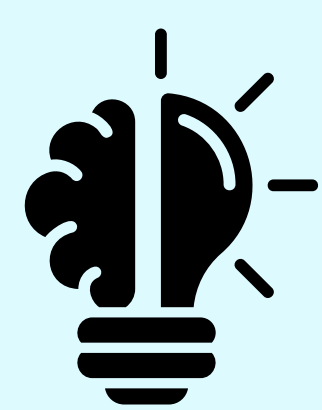


AUTHENTICITY

The review of the EU Textile Labelling Regulation presents an opportunity to correct the oversight from 1992 by harmonising national laws that protect the term "leather" from misuse by alternative materials (leather authenticity laws exist at least in Belgium, France, Italy, Spain and Portugal). **The term leather ought to be protected from its appropriation by other materials causing confusion and deception among consumers and economic harm to tanners and to the market potential of the real thing.**

FREE & FAIR TRADE

Access to foreign markets and raw materials is vital for the competitiveness of the European tanning industry. High import duties, technical barriers, and export restrictions from third countries undermine this competitiveness by giving foreign operators an unfair price advantage. EU authorities need to actively address these challenges. **Strict reciprocity with regard to import and export conditions in the leather sector need to be secured.**



03.

Investments, research & innovation and skills

EU TAXONOMY

Tanning is part of the “EU recycling sector”. It is an activity which provides a cleanup service to the livestock and meat industries and is governed by stringent environmental regulations under the Industrial Emissions Directive. Keeping up with technological advances and maintaining compliance with the EU Taxonomy's sustainability criteria requires significant investment. Thus, the Taxonomy's criteria should support investment in tanneries to continue delivering societal benefits.

The EU Taxonomy ought to acknowledge appropriately the sector's compliance with the 4 overarching conditions that an economic activity has to meet in order to qualify as environmentally sustainable. Additionally, the technical screening criteria in the Taxonomy's delegated act for leather should promote investment in tanneries, enabling them to continue contributing societal benefits.

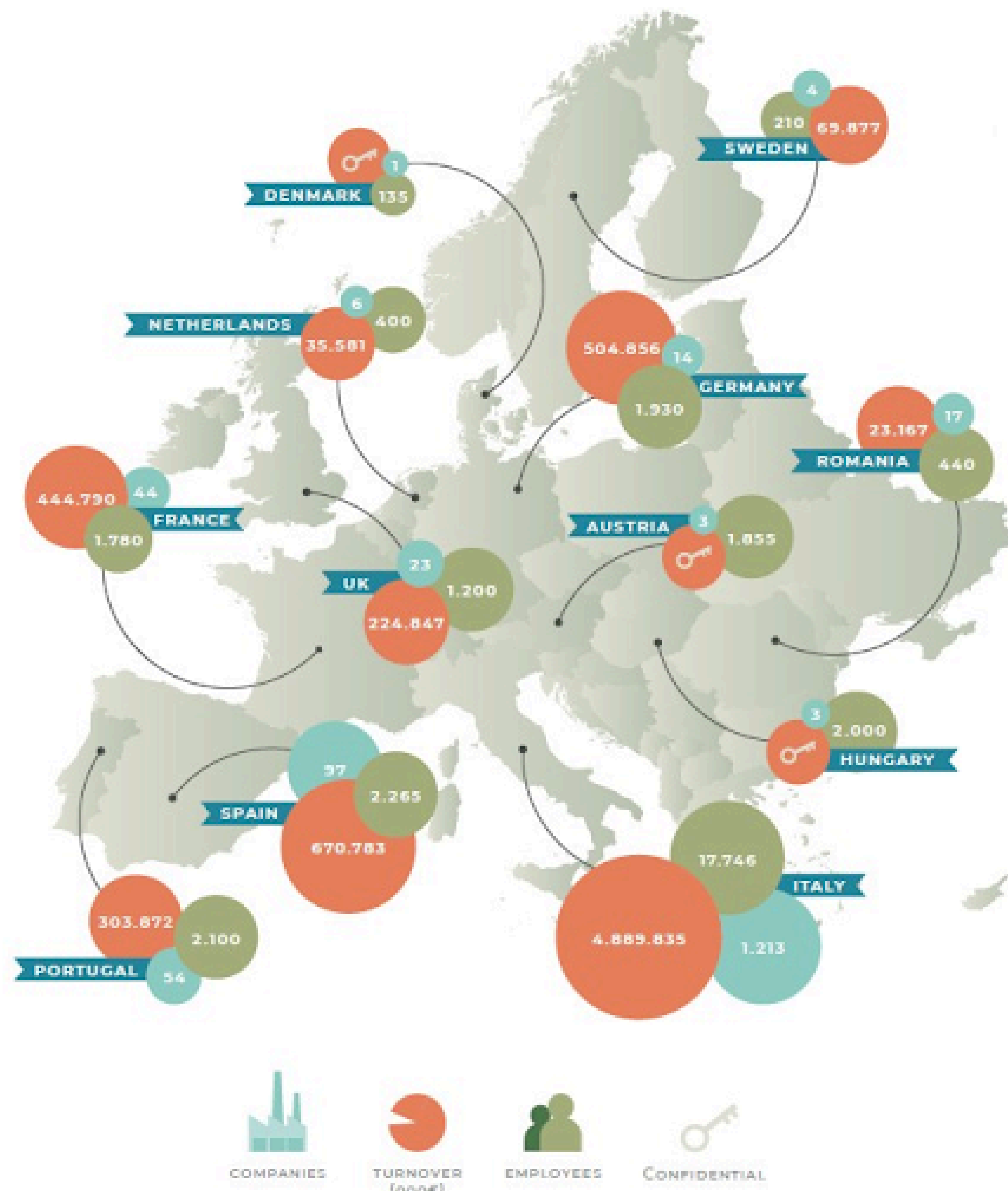
RESEARCH & INNOVATION

The European leather industry invests in innovative technologies and research to make the production of leather more sustainable and efficient. But its **efforts need the support of the public hand through EU R&D programmes that should address the specific issues that tanneries face.**

EDUCATION, TRAINING & SKILLS

European tanneries offer stability & commitment to their employees, mainly employing staff on permanent contracts (+90%) to foster strong working relationships. **Erasmus+ Blueprint projects are supporting this objective, but this needs to be complemented with Erasmus Mundus to offer to the tanning industries at global level the benefits of Europe's academic excellence in tanning science.**

Facts & Stats on the European Leather Industry



Sector Structure
1,600 companies
33,000 workers

Average Size
21 employees

Turnover
 over **7 billion €**

Share of Global Turnover
30%

High-end segment
25% of EU Production

Medium to High-end segment
34% of EU production

World Leader in terms of **quality**

Top ranges in all the **main market** destinations and uses

Northern Europe

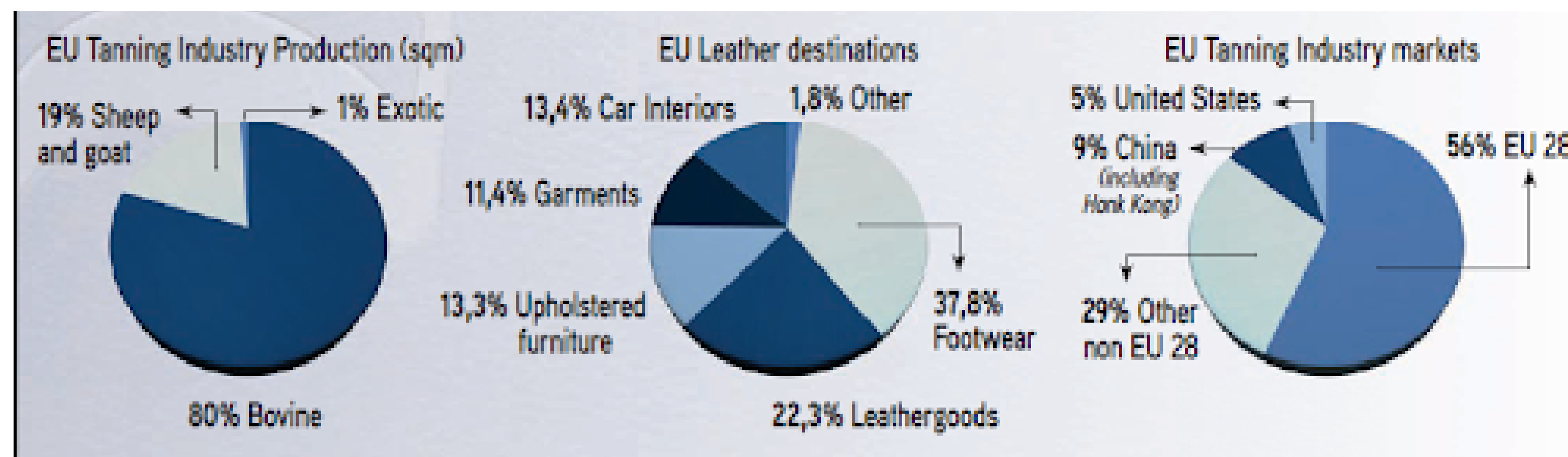
large companies producing for the automotive, furniture and interior design

Southern Europe

SMEs specialising in leather for the fashion sectors

Driver in the creation of value

7-8 billion € **125 billion €** downstream for **40,000** companies and **2 million** employees



Source : COTANCE estimates