



IND-ECO Contract IEE/11/949/SI2.615946

WP 3	Technical support actions
Task 3.3	Agreements
Deliverable 3.4	Directory of agreements with technical key actors
Date	16 th September 2013
Deliverable responsible	LEITAT

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1. Introduction

Europe has a very long tradition in the production of leather, footwear and leather goods. Consequently all these industries are present in the region and each of them also plays a relevant role on the international marketplace.

The EU leather industry is composed of a series of different sectors, starting from the hides and skins markets, which supply the tanning industry with raw materials sourced from abattoirs dedicated to the production of meat for human consumption, and concluding with the production of manufactured consumer goods made of leather. Some of the sectors are highly industrialized, while others present a marked degree of craftsmanship and for others, the core business is trade and supporting services.

The EU tanning sector has traditionally been composed of small and medium sized enterprises mainly, but can be found some big companies (specially in Italy and Spain). The average size of a EU tannery is currently 18 people per enterprise. If we consider the all leather manufacturing segments (tanneries, footwear, leather goods, upholstered furniture, garments, car interiors, etc.) and the allied sectors (chemicals, machinery, etc.), the whole industry in the EU is estimated to be composed of more than 40.000 companies, employing over 500.000 people, with a total turnover of 50 billion Euro.

In EU, footwear sector represents the main end user (about 41%) of leather produced by the EU tanning companies. Most of the footwear companies are SMEs located in industrial districts, with differences in the average size; so, Italian and Spanish companies employ 13-16 workers on average, while in France and Germany are located bigger dimension firms (more than 80 workers). Most of the companies are SMEs located in industrial districts, even if among Member States there are some differences in the average size of businesses. The EU footwear manufacturers has been the focus on high value-added segments, outsourcing to some other countries part of the low end production, but EU footwear sector remains the world leader in the high quality segment.

The European leather industry is a world leader in terms of quality, and quality implies value. EU covers the top ranges of production in all the main specialisations and uses. In the fashion area, top ranges mainly mean the best design, style and creativity in the world. Success for the European leather & footwear industry is increasingly linked to his capacity to be efficient and innovative.

This is the general context of European leather and footwear sectors in which the IND-ECO project will develop its activities from tanning and footwear sectors existing in the participating countries: Italy, Spain, Portugal, United Kingdom, Bulgaria and Romania.

The IND-ECO project aims to obtain initial primary energy savings by its end, and to create favourable conditions for more investments by 2020. To reach their objectives there are a rationale structure developed in eight inter-related work packages.

Work Package 3 about **Technical support actions** has the following main objectives:

- To make available knowledge and technological solutions, thanks to a scouting activity
- To build and implement an energy efficient technologies data base with recommended solutions
- To establish agreements with technologies providers and their associations and other facilities, and
- To present to companies the identified technical solutions.

The WP3 has to build a tool that help tanneries and footwear companies to search, find and make an easy access of companies to technical solutions. According with this aim the WP3 is divided in various tasks:

- 3.1 Scouting of technical solutions, leads by LEITAT
- 3.2 Data base: realization and implementation, leads by CR&S
- 3.3 Agreements with suppliers, leads by LEITAT, and**
- 3.4 Presentation to companies, leads by INESCOP.

The results of work package 3 will be an instrument useful to companies, which gives an updated vision by energy efficient solutions to share knowledge about energy efficient machinery and to save energy and money in companies.

In addition, are relevant for other work packages:

- allowing companies to define their strategic position regarding their baseline obtained in WP2 with respect to energy consumption
- establish contacts with financial institutions (WP4) to facilitate energy efficiency investments
- permit to define new investments (WP5) with the objective of modernize and upgrade installations and reduce structural cost (as energy expense) in companies, and
- let companies to communicate (WP7) their engagement and results, which give a better image by company because of the new technologies provide some savings in energy and in CO₂ emissions.

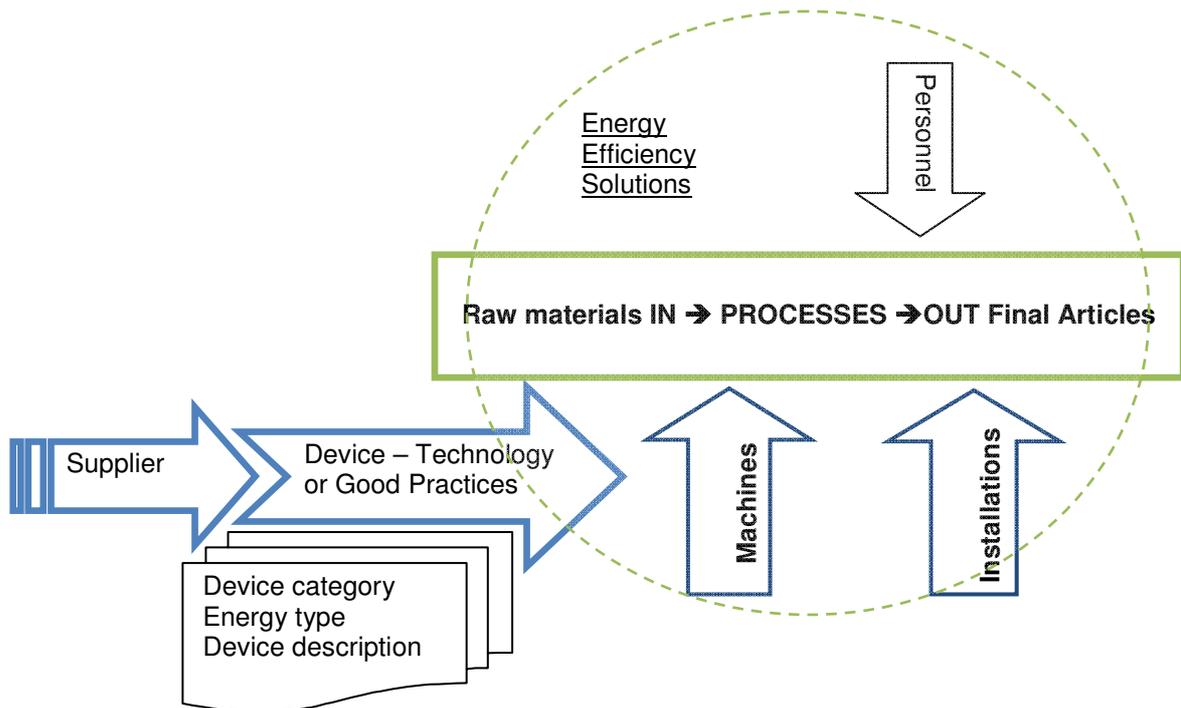
Objective of agreements is to have suppliers and technology associations committed to support the development of data base contents and obtain favourable conditions to companies of the leather and footwear sectors.

The deliverable D3.4 Directory of agreements with technical key actors is focused in the definition, construction and upgrade of an agreement model to translate and communicate (in their own language) with suppliers, to commit them to IND-ECO project tasks. The data collected about providers should be systematized in a directory, as a table that has origin in the scouting template (task 3.1).

All data collected should have a format compatible with data base [this data base will be the repository of energy efficiency solutions, related devices and their suppliers with technologies and processes developed in tanneries and footwear companies].

2. Technical description

The industrial activities in tanneries and footwear companies transform raw materials to final articles through several processes. Principal auxiliary factors as personnel, machinery, installations, etc., have direct influence in processes energy consumption developed in factories. Scouting activity should give actual advances in technology and to gather in technical solutions with energy efficiency. A conventional diagram to describe this process is represented in the figure below.



The searching of solutions is focused in multiple directions:

- process optimization
- energy efficiency equipment specific from tanneries and footwear companies
- common technologies which could be applied in an industrial environment, but not are specific from tanneries and footwear industries
- monitoring
- explore low cost or no cost measures which could help companies to save energy
- sensitization and training
- behavioural procedures and good practices, etc.

It has been developed several actions to obtain a general view of the energetic balances in tanneries and footwear companies as

- study of processes,
- contacts with industrial managers,
- information with suppliers and their associations.
- collection of questionnaires from WP2 Inventory and benchmarking, etc.



These energetic balances give information about the processes, machineries and technologies which could consume more energy, and should be interesting to focus in the areas with high consumes of energy.

The requisites of energy efficiency solutions data base condition scouting template design. Technical solutions could be collected with the data obtained from suppliers and technology providers and their associations.

The scouting tool (task 3.1) should be a repository of data which will be upload in data base (task 3.2) and a warehouse from suppliers' characteristics which can help in further tasks as agreements (3.3) of IND-ECO project.

Every data found during the searching of technical solutions could give us information about technology associations and suppliers, where we can obtain the agreements format and help to build the directory of agreements.

2.1. Agreement models

The agreement task (3.3) should establish commercial relationships with technologies providers and associations that commercialize machines and installations, according to support the development of the data base contents. The task to develop agreements needs a structure base that permits empowered relations with suppliers and support data base.

The steps to define an agreement model are:

- propose some standard formats
- pick up partners' opinion, optimize redaction and choose a final model
- translate to partner languages
- contact and present to key actors (suppliers, technology providers, associations, ...)
- collect data providers committed with the project in a directory
- if it is necessary to obtain more participation, update the formats.

The agreement model has been designed according to obtain maximum feedback from suppliers and obtain commitment from the technology providers in efficient energy technical solutions.

The model will be drafted with project partners and proposed to these key actors, and the structure will include:

- Description of the proposed solutions
- Explicit illustration of economic and financial favourable conditions
- Description of access procedures to these favourable conditions.

It has been designed two models, which among other thing emphasizes:

.- easy format (see annex 1), exposes the next points:

promotion of technical solutions; obtain favourable economic and financial conditions; establish collaboration; preserve confidentiality and a short description of the proposed solution.

.- legal format (see annex 2), exposes the next paragraphs:

purpose to cooperate in promoting technical solutions, updating data base and involving additional providers; description of proposed solutions includes technical solutions, economic and financial favourable conditions, access procedures to the favourable conditions; and formal aspects as purpose, duration, confidentiality, addresses for notification.

All the partners contrast their opinions and evaluate the pros and cons to define a tool clear, easy to fulfil and attractive to facilitate the suppliers' collaboration. It has been defined some models in May 2013 (month 13) which can see in the annexes 1 and 2.

After partners project have defined the easy agreement (annex 1) as the model of agreement, partners should translate into Italian, Spanish, Portuguese, Bulgarian and Romanian and they can use to establish agreements with companies in participating countries.

While the WP 3 will be developed and is running the contacts, interviews and relations with providers and technology associations to search technical solutions, could be necessary to take note of comments, in order to improve the agreements format in next updates.

In function of the expected number of technical solutions identified (that covers several industrial specific and general processes aspects and their impacts on energy consumption including technology elements as machinery, equipment, plants, installations,...), the predicted number of agreements to be reached is around 40, selected among an estimated target of around 80 contacts.

The suppliers' collected information will be organized in a directory as an excel table by the scouting template that includes:

- Company or Association name,
- Address,
- Zip code,
- City,
- Country,
- Contact person, and
- Contact details (phone, fax, e-mail, web, skype, etc)



3. Conclusions

.- Looking mass balances of tanneries and footwear, it has been identified areas and points in companies where much energy is consumed.

.- It has been defined technical key actors as technology providers, associations, clusters, etc., to achieve agreements from companies that could be committed in INDECO project.

.- Scouting activity will feed data base of energy efficiency with technical solutions, and will collect data from suppliers.

.- Two models of agreement have been developed, and it has been selected the easy format to contact with suppliers. All the data collected will be pick up in a part of the excel table from scouting template, and it could be summarize in a directory of agreements.

ANNEXES.

Annex 1: "Easy_Agreement"

Annex 2. "Formal_Agreement"

Annex 1: “Easy_Agreement”

In *CITY (COUNTRY)*, on *DATE*

..... is a company that provides technologies/ equipment/ technical solutions for *tanneries / footwear companies*. We are aware of the increasing current demand on the procurement of machines/ equipment/ plants/ technical solutions that reduce energy consumption and CO₂ emissions.

We have learned about the European project “Industrial Alliance for Reducing Energy Consumption and CO₂ Emissions (IND-ECO)”, the main objectives of which are to promote *technical solutions* for energy efficiency and CO₂ emission reductions in the tanning and footwear industries, to remove barriers from information and to *obtain favourable economic conditions to facilitate financing and* capital access. Among the project tasks, the creation of a database on technical resources for energy efficiency is scheduled.

In this regard, we are interested in collaborating with this project in such a way that our products are energy efficient and can be included in the aforementioned database. *We undertake to preserve the confidentiality of any document, information or other material communicated in confidence, disclosure of which could harm another party.*

Proposed solution is [include a short description

Yours faithfully,

Signature and company stamp

“Annex 2: Formal_Agreement”

IND-ECO Project Agreement on promoting energy efficiency in the tanneries and footwear companies

This Agreement is based upon a project named IND-ECO “*Industrial Alliance for reducing energy consumption and CO₂ emissions*” sponsored by the European Commission (EACI Agency) within “Intelligent Energy Europe”, and is made on [●] 2013, hereinafter referred as “Effective Date”.

BETWEEN

- (1) ACONDICIONAMIENTO TARRASENSE – LEITAT TECHNOLOGICAL CENTRE [or IndECO Partner], a research organization established under Spanish laws (hereinafter LEITAT [or IndECO Partner]), having its principle office at [address of IndECO Partner as c/ Innovació, 2, 08825 Terrassa, Barcelona, Spain](#)], and
- (2) [Technologies suppliers / Suppliers associations], established in [●] (hereinafter referred to as “the Supplier”).

Hereinafter, jointly or individually referred to as “Parties” or “Party”.

WHEREAS

- I. The IND-ECO project aims at promoting energy efficiency in the tanneries and footwear industries removing barriers to information and capital access. The project develops benchmarks for energy consumption in the sector and implements a database of best available technologies (hereinafter, the “Database”).
- II. IND-ECO wants to disseminate technical knowledge on energy saving measures and implement agreements with technology suppliers and their associations to promote diffusion of energy efficient solutions.
- III. LEITAT, the UNIONE NAZIONALE INDUSTRIAL CONCIARIA (UNIC) –as the Coordinator- and other fourteen co-beneficiaries have subscribed with the EXECUTIVE AGENCY FOR COMPETITIVENESS AND INNOVATION (EACI) the “Grant Agreement IEE/11/949/SI2.615946”, for the action entitled “*Industry Alliance for reducing energy consumption and CO₂ emissions*” (hereinafter, “the Action”).
- IV. LEITAT and the Supplier believe that they have common principles, complementary objectives and a mutual interest in close cooperation regarding promoting technical solutions which may be applied in tanneries and footwear industries.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

ARTICLE 1 PURPOSE

The Supplier shall cooperate, consistent with its respective mandates and interests, in:

- a. Promoting technical solutions for energy efficiency –machines, equipment, technologies, and plants-, which may be applied in tanneries and footwear industries,
- b. Updating the IND-ECO Database contents, and
- c. Involving additional providers, suppliers and their associations to obtain favorable economic conditions to facilitate financing energy saving investments.

The Supplier shall collaborate in fostering the mentioned purpose, keep LEITAT informed of ongoing and planned activities, projects of mutual interest, and shall consult LEITAT regularly on tasks and activities under joint execution.

In return for this working interest, the Supplier may be included as a cooperator in the IND-ECO Database.

INDustrial Alliance for Reducing Energy Consumption and CO₂ (IND-ECO)

ARTICLE 2 DESCRIPTION OF THE PROPOSED SOLUTIONS

Supplier cooperation may include:

A. Technical solutions:

- Energetic mean involved (i.e. electricity): [●]
- Device/ Technology/ Product description/ Good Practice or Recommendation [●]
- Machinery: [●], or Maintenance and Service installations [●]
- Potential saving (respect to traditional technology) [●]
- Efficiency declared? [●]

Other technical details: requirements for installation [●], time of installation [●], covered by warranty (warranty period)? [●], and other potential benefits [●].

B. Economic and financial favorable conditions:

- Direct discount: [●]
- Financing: [●]
- Payment conditions: [●]
- Other benefits: eligibility [●], preferential installations [●], free maintenance during X years [●], etc.

C. Access procedures to the favorable conditions:

Financial operator: [●] Application form: [●] Contact: [●]

ARTICLE 3 DURATION

This agreement becomes binding to the institutions parties at the moment it is signed and will be valid until for an initial period of [●] years. Afterwards, if not denounced by any part, it will be understood to become extended for further periods of [●] years.

ARTICLE 4 CONFIDENTIALITY

The Supplier undertakes to preserve the confidentiality of any document, information or other material communicated in confidence, disclosure of which could harm another party. The Supplier shall remain bound by this obligation beyond the closing date of this Agreement.

ARTICLE 5 ADDRESSES FOR NOTIFICATION

Any communications or notifications directly or indirectly related to this agreement that the parties make to each other should be sent to the addresses stated on the headings, and addressed to the following persons:

LEITAT: xduarri@leitat.org
 SUPPLIER:

In witness whereof, the parties sign this agreement in two copies in the place and on the date above mentioned.

<p>[IndECO Partner]) as LEITAT TECHNOLOGICAL CENTRE</p>	<p>Technologies suppliers / Suppliers associations</p>
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