



PRESS RELEASE

10 April 2015

**INTERNATIONAL COUNCIL OF HIDES, SKINS, AND LEATHER TRADERS ASSOCIATIONS MEET
FOR 86TH AGM IN HONG KONG**

Led by their President Mr Nick Winters, ICHSLTA members gathered for the 86th annual AGM in Hong Kong on Sunday 29 March 2015 on the afternoon preceding the Asia Pacific Leather Fair.

The group confirmed its mission to promote the use of hides and skins products to the global leather industry as a valuable raw material and to continue to promote the use of the only truly globally respected international hide and skin contracts no. 6 and no. 7.

The financial situation of the council is sound and presented a balanced budget for 2015. Among continued activities within the Council is the annual cocktail evening held on the eve of the APLF fair. This year was the second such event held under a similar format and was well attended by industry leaders, international leather organisations, and representatives from China, USA, France, Taiwan, Brazil, Australia, Japan, Indonesia, India and the United Nations.

Special thanks to our devoted sponsors for the evening; CLIA (China Leather Industries Association), SPLIT GROUP, and USHSLA (United States Hide, Skin and Leather Association) and APLF.

- During the Sunday afternoon AGM meeting, an update was received on the EU-led pilot project on leather environmental footprint and sector stakeholder negotiations relating to allocations of its burden in the value chain. The Joint Research Centre Technical (JRC) report issued for the meat industry by the Project's Steering Committee recommends an economic allocation of upstream burdens as a "default model" to the leather industry, taking into account a 3 year trailing average hide price. The leather industry has voiced its opposition to such a method and wants hides to be considered as recyclable waste with zero burden. The majority of the meat industry believe the hide should not be considered a waste of the beef/dairy process and it should be allocated some share of the upstream burdens. ICHSLTA will

continue to monitor this pilot study and facilitate exchange between the meat and leather industries.

- The Council discussed the latest Chinese AQSIQ regulations concerning inedible animal by-products. At the end of 2014, the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (AQSIQ) promulgated the Measures for Supervision and Administration of Inspection and Quarantine of Entry and Exit Non-edible Animal Products (AQSIQ Decree No.159) which has become effective as of February 1, 2015.
 - Some countries were notified of the draft regulation in late 2013, while others became aware of it in late 2014 and early 2015.
 - According to the CLIA, the Decree will:
 - Require recommending documentation/written reviews of applying companies
 - If necessary, the AQSIQ will approach the Export Departments of countries concerned and send experts to those countries to assess and inspect production and processing companies applying for registration
 - Conforming companies will be registered after inspection
 - ICHSLTA supply side members are committed to working with AQSIQ and the Chinese leather industry to ensure smooth implementation of this regulation. The preference among the ICHSLTA membership being that of internal audits by national government authorities, which are already in place in most countries. Most hide processors and abattoirs are registered and adhere to strict veterinary controls in the EU, USA and Australasia for example, which could be used as a model for the inspection process. The ICHSLTA executive committee will continue to facilitate exchange between different government authorities and the CLIA to find a satisfactory outcome for all.
- The ICHSLTA contract committee continues to discuss updates to the International contracts no. 6 and no. 7, with our colleagues from ICT (International Council of Tanners). The last version was updated in 1993, and we will endeavour to launch the new versions conjointly with ICT.

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Notes:

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