

**Question for written answer P-005170/2014
to the Commission**
Rule 117
Lara Comi (PPE)

Subject: Protectionism regarding raw materials for the leather industry, to the detriment of Italian and EU companies

On 1 January 2014 the new EU scheme of generalised tariff preferences (GSP - Regulation (EU) No 978/2012) entered into force. For over 40 years, this system has been facilitating the importation of goods from developing countries by lowering duties.

Article 19 of that regulation provides that the preferential arrangements for a given product may be withdrawn if the beneficiary country engages in 'serious and systematic unfair trading practices including those affecting the supply of raw materials, which have an adverse effect on the Union industry and which have not been addressed by the beneficiary country'.

It would appear that, in India, since 2000, there has been a 60% duty on the export of raw and partially processed hides (the country is a GSP beneficiary for footwear, leather goods and leather clothing); in Ethiopia, since 2012, there has been a 150% duty on the export of raw and partially processed hides (this country is a GSP+ beneficiary, i.e. zero duty for imports into the EU of tanned hides and all kinds of leather goods); in Pakistan, meanwhile, since 2005, there has been a 20% duty on the export of raw and partially processed wet blue hides, when that country receives the same treatment as Ethiopia.

Bilateral and multilateral (WTO) agreements with these protectionist countries have produced unsatisfactory results while protectionism outside the EU continues to grow (for example, Russia recently announced that it would suspend its exports of raw hides and wet blue products for six months).

Urgent action is now therefore required in order to protect European companies that have been greatly weakened by these practices.

Can the Commission therefore:

1. verify, by all possible means, the circumstances mentioned above and say what steps it intends to take;
2. specify in detail what is meant by 'serious and systematic unfair trading practices' in Article 19 of Regulation (EU) No 978/2012 and say what the actual scope of that rule is?