



Worth checking. The European Commission has said it will continue to monitor leather footwear imports from Asia. CREDIT: MODACALZADO

The end of EU anti-dumping...for now

Confusion continues over imports of leather shoes to the European Union from China and Vietnam, although there have been several gripping developments in the five-year-long saga since the start of 2011.

Existing measures, which impose duties of 16.5% on imports from China and 10% on those from Vietnam, will expire on March 31, in spite of the insistence of footwear industry associations in southern Europe (where most of what remains of Europe's shoe manufacturing industry takes place) that the anti-competitive practice continues of selling Asian-made shoes for lower prices in Europe than in domestic markets.

At the start of the year the National Association of Italian Footwear Manufacturers (ANCI), issued a statement saying: "It is fundamental for the European Commission to evaluate with the necessary objectivity whether the conditions exist—as we believe [they do] beyond any question—for renewing the anti-dumping duties on leather

After nearly five years, anti-dumping duties on imports into the EU of shoes with leather uppers from China and Vietnam end on March 31. Asia and northern Europe are celebrating, but plenty of questions remain unanswered.

footwear, which will expire at the end of March."

Then a meeting of the European Confederation of the Footwear Industry (CEC) took place on January 10. The mood changed and Europe's footwear manufacturers seemed to accept that the tariffs that have made their shoes more competitive against rival products from Vietnam and China had run their course. Vito Artioli, who is president of CEC as well as of ANCI, was quoted by

Reuters as saying: "We no longer have the support of EU governments and if we go on like this (asking for extensions) we will lose, for sure."

The explanation of this philosophical tone is that, at the end of 2009, against the odds, the Commission chose to keep the duties in place. China and Vietnam were horrified and raised formal complaints with the World Trade Organisation. Many in northern Europe were equally aghast because footwear, for them, has become nothing more than a sourcing and selling story; who makes the shoes is scarcely relevant to them, as long as manufacturers comply with standards on quality and corporate social responsibility. Vito Artioli and his colleagues in countries such as Spain and Portugal argue that the skills and artistry that go into making a beautiful pair of shoes are worth fighting to preserve, as are the footwear factories that remain and the companies that constitute their supply network.

In a further statement released by ANCI in the days following the January meeting, Mr Artioli said that the footwear manufacturing industry in Europe still had confidence that the Commission would apply new anti-dumping measures if there was new evidence of unfair competitive practice on the part of China and Vietnam. Furthermore, he said that the Commission had promised to monitor imports of leather footwear every week from the start of April.

"The European Commission committed itself to making sure that the Chinese and Vietnamese authorities act in accordance with the international standards, ensuring

commercial and competitive practices that comply with the rules and at the same time guaranteeing European footwear equal access to their respective markets," Vito Artioli said. "The Commission will therefore take this issue to the highest levels of the Chinese and Vietnamese authorities in the course of quarterly meetings. The expiration of the anti-dumping duties against leather footwear imports from China and Vietnam, set for 31 March 2011, is not going to make us lower our guard."

He added: "We believe that the anti-dumping duties imposed on Chinese and Vietnamese leather footwear imports were fair, legal and strictly necessary to restore competitive trade conditions. However, today, in a political climate not favourable to manufacturers, and different from December 2009 when the anti-dumping measures were renewed, the commitment of the European Commission in favour of fair and competitive trade should be supported and for this reason the real intentions of these two manufacturing countries must be verified. If the dumping continues and is ascertained, the Commission is already set to apply new anti-dumping duties."

He confirmed that CEC has decided to abstain from requesting a reopening of the investigation into dumping of leather footwear (selling shoes for a cheaper price in export markets than at home). If the weekly monitoring activity of the European Commission shows the continuation of the problem, ANCI and CEC will take steps to make sure the Commission sets "specific, immediate actions in motion to protect the European footwear industry", he said.

ANCI has been the driving force behind European Union anti-dumping measures; it was largely research work carried out by the Italian association that convinced EU politicians that Chinese and Vietnamese footwear brands were receiving unfair help, making it financially viable for them to sell leather shoes for lower prices in export markets than the prices they charge domestically. Both Asian countries have denied any anti-competitive practice and have lobbied hard for the removal of the measures.

Reports of retailers' and Asian manufacturers' rejoicing at the March expiry of the measures have, for the most part, ignored the statements about ongoing checks by the European Commission. This means that, should these checks show up new examples of unfair practice leading to renewed calls for anti-dumping measures, those on the opposite side of the argument from CEC will be more confused than ever.

Perhaps the chances of this happening are slim. Following the announcements, World Footwear got in touch with the European Commission to ask what the new monitoring arrangements will consist of, who will carry them out, and what system there will be for alerting the footwear industry to any concerns that the checks throw up. After several weeks, an official spokesperson for the European Commission told us: "I do not have this information at the moment. We will see if there is any further info from the Directorate-General for Trade." So far, it seems, there is not. 🌐



ANCI and CEC president, Vito Artioli, with some of his own brand's shoes. He believes the artistry and skills that European manufacturers can offer are worth preserving.

CREDIT: MICAM