



EU MARKET ACCESS FLASH NOTE

Brazil removes export duties on hides and skins

On 13 September, Brazil removed the longstanding export duty of 9% levied on exports of hides and skins-via Resolution no 65/2018. This duty amounts to a key restriction on exports to the EU, which is heavily dependent on imported hides and skins that represent about 50% of leather production costs.

Brazil has applied a 9% export duty on bovine raw hides and skins for 24 years, and semi-processed bovine hides and skins, including wet-blue for 15 years. Export duties on hides and skins have been one of the key barriers in Brazil as reflected in our Market Access Strategy and a key priority for our leather industry. The European Commission has actively engaged with the Brazilian counterparts to remove this barrier that unfairly subsidised the Brazilian leather industry.

Brazil is the third largest producer of bovine hides and skins, and the EU is a main importer of this material representing one third of the Brazilian exports to the world. Imports from Brazil currently represent 17% of total EU imports of bovine raw hides and skins and wet-blue. The EU tanning industry is heavily dependent on imported raw material hence the removal of this barrier is a positive step for the supply of raw material at competitive prices to the EU market (inputs of hides and skins from Brazil amounted to more than 200 million in 2017). This could benefit amongst others, producers and consumers of the footwear, garment, furniture, automotive and leather goods sector.

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