



# BASE

**THE EVOLUTION OF INFORMATION  
AND CONSULTATION PROCESSES:  
HOW TO DEAL IT?**



# The evolution of information and consultation processes: how to deal it?

Final Report of the European Project BASE

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# Table of contents

Executive summary

Information and consultation rights in multinational companies: an updated overview  
Alicia Martínez Poza, Luis de la Fuente Sanz

How ECWs work on the transnational level: guidelines for EWC members  
Alicia Martínez Poza, Luis de la Fuente Sanz

How ECWs work on the transnational level: guidelines for HR and IR managers  
Mariangela Zito

EWCs facing the challenge of the digital transformation of transnational companies  
Alicia Martínez Poza, Luis de la Fuente Sanz

Psychosocial risks and organization of work  
Clara Llorens Serrano

Health, safety and environment: from Covid-19 pandemic to good practices  
of participation  
Valerio D'Alò

Health and safety at work. A focus on Bulgarian national health  
and safety at work program 2022-2024  
Emil Rogov

New post-pandemic practices regarding occupational safety  
and health measures. The case of North Macedonian companies  
Mile Boshkov

How the European policies and legislations on sustainability  
and circularity affect I&C rights in EWCs  
Luis de la Fuente Sanz, Jesús Cruces Aguilera

Green Agenda for the Western Balkans  
Bojan Todorovski

AXA and the information exchange processes between the group  
and the EWC during the Covid-19 pandemic  
Daniel Folgado Risueño

Eni's Industrial Relations model in support of the energy transition  
Bruno Serra, Marcella Scillieri

EWC Ferrero: a long-standing experience  
Franco Ferria



## Executive summary

The project *BASE. From Basic knowledge to Advanced Skills for European Works Councils' members and HR and Industrial Relations specialists* was intended with the main aim to develop “*employees' involvement in undertakings [...] by raising awareness and contributing to the application of EU law and policies in this area*”, as according to the priorities listed in the Call for Proposals SOCPL-2021-INFO-REPR. To guarantee a full involvement of workers in undertakings, it is also important, other than equipping them with the right knowledge and skills, that EWC members/workers representatives could conduct a fruitful dialogue with their counterpart: Multinational Companies.

Workers' rights to information and consultation constitute fundamental European social rights which help to resolve conflicts, create more cooperative atmospheres in the workplace and even boost company competitiveness. At this aim, the focus of the project BASE is to give key information about the current legislation and specific competencies to consolidate information and consultation rights of workers also to Human Resources Department members and Industrial Relations Department members of Multinational Companies. Employment and industrial relations suffered effects of Covid-19 pandemic. In this scenario, characterized by changes in the world of work (teleworking/smart-working and other new forms of work, issues related to the protection of health and safety in the workplaces and psychosocial risks, the importance to invest in organizational well-being), also the role of HR and IR specialists changed. Indeed, they need to create with workers and their representative a playfield of trust establishing a long-term cooperation, and improving the exercise of information, consultation, and participation of workers' rights is the key.

Three are the objectives to be achieved:

- a) promoting transnational cooperation between social partners giving them tools and skills to promote e realize a real involvement of workers in the anticipation and management of change, as well as developments in the context of new forms of work and in designing and implementing actions to address the impact of the Covid-19 measures on the workforce; this objective can only be achieved if both parties of the social dialogue have the same tools and keys of interpretation. The transnational cooperation is guaranteed by the involvement of four countries with different industrial relations systems, for cross-border analysis and actions aiming to the exchange of best practices and fostering the implementation of their legal framework and procedures. The findings of the project will be spread at European level and over the national border through the Final Conference will take place in Rome;
- b) fostering among EWCs' members and HR/IR specialists the understanding of and competency with European legislation on information and consultation rights, in particular the European standards and ensuing national rules regarding the functioning of EWCs, and improving EWC members and HR/IR departments'



members with knowledge to facilitate discussions on the following topics: the evolution of restructuring processes and strategic positioning of multinationals, through the analysis of economic and financial results of companies and multinationals; health and safety with regard to the risks related to Covid-19 pandemic; the challenges related to the new forms of work (e.g. digitalization, telework) and new forms of organizational well-being. This objective can be achieved ensuring the role of EWC members allowing them to participate actively in company decision-making and creating the same and solid ground to allow a fruitful dialogue with HR/IR specialists. Workers' involvement in multinationals through EWCs is of prime importance when it comes to anticipating changes in a socially responsible manner. This objective is guaranteed by the three training courses delivered to EWCs members/workers' representatives and HR/IR specialists of different nationalities and industries. These events are important to create a European network fostering European social dialogue and facilitate cooperation and relations in the era of Covid-19 pandemic;

- c) promoting exchange, wider dissemination of knowledge and good practices between EU countries (as Italy, Spain and Bulgaria) and candidate countries (as Republic of North Macedonia), involved in the project BASE, via joint actions and training measures involving representatives in these countries to promote transnational cooperation between social partners and to enhance workers' involvement within companies of different sectors (textile, chemical, energy, constructions and metal sector). After the three training courses, thanks to the Final Conference held in Rome and the publication of the Final Report, the consortium is able to disseminate the results and outputs of the project BASE, sharing the experience of a joint training programs and actions involving both EWCs' members/workers' representatives and HR/IR specialists. Thanks to the analysis of workers' and employers' representation practices of social dialogue at undertaking level and industrial relations procedure, best practices were selected by countries involved in the project to compare practical effects of workers' involvement in MNC, procedures and tools/knowledge pertaining to information and consultation rights, with the involvement of employers' side, both at national and transnational level.

During the training courses, three main macro-topics was explored: i) the evolution of restructuring processes and strategic positioning of multinational companies; ii) new forms of work organization; iii) the environmental and social sustainability and new forms of production. Best practices were selected within countries involved in the project, highlighting on national legal frameworks regarding involvement of workers in undertakings and trade unions'/workers representatives'/EWCs' members and HR/IR specialists on information and consultation rights, as well as relevant practices in MNCs involved. The results of the study phase and the information gathered, developed, shared and compared during the three international events are focused on the Final Report,

available in five languages and in user-friendly digital format to be disseminated among stakeholders in the countries analysed, with the purpose to compare practical effects of workers' involvement in MNCs, both at national and transnational level.

The transnational dimension of the project BASE is guaranteed by the transnational composition of the consortium coming from Italy, Spain, Bulgaria and North Macedonia. The countries were selected because of their different industrial relations systems for an in a depth analysis of different practices of industrial relation systems and workers' participation through the exercise of information and consultation rights. The transnational dimension is also guaranteed by the involvement of multinational companies based in these countries and dislocated globally, by the involvement of a selection of EWCs' members coming from different countries and by a selection of HR and IR specialists coming from the headquarters of companies concerned. The major result of the transnational nature of the project BASE is the enlargement and enrichment of a permanent European network that will continue to reflection and sharing best practices.

Finally, in addition to the joint participation of the employer and trade union side, another added value of the BASE project is the participation of the EU candidate country North Macedonia as a project partner. In this way, it was intended to give the trade union and employer representatives involved the possibility of acquiring knowledge about European legislation and the different national systems on workers' information and consultation rights in multinational companies, benefiting from the opportunity to exchange and discuss topics relevant to the social partners and, as a result, to be put in a position to formulate proposals for the strengthening of these rights and their content, involving all the actors concerned at different levels.



# **Information and consultation rights in multinational companies: an updated overview**

Alicia Martínez Poza, Luis de la Fuente Sanz

This text provides an overview of information and consultation rights in multinational companies and European Works Councils (EWCs), as set out in the European directive (2009/38/EC), as well as some elements that are considered to be of interest for a future revision of this directive.

## **Information and consultation rights in the EU**

Information and consultation rights are the legal and regulatory provisions that guarantee employees the right to be informed and consulted. These rights apply to various matters: the economic and financial situation of the company or decisions that may have an impact on employment.

These rights are enshrined in various charters, treaties and directives. Firstly, they are recognised in the 1957 Treaty on the Functioning of the European Union, Article 154, as well as in the EU Charter of Fundamental Rights (2000), Article 27. There are also specific references to these rights in the Community Charter of Fundamental Social Rights (1989), Articles 17 and 18, which include more specific criteria and how they should be applied.

In the European Social Charter, revised in 1996, the rights to information and consultation and their application in collective redundancy procedures are also mentioned (Articles 21 and 29). It states that information must be provided regularly or in a timely and comprehensible manner. It also states that workers and their representatives have the right to be consulted on decisions that could affect their interests, especially decisions to avoid or reduce the impact of collective redundancies. In this case, information must be provided prior to the implementation of the measures. In 2002 the Commission adopted the Directive on information and consultation (2002/14/EC). It defines "information" as "the transmission of information by the employer to the employees' representatives of data in order to enable them to acquaint themselves with the subject matter and to examine it", to be provided at an appropriate time, in an appropriate manner and with an appropriate content, so as to enable employees' representatives to carry out an appropriate examination and, if necessary, to prepare for consultation. Consultation is defined as "the exchange of views and establishment of dialogue between the employees' representatives and the employer".

## Information and consultation rights in EWCs

In 1994, the European Commission published Directive 94/95/EC on the establishment of EWCs and procedures for informing and consulting employees in undertakings and groups of undertakings with a community dimension, which has been replaced by Directive 2009/38/EC on the same issue, with the aim of modernising Community legislation on information and consultation and making these rights effective.

This renewed directive specifies, among other things, that the exercise of information rights makes it possible to anticipate changes in organisations and that the establishment of European Works Councils is one of the instruments that enable the exercise of information and consultation rights by employees of companies or groups of companies that work in several countries. According to the directive, it should be up to the member states themselves to determine how these employees' representatives are elected at European level and to encourage a balanced representation of the different categories of workers if they deem it appropriate.

In this directive information is defined as "*transmission of data by the employer to the employees' representatives in order to enable them to acquaint themselves with the subject matter and to examine it; information shall be given at such time, in such fashion and with such content as are appropriate to enable employees' representatives to undertake an in-depth assessment of the possible impact and, where appropriate, prepare for consultations with the competent organ of the Community-scale undertaking or Community-scale group of undertakings*".

Consultation is defined as "*the establishment of dialogue and exchange of views between employees' representatives and central management or any more appropriate level of management, at such **time**, in such **fashion** and with such **content** as enables employees' representatives **to express an opinion** on the basis of the information provided about the proposed measures to which the consultation is related, without prejudice to the responsibilities of the management, and within a **reasonable time**, which **may be taken into account** within the Community-scale undertaking or Community-scale group of undertakings*".

The directive incorporates a series of information and consultation procedures to give effect to the rights:

- the right to hold an **annual meeting** with the central management of the company or group of companies to be informed and consulted on the development and prospects of the activities of the company or group of companies, this consultation must be based on a report drawn up by the central management;
- the **select committee** or, in its absence the EWC as a whole, must be informed in the event of exceptional circumstances or decisions that significantly affect

- the interests of the employees, in particular in the event of relocations or closures of undertakings and/or establishments, as well as collective redundancies;
- the right of the EWC to be able to meet in **advance** of any meeting with central management, without the management concerned being present;
  - the right of the EWC to be advised by experts chosen by the EWC;
  - to the assumption of **costs** by the company for the operating expenses (organising meetings, interpretation, accommodation or travel) of this EWC as well as of the select committee.

EWC members must inform the local workers' representatives or, failing that, the workforce as a whole about the content and results of the information and consultation procedures established.

EWC members are NOT allowed to disclose to third parties information that the company has communicated to them on a confidential basis. Similarly, the company is not obliged to disclose information which, according to objective criteria, is likely to create major obstacles to the functioning of the undertaking.

One of the relevant aspects when determining whether the EWC must be informed and/or consulted on a matter is that the EWC must be informed and consulted on matters of a **transnational nature**. In order to determine what constitutes a transnational issue, one must refer to the recitals of Directive 2009/38/EC, where different realities that confer transnational significance are set out. An issue will be considered transnational whenever decisions taken in one member state affect and have an impact on workers in a different member state. In this sense, it is necessary to assess the scope of the potential effects of the decisions, as well as the levels of management and trade union representation that are involved depending on the scope. Issues that affect the whole company or group or at least two member states are also considered transnational. Issues that are of importance to European workers are also considered transnational in scope, irrespective of the number of Member States involved. Finally, decisions involving the transfer of activities between member states are also considered transnational.

There are various **matters** covered by the European directive on which there is an obligation to provide information. Information must be provided on the structure of the company or group, the economic and financial situation of the company or group and the development of production and sales. In addition, there is a set of matters on which there is an obligation of information and consultation, such as changes in the organisation, the employment situation and trends, investments, new production methods, relocations, collective redundancies or cutbacks and closures.

In short, the rights to information and consultation set out in the directive for the establishment and development of European Works Councils (2009/38/EC) are multiple and complex. This directive has been transposed by the EU countries, making it mandatory for all EU-wide companies in the European Union. However, the transposition carried out by each of the countries may have been different, so it is recommended to refer to the national transposition regulations of each of the countries.

## **Proposals to improve rights and procedures**

Due to the complexity and scope of the rights recognised by this directive, there are numerous initiatives and publications that promote a better understanding of the information and consultation rights recognised for EWC members (ETUI, Syndex, EFBWW, to name a few).

These initiatives and publications aim at clarifying when information should be provided (in reasonable time, always prior to a EWC meeting), how this information should be provided (in a complete and understandable way, translated into the native language of each member, after establishing a confidentiality criteria), with a strategic, relevant and defined content (according to international standards, such as GRI), with an appropriate frequency (throughout the year, depending on the modalities defined in the agreement), the time period covered by the information (usually annual), or the geographical scope adopted (global, European or local/national).

Likewise, it is proposed to open a process of information and consultation on additional matters to those established by the directive, such as health and safety at work, data protection, training, work-life balance, working time, equality, corporate responsibility, the value chain, trade union rights, research and development, and the environment, among others.

On the other hand, the European Commission and the European Parliament have identified a number of improvements in the directive and have initiated procedures to consult the European social partners in order to proceed with a reform of the directive. The objectives are to strengthen EWCs and their capacity to exercise information and consultation rights in an effective way, as well as to increase the number of EWCs, taking into account the different industrial relations systems in the Member States.

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# How ECWs work on the transnational level

Alicia Martínez Poza, Luis de la Fuente Sanz

The following shows the level of development of EWCs in Europe, the functioning of EWCs, the improvement of understanding and anticipation of change in EWCs and measures to deal with change in an effective way, based on the European directive on European Works Councils (2009/38/EC) and various publications and guides for EWC members.

## The level of development of EWCs in Europe

The level of development and implementation of EWCs differs according to the sectors and countries where the headquarters are located. Thus, according to the statistics developed by the ETUI on EWCs<sup>1</sup>, EWCs are more established in metallurgy, services and the chemical industry, with more than 200 EWCs in each of these sectors. However, it is much lower in other sectors such as transport, textile industry or public services, with less than 50 EWCs established in each of these sectors. Similarly, there are differences according to the countries where the headquarters of the companies are located: Germany, followed by the United States, France and the United Kingdom are the countries where the largest number of EWCs are set up. In any case, this reality is a reflection of the countries where the headquarters of multinational companies are located.

## Creation of the EWC

According to European legislation (Directive 2009/38/EC) the EWC can be set up in Community-scale companies or groups of Community-scale companies. Community-scale companies are considered to be those employing 1,000 employees or more in the Member States, located in at least two different Member States and employing at least 150 employees in each of their locations.

The EWC is composed of employees of Community-scale undertakings or groups of undertakings. Its members are persons elected or appointed by and from among the employees' representatives or, failing this, by the employees as a whole.

The management of the Community-scale undertaking or group of Community-scale undertakings must initiate negotiations for the setting up of a EWC on its own initiative or at the written request of at least 100 employees or their representatives from two undertakings or establishments located in two different states.

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<sup>1</sup> <https://www.ewcdb.eu/>



For this purpose, a **special negotiating body** is set up, whose members are elected or appointed in proportion to the number of employees in each member state. Thus, there will be one member for each member state whose workforce represents 10% of the number of employees employed in all member states or a fraction of that percentage. The members of the special negotiating body shall be elected in the manner chosen by each member state.

The central management and the special negotiating body must negotiate in the spirit of co-operation with the aspiration of reaching an agreement. The result should be a written agreement setting out the scope, composition, powers and duration of the mandate of the EWC or the modalities for implementing a procedure for informing and consulting workers.

Among the minimum contents that the resulting agreement must contain, the Directive 2009/38/EC states:

- the companies or establishments of the company affected by the agreement;
- the composition of the EWC, the number of members and their distribution, taking into account, as far as possible, a balanced representation of workers according to their activities, categories, gender and term of office;
- the functions and procedure for information and consultation, as well as arrangements for linking information and consultation of the European Works Council and national employee representation bodies;
- the venue, frequency and duration of meetings;
- the composition of a Select Committee within the EWC, its functions, the procedure of its appointment, if any;
- financial and material resources to be allocated to the EWC;
- the date of entry into force of the agreement, its duration, arrangements of amendment and termination, as well as renegotiation procedures, including when there are changes in the structure of the company or group of companies.

The election of **EWC** members shall be carried out in accordance with national laws and/or practices. EWC members shall be elected on the basis of the number of employees employed in each Member State, so that one member shall be elected from a Member State for each group of employees from that State representing 10% of the total number of employees employed in all Member States, or a fraction thereof. There shall also be a **select committee** elected from among the members of the EWC, with a size not exceeding 5 members.

### **Functioning of the EWC**

The EWC shall have the right to hold **at least one meeting a year** with the central management in order to be informed and consulted, on the basis of a **report** drawn up by the central management, on the development and prospects of the activities of the

Community-scale undertaking or Community-scale group of undertakings, and to inform the local managements thereof.

In addition, in **exceptional circumstances** affecting the workforce, in particular in the event of transfers of undertakings, closures of establishments or undertakings, or collective redundancies, the select committee, or failing this the EWC, shall have the right to meet with management, either the central management or the most appropriate level of management in the undertaking which is competent to take its own decisions. At these meetings the EWC has the right to information and consultation.

The EWC or, where appropriate, the select committee shall have the right to meet before any meeting with central management without the management concerned being present.

In the case of a meeting between the Select Committee and the central management, those members of the EWC who represent the establishments/companies directly affected by the decisions to be discussed at the meeting shall also be entitled to participate.

Information and consultation at such meetings also implies that the management prepares a report in reasonable time so that the Select Committee, or the EWC as the case may be, can give an opinion at the end of the meeting or within a reasonable period of time. Similarly, the select committee shall report to the EWC on a regular basis on its activities and the results of meetings with central management.

### **EWC resources**

Directive 2009/38/EC stipulates that the central management is responsible for the **running costs** of the EWC. It is the central management which provides the EWC members with the financial and material resources necessary for them to properly fulfil their tasks.

In particular, the central management shall bear, unless otherwise agreed, the costs of organising meetings and interpretation, as well as the accommodation and travel expenses of the members of the EWC and its select committee.

The EWC or select committee may, whenever necessary for the performance of its tasks, seek the advice of experts chosen by it. Member States may lay down rules on the financing of the operation of the EWC and may in particular limit the financing to a single expert.

In order to be able to fully exercise their role and make the EWC useful, the employees' representatives must be accountable to the employees they represent and be able to receive the training they need.

EWC members shall, in the exercise of their duties, enjoy protection and guarantees similar to those provided for workers' representation under national law or practice in their country of employment. Where necessary for the exercise of their representative function in an international environment, EWC and EWC members shall receive training without loss of pay.

## **Strategies for improving comprehension and anticipation**

The EWC is entitled to receive information on the structure, economic and financial situation, the probable development of the activities, production and sales of the Community-scale undertaking or Community-scale group of undertakings. Furthermore, it has the right to be informed and consulted on the situation and probable development of employment, investments, substantial changes affecting the organisation, the introduction of new working methods or new production methods, relocation of production, mergers, reduction in size or closure of undertakings, establishments or important parts thereof, and collective redundancies.

In order to improve understanding and anticipation of these issues, the European Federation of Building and Woodworkers' Associations (2019) has developed a set of questions for EWC members when planning the collection and receipt of information from the company.

In relation to the structure of the group, it would therefore be useful to know Who does the company belong to, how is it organised, what are its occupations or activities, or what is its international development? Or what is its international development? Among other questions. In terms of activity, production and sales, it is important to know how the activity is evolving, how production is carried out and how markets are supplied. Regarding the economic and financial situation, EWC members should know how the results of the Group and its entities are developing or whether the continuity of the Group or of certain units is in danger. To understand the employment situation and developments, they should be aware of how employment is evolving, what the social policy is or what the challenges related to outsourcing are. In terms of occupational health and safety and working conditions, they could be aware of working hours, accident rates, risk analysis or the percentage of workers covered by collective bargaining (EFBW, 2019).

### **Tips for meetings**

The European Trade Union Institute (ETUI, 2012) has produced a handbook on how to make meetings more successful. This guide raises a number of issues to be taken into account before meetings, in the preparation of the agenda, in the preparation and conduct of meetings and in the follow-up of meetings.

Before meetings, it is recommended to remember that each member state has its own information and consultation rights, so it is important to go beyond the national framework and consider points in common with other EWC members. In addition, when looking for information about the company, various sources of information can be considered, such as local workers' representations, specialised press or even searches about the company on internet search engines. Finally, it is recommended to have a fluent and continuous communication with the other EWC members.

In relation to the establishment of the agenda, it is suggested to consult and use the EWC constitution agreement to check the possible proposal of items on the agenda or the period that should be covered by the provided information. It is also suggested that taking the initiative in case of a transnational issue should be included in the meeting as an agenda item.

In the preparation and conduct of the meetings, it is suggested that the EWC designates spokespersons so that EWC members speak with a unique voice, and it is important to avoid internal disputes in plenary meetings with the management. Furthermore, it is important to prepare interventions in advance, so that the issues to be raised have the support of the majority of EWC representatives, solid arguments should be sought and alternatives to measures should be put forward, with the support of experts and contact persons in the trade unions and sectoral European federations.

During the subsequent follow-up of the meetings, it is important to review the answers obtained and whether there are still open questions. Working groups can be set up to discuss the most important or urgent issues in greater depth and if necessary request extraordinary meetings. It is important to communicate the results of the meetings with management to the national representations in an appropriate way. Different channels of communication with regard to national representations or staff can be sought, either independent or joint communication with management, a publication space on the intranet, assemblies or social networks, but it is best to reach an agreement with management at European level where access to information can be guaranteed for the different centers.

### **Importance of communication flows**

The European Trade Union Institute (ETUI, 2015) has produced a guide on how to organise the communications network. This guide states that maintaining an active communication network between annual meetings is crucial for the active maintenance of the EWC.

It is important that certain rights of EWC members were guaranteed in the EWC creation agreement, such as the availability of the necessary means of communication, including tools (email, telephone, etc.), mobility (access to workplaces) and time commitment, among other issues.

Among the different existing communication flows, a distinction can be made between European-scale flows and national-scale information flows. In the analysis of these information flows, it is important to check that the information channels are kept open and are effectively organised, or if not, to look for ways to improve their efficiency.

Information flows at European level are those between members within the EWC, or between the EWC and other stakeholders at European level such as the workforce, central management, the Select Committee, employee representatives in company governing bodies (in those countries where this is allowed by law), the relevant sectoral European Trade Union Federation or the European Trade Union Confederation (ETUC).

Information flows at national level include the relationship between EWC members in the same country, the relationship between EWC members in a country and employee representation at local level, with national trade unions or with local management.

### **The role of the EWC in restructuring**

The European Trade Union Institute has produced a guide (ETUI, 2018) on how to deal with changes in the company by the EWC. The guide defines typical forms of company restructuring, including relocations, outsourcing of activities, local site closures, mergers, takeovers or internal reorganisations. It should be noted that a crucial aspect is whether a restructuring is considered as a transnational issue. A restrictive consideration is that it has to affect the whole company or at least more than one country. However, issues arising from decisions taken in another Member State or by a level of management above the national level should also be considered as transnational.

Prior to restructurings, EWCs should be aware of the role that EWCs can play in restructuring. The following roles of EWCs in restructuring processes are highlighted in the guide developed by the ETUI:

- it should help to coordinate workers' responses to restructuring and to act as a catalyst for the creation of a European strategy or an action;
- it should be used to obtain more information and gain time, which could be useful at the local level where social plans could be negotiated;
- it can draw on the necessary expertise to help assess company plans and suggest alternatives;
- it can also support local strategies by influencing management at European level.

Similarly, there are a number of issues that EWCs can develop before restructurings, such as getting to know the corporate culture of the company, understanding the transnational decision-making process in the company, being aware of the strengths of the EWC in social dialogue processes at company level, as well as the weaknesses, which need to be improved or given more attention. It is also important to be aware of the fact that the effects of restructurings are always local in scope, as restructuring primarily affects the workplaces and the working conditions of the people at the affected workplaces, so that the strategies of the EWC and the local representation must complement each other.

In order to deal with **changes in a proactive way** the EWC should understand the situation the company is in by obtaining information about the economic situation and the issues motivating the change as well as the management's objectives and motives for these changes. To improve the understanding of this situation, the EWC can ask the management for a detailed explanation of the reasons and objectives justifying the planned project and why the planned measures are suitable to achieve the defined objectives.

Similarly, the EWC can play an active role in defining the agenda for meetings with management and be clear about what information it is expected to provide. The

information should be provided in sufficient detail, with reference to previous years for comparisons and trends, and with complementary information on current developments and plans and intentions for the future.

In addition, the EWC can use alternative channels to obtain information beyond that provided by management. Thus, the ETUI proposes creative information gathering and cross-checking. For example, it is suggested to collect information provided by corporate annual reports, press releases or interviews with senior management representatives. It is also suggested to find out what information the company has to publish according to legal requirements in case of a stock exchange listing or restructuring. It is important to know whether the restructuring plan is a convincing strategy and contributes to the stabilisation of jobs, revenues and continuity of the company.

When drawing up the roadmap for dealing with change, it is important to involve local employee representation in the elaboration of the restructuring plan, going beyond the mere transmission of information, this involvement is necessary for the acceptance of the EWC activities by the staff. This is why a joint action strategy should be developed, including an overview of the roles and responsibilities of the main actors involved: EWC, Select Committee, local employee representatives, trade unions, European Trade Union Federation and experts.

After the restructuring the EWC should evaluate the role played in the restructuring and reflect on the lessons learned from the process, identifying what could be done in the future to improve its involvement in the restructuring and to avoid mistakes made.

### **Conflict management strategies**

The academic literature has extensively analysed the management of industrial disputes. One article (De Dreu, et al, 2001) has reflected on different roles in the management of industrial conflicts. Based on these roles, a model of five strategies in which the different roles of European Works Councils can be embedded is presented. It should be noted that five model role strategies are described and that EWCs could carry out actions that fall into several roles at the same time.

- Problem-solving strategy: this consists of taking into account the aspirations of the other party in order to find a mutually satisfactory solution.
- Yelding (self-accommodation) strategy: involves submitting to the wishes of the other party. It may occur in a EWC that accepts a confidentiality clause imposed (rightly or wrongly) by central management. In most cases, one party expects the other to offer something in return.
- Avoiding strategy: This involves moving away from the issue causing the conflict and engaging in a discussion focused on other issues. This may mean that the EWC decides to exclude the issue from future discussions.
- Forcing strategy: involves direct confrontation or an attempt to impose a point of view. In using this strategy, a EWC may question the confidentiality of information and ask for it to be freely passed on.

- Compromise strategy: involves making concessions to find common ground in the middle of the road. For example, management and employee representatives can decide which information will no longer be confidential and which information will remain confidential.

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## **How ECWs work on the transnational level: guidelines for HR and IR managers**

Mariangela Zito

Unlike the other phases of human resources management, usually easier to be implemented in the corporate governance, industrial relations are hardly to be integrated into a large group structure. Very often the business of multinational groups has the same characteristics regarding industrial processes: in the engineering sector, or in the chemical, pharmaceutical and energy sectors, the technological part of the industrial process is homogeneous, or tend to be uniform. With regard to collective bargaining and the regulation of labour relations, the legislation is specific per country. This implies that both the specialists of HR and IR units and the workers' representatives are called upon to find solutions and instruments for company management, in a national and also transnational perspective.

In this context, EWCs are highly significant in terms of European industrial relations since they represent the first genuinely and institutionalized European body for the representation of employees' interests at enterprise level, regulated by EWC Directives (recast Directive 2009/38/EC on EWCs, Directives 2001/86/EC and 2003/72/EC on employee involvement in the European Company and the European Cooperative Society, and also Directive 2002/14/EC establishing a general framework for information and consultation employees' rights in the European Union). It is a strong incentive for local managements to work together, to get to know each other, and to build a European social dialogue through mutual acquaintance between countries where the same company operates and for which it is necessary to create factors for integration, on the basis of EWC's prerogatives.

The practices in place in different companies demonstrate that governing corporate policies at transnational group level, or managing processes requiring adaptive actions, such as those necessary to cope with crises - whether economic, geo-political or health-related - is more feasible if the EWC and the management have a continuous dialogue and efficient cooperation, not limited to the annual meetings indicated in the agreement. Albeit essential as a formal appointment, it is even more important that, between the management and, at least, the select committee and the EWC president, there is an effective continuous exchange. These are bodies that have the chance to know more quickly the intentions of management, the projects they intend to pursue, and thus have the opportunity to know in advance the corporate decisions, expressing an opinion and then disseminate it to the other EWC members and the workers represented. Such a scenario makes it possible to jointly have both instant feedback, not necessarily mutually when not appreciated (i.e. in case of restructuring processes); and because the stable and consolidated relationship makes it possible to mitigate the most difficult impacts and to



ensure the parties are at the same level of awareness. A shared awareness of what is happening, indeed, in another key element, and in order to achieve it, it is crucial to have the right tools and skills and know how to apply them. At this regard, another key element is the joint training.

Joint training is a different and additional moment in which the counterparts meet in a fora other than negotiation and bargaining discussion, or during the standard information and consultation procedure, but it is all about training, even jointly conduct, on topics that both the company and the workers' representatives consider important. Among the topics to be highlighted as relevant in the training provided for managers of HR and IR departments, as company representatives in dialogue with labour representatives, and considering that this kind of expertise is often missing in the professional background of the figures who hold these roles, there are the reading and interpretation of financial data or sustainability reports. To be able learning how a balance sheet is drawn up, reading and interpreting the results in order to understand what the trend is, what the company's performances are, whether the company is solid or not, and then being able to present these data to the counterpart, often unable to understand it at the same. For managers, it is also important to be updated with the aim to deepen and build shared language with their counterparts, in green and digital transitions, linked to industrial transformation processes. These are such complex phenomena that they cannot be handled in a standardized manner, but building a common understanding to dealing with new and actual circumstances is an added value for both parties, for company representatives and for workers' representatives.

Hence, capacity for integration, capacity for growth and increasing a common awareness, but also capacity to create a network between workers' representatives and, also at company level, with employers' associations, without limiting oneself to the regular meetings, neither to those foreseen by the EWC agreement, nor to the official meetings with the company, and exploiting both sides through their own organisations and affiliations, all possible networks at all levels<sup>2</sup>. The existence of networks is vital for companies, unable, just with workers' representatives, to lead the just transition and without the support of institutions and local communities. Such support is often provided by trade union federations and employers' associations, thanks to the projects they carry out, which are not always known or disseminated. Projects and training activities are useful because of the echo they have in different countries and, therefore, for many different companies, in order to understand how to address company training, what professional skills are expected in the future, how to retrain workers, even those who are no longer young and who may have been used to working with technologies and processes that are no longer updated.

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<sup>2</sup> During one of the three meetings organised within the framework of the BASE project, was mentioned the *European Alliance for Apprenticeship* network, created by the DG EMPL of the European Commission, which brings together companies, trade unions, and public bodies, all committed to enhancing vocational education, which is fundamental to ensure the skill adequacy of young people, but also to guarantee youth employability through training.

This is an overwhelming task for the social partners: rather than cutting jobs, declaring redundancies, or incentivising people over 50 to leave, trying to keep them employable. The employability dimension and the creation of conditions for better management of skills in each sector, as well as the management of transition, would be the paths in which the social dialogue should be oriented, becoming the new subjects of collective bargaining at national level.

Keeping up to date is important at company level, as an employee, or employees' representatives, and as a manager and company representative. Therefore, training sessions are essential for those in a new job position, or for who covered a dated position within established mechanisms of information and consultation at company level, and which serve to rethink and reskill job experiences on the basis of regulatory updates. For this reason, the proper functioning of the national, European and global levels of social dialogue, of local branches with respect to the central management of the multinational, and of the local level with respect to the central management of the multinational, and of the national union federations with the European federations, is one of the main objectives to which the social partners should aspire to achieve. The EWC is a body uniformly representing all the group employees at European level the more the system of integration, the continuous communication and the information flows are developed, beyond ordinary meetings or specific select committee meetings, playing a coordinating, synthesising and even unifying role that national workers' representatives lack.

Another mechanism assumes importance in the integration of the different levels of social dialogue are joint committees, a form of workers' participation more far-reaching than normal information and consultation procedure. Important both at the national level, at the plant level, and also at the European level, joint committees are joint working groups on various relevant topics that make proposals for improving existing policies or finalise the adoption of better instruments. Furthermore, when the joint committee propose to the central management a joint recommendation, such a proposal has not only been formulated by those who are dealing with industrial relations, because the different thematic working groups also including the company experts on the issues being discussed, so are recommendations that have already been developed knowing the company's position. This implies that if a joint recommendation convince the central management, it can be integrated as company policies, or improve existing ones, through the meaningful input and sharing of employees' representatives. However, if the multinational company does not have collective bodies of workers' representation at the supranational level, in some cases happens that the management of sustainability departments initiates engagement initiatives, at a first stage with human resources and industrial relations departments, subsequently with workers' representatives, to experiment means of cooperation in the development, reviewing and implementation of corporate policies and sustainability practices. Also, in the interest of deepening the dialogue between company managements and equipping the company with suitable and

compliant mechanisms with respect to national and European regulations and international statements.

To conclude, information and consultation rights at the European level constitute a true paradigm of the operation of the enterprise, in the sense that in the regulatory scheme of European Union law, the enterprise must interact with trade unions, but also with elected representatives within the workplace, informing them in advance of changes in the enterprise. The European social model is a model of democratic relations between employees and company representatives and is nourished by the constructive integration between the national level, the European level and the global level. The integration of the three levels of social dialogue, is essential for transnational group whose businesses and operations, investments and industrial plans, are extended outside Europe. Operating in Europe for multinational groups involves noteworthy economic commitments in terms of labor costs. By remaining, however, focused only on what it really costs to a company, the company will have less and less incentive to invest in industrial relations and to establish lasting and demanding relationships with the union side. In this context, the social partners - both at the national and European level - also assume another role: building the management ethos to see labor relations expenses not simply as costs but as long-term investment for the efficient functioning of the whole machine.

# EWCs facing the challenge of the digital transformation of transnational companies

Alicia Martínez Poza, Luis de la Fuente Sanz

## What is digitisation?

In a broad sense, applied to social systems or organisations, digitalisation refers to the transformations brought about by the widespread use of digital technologies.

The process of digital transformation of companies is also, in reality, a somewhat diffuse concept: it is a process of adaptation and organisation, which combines different digital technological processes in companies and which aims to increase productivity, organise work efficiently and incorporate new business formulas.

This implies, on the one hand, that analogue data and processes and physical objects are converted into machine -or device- readable information. On the other hand, digital technologies and data are used. With the interconnection that this allows, there are relevant changes in existing economic activities and also new economic activities would be created.

The development of digitalisation is heterogeneous. This means that in some sectors it is much more developed than in others. However, it can be said that the digital transformation knows no borders and that many tasks in different sectors are being digitised. This has an impact on production and employment. Moreover, with the introduction of artificial intelligence, this impact has a scope that we are not yet able to estimate.

## What new technologies have come in to change the reality of production processes?

Digitalisation involves the incorporation of different technologies in production processes. These processes include **robotics and process automation**. These technologies involve the replacement of human labour by machines powered by big data. These new machines are mainly used to perform routine tasks, whether physical or intellectual. Another technology that is being developed is networking in which permanent connections are established between different devices that establish agile exchange relationships between machines or between machines and people. In this sense, robots are being incorporated, either collaborative robots, which work with people, or automated robots, which use algorithms to "copy" the actions of a human being, for example when carrying out administrative or management activities.

In addition, the internet of things is being developed, based on the networking of physical and virtual objects, which communicate through information and

communication technologies. An example of this is the incorporation of sensors into physical products that enable the continuous monitoring of processes.

Another field of digitalisation development is the implementation of digital work platforms. These platforms are a meeting point between workers who offer services and clients who demand these services. Thus, workers perform tasks for clients in exchange for money, and digital labour platforms use algorithmic systems to organise and manage the people who perform the work through their applications or websites. Digital work platforms can be found in different sectors: taxis, delivery services, domestic services, accountancy services, creative freelance work, etc.

In short, the way we produce goods and services and the environment in which we work is changing. And this has economic and social effects: it changes the way we relate to each other and live together in a connected and computer-controlled society.

### **What is digitalisation implying?**

The incorporation of these technologies is implying high connectivity, with a high impact on work, with different intensities and scopes and with social, economic and ecological impacts. They involve high connectivity because they enable rapid and agile communication between people and machines through infrastructures and equipment to be connected and constantly updated. They also have a high impact on employment, work processes, occupations and working conditions.

These processes are neither balanced nor homogeneous; they have different intensities and scopes that are conditioned by business strategies, by productive investments, by the position of the company in the value chain, but also by the role of the social partners, and here the role that social dialogue and collective bargaining can play is important.

Finally, the process involves social realities that are often overlooked but have an impact on the lives and ecosystems we inhabit. These changes are associated with growing economic and social inequalities, global demographic changes, care crises, very intensive use of natural resources and their effects on climate change.

### **What changes is digitalisation bringing about in the workplace?**

The automation of tasks is putting some jobs at risk due to the possible disappearance of jobs. It is true that some jobs are more susceptible to automation, but there is a growing emphasis on the fact that, rather than jobs, these are tasks that can be automated. This implies that the content of jobs is changing and that the re-skilling of people is key. Secondly, there is a clear impact on working conditions. It should be borne in mind that the effects are often ambivalent and differ across the working class as a whole. There are many elements involved, from occupation, professional category, socio-occupational profiles, qualification, etc. but also the capacity of collective bargaining to harness the benefits of new technologies and the containment of negative impacts.

Finally, the new risks that open up with the use of algorithmic management for automated decision-making in human resources. This implies that programmed machines will be in charge of personnel selection and recruitment, job monitoring and surveillance or work organisation, taking as a reference many data on professional profiles, job performance or even biometric measurements.

### **Impacts on working conditions**

Numerous studies point to the impacts of digitalisation on working conditions, including impacts on: time and place of work, occupational health, skills and vocational training needs, labour mobility and re-skilling, changes in the pay structure, gaps in the use of technology, equality and non-discrimination, data protection and privacy rights.

### **Telework as a new form of work organisation**

Telework has been one of the main tools of work organisation in order to be able to continue to provide services during the Covid-19 pandemic and the limitations of movement that ensued. This form of work organisation has been declining in percentage terms since then, both in the case of purely remote work and in the case of mixed or hybrid formulas.

A number of surveys and studies on telework have been carried out at European level. The one carried out by the European Foundation for the Improvement of Living and Working Conditions (EUROFOUND), which reflects workers' experiences of teleworking, assessing the risks and advantages, is particularly noteworthy. Among the advantages pointed out by workers, one can highlight the improvement of work-life balance or the reduction of commuting time to the office. On the other hand, the disadvantages include isolation, longer working hours or damage to health caused by unsuitable workplaces, either due to ergonomic issues or a lack of environmental conditions such as noise, lighting or air conditioning.

### **Implications of algorithmic work management**

A report by the International Labour Organisation (ILO, 2022) has defined algorithmic work management as "the use of computer-programmed procedures for the coordination of labour input in an organisation". Based on this definition, algorithms are a set of predetermined rules that, when followed in a sequential manner, allow a problem to be solved. This set of automated rules for solving a problem is increasingly being applied to business management, with human resources management being one of the areas where this implementation is taking place.

The implementation of algorithmic work management, i.e. making workforce management decisions based on a set of automated rules, is being extended to more and more sectors and to pre-existing forms of work organisation. However, digital work

platforms are the area where its implementation is most developed. Areas where algorithmic management is being used include recruitment, evaluation and promotion of staff. Algorithmic management practices, in any case, are combined with the previous ones and with the previous organisational characteristics of companies, so that the previous business culture permeates the scope and characteristics of management in the company when algorithms and artificial intelligence are incorporated.

This change in management implies changes in the organisation of work, such as the centralisation of control, the redefinition of tasks and roles or the blurring of organisational boundaries. It also implies effects on job quality such as intensification of work, worsening of the quality of working time, damage to the social environment, as a consequence of the loss of human interrelationships, and increased job insecurity as a consequence of continuous evaluation and monitoring.

### **What is the role of social dialogue and collective bargaining in the digital transformation?**

With the aim of balancing the impacts of digitalisation on workplaces, social partners at European level have reached a framework agreement on digitalisation (Business Europe et al, 2020), with the aim of adapting it to collective bargaining and social dialogue at lower levels. The aim of this framework agreement is to lay the foundations for a collaborative process on digitalisation between the different parties.

Among the commitments made by the social partners at European level, it can be noted that collaborative action is needed on work organisation, work content and skills, industrial relations and working conditions. Among the issues to be addressed are: digital skills and employability, connection and disconnection modalities, artificial intelligence and the guarantee of the principle of human control or respect for human dignity and surveillance.

In the framework agreement on digitisation It is proposed that this collaboration would take place in a set of successive phases: The first phase is related to exploring, raising awareness and creating a climate of mutual trust in order to discuss digitisation and the impacts. The second involves a joint implementation exercise that examines the benefits and opportunities of the measures as well as the risks and challenges. The third phase, called situation observation and strategy adoption, is the outcome of the previous ones and aims to provide a shared understanding of the opportunities, challenges and risks of digitisation measures. The fourth phase is the adoption of appropriate measures and actions, based on a test or pilot implementation, with the aim of setting priorities, synchronising the measures to be taken, defining the roles and responsibilities of management, employees and their representatives as well as the resources to be devoted to these digitisation measures and other complementary measures such as expert support. The fifth and final phase is that of regular joint monitoring, based on mutual learning from the established measures.

## **EWC participation in digitisation: pros and cons**

Should European Works Councils be involved in the processes of change towards digitalisation in multinational companies? Social partners (companies and employee representatives) can be drivers or brakes for the digitisation of companies, which is why the effects of digitisation are not predetermined but depend on the involvement of the partners. There are, however, some uncertainties about the relevance or otherwise of EWCs' involvement in this process. In the following, we will point out some elements, for and against.

Among the plus points, the transnational nature of digital transformation can be highlighted, which makes it an element that can be addressed by the EWC. In addition, the EWC can be seen as a very useful tool for accessing strategic information within the transnational group, playing a key role, which can be developed jointly with employee representation on boards of directors, in those companies where such representation is legally mandated. On the other hand, digital transformations are permanent processes and should therefore be governed by a ongoing transnational social dialogue.

Among the arguments against EWC involvement in these processes, the main one is that digital transformation would be considered an integral part of the company's strategy and therefore it is the prerogative of management to develop it. In addition, there is a lack of a clear link established between the EWC and the internal and/or external teams in charge of innovation processes. It can also be added that EWC members could not be sufficiently trained in digital innovation. In addition, the EWC, as a central representative body, is often far away from the field where the effects occur and may have a poor relationship with national representatives. Sometimes, digital transformation is just one issue among many on the agenda or is overshadowed by other more pressing issues. Finally, there may be insufficient cohesion among European EC members to address the process in a unified way.

All of these are elements to evaluate the pros and cons of concerted management of anticipation of change, and it is always advisable to carry out this management in harmony with and with the participation of local representation.

Among the subjects and approaches that can be adopted in this shared management are subjects to be tackled from a long-term perspective, which can be oriented towards finding solutions to questions such as: how to organise the relationship between AI and human beings within the company; how can we guarantee a competitive advantage for people over machines in the interests of the company and its employees; how can we ensure a competitive advantage for people over machines in the interests of the company and its employees; In addition, a wide range of issues that are affected by the digital change process must be taken into consideration: training, employability, working time, work-life balance, reverse knowledge transfer between generations (from younger to older) or workload management. The way in which the approach to these matters is organised can be approached in several stages. First of all, it has to be agreed who takes the initiative for participation, whether it is management, employee representation or



both. It is also important to lay the basis for dialogue, with joint working sessions and exchange of information, as well as training of EWC members. The adequacy of the resources allocated to the EWC or whether new resources need to be requested should be assessed. A joint diagnosis can be carried out with surveys within the working group and by involving employees in shared management.

Expected outcomes of this management can include joint leadership of the transformation (in the form of joint initiatives, transnational agreements or guidelines), monitoring of the implementation of the digital transformation by the actors involved, and stimulation and support of the social dialogue at local level.

### **What can be done from the EWC?**

Firstly, it is necessary to understand the digitisation processes that are taking place or are expected to take place in the future. To do this, information on the deployment of new technologies should be collected, e.g. by conducting a survey. Working groups can be held within the EWC to gain a shared understanding of the changes. Secondly, specialised training on the challenges and impacts of digitalisation on the company can be requested. In addition, it is positive to follow the roll-out of the transformation project, with information and consultation processes rich and dense enough to get real involvement of the EWC over time. The EWC can support and monitor the local social dialogue, maintaining regular exchanges of information with the group management on developments affecting the transnational group and passing this information on to the local representation as far as possible. The development of social dialogue at a decentralised level can also be encouraged. Finally, the recommendations of the European social partners can be used for the development of joint initiatives or transnational agreements on digitisation to define and formulate a set of key principles related to various areas, especially related to digitisation.

To sum up, EWC can play a relevant role in digitisation processes. Given that digitalisation is a diffuse concept that is identified with different realities, consensus on its intensities and scope can be established through dialogue. Moreover, it cannot be overlooked that the process of digitalisation in multinational companies has obvious impacts on working conditions, automation of production processes and algorithmic work management, effects with a clear transnational component. In addition, there is a framework agreement between European social partners that can serve as a lever to guide negotiations at lower levels. EWCs can guide and support local social dialogue on digitisation, as the issue of digitisation can be addressed at different levels.

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# Changing labour management practices to reduce mental and cardiovascular health problems at the workplace

Clara Llorens Serrano

## Employment as a social determinant of health: work-related psychosocial risks

Employment can be a protective factor for mental health, but it can also contribute to the development of diseases. Mental health disorders or cardiovascular diseases have multiple origins, they are multifactorial, which means that action can be taken in several areas to prevent them. One of them is work. This contribution focuses on pointing out only part of what it is known about how employment influences mental and cardiovascular disorders, focusing on the psychosocial risks of salaried work.

The scientific evidence supporting psychosocial risks as characteristics of work organization that can be detrimental to health is prolific and of high quality. These are either longitudinal studies (following initially healthy workers throughout part of their working lives) or research based on large databases (of more than 100,000 workers, from European countries, the USA or Japan) and whose analysis techniques make it possible to reliably rule out chance and other known determinants of the studied health disorders. Since Selye's research in the 1930s, various explanatory models of the relationship between these risks and health have been formulated. However, the dimensions most commonly used to investigate this relationship, the ones with the most scientific evidence and of the highest quality, are those of the "demand-control-social support" model of Karasek, Johnson and Hall and those of Siegrist's "effort-reward" model, which is why they are used here. Attending to this type of evidence, according to Niedhammer, Bertrais and Witt, responsible for the latest literature review with meta-analysis published in 2021, being exposed to high quantitative demands (more workload than can be taken on during the workday) and low control (inability to apply own skills and knowledge when doing the job or to learn new ones or to influence how it is done) increases the odds of developing depression by 77%; being exposed to high insecurity (worrying about losing one's job and finding another) increases the odds of anxiety by 61%. Likewise, low control and low support from colleagues and superiors is associated with suicide and psychotropic use. In 2022, Jean-François Chastang's team estimated that, of all diagnoses of depression in the European Union (35 countries), the fraction attributable to work-related psychosocial risks exposure was 17% for working in conditions of high strain (with high quantitative demands and low control), 9% for high job insecurity and 6% for effort-reward imbalance (with high demands and low recognition).

On the basis of this type of evidence, it can be reliably assured that exposure to psychosocial risks at work, among the social (i.e., changeable), causes of mental and cardiovascular diseases and deaths. Hence the WHO, overcoming the biological paradigm, has considered these risks as social determinants of health since 2008. This position has been maintained in its latest global report on mental health in 2022, in which action at the workplace is considered one of the three priorities for intervention to improve mental health, pointing to changes in working conditions through organizational interventions that reduce work-related psychosocial risks.

"We take pills when we have anxiety. It comes from the fear of sanctions for any nonsense, fear for cuts in your salary and you won't make it, because they lower your hours when an elder die... No course or psychologist can take this away from you" (Geriatrics assistant, 2023).

### **Change the organization of work to minimize health problems in the company**

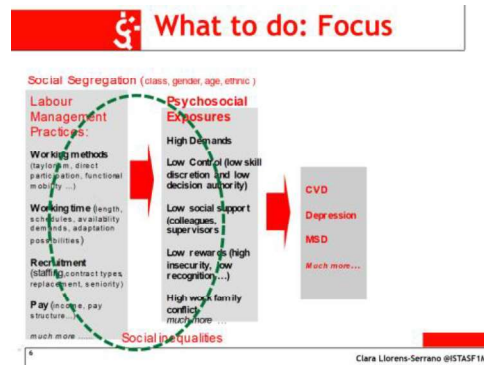
Moreover, all of this research indicates a wide range of targets for organizational interventions aimed at minimizing health problems at the workplace: reducing quantitative demands, increasing influence and opportunities to apply skills and knowledge and learn new ones, increasing instrumental support from colleagues and superiors, or increasing job security and recognition. This research confirms that these health problems can be minimized at their source, at the workplace, by reducing exposures, based on changes in labour management practices. In the European context, this is a right based on the European directive of 1984 (article 6.2), which has been transposed and is in force in the EU countries. This legal framework prioritizes preventive actions at source to reduce occupational hazards, so that changes in the organization of work for this purpose become a right of workers to be exercised in the company and which cannot be abdicated if health problems are to be limited. The focus is questioning from the occupational health perspective the practices of companies that make employment and working conditions precarious and unhealthy. There are many other legal commitments that oblige employers to act in this way, for example, Articles 3 and 31 of the EU Charter of Fundamental Rights referring to the right to physical and mental integrity of persons and the right to decent and safe work, respectively. Also, Principle 5 of the European Pillar of Social Rights referring to the need to avoid precarious employment relationships and working conditions or the Eighth Sustainable Development Goal on decent work and economic growth included in the United Nations 2030 Agenda.

This action would also allow reducing inequalities, since exposure to these risks is unequal, in accordance with a segmented labour market resulting from the unequal implementation of labour management practices. Salaried men and women in executive positions (operators, chambermaids, cashiers, etc.) have a higher prevalence of exposure to psychosocial risks than those in technical and professional positions (consultants,

computer specialists, teachers, etc.), an inequality that has persisted for the last 20 years, according to the publication of Siegrist's team in 2021 with EU data. And although the evidence regarding gender inequalities in exposure to these risks is inconsistent because it is under-studied, it can be affirmed that women are more exposed to low control and high insecurity and men to low support and effort-reward imbalance. Moreover, exposure prevalence is not low in the EU. According to data obtained in the European Working Conditions Survey (EWCS-2015), the latest available before the pandemic, among the EU-28 salaried population, the prevalence of exposure to high quantitative demands and low control (low opportunities to influence, to apply skills and knowledge and to acquire new ones in the performance of tasks) is 25.16%, to high job insecurity is 15.71% and to high quantitative demands and low rewards is 9.7%. These figures for Spain are higher 33.68%, 25.51% and 13.86% respectively, contrasting with Denmark, whose data are comparatively low 19.19%, 11.8% and 6.07% (Niedhammer et al. 2022). Regarding return to work, primary prevention is necessary too. Once the worker is cured, if he or she returns to a work environment in which the working conditions that made him or her ill have not been changed, he or she will relapse. Thus, the main issue for the workplace is to ensure healthy working conditions. The business obligation is to change labour management practices to reduce exposures to work-related psychosocial risks and, by avoiding or reducing psychosocial risk, eliminate the possibility of becoming ill at the workplace.

As indicated in September 2022 by WHO and ILO in their joint Policy Brief on mental health, the first step in addressing mental health at the workplace is to prevent psychosocial risks at work: assessing risks and reducing them at source, through organizational interventions that directly modify employment and working conditions. The aims are:

- to reduce workloads by increasing staffing levels and improving processes and technology;
- to limit insecurity by increasing job stability;
- to manage jobs more democratically to avoid low influence and limited opportunities to apply skills and knowledge;
- to reduce work-family conflict by minimizing unannounced changes in working hours, lengthening of working hours or asocial working hours, and increasing stable full working hours and social schedules;
- to avoid lack of recognition by paying salaries that cover the needs of families and their unforeseen expenses.



## Fundamental regulatory changes to reduce exposure to psychosocial occupational hazards

In order to implement these concrete measures in companies, collective work is required on several fronts, beyond the workplace. On the one hand, it is essential to continue progressing along the path of social dialogue that should become regulatory framework in the states, either through legislative changes or through collective bargaining agreements to change the labour management practices that give rise to these risks, reducing exposure and thus reducing the associated mental health disorders.

In this respect, the European level is also of paramount importance, as already mentioned regarding the Directive on occupational safety and health. Yet, along these lines, the recent opinion of the European Economic and Social Committee Opinion SOC/745-EESC-2023 (<https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/precarious-work-and-mental-health>), drawn up at the request of the Spanish government, recognizes precarious work as a social determinant of mental health, as established by the World Health Organization (WHO), and identifies workers in executive positions, women, young people and immigrants as those who suffer it the most. The opinion also recognizes that the scientific evidence on which the relationship between job insecurity and mental health is based is solid. According to the opinion, precarious work includes forms of employment that do not comply with national, international and EU standards and laws or that do not provide sufficient resources for a dignified life or adequate social protection. The EESC's opinion urges companies and institutions to assess work-related psychosocial risks and to put in place mechanisms to prevent them at source by changing precarious working conditions. It also proposes that various actions be implemented by the European and national institutions, such as the development of a specific European directive on work-related psychosocial risks - which has been promoted by the European Trade Union Confederation and supported by the European Parliament - or the design of a European and national industrial policy with the aim of creating quality jobs with decent and healthy working conditions. Likewise, it urges to guarantee the application of European and national legislation that establishes the requirement to quality and healthy labour management practices allowing a decent life; to provide sufficient resources to the competent public authority to supervise it; to

apply adequate economic sanctions in the event of non-compliance with these laws; and to prohibit companies and organizations that do not provide guarantees of compliance with these regulations from bidding for public tenders and public aid.

Specifically, as regards the contents that could be developed in an eventual directive on primary prevention of work-related psychosocial risks with an organizational and collective approach, the opinion proposes including a) Quality requirements for the assessment methods (validated with health data, measuring work-related psychosocial risks established by scientific evidence, visualizing inequalities, etc.); b) Where necessary, the establishment, planning and implementation of preventive measures for the elimination or minimization of these risks: 1) responding to the results of the work-related psychosocial risks assessment; 2) changing at source the working conditions that have been diagnosed as harmful, using organizational interventions, to avoid preventive measures focusing only on training and rehabilitation. Examples include: improving technology and processes and increasing staffing levels to reduce demands; ensuring that the organization of the working day is compatible with family care work; encouraging the use of participatory and cooperative working methods to avoid lack of influence and increase functional support among colleagues and from superiors; the establishment of fair procedures for recruitment, assignment of tasks, training and promotion in order to improve the quality of leadership; the design of enriched tasks to make it possible to apply skills and knowledge and learn new ones; promoting stability in employment and working conditions and predictability in changes, which need to be reasoned and reasonable, to avoid job insecurity; and an adequate salary that must allow for a decent life in accordance with applicable legislation, social dialogue and collective agreements. All these measures would contribute to reducing precarious work and protecting mental health; d) To promote effective management of these risks, avoiding merely bureaucratic re-evaluations; e) Be based on the participation of workers and their representatives at the workplace all along the preventive process. In this respect, it should be recalled that the 1984 European directive on occupational health and safety already recognizes their rights of consultation and participation (art. 11.1. and 11.3).

The need to strengthen compliance with and develop the body of legislation as it is announced so far is evidenced by the fact that in the EU the three main reasons motivating the business side to address occupational health and safety in their establishments are: complying with legislation (89.2 %), punitive action by the competent labour authority (79.4 %) and the demands of workers and their representatives (81.8 %), according to the different editions of the EU-OSHA pre-pandemic ESENER survey

(<https://visualisation.osha.europa.eu/esener/en/survey/datavisualisation/2019>).

These changes would reduce harmful labour management practices and thus work-related psychosocial risks and thus the probability of developing diseases associated with them, such as cardiovascular diseases and mental illnesses. In short, to configure labour management practices that lead to decent employment and working conditions allows to avoid and reduce the pathologies derived from work.



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## **Health, safety and environment: from Covid-19 pandemic to good practices of participation**

Valerio D'Alò

If there is anything good that the dramatic experience of the pandemic left us, it was the evidence of the advantageous outcomes resulting from workplace participation between companies and workers' representatives. We warmly recall the fear, the abrupt decision-making, the constantly evolving regulatory framework, and the imperative for the world of work to adjust to an unprecedented reality.

As trade unions, we have demanded, in certain instances, the closure of non-essential production activities (with health identified as the priority). However, we were also at the forefront of implementing COVID protocols to ensure that these companies could restart safely, with minimal risks for workers.

This led to the establishment of COVID Company Committees, in which workers' representatives (RLS, RSU/RSA) and companies cooperated in a participatory and collaborative manner to identify and implement various individual safety measures. These measures encompassed the use of PPE/masks, management of workspaces, time allocation within the factory and plants, included the implementation of remote work. The committees played a crucial role in developing protocols for the management of company canteens, ensuring that the minimum standards of workers' dignity were maintained, particularly during mealtimes.

Participation in Health and Safety thus became a priority to be pursued, and the experience of the Covid Committees was also used in the decisions taken during the renewal of the National Collective Labour Agreement (CCNL), where the involvement of RSUs (Trade Union Representatives) was strengthened, not just RLS (Worker Safety Representatives).

Joint training between RLS and RSPP (Prevention and Protection Services), training breaks, and participatory moments where 'near misses' are analyzed together serve as examples of how the union emphasizes and focuses on sharing the phases of companies' and workers' lives that can be addressed collectively.

We acknowledge that since the pandemic, union action has significantly focused on transitions. Energy transitions, digital transitions, have compelled the union to contemplate new needs, requirements, and protections in a changing world of work.

Certain aspects of these transitions, in our view, must indispensably be addressed collaboratively by workers, enterprises, and institutions, and only through perfect synergy can we achieve the goal of a 'fair' transition that leaves no one behind.

The common goal, foremost, between workers and enterprises is to realize the 'upskilling' and 'reskilling' processes that the involved workers will require. A shift in product (such as from making engines to producing e-bikes) or a change in production

cycles (such as the digitization of production processes) necessitates new skills to bridge the resulting 'gap.'

This need cannot be uniformly addressed since factors like workers' age and their experiences throughout their working lives will also influence and demand tailor-made solutions. In this regard, active policies will need to involve local institutions.

Fim Cisl commitment is to promote skills precisely so that our trade union delegates are the first to be trained and possess the right 'skills' to engage in new bargaining processes. We endeavor to promote the creation of Transition Commissions within company negotiations, where workers, through their representatives, can discuss investments, strategies, and objectives while maintaining an overall view of the company's needs.

The EU directive on drafting Sustainability Reports, which mandates the involvement of trade unions in its implementation, will undoubtedly provide a positive impetus to our goal. We recognize that environmental protection through daily actions at work, energy conservation, and the circular economy are values and objectives that can be achieved through participatory approaches.

In company agreements, our delegates have already started to incorporate indicators that consider ESG (Environmental, Social, and Governance) objectives in the calculation of performance bonuses. Notable companies and large groups like Fincantieri, Tenaris, Saccir, Tifast, scattered across the country, are part of this development.

Consequently, our trade union action is progressing towards the goals we have set for ourselves:

- awareness-raising, initiated four years ago and still ongoing through green workshops, where we discuss transition and the necessary preparations;
- training, conducted through 'Bargaining Workshops' where we analyze the accomplishments in agreements and existing good practices in various regions;
- bargaining, the phase where our delegates, together with companies, concretely realize the idea we are pursuing, summed up in the phrase 'together, transition is possible.'

The path ahead will not be easy, and it will require a capable political class to manage the change with far-sighted industrial policies that prioritize long-term benefits over present consensus. This is precisely where CISL proposal for a Participation Law comes into play, and we will actively engage in the field in the coming months.

# **Health and safety at work. A focus on Bulgarian national health and safety at work program 2022-2024**

Emil Rogov

On 28 June 2021, the European Commission officially launched its ambitious new "EU Strategic Framework for Health and Safety at Work 2021-2027 -Safety and Health at Work in a Changing World of Work". The framework focuses on three priority areas: anticipating and managing change, improving the prevention of work-related accidents and occupational diseases and increase preparedness for potential future health crises. As COVID-19, digitalisation and the transition to a green economy are leading to unprecedented changes in the nature of work, as well as in the places and ways of doing it, the new framework aims to mobilise EU institutions, Member States, social partners and other stakeholders around the implementation of these key priorities. In this regard, among the main objectives of the Bulgarian National Programme for Occupational Safety and Health 2022-2024 is to identify actions to improve the health and safety of workers in the context of recovery from the COVID-19 pandemic, green and digital transitions, economic and demographic challenges, and changing perceptions of traditional work environments.

The Programme is a strategic document through which the Government of the Republic of Bulgaria sets priorities for ensuring safe and healthy working conditions. It outlines the commitments and guides the efforts of government bodies, employers' and employees' organisations and other non-governmental organisations to ensure safe and secure working conditions, taking into account changes in the workplace and the emergence of new occupational hazards.

## **Status and trends at the beginning of 2022**

### Macroeconomic indicators

In 2021, there was a normalisation of economic activity globally following the onset of the crisis caused by the COVID-19 pandemic. Despite positive signs for the European and global economy in early 2022, the invasion of Ukraine by the Russian Federation has worsened economic growth expectations.

Specifically, in Bulgaria, economic recovery from the COVID-19 crisis was underway. Gross Domestic Product grew by 4.2%, the expected figure for 2022 is 2.6% and the budget forecast for the next 3 years is based on an expected growth of 3-3.5% per year. In 2021, employment in the Bulgarian economy ceased the downward process recorded in 2020 as a result of the restrictions on certain economic sectors to limit the spread of COVID-19. The average annual number of employed persons in 2021 is around 3.5 million and practically remains at its 2020 level.

The unemployment rate in the country remained low in 2021 (5.3%), with Bulgaria remaining among the ten EU27 countries with the lowest unemployment rates in the EU. The number of registered unemployed has declined substantially, with some of the summer months of 2021 recording historic lows in the indicator's series to date. The unemployment rate is expected to follow a steady downward trend throughout the 2022-2025 period. It is projected to be 5.0% in 2022 and decline to 4.2% in 2025.

#### Demographic trends

The data from the census show that as of 31.12.2020 the population of Bulgaria is 6 916 548 people, with 48.4% men and 51.6% women, or 1 065 women per 1 000 men.

The process of population ageing continues. By the end of 2020, there will be more than 1.5 million people aged 65 and over, or 21.8% of the country's population. The ageing of the population leads to an increase in its average age, which rises from 40.4 years in 2001 to 44.0 years at the end of 2020. The ageing process is occurring in both rural and urban areas, with the average age of the population being 43.1 years in urban areas and 46.6 years in rural areas. The ageing trend of the population also leads to changes in its basic age structure -below, in and above working age. Both the ageing of the population and the legislative changes in setting the retirement age limits have an impact on the working-age and over-age populations.

The working age population as of 31.12.2020 is 4 139 thousand people, or 59.8% of the population of the country. Over working age are 1 713 thousand people, or 24.8%, and under working age -1 064 thousand people, or 15.4% of the population of the country.

#### Educational and qualification structure of the workforce

The development of the labour market is largely determined by the level of education and qualification of the workforce. In 2020, the majority of the workforce will be people with secondary education -56%. Of the total workforce, 33% have a tertiary education and 11% have a primary education or less. There has been a marginal improvement in the educational structure of the labour force over the 5-year period, with an increase in the share of graduates, but a decrease in the share of workers with secondary education, and a slight increase in the share of those with primary education and below.

Viewed through another projection, in 2020 the employment rate of those with tertiary education is 73.2%, of those with secondary education is 57.5%, of those with primary education is 23.8% and of those with primary education and below is 22.0%.

#### Working conditions

In 2021, a total of 40,788 inspections were carried out by the control bodies of the General Labour Inspectorate, thus meeting the planned number of inspections for the year, despite the difficulties in control activities due to the COVID-19 pandemic. A total of 33 177 establishments were inspected, of which 3 747 for the first time.

The distribution of the number of enterprises inspected according to their size is as follows:

- microenterprises - 60%;
- small enterprises - 27%;
- medium-sized enterprises - 10%;
- large enterprises - 3%.

In order to eliminate the identified violations of the regulatory requirements for occupational health and safety and labour relations, the control authorities have imposed various compulsory administrative measures, such as:

- 97 % of employers' prescriptions are binding;
- stopped machines, equipment, workplaces and sections -2%;
- employees removed from employment for lack of the required qualifications;
- a special regime for safe operation in the event of serious and imminent danger;

In 2021 The Labour Inspectorate will continue to carry out enhanced controls related to actions taken by employers to contain and reduce the risk of COVID-19 spreading in workplaces. During the year, 57% of all inspections were specifically aimed at identifying employer actions to implement the anti-epidemic measures and actions related to the epidemic emergency. These inspections found that employers generally fulfilled their obligations under labour law to protect the life and health of workers. In only 1% of the establishments inspected were staff unaware of the measures taken in the establishment to protect against COVID-19. In about 6% of the inspections, it was found that signs and information material regarding the basic measures to prevent the infection were not posted and in 5% no prior information on the health status of workers was collected.

According to the results of the monitoring activities, large and medium-sized enterprises comply to a greater extent with the basic requirements for ensuring OSH for workers compared to micro and small enterprises. Preventive measures are taken to prevent occupational hazards that can lead to occupational accidents and diseases in the work process. Large enterprises have an established policy of training to improve the qualifications of staff. Despite the difficulties encountered due to the epidemic situation, companies provide resources aimed at carrying out preventive examinations of all workers.

### **Key challenges defined**

The trends, changes and challenges imposed by the health crisis, the green transition, technological developments and demographics on the nature and organisation of work at both European and national level. All of these challenges give rise to talk of emerging or changing occupational risks at work.

The COVID-19 pandemic has negatively impacted nearly all businesses and presented complex challenges for employers across multiple lines of business. Alongside the growing concern to protect the lives and health of workers due to the increasing number of those infected with the virus, measures have had to be considered in terms of

reopening businesses in a way that will ensure that returning to work will not lead to a further spread of the virus.

With accelerated digitalization and the desire to transform the world towards a "green" future, companies have been able to quickly reorient themselves. Business leaders were able to quickly develop various processes and procedures to put best practices in place to deal with COVID-19 situations. Many of the companies went into remote working mode, others introduced different work schedules to avoid mass infections of employees with COVID-19.

Other reasons than the pandemic that are putting pressure to restructure employment and work patterns include the increase in competition and economic pressures. Many companies are restructuring and downsizing or outsourcing certain activities, including abroad. The consequences of these processes for workers include job insecurity and intensification of work.

The nature of many tasks, work patterns and jobs is changing. As a result of the environmental and digital transition, jobs have emerged that did not exist ten years ago. The European Green Deal, the EU Digital Strategy and the new Industrial Strategy for Europe will together generate significant investment; contribute to growth, innovation and job creation; and provide flexibility and opportunities for workers, businesses and the self-employed.

These factors also have a significant impact on production methods and work organisation, resulting in a gradual transition from relatively standardised patterns of work organisation and working time to more complex and diversified structures. Since the beginning of this century, the number of workers in atypical forms of employment (fixed-term contracts, self-employment, workers employed through temporary employment agencies) has increased significantly and this process will continue in the coming years.

Globalisation, as well as the pandemic, has given impetus to the development of new technologies, in particular information and communication technologies (ICTs). According to the European Commission, as a result of the pandemic, nearly 40% of workers have started to work remotely full-time. The rapid spread of ICT and the Internet is changing the way companies organise production and is leading to changes in working conditions and organisation. Advances in technology can provide new opportunities for workers at all stages of their lives and careers.

Digital technologies can provide workers, including disabled or older workers, and their employers with digital solutions that support their health and well-being. These advances in technology can provide greater opportunities to improve work-life balance for both women and men, and to support OSH enforcement through accessible tools, increased awareness and more effective controls. Robotisation, the use of artificial intelligence and the increasing prevalence of remote working are reducing the risks of hazardous tasks, such as those in highly contaminated environments. However, new technologies also create a number of challenges due to the greater irregularity in terms of the time and place of work and the risks associated with new tools and machinery.

ICTs have contributed to the development of a 24/7 economy that requires the adoption of flexible work arrangements, a high degree of flexibility in working hours and quasi-permanent availability for work. <sup>4</sup>The increasing use of computers and automated systems in the workplace is also leading to an increase in the incidence of sedentary work and physical immobility in the workplace, which is associated with increased health risks such as coronary heart disease, certain cancers and psychological problems such as depression and anxiety.

Structural, organisational and technological changes in the work environment are leading to increased impact on work-life balance. Sources of impact include factors such as increased information pressures, the need to respond quickly, high demands on the quality of customer service and related requirements for workers to be constantly available, and the rapid pace of change. There is a need to assess the impact of new patterns of employment and work, different forms of flexibility and the introduction of new technologies (e.g. ICT-enabled mobile working) on work-life balance and health and well-being at work.

The current transition to a knowledge and service economy underlines the importance of service sectors for the population and citizens. These sectors provide a growing number of high-skilled jobs, for example in the ICT and marketing sectors, but also a growing number of low-skilled and low-paid jobs, often characterised by substandard working conditions and socially unacceptable working hours. In the education, health and social services sectors in particular, workers are exposed to adverse working conditions, combined with high emotional strain, increasing incidents of violence and harassment at work. In some of these sectors, the pandemic and associated health crises with cyclical increases in infection rates also create additional pressures.

Workforce diversity is another characteristic of modern enterprise processes and a challenge for OSH policy and programmes. Pension reform has increased the length of active working lives, which, together with the general ageing of the population, is leading to an increase in the proportion of older workers in enterprises. On the other hand, through youth employment policies and programmes, as well as modern forms of vocational training, an increase in young people entering enterprises for the first time is expected.

The number of women in the workforce is not expected to decrease either, as the current labour legislation creates good conditions for combining motherhood and working life. The expectation is for an increasing role and participation of women, including in traditionally 'male' occupations and industries. Migration processes across Europe will also have an impact on the composition of the workforce, including in Bulgaria, by increasing the number of migrant workers. The educational and qualification level of the workforce is also markedly diverse at all levels, from the sector to the individual enterprise level. All this means that OSH policy and management from the national level to the level of the individual enterprise should take into account the differences in these groups of workers, proposing measures tailored to their specificities and needs.



Another current challenge is the need for action to prevent musculoskeletal disabilities, which do not lead to death but affect millions of workers at EU level and are usually not linked to a single cause but to a combination of physical, psychosocial, organisational and individual factors.

Widespread health awareness among workers can only be achieved if there is a widespread culture of prevention in enterprises that allows health and safety issues to be systematically present in all aspects of the operation of the enterprise. In this way, the management of the enterprise has a decisive influence on the corporate culture and provides the impetus for behavioral change among workers.

### **Strategic goals and operational objectives**

On the basis of the analysis of the state and trends in the development of the economy and the defined challenges, the National Programme for Safety and Health at Work 2022-2024 sets 2 main strategic objectives, for the achievement of which packages of operational tasks are planned as follows:

Managing change in the new world of work brought about by green, digital and demographic transitions

- Harmonisation of national OSH legislation in line with amendments to the Directive on minimum health and safety requirements at work;
- Harmonisation of national OSH legislation in line with the amendments to the Directive on minimum health and safety requirements for the use of display equipment;
- Optimising the capacity to deliver and document OSH briefings in the context of the digital transition;
- Improving the legal framework on teleworking - Guaranteeing the rights of the parties to an employment relationship, including in relation to working conditions in teleworking, in line with European standards;
- Implementation of new and flexible forms of inspection and monitoring activity - including through self-monitoring questionnaires and by increasing the activity of trade unions in relation to their signalling functions;
- Processing and systematisation of statistical and operational information on occupational accidents, occupational diseases and temporary incapacity for work, with a view to identifying new trends;

Improve prevention of work-related diseases and accidents:

- Support practices aimed at combating the informal economy and undeclared work in enterprises;
- Develop guidance on the early identification of work-related musculoskeletal injuries and on their prevention, together with events to present information on specific risks and prevention of work-related musculoskeletal injuries;

- Raising awareness of OSH risks in the context of digitalization -conducting health and safety at work events in the digital age and presenting information on specific IT-related risks.
- Actions to modernise work equipment and technology in enterprises, including incentives for the provision of such in teleworking;
- Increasing the competence of managers and workers to expand social dialogue in the implementation of OSH legislation -training on occupational safety and health for representatives of social partners;
- Conduct research and analysis of psychosocial risks in the performance of duties and increase the competence of employers and employees to manage psychosocial risks;
- Enhancing preparedness to deal with possible future health crises by developing recommendations, plans and programmes.



# **New post-pandemic practices regarding occupational, safety and health measures: the case of North Macedonian companies**

Mile Boshkov

The contemporary world has been significantly reshaped by the Covid-19 pandemic, and this transformative influence extends to the realm of the workplace. In this context, it is important that companies adapt themselves to a novel reality, where OSH practices have become paramount in safeguarding employee well-being and maintaining operational continuity, exploring of how North Macedonian companies have not only adjusted but proactively evolved in response to the ongoing challenges presented by the pandemic.

## **Overview of the post-pandemic landscape**

Covid-19 pandemic has dramatically shifted priorities for organizations, compelling them to navigate a delicate balancing act between productivity and safeguarding employee health, necessitating continuous adaptation and responsiveness from businesses. At this regard, businesses need to remain apprised of the ever-evolving OSH regulations and regulatory changes and compliance requirements that North Macedonian companies must diligently adhere to, following also the introduction of new guidelines and standards, which encompassed aspects like social distancing, sanitation, and remote work. While the necessary transformation of workplaces, due to the rapid and widespread adoption of teleworking and remote working policies, has had inherent benefits, such as the mitigation of transmission risks and flexibility for employees, it has also brought to the fore potential challenges, particularly with regard to the mental health of employees and the imperative need for transparent remote work guidelines.

Hence the crucial importance of continuous health and safety training for employees, whose role is crucial in ensuring compliance with the new OSH measures, both in terms of virus transmission, workplace sanitation and the appropriate use of personal protective equipment (PPE). In parallel, companies have the fundamental task of promoting a safety and health culture among their employees, thus inculcating a sense of collective responsibility. Attention is also paid to the mental health dimension of OSH in the post-pandemic era and the profound impact of prolonged stress and uncertainty on employees' mental well-being. Once again, there is a need for companies to recognise their moral and legal obligation to provide mental health support and resources, such as counselling services and stress management programmes, that serve employees as tools to deal with the complex challenges of work-life balance.

The concepts of flexible scheduling and hybrid working methods have gained ground in Macedonian companies. Models that have to be customised by companies to be advantageous, aligning them with the specific needs of their workforce.

The benefits associated with an organisational model that favours flexible working hours and hybrid work include:

- Increased employee satisfaction, allowing employees to choose when and where they work and leading to a greater work-life balance and improved general well-being.
- Increased productivity, as flexibility in working arrangements does not necessarily equate to decreased productivity. Many Macedonian companies have experienced an increase in productivity as an effect of employees' autonomy to work during the most productive hours or in a comfortable environment.
- Cost Savings: the implementation of flexible scheduling and hybrid work models often results in cost savings. Reduced office space, utility expenses, and maintenance costs can significantly benefit organizations' bottom lines.
- Talent Attraction and Retention: the ability to offer flexible scheduling and remote work options can be a major factor in attracting and retaining top talent. Companies that embrace these models often find it easier to recruit and keep skilled professionals.

At the same time, the use of hybrid and flexible organisational models can generate the following challenges and considerations:

- Communication and collaboration: maintaining effective communication and collaboration within teams can be challenging when employees are working remotely or on different schedules. Companies need to invest in technology and processes to facilitate teamwork.
- Security concerns: in the era of remote work, data security becomes a more critical concern and robust cybersecurity measures need to protect sensitive company information.
- Mental health and isolation: not all employees thrive in remote work settings. Isolation and potential mental health issues can be a concern. Therefore, companies should be mindful of these challenges and provide support and resources.
- Equity and inclusivity: the adoption of flexible scheduling and remote work should be done with an inclusive mindset; companies should ensure that all employees, regardless of their roles, have equitable access to these work arrangements.

Technology's pivotal role in contemporary OSH measures was a recurrent theme in the analysis of post-pandemic measures. The use of technology-driven tools, like contact tracing apps and wearable devices, highlighting their potential to monitor and manage potential outbreaks within the workplace. The ethical and practical considerations of

implementing such technology were deeply explored in North Macedonian companies, particularly concerning employee privacy and the paramount need for informed consent. In a nutshell, there is a need for companies to put employees' well-being first, while maintaining productivity thresholds, encouraging them to embark on an active journey of re-evaluating and adapting their OSH practices, devising strategies in line with the evolving needs of the post-pandemic era. In North Macedonia, the occupational safety and health scenario is constantly evolving. The practices analysed highlighted current challenges but, more importantly, offered tangible and feasible solutions for companies in North Macedonia.



# **How European policies and legislation on sustainability and circularity affect information and consultation rights in EWCs**

Luis de la Fuente Sanz, Jesús Cruces Aguilera

Beginning with the environmental challenge facing the world, this text summarises the European policy response in summary form, with a particular focus on the impact on the world of work, the role of social dialogue and industrial relations at company level.

## **Environmental challenge**

Businesses are currently facing or have recently faced various risks such as the Covid-19 pandemic, cycles of high inflation, high energy costs due to the Russian invasion of Ukraine, digitalisation and climate change.

Specifically with regard to climate change, the Intergovernmental Panel on Climate Change (IPCC) has produced several reports analysing climate change, its causes, possible impacts on the planet and the population, and possible response strategies. The report produced in 2023 (IPCC, 2023) indicates that the average global temperature in the decade between 2011-2020 was 1.1 degrees Celsius higher than in the period 1850-1900 and that if the current trend of CO<sub>2</sub> emissions continues, the threshold of 1.5 degrees Celsius of global warming will be exceeded in less than 10 years. This global warming will lead to climatic and non-climatic risks arising from regional changes in climate by increasing extreme weather events.

According to this group of experts, to limit global warming to the 1.5°C target, global greenhouse gas emissions need to peak by 2025 at the latest and be reduced by 43% by 2030 at the latest. As far as CO<sub>2</sub> emissions are concerned, to reach this 1.5°C target, we need to reach global net zero carbon dioxide emissions by the early 2050s; for 2°C, by the early 2070s. This 1.5°C target implies that global greenhouse emissions should be reduced by 7.6% each year in the decade between 2020 and 2030. The year of the COVID-19 pandemic is the only year in which a similar decline has been recorded.

The impacts of climate change include higher temperatures, more powerful storms, increased droughts, rising ocean levels and warming water, loss of biodiversity, risks to human health, food shortages, poverty and climate migration.

## **How does this challenge affect the world of work?**

Companies, sectors and countries are being affected by digital and environmental transitions that are transforming modes of production, employment and consumption. In the labour sphere, the negative impacts of these transitions on workers, companies and



affected communities should be addressed in the early stages of the transformation processes. In the European Union, the social partners, and therefore companies and workers' representatives, are being encouraged to play an important role in anticipating and tackling the social and employment consequences of these double transitions: environmental and digital.

Specifically, the European Commission has made a proposal for a recommendation to the Council of the European Union to strengthen social dialogue and collective bargaining at both national and European level (European Commission, 2023.a).

### **How is Europe responding?**

Europe is responding to these challenges through two initiatives that are articulating the EU's actions: Green Deal (2019) and Re-Power-EU (2022). The first of these initiatives aims to decouple economic growth from the use of natural resources, involving regions and citizens in socially just transitions so that no person or territory is left behind. The second initiative aims for affordable, secure and sustainable energy for Europe. Following the Russian invasion in Ukraine, the aim is to save energy, produce clean energy and diversify its energy supply.

On the basis of these initiatives, the EU has made a set of commitments (Regulation EU 2021/1119) involving the progressive and irreversible reduction of man-made greenhouse gas emissions. The reduction of emissions by 55% compared to 1990 by 2030 and the adoption of climate neutrality by 2050 and negative emissions thereafter.

These commitments have been translated into various initiatives, rules and regulations:

- Sustainability Reporting Directive (EU 2022/2464)

- Sustainability Reporting Standards (2023, Unpublished)

- Sustainability Taxonomy Regulation (EU/2020/852)

- Future directive on due diligence (National legislations)

- Directive on I&C in EWC (Directive 2009/38/EC)

- Transparent Working Conditions Directive (EU/2019/1152)

- Transparent Pay and Equal Pay for Work of Equal Value Directive (EU/2023/970)

The Corporate Sustainability Reporting Directive (EU 2022/2464), known as the CSRD, requires large companies and small and medium-sized enterprises, with the exception of micro-enterprises, that are in the public interest to report on sustainability (environmental, social and governance) issues. There is a differentiated timetable depending on their size, so that larger companies and groups of companies listed on stock markets, which generally include multinational companies, must publish this information by January 2024. A period is established for other companies that is gradually extended, depending on certain issues, for this publication of non-financial information.

The same directive sets out the matters to be disclosed and the manner in which they are to be reported. Among the issues to be reported are the following:

- brief description of the company's business model and strategy regarding to sustainability;
- a description of the targets relating to sustainability issues, describing a time horizon for these targets (taking into consideration the targets of 55% emissions reduction by 2030 and emissions neutrality by 2050);
- a description of the role of the administrative, management and supervisory bodies with regard to sustainability issues, indicating whether these persons have specific knowledge and skills in the area of responsibility;
- a description of the company's policies in relation to sustainability issues;
- information on the existence of incentive schemes linked to sustainability issues;
- description of: due diligence procedures on sustainability issues, actual or potential negative impacts of the business itself and the value chain and measures taken to detect and monitor, measures taken to prevent, mitigate, remedy and terminate impacts;
- description of the main risks in matters related to sustainability and their management;
- relevant reporting indicators on the above issues.

Similarly, the European Commission has agreed in July 2023 the European sustainability reporting standards (ESRS), these standards have been made as a delegated regulation of the commission that completes the directive 2013/34/EU, on financial statements of companies, however it is not yet published in the official bulletin of the EU, so it will not be mandatory until that publication. This document is the result of a modification of the document prepared by the European Financial Report Advisory Group (EFRAG).

That document (European Commission, 2023.b) indicates that companies should publish this information following transversal standards that will be mandatory for those companies forced to publish this information and other specific standards in environmental, social and governance issues that will be options according to the size of the company and according to the assessment of materiality. Among the transversal standards, a distinction can be made between general requirements and general disclosures. Specific standards require companies to report on climate change, pollution, water and marine resources, biodiversity and ecosystems, resource use and circular economy, own workforce, workers in the value chain, affected communities, consumers and end-users, and business conduct. Among these matters, some temporary exemptions are foreseen for matters related to workforce, value chains and environmental issues and also for companies with less than 750 employees.

Specifically in issues related to the own workforce, the matters to report on can be grouped into three main groups: working conditions, equal treatment and equal opportunities for all, and other rights, according to the following list (it should be noted

that the matters to report on relating to workers in the value chain are similar with the exception of the rights to information, consultation and participation and bargaining presence in the company; to which should be added the rights related to water and health, in the section on other rights):

- Working conditions: job security, working time, adequate wages, social dialogue, freedom of association, existence of works councils and information, consultation and participation rights, collective bargaining including the percentage of workers affected by collective agreements, work-life balance, health and safety;
- Equal treatment and opportunities for all: Gender equality and equal pay for work of equal value, training and skills development, employment and inclusion of people with disabilities, measures against violence and harassment in the workplace, diversity;
- Other work-related rights: child and forced labour, adequate accommodation, privacy.

In addition to these issues related to its own workforce and value chain' workforce, the EU has developed a regulation (EU/2020/852) in which a taxonomy of environmental matters on which the company must report is elaborated. These targets must follow the Do No Significant Harm (DNSH) Criteria. Among these environmental objectives, companies and groups of companies must report on the measures they are carrying out, or plan to carry out, to contribute to climate change mitigation, adaptation to climate change, sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, or the protection and recovery of biodiversity and ecosystems.

There is an increasing focus on sustainability issues throughout the value chain of the companies. National due diligence legislation has been adopted in several countries (France, Germany, the Netherlands or Norway) and is in process in others. Similarly, European legislation on due diligence is in the process of being drafted. Due diligence mechanisms are known as those that identify, prevent, mitigate and account of arising external harms from adverse impacts on human rights and environment. These impacts could be caused by the company's own operations or by its subsidiaries or subcontractors in the value chain.

In addition to the sustainability legislation, there are two recent directives, one related to transparent working conditions (EU 2019/1152) and another related to equal pay and pay transparency (EU 20236/970). These directives have implications for social dialogue and collective bargaining at national level, but the interest goes beyond to the transnational level as they entail changes in corporate culture and are, or will be binding, after their transposition by the Member States, on the whole of the Union.

The directive on transparent working conditions (EU 2019/1152), which should have been transposed by August 2022, aims to promote more transparent and predictable employment conditions by granting information rights to every worker in the European

Union on matters related to health, dignity and safety at work, the limitation of maximum working hours with the establishment of daily and weekly rest periods, as well as a period of paid annual leave.

That directive states companies must inform the worker between the first and the seventh calendar day, or within one month at the latest (Art. 4), about the identity of the parties, place of work, job category, job description, start date, end date or expected duration, (user companies, in the case of temporary employment agencies), duration and conditions of the probationary period, right to training, paid holidays, notice periods in the event of termination of employment, remuneration (basic, other components and periodicity), length of ordinary, daily or weekly working hours, overtime and its remuneration, applicable collective agreement and applicable social protection. Similarly, it states (Art. 5.3) that the applicable legal information or collective agreements must be made widely available, free of charge, clear, accessible at a distance and by electronic means, including the online portal.

The directive on equal pay and pay transparency (EU 2023/970), which would be transposed by June 2026, aims to promote the application of the principle of equal pay for equal work or work of equal value between men and women, as well as pay transparency in order to achieve the objective of prohibiting discrimination on grounds of gender.

That directive also provides for a pay assessment, in cooperation with workers' representatives, in cases where there is a pay gap of more than 5% and this difference was not justified on the basis of objective and gender-neutral criteria and was not rectified within 6 months. This is why that directive allows for the effective involvement of the social partners, if requested, in the implementation of measures to combat pay discrimination.

### **What to do in the field of industrial relations?**

One of the aspects to be strengthened in the field of industrial relations at company level is the exercise of information and consultation rights. To achieve this objective, the directive on the establishment of EWCs and on information and consultation procedures in Community-scale undertakings (2009/38/EC) and the directive on company sustainability reporting (EU 2022/2464) can be used as a tool.

The first step is to find out what is happening in the company in terms of sustainability. Directive 2009/38/EC states that “information and consultation of employees must occur at the relevant level of management and representation, according to the subject under discussion”, and also enables employees’ representatives to express an opinion on the basis of the information provided about the proposed measures to which the consultation is related. Similarly, EU Directive 2022/2464 amends Directive 2013/34/EU by

extending these rights to sustainability-related matters in Article 19a.5<sup>3</sup>. It would therefore be a good thing if the agreement establishing the EWCs included sustainability among the subjects to be considered at EWC meetings, as well as the resources to verify this information.

In addition, the sustainability directive (EU 2002/2464) states that reporting is required on issues that are materially important to the company. In this definition of materiality, the directive promotes dialogue with stakeholders, who should provide feedback to the information provided by the company with their conclusions on sustainability impacts, risks and opportunities.

It should be recalled that in July 2023, two annexes to the 2013/34/EU directive on annual financial statements were approved (although they have not yet been published in the official EU bulletin). In these annexes (European Commission, 2023.b & 2023.c) two types of stakeholders are identified: On the one hand, there are those parties directly, or potentially, affected by the company or its value chain (employees and other workers -self-employed, temporary agency workers-, suppliers, consumers, customers, end users, local communities, vulnerable people, public authorities, regulators, supervisors, central banks). On the other hand, other indirectly affected parties are also defined as individuals or organisations that are users of sustainability reports, including investors, credit and insurance institutions, business partners, trade unions, social partners, civil society, NGOs, governments, analysts or academics. Both types of stakeholders may include employee representation and trade union organisations respectively.

Similarly, in both annexes (European Commission, 2023.b & 2023.c). The concept of double materiality is described, where impact materiality is considered, taking into account the impacts, risks and opportunities of the impact of the activities of the company itself or of its value chain on the territory or on the communities and environment. Financial materiality is also considered, which are the impacts, risks and opportunities that these issues related to sustainability may have on the company's financial situation.

### **How to use the information in the EWC?**

The exercise of information and consultation rights in EWCs is recognised by Directive 2009/38/EC. This includes the treatment of transnational issues, considering as such issues those that affect the whole company or group of companies, or at least two member states, extending this consideration to those in which the decisions have been taken at supranational level or in another member state.

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<sup>3</sup> Article 19. BIS. 5. “The management of the undertaking shall inform the workers’ representatives at the appropriate level and discuss with them the relevant information and the means of obtaining and verifying sustainability information. The workers’ representatives’ opinion shall be communicated, where applicable, to the relevant administrative, management or supervisory bodies.”

This is why the EWC could establish a roadmap for its participation in sustainability issues that affect the company as a whole or more than two member states. This roadmap can consist of planning the collection of information, identifying short- and long-term objectives, influencing the company's policies and measures on sustainability issues, monitoring compliance with these issues and requesting adjustments of the policies and measures taken by the company on these issues. For those issues that have a national scope, the EWC may choose to refer them to local representation and offer advice to local representation in negotiation with local management.

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# Collective bargaining for sustainability

Giovanni Rizzuto

Collective bargaining can contribute to sustainability in many ways that go beyond the renowned meaning related to the environmental dimension.

As a form of co-regulation, collective bargaining contributes to the effective and inclusive governance of the world of work and has positive effects on the stability, equality, effectiveness and resilience of companies and labour markets.

Collective agreements can promote and extend quality and dignity of work, equality through reduction of wage disparity, gender equality and fair treatment, stabilization of labour relations, inclusion of the most vulnerable groups of society (disabled people, youth, migrants, women) in the world of work, provide more favourable and more effective provisions than public regulations in terms of occupational health and safety.

Collective agreements can facilitate the adaptation of regulatory provisions to the specific needs of industry, enterprise and workers.

This includes the regulation of flexibility in working hours and work organization for work-life balance, as well as economic treatment with the negotiation of the variable wage, that is, one that is additional to contractual minimum wages and it remunerates the workers based on company performance.

When there is a well-established and cooperative system of industrial relations, social dialogue succeeds in synthesizing the interests of the parties represented, in order to enhance existing professionalism, build paths of growth and participation, which give a boost to the productivity and competitiveness of companies. This is particularly appreciable in critical phases of markets, where in the face of stagnation, redundancies, etc., collective bargaining proves essential in negotiating the retraining or divestment of enterprises, to assist workers and many times to lift up the companies themselves.

Provisions in collective agreements can also supplement social protection systems, such as health care, complementary pensions, to make the entire public welfare system more sustainable, as in almost every EU member state, in Italy in particular, welfare state is resulting increasingly burdened by debt and continuous cuts in public spending.

For instance, in some national contracts that we have negotiated in Italy, we have pioneeringly introduced long term care provisions, supporting an increasingly strong need of workers in creating the future conditions to have support in a phase of non-self-sufficiency.

Collective bargaining can help strengthen resilience in the short run - facilitating the balancing of interests that ensure business continuity and preserve jobs and incomes - and facilitate labor transformation in the long run. These features were particularly crucial, for example, in the context of the COVID-19 crisis. The social partners were the



first to draft and agree on protocols to contain contagions in the workplace, and to resume work safely at a later phase.

To date, Italian unions continue to be present at the negotiating tables with government and companies to ensure support for workers in those sectors that have suffered most from the pandemic crisis first and, immediately afterward, the current crisis due to rising prices and inflation caused by the Russian-Ukrainian conflict.

Collective bargaining can facilitate the transformation of processes in the industrial and labour spheres: this is the case with the "twin transitions" we are witnessing, the digital and the ecological ones, which uncover unprecedented development possibilities, neglected and perhaps looked upon with distrust in the past, that can instead make a significant contribution to our economy, our environment, our society, and our work. Similarly, the development of new digital technologies and investment in infrastructure and services, would enable us to reach the still marginalized areas of a country, giving new opportunities for development and life to those populations.

However, as we already know, costs and opportunities of green and digital transitions will not be evenly distributed across sectors and regions, so without coordinated interventions between government and social partners – a real and effective social dialogue – these transitions risk widening the gap between center and periphery, in individual states and the EU.

For these reasons, as trade unions, at the national and European level, we have long been urging that the two transitions cannot take place in a scattered manner, but have to be included in strategic plans according to the objectives to be pursued and the timeframes useful for the formulation and application of concrete, long-term policies, for the provision of the necessary enabling infrastructure and the implementation of tools to support employment continuity.

In fact, in the "hard to abate" sectors most directly affected by the need for productive reconversions (energy and oil, steel, glass, ceramics, automotive, plastics, etc.), it will be necessary to direct resources towards long-term and mutually harmonized interventions in relation to the needs for both productive reconversion and retraining of workers' skills towards the new professionalism required.

This is where the collective action of trade unions and collective bargaining can play their role in terms of sustainability, social and environmental: in addition to the ex post management of the social repercussions of economic-productive choices, the orientation of these choices can be affected, gathering the expectations of thousands of workers and offering them support and reassurance with respect to their future.

# Digitalization and adoption of technologies for greater sustainability in in the Western Balkans

Bojan Todorovski

The introduction that set the stage for the discussion emphasizes the importance of understanding and managing the impact of digitalization within the broader context of sustainability goals. It highlighted that the choices made during the digitalization process play a critical role in ensuring both environmental and social sustainability.

As a process of open and constructive communication and negotiation among diverse stakeholders, including governments, employers, workers, and civil society organizations, social dialogue has a pivotal role in the context of digitalization and sustainability, in achieving common goals, resolving disputes, and making decisions that benefit everyone involved.

The following points were discussed in detail:

**Balancing Interests:** social dialogue was presented as a means to reconcile competing interests among various stakeholders. It highlighted that governments, businesses, workers, and civil society each have unique objectives, and social dialogue provides a platform for reaching compromises that align with broader sustainability goals.

**Informed Decision-Making:** social dialogue facilitates informed decision-making. It discussed the importance of experts, policymakers, and stakeholders coming together to share insights, research findings, and best practices, resulting in decisions that are evidence-based and effective.

**Building Trust:** trust is an essential element of social dialogue. It fosters trust among stakeholders by creating a transparent and inclusive environment where concerns can be voiced and addressed. Trust is instrumental in gaining support and involvement in sustainable initiatives.

**Tailoring Solutions:** the idea that one-size-fits-all solutions do not apply in the context of digitalization and sustainability was stressed. Social dialogue enables the customization of solutions to address specific needs, ensuring that they are effective and culturally sensitive. The successful examples of social dialogue initiatives in North Macedonia, involving government, employers, and labor unions to address challenges arising from digitalization and sustainability. These examples included the development of policies that consider the needs of workers and communities.

**Worker Involvement and Consultation:** the importance of worker involvement and consultation in the digitalization and sustainability discourse mean that workers possess

a wealth of knowledge and insights gained from their hands-on experience in various industries, making their involvement critical for making informed decisions.

The following aspects were explored in depth:

**Collective Wisdom:** Workers' collective wisdom was presented as a valuable resource. Consulting workers taps into this collective knowledge, helping organizations make informed decisions that consider both technological advances and their impact on employees and communities.

**Job Security:** In case of job displacement due to digitalization, workers' involvement is crucial in mitigating these fears. Opportunities for retraining, reskilling, and upskilling were discussed as ways to empower workers to adapt to changing job requirements and enhance job security.

**Enhanced Productivity:** Engaged employees were recognized as more productive and innovative. Workers' involvement promotes a sense of ownership and belonging within an organization, leading to higher job satisfaction and employee retention.

**Workplace Satisfaction:** Workplace satisfaction is a direct outcome of workers' involvement. When employees are consulted and feel valued and heard, their satisfaction increases, ultimately benefiting the long-term stability of the workforce. Successful examples of workers' consultation mechanisms in North Macedonia were pointed out, including feedback sessions, focus groups, and joint committees that discuss technological changes, sustainability practices, and their impact on employees.

**Multinational Companies and Sustainability:** Multinational companies have an important role in promoting sustainability, emphasizing that they bring resources, expertise, and global best practices to the sustainability effort. Multinational companies have the financial strength to invest in sustainable practices, develop innovative solutions, and implement large-scale projects that can benefit local communities and the environment. These companies can introduce global best practices and share lessons learned, which can be invaluable for North Macedonia's sustainable development. They also have a considerable influence on supply chains and markets by adopting sustainable practices, encouraging similar behavior in their suppliers and competitors, thereby driving sustainability standards across entire industries. The engagement of multinational companies with local communities is a driver to recognize the importance of a harmonious relationship with local stakeholders and are motivated to engage in sustainability initiatives that benefit local environments and societies.

North Macedonia has witnessed the positive contributions of multinational companies in various sectors, particularly through investments in renewable energy and responsible

sourcing, with the collaborations between these companies and local communities and governments.

According to the current state of digitalization and sustainability in North Macedonia, the assessment of the progress and challenges is as follows:

- government initiatives are taking in place to promote digitalization, including e-government services aimed at making public services more accessible and efficient;
- education and innovation initiatives, such as coding programs in schools and the establishment of innovation hubs, were praised for nurturing a new generation of digitally skilled individuals;
- the digitalization of industries like information technology and services was recognized for contributing to economic growth and job creation, positioning North Macedonia as an attractive destination for tech investments;
- the country's environmental initiatives, such as renewable energy projects and efforts to reduce emissions, were highlighted as crucial for aligning with international agreements and addressing local challenges, such as air pollution;
- North Macedonia is committed to social development, including investments in healthcare, education, and social welfare, with the aim of creating a more equitable and prosperous society;
- Local and community initiatives and partnerships are also as a cornerstone of sustainability in North Macedonia;
- while progress has been made, more needs to be done to fully realize the potential of digitalization for sustainability in North Macedonia, as for the importance of greater integration of digitals and programmes.



# **AXA and the information exchange processes between the group and the European Works Council (EWC) during the Covid-19 pandemic**

Daniel Folgado Risueño

The case of the European Works Council of AXA is presented, starting from its constitution and origin to the exchange of information between the business group and the EWC during the Covid-19 pandemic.

## **Origin, composition and evolution of the Group European Work Council (CEG) in AXA**

The EWC was set up on 26 June 1996, within the framework of the European Directive 94/45 of 22 September 1994. The founding agreement has been amended several times on the basis of this directive, in January 1998, with extensions in April 1999 and June 2002. A second amendment took place in October 2002, with extensions in May 2005 and October 2005. The agreement was renewed again on 29 June 2009, taking into account the measures of the European Directive 2009/38 of 6 May 2009, which is used as a reference in case of difficulties in interpreting the text. At the European level, the AXA Group European Work Council works with employee representative bodies, in particular trade union groups, respecting the different ways in which issues are dealt with in different member countries.

In this respect the Group works to:

- develop a constructive social dialogue;
- manage a procedure for informing and consulting employees;
- inform about the ANA Group's economic rights, financial situation and growth prospects;
- take note of their reactions, suggestions and views regarding strategies implemented in an open and honest dialogue, always aiming at the continuous and balanced development of the Group.

The aim of the Group European Works Council is to address transnational issues and to provide a means of constructive social dialogue. It is expressly stated in the text that the existence and implementation of the Group European Works Council in no way challenges national employee representation bodies or their prerogatives. The European Works Council is composed of 50 full members and 50 alternate members. The allocation of representative seats is made on the basis of the number of permanent employees according to the following scheme:

- 1 representative for countries with establishments with an aggregate size between 150 and 1,000 employees;
- above 1,000 employees, 1 additional representative for each group of 2,000 employees (including partial groups), up to 15,000 employees;
- structures employing more than 15,000 employees will be distributed proportionally among the countries.

Within the EWC there is a Select Committee, the "Secretariat" (only the social part), composed of 12 members, 9 of whom are elected by the EWC and at least 5 of whom must be from countries other than France. The term of office of these representatives is 4 years. There are also different positions within the AXA EWC:

- 1 Secretary General
- 3 Assistant Secretaries
- 1 Treasurer
- 1 Head of CEEC\* and Social Dialogue (\* Central and Eastern European Countries)
- 1 Communication Officer
- 1 Head of Non-Represented Countries (<150 employees)
- Other members of the secretariat (4 representatives)
- 1 Expert from the European sectoral federation (UNI)
- In addition, there is an area of extra-European relations with Switzerland, Japan and Mexico

## **Meetings**

Various meetings are held, either separately on the social side or together with the management of the company. These meetings include the following:

- monthly meetings (with the exception of July, August and December), which last two consecutive days. The first day is a meeting of the secretariat, without the management; the second day is a meeting of the bureau, comprising the secretariat and the industrial relations management;
- plenary meetings (2 meetings per year) lasting three days. On the first day, the meeting is considered preparatory to the plenary session and only the social partners meet separately. On the second day, in plenary session, the social partners and the employers' side, the 50 members mentioned above, meet with the President of AXA. On the third day, the social side meets separately with the aim of debriefing the plenary session, evaluating, describing, analysing and drawing conclusions from the previous day's session;
- joint training meetings, Two-day meetings generally every two years.

## **Working method**

The working method at these meetings is as follows: In these meetings, information management and consultation are carried out in order to achieve Global Agreements. There are currently two global agreements: a) Anticipation of Change, which guarantees a compulsory Social Dialogue at European level, and b) Health Surveillance at global level. The information shared by both the different EWC representatives, and the company is passed on to the local representatives in the different countries through the EWC delegates. In the work of these EWC representatives, AXA's Corporate Social Responsibility is called upon to look after Employment within the EU (our mandate as EWC) and to close the circle, the EWC members need the right to Information and Consultation.

What we are mainly looking for from within the EWC is contact with the Local Labour Representatives in order to improve employment conditions in our company under the premise of AXA's Social Responsibility.

## **Communication**

The EWC of AXA has internal and external communication channels, among the external communication channels we can point out its own website (<https://www.cegaxa.eu>) and a Twitter account ([https://twitter.com/axa\\_ewc](https://twitter.com/axa_ewc)). In both spaces, there are disseminated notices about the EWC meetings and the interventions of its members in the dissemination of the EWC activities, in short, it is intended to follow a communication strategy in line with a quote attributed to the Nobel Prize winner Gabriel Garcia Marquez: "What is not communicated does not exist".

## **Information exchange during the Covid-19 pandemic**

The exchange of information on pandemic management between the company and the EWC started at a face-to-face meeting on 5 February 2020 in Paris, during a meeting of the AXA Partners Network (Assistance) where the issue was first discussed. The EWC members were informed about the medical assistance provided in this company regarding the first cases of Covid-19 and about different enquiries received about Coronavirus, and an overview of the services provided in this area was shown to the EWC.

Following the lock-down, on 17 March 2020, a first meeting was held in online mode, the Select Committee with the management (Secretariat + Bureau) with an exchange of information on the situation between countries. At this meeting, the management explained to the EWC its commitment on the following points:

- to ensure the safety and well-being of all employees in the Group company;
- maintaining critical processes and services for customers;
- protect AXA's brand and reputation;



- protect AXA's financial and commercial interests;
- maintain compliance with all legal and regulatory requirements.

Following on from these issues, the EWC raised questions on a number of issues:

- the preparation of a Pandemic Insurance Scheme;
- the financial impact of the crisis;
- preparations for the opening of offices and establishments after the closures caused by the lockdown;
- AXA's commitment detailed above, in which they confirmed to us that they would not make any redundancies during the lockdown, and this commitment continued beyond the lockdown.

### **Meetings during the lockdown**

It should be noted that all our meetings were online from the confinement until September 2021, when we opened the possibility to travel and make them hybrid.

In May 2020 we launched from EWC AXA a "COVID 19 and Social Dialogue Survey" to all EWC members, from which we extracted information for the treatment of the crisis.

In April 2020 there were 6 meetings of the select committee, two of them regular and the rest special meetings to deal with issues related to the pandemic. One of the extraordinary meetings was attended by the Director General of Group AXA, who answered the questions raised by the EWC.

In May 2020, there were four meetings of the select committee, two of which were regular meetings and two of which were special meetings.

In June 2020 there was a plenary meeting of the entire EWC together with the company management. An important part of the questions put to the CEO of the company were related to the Covid-19 pandemic: both in terms of its economic, financial, business and 2020-2023 strategy impacts, as well as the social consequences of the pandemic.

### **Managing the return to offices in 2020**

Following the office closures and the provision of services exclusively by remote means, there was a gradual return of staff to their workplaces. This return was gradual from East to West, depending on the evolution of the pandemic.

- Asia: It was the first continent to be affected by the pandemic, it saw a gradual return to work, with China and Hong Kong returning to business as usual.
- Europe: there was a slow return to the "new normal", where confinement measures and travel restrictions were in place. There was also a gradual reopening of borders within the EU.
- Australia and Africa: Stricter measures occurred in the former, with fewer problems in both.

- America: The pandemic was later there, so the restrictive measures were later than in Europe, as was the lifting of restrictions to begin the transition to the "new normal".

In the management of the pandemic, we had some advantage in being able to see the evolution of the different problems in different geographical areas and the different solutions implemented in each territory, as AXA has offices in all continents.

### **Return to offices (2020-2021-2022)**

The return to workplaces was staggered, depending on the health situation in each country and the recommendations of each government. Three phases can be distinguished in the return:

- Phase 1: Voluntary return (around June 2020);
- Phase 2: Transitional Collective Return (around September 2021);
- Phase 3: Return to the "new normal" (around March 2022).

This return was coordinated at state level by the local managements and local representation in each country, taking into consideration the following measures agreed at the EWC:

- slow progression, starting with a return of 15-20% of the staff and increasing to 50% and more, following a split team approach;
- only essential travel for work purposes is allowed;
- the main objective is the health, safety and welfare of the workforce;
- provision of face masks for all the staff;
- social isolation measures;
- additional cleaning and hygiene measures;
- A/B work teams, divided into "bubble groups" to ensure continuity of activity;
- guaranteed access to company health care for the workforce. The company has its own medical service;
- support for the mental health and well-being of the workforce by the company's medical service.

Select committee meetings and plenary meetings during the pandemic, this is only the social part and also together with the management, as indicated in the previous section "Meetings":

- 2020: all meetings were online: 2 plenary meetings in June and November. 1 extraordinary meeting in July. Plus select committee meetings in September and October;
- 2021: There were 7 monthly online meetings of the select committee, one online plenary meeting in June and one hybrid (online + face-to-face) plenary meeting in November. From September 2021 onwards, the possibility of hybrid meetings

(online + face-to-face) was offered, and after November 2021, and following a new wave of contagions, the meetings went back to remote;

- 2022: The first two meetings of the select committee were online (January and February) and the rest have been face-to-face to date.

### **Developments in the wake of the Covid-19 pandemic**

Two new initiatives have been implemented after the Covid pandemic:

- Smart working": A new working model has been implemented in AXA where 2 days are worked from home and 3 days from the office as a general rule, although it is adapted in some countries by increasing the number of remote working days.
- Health you Program": Following the pandemic, a worldwide agreement was signed between EWC AXA and the management to promote the health of the workforce, with the following particularities:
  - o Medical check-up: An online physical and psychological check-up is offered to all staff every two years and a physical check-up for over 40s every 4 years;
  - o Health Day: One day a year is dedicated to health prevention and awareness. The day is decided locally;
  - o Flu vaccination: An annual flu vaccination campaign is carried out;
  - o Assistance programme: telephone assistance with psychological support is offered to staff members to whom they can call to in case of personal need or difficulty.

# Eni's Industrial Relations model in support of the energy transition

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Eni is a global energy tech company operating in 62 countries with over 30,000 employees. Originally an oil & gas company, it has evolved into an integrated energy company, playing a key role in ensuring energy security and leading the energy transition. Eni's goal is to achieve carbon neutrality by 2050 and promote the decarbonization of its processes and of the products it sells its customers. In support of its goals and in line with its long-established values, Eni has developed a network of high-level international partnerships. It has also created a new and sustainable value chain that brings value and benefits to local communities in the countries where it operates.

Eni invests in the research and development of technologies that can accelerate the transition to increasingly sustainable energy. Technology neutrality is a principle according to which the energy transition can be achieved through a flexible approach to available technologies, not limited to a single solution, but using a mix of technologies which should be chosen on a case-by-case basis according to their maturity and effectiveness in reducing emissions. Decarbonization can only be achieved through a variety of technologies that are applied depending on the context. A flexible approach favours the use of all options in a complementary way, according to their maturity and effectiveness in reducing emissions. In Eni's strategy, renewable energy, the electrification of end uses - for instance mobility and heating - and energy efficiency play their role in the energy transition in the best possible way when they are combined with other mitigation measures. This is why Eni recognises the need to combine renewable energy, energy efficiency, CO<sub>2</sub> capture and storage technologies and decarbonized vectors, such as bio-energy, on a case by case basis. At the same time, it adopts a long-term perspective for the development of totally new frontier technologies such as magnetic confinement fusion, a source of energy that could forever change the energy sector and guarantee a more sustainable future with lower emissions.

To achieve these challenging goals, Eni operates through two main business groups:

- Natural resources: managing the sustainable growth of the upstream portfolio, increasingly focused on gas, energy efficiency, CO<sub>2</sub> capture and the development of agribusiness.
- Energy evolution: driving the evolution of the generation, transformation and selling of products from fossil to bio, blue and green.

In addition, the establishment of the new TECH business group underlines the strategic importance of research, development and technological innovation as key drivers of

Eni's value creation and growth through technology. Eni has 7 research centres, holds over 8000 patents and employs over 1000 researchers.

In this challenging context, Eni and trade unions have recently adopted a new model of industrial relations. The "TOGETHER- INSIEME" Protocol, signed in December 2020, marks the beginning of a new industrial relations paradigm that will strengthen the energy transition process.

Given the economic scenario and the current and future challenges linked to Eni's great decarbonization strategy, as outlined in the 2050 Plan, a strong collective commitment and continuous exchange of information, objectives, initiatives and results are essential. For this reason, all parties have agreed to formulate a new relationship strategy to support the ongoing evolution process, as they are convinced that a participatory industrial relations framework is the most effective way to manage current and future transformational processes.

One of the objectives outlined in the document is the sharing of a Generational Pact aimed at renewing and modernising professional skills and at identifying joint initiatives with stakeholders to create a well-defined regulatory framework conducive to investment to harmonise economic and environmental and social sustainability.

In an exceptionally volatile energy scenario, which has been further exacerbated by the effects of the Covid-19 pandemic, Eni and the trade unions have underlined the urgency of accelerating the energy transition in order to ensure the continuity of existing industrial sites also through conversion, the development of new projects, the management and upgrading of industrial facilities, the expansion of operations and of national supply chains, the professional development and upskilling of Eni people and the promotion and development of new employment in the medium and long term.

This process requires a transparent sharing of information, of the objectives set, of the initiatives underway and of the results pursued.

Consequently, an improved and participatory system of industrial relations is essential to guide these transformation processes. With this in mind, a revised relations strategy has been developed to support the ongoing evolution process, while facilitating the achievement and shared pursuit of ambitious business goals:

- promoting a transparent exchange of information on Eni's energy transformation path and its key initiatives, thus avoiding potential conflicts;
- promoting the modernisation, renewal and a more rational use of professional skills within the workforce (as part of the generational pact);
- identifying collaborative initiatives to support the energy transition, with the aim of raising stakeholder awareness to create an investment-friendly climate and establishing a clear regulatory framework that concretely supports the goals of industrial transformation;
- developing a new model of interaction with trade unions, characterised by preventive dialogue to define solutions to guide the transition phase;
- highlighting key initiatives, past and future, by introducing an increasingly inclusive process focused on issues concerning employees.

In order to promote an increasing understanding and awareness of Eni's business, as well as mutual reliability and responsibility with regard to the issues addressed in the Protocol, additional forms of engagement have been added to the existing ones (annual meeting with the CEO on the Business Plan, Global Monitoring Committee, European Works Council (EWC) and European HSE Observatory). These additions include the creation of new meetings and committees, such as:

- Strategic Committee: tasked with monitoring the evolution of the energy sector, analysing the national and international scenarios and managing potential economic, production and employment impacts. The committee meets twice a year or when it is deemed necessary at the parties' request and when there is important information to be shared (e.g. sale of business units, initiatives to rationalise the workforce and promote generational change, production site conversions and major organisational changes);
- HSE Committee: dedicated to continuous improvement on key issues such as health, safety and the environment. It reviews policies, objectives and initiatives, also of an innovative nature.
- Welfare Committee: it maintains an ongoing dialogue on all issues relating to corporate welfare and work-life balance, analysing and promoting further viable initiatives that support employees and their families.
- Annual R&D meeting: dedicated to reviewing the progress and implementation of planned initiatives.

Eni's international industrial relations are based on three pillars: two are European (the European Works Council (EWC) agreements and the European Observatory for the Workers' Health, Safety and Environment agreement at Eni) while the third is global (the Global Framework Agreement on International Industrial Relations and Corporate Social Responsibility).

The EWC is a representative body for employees, as required by European Directive 94/45/EC. Its main objective is to promote the transnational information and consultation of employees in Community-scale companies and groups. The Eni EWC was established in 1995 to facilitate the exchange of information between the company and employee representatives, in particular on areas relating to plans for activities, investments, acquisitions or disinvestments, employment prospects, occupational health and safety, environmental policies and corporate social responsibility initiatives. The council is composed of representatives of Eni's employees from Italy and the European Economic Area. It also includes delegates from major Italian trade unions - FILCTEM CGIL, FEMCA CISL and UILTEC UIL - and a representative of the European trade union IndustriAll.

The European Works Council consists of 29 members: 1 seat for IndustriAll; 3 seats for FILCTEM CGIL, FEMCA CISL and UILTEC UIL; 1 seat for the Coordinator; 24 seats for elected or appointed representatives of Eni's on-duty employees (12 Italian and 12 from the European Economic Area).

The EWC normally meets once a year, usually before June. The plenary meeting usually lasts two days: on the first day there is a preliminary meeting of the EWC delegates and on the second day there is an information and consultation session with the relevant Eni functions. Eni is represented by the Human Resources and Organisation function, the Industrial Relations unit and the heads of the relevant business units/companies.

The EWC Select Committee is made up of four members, two Italian and two from different European countries, appointed by the EWC from among its members, and the Coordinator. It has a coordinating role and, together with the EWC Coordinator, acts as an interface with Eni.

In order to ensure a continuous and effective exchange of information and consultation on Eni's operational development and related matters, at least three ordinary meetings a year are scheduled between the Select Committee and the relevant Eni function.

The purpose of these meetings is to review the components of the balance sheet of the previous year and Eni's investment plan; to present the economic and energy scenario and the regulatory framework for the four-year reference period and the essential elements that characterise it; to illustrate the four-year plan in terms of the objectives and strategic lines Eni intends to pursue.

In the event of exceptional circumstances, the Select Committee has the right to be informed in a timely manner and to meet with the relevant Eni function, together with the EWC members representing the countries or companies concerned.

The European Works Council and, where required, the Select Committee, are informed and consulted on Eni's performance and activities, in particular with regard to:

- economic and financial situation
- business and investment plans
- significant changes in Eni's structure, including mergers, acquisitions and sales of activities and/or companies
- current status and future prospects of employment
- downsizing or closure of companies or production units and collective redundancies with cross-border repercussion
- transfers of production activities among the countries of the European Union or outside the EU
- introduction of new working techniques and production processes
- cross-border transfer of Eni employees
- occupational health and safety
- environmental policies
- energy transition process
- actions related to Corporate Social Responsibility
- initial and continuous professional training
- positive actions in favour of non-discrimination

As regards new working methods, the Parties confirm the importance of conciling work and private life in order to promote the adoption of flexible working methods at local level, in line with the principles of sustainability and the well-being of employees.

The European Observatory for Workers' Health, Safety and Environment at Eni serves as a tool for information and consultation between Eni and representatives of trade union organisations on HSE issues. The main tasks of the Observatory include the promotion of a culture of safety, environmental protection and the mitigation of HSE risk factors. Its members are Eni and Eni employee representatives, the trade union organisations FILCTEM CGIL, FEMCA CISL and UILTEC UIL, and the European trade union IndustriAll.

The Global Framework Agreement on International Industrial Relations and Corporate Social Responsibility (GFA), last renewed on 21 June 2019, between Eni, the national secretariats of the main Italian trade unions, and IndustriAll Global Union, reflects Eni's commitment to achieve sustainability goals and defines strategies based on the principles of integrity and transparency, to support the fight against corruption, respect for human rights, labour, the health and safety of people, environmental protection and sustainable development. The main focus of the agreement is on corporate social responsibility, understood as the company's will to effectively manage social and ethical impacts within its operations and in the areas where it is active.

At the International Industrial Relations meetings on 3 December 2021, it was agreed that ILO Convention No. 190 and Recommendation No. 206 on the elimination of violence and harassment at work should be incorporated into the Global Framework Agreement on International Industrial Relations and Corporate Social Responsibility (GFA). Preparatory activities for the renewal of the agreement are underway.





## **EWC Ferrero: a long-standing experience**

Franco Ferria

Ferrero has 107 consolidated companies, 300 retail outlets with products sold in 170 countries around the world, 32 production plants and about 40,000 workers, of which 6,500 in Italy plus about 2,000 seasonal workers.

The last year, it acquired Fulfil Nutrition, the Irish manufacturer of protein bars, with the expansion of this important market segment, and Wells Enterprises, the American ice-cream giant, the largest family-owned group in the world, in 2021 closed its consolidated accounts with a turnover of 12.3 billion euros.

In terms of industrial relations, a CCNL Group Integrative (2nd level) exists, and company collective bargaining is applicable in all plants. During 2022, it was negotiated a Welfare ranging from supplementary social security to health care, while 1400 employees have the chance to choose smart working since 2017 for 1 day a week, with the opportunity to provide also 20 days a year on a continuous basis for all workers and for one of the parents at the end of the compulsory maternity leave, to be able to take advantage of it for a period of 6 months continuously. B.O.S. leave RR, RO, can be taken by all employees who find themselves in a sudden situation of seriousness for themselves or for children, sisters, brothers, spouse or subject of civil union.

### **Ferrero EWC**

The Ferrero EWC was established in 1996, before Directive 45/94 was transposed into Italian law, and was established as a voluntary agreement which is always renewed. The last renewal of the EWC was signed on 19 October 2021 and is still in force.

It consists of a chairman, who is appointed by the Ferrero Group Management and is assisted by company managers identified by him and HR (Human Resources) managers of the European plants. The secretary, instead, is appointed from among the workers' representatives, after consultation with the works councils and trade unions. A representative of EFFAT (European Federation of Agri-Food Trade Unions) is present in the EWC as an observer. The agreement provides for a composition of 17 workers' representatives from European production sites: 4 Italians, 4 Germans, 2 Belgians, 2 French, 2 Poles, 2 British and 1 Irish. A Coordination Committee or Narrow Committee which is composed of: the president, the secretary, the health and safety and CSR laboratory coordinator, the communication delegate and the EFFAT representative.

The information and consultation were been broadened compared to the previous agreement in a significant way, especially with regard to the Group's overall performance worldwide, on macroeconomic market scenarios on the Group's structure on changes in the organisation and on commercial and industrial tracking, but above all the trend in the reference markets by virtue of all the acquisitions made in this decade.

It was established that the UK will continue to be represented in the EWC after Brexit and UK EWC members will continue to enjoy the same prerogatives, rights and protections as other EWC members. In the new agreement, a maximum of 3 alternates for Germany and Italy and one alternate for the other countries have been appointed to take over in case the incumbent is unable to attend, and we have also ensured that both incumbents and appointed alternates can participate in the joint training initiative for greater involvement and better information.

In case of significant changes in the Group (countries falling within the directive criteria and parameters), the parties undertake to discuss the necessary adjustments to the agreement. The agreement remains in force 5 years.

The Ferrero EWC shall meet once a year in autumn, rotating between countries and in proximity of production sites and, in case of exceptional circumstances, following a justified request by the delegates. Each meeting with the company management lasts one day, preceded by a preparatory day and followed by a half-day dedicated only to workers' representatives to exchange information and define common positions. Following the meetings, a visit to the production sites it takes place.

In the meeting there are two phases dedicated to information and consultation; the first one concerns the transmission of data by the management to the workers' representatives to enable them to become acquainted with the issue and prepare, if necessary, a common position. The second concerns the establishment of a dialogue or exchange of views between the employees' representatives and the central management in order to express an opinion on the proposed measures.

Year by year, the EWC, in addition to the institutional meeting, organises a joint training session in the spring lasting one or two days on topics established by mutual agreement to enhance the skills of workers' representatives; for this activity and, more generally, to assist the president and the secretary, the Ferrero EWC avails itself of the presence of an expert chosen by mutual agreement.

Topics of information and consultation provided by the agreement are the following:

- Social dialogue and industrial relations systems
- Health protection, occupational safety and prevention strategies
- Social responsibility and sustainable development policies and best practices
- Competitive and market scenarios of relevance to the Ferrero Group
- New EU labour and social security regulations

Experts will be jointly identified by the chairman and the secretary with the support of the expert and the organisational secretariat; both the appointed officers and deputies may participate in the joint training initiative; in addition, in order to promote the exchange of information and consultation, local training initiatives are planned every two years according to the topics on discussion, the activities of the health and safety and corporate social responsibility laboratory and the development of communication initiatives.

More topics covered in the latest Joint Trainings are:

- Social security and contractual comparison at European level
- Palm oil and child exploitation (Group issues)
- New organisational model FOX Ferrero Operational eXcellence (Industry 4.0)
- Employee Involvement, Teamwork, Learning and Development, Empowerment, Improvement of the working environment, Enhancement of potential
- Related quality topics (the concept of quality is defined by working in the well-being and meeting the needs and requirements of all)
- Environmental, social and economic sustainability
- Ethical water management, CO2 reduction, energy saving and circular economy
- Aimed at investment in human capital
- Next generation EU and NRP

### Health and safety and corporate social responsibility Laboratory

For the protection and health of workers, the safety of all workplaces and the development of prevention strategies, the *Health and Safety Laboratory* is set up and dedicated to raising awareness and exchanging information, experiences and good practices to improve conditions for workers in the Group's workplace. A permanent working group, composed of one representative per country, one of whom is in charge of coordination, meets at least once a year with the assistance of an expert to plan activities good prevention practices and to propose awareness initiatives to the EWC; in addition, a specific space on the Ferrero EWC website is provided for archiving and dissemination of documents. To promote knowledge and dissemination of EWC activities to all Group workers in Europe, a newsletter is prepared every six months, translated into all languages and containing reports of EWC meetings and on issues of European relevance, with a dedicated web space on the relative site. All these activities are entrusted to the communication delegate, whose task is to stimulate the role of the representatives in disseminating the EWC experience at local level.

In addition to the *Health and Safety Laboratory*, other initiatives were carried out:

- *Teatro d'Impresa*, a theatre company of professionals who in a playful way portrayed work moments with paradoxes but effective and funny;
- *Safety also involves you*: participation of all employees with a safety slogan, the best slogan was awarded a prize;
- *Survey* in the various plants on the perception of safety by both employees and management, also measuring the perception of the usefulness of the workshop and its impact: motivation and awareness-raising for prevention and the exchange of information on risks and damage to health as a result of accidents, near misses and standards to be improved;
- *Short movies* with employees as actors (filming from everyday work scenes);
- a Commitment to Prevention's initiative, which kicked off the *10 Golden Rules* document (conveyed with photographic images);

- *FOR Ferrero operational requirement* project with the involvement of a consultancy company (DUPONT) to move from a dependent to an independent approach (specify).

In 2019, safety standards were improved with 4 stages of risk assessment. The project was implemented in all countries with the collection of *H&S Best Practices* to enhance the management skills of managers to correct negative behaviour and reinforce positive ones. Business decisions are improved if they are communicated and justified to a well-informed and well-equipped employee representation body. Normally, decision-making in industrial democracy takes longer, but the results in the long run will be better.

It will raise the standard of living and living conditions not only of workers but above all of all citizens of this country. Tried to bring some democracy into the workplace, although we are aware that democracy does not come cheap, but in the end, it does not cost much either, if it keeps the balance. It was created a more legal certainty, which clearly means more inclusion and social cohesion, issues that are not very measurable but are fundamental for the growth of the economy of companies and the common good of our country.

## **BASE. FROM BASIC KNOWLEDGE TO ADVANCED SKILLS FOR EUROPEAN WORKS COUNCILS' MEMBERS AND HR AND INDUSTRIAL RELATIONS SPECIALISTS**

Is an european project finalized to provide specific skills and key information on current legislation on information and consultation rights, to ensure the full involvement of workers in companies. Workers' rights are fundamental European social rights that help resolve conflicts, create more collaborative atmospheres in the workplace and even increase company competitiveness. These rights ensure workers and their representatives directly involvement in business decision before they are made. As such, trade unions and workers representatives, including at company level, need to understand and anticipate upcoming changes. The publication provides a comparative analysis of the national system of industrial relations and their predisposition towards an efficient method of involving workers in companies, in four countries as Italy, Spain, Bulgaria and North Macedonia.

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