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PARTICIPATION & RIGHTS LETTER



WORKER'S INFORMATION AND CONSULTATION RIGHTS IN EUROPE

A NEW PATH FOR EUROPE: EUROPEAN TRADE UNION CONFEDERATION PLAN FOR INVESTMENT, SUSTAINABLE GROWTH AND QUALITY JOBS



The November ETUC Executive Committee approved a crucial Resolution (available in several EU languages [on the ETUC website](#)) for European worker and citizens.

Instead of sticking with failed policies, ETUC affirms again that European leaders need to fight for a new path, a plan based on investments in sustainable growth and quality jobs. If not, we will continue to see unemployment rise. Social Europe must not be destroyed. Five years after the beginning of the crisis, European citizens continue to suffer from economic and social uncertainty. Unemployment, precarious work, inequality and poverty ruin the lives of many. Beating the recession, and the stagnation of our economies, giving people hope and confidence is the most urgent task facing EU leaders. The EU has the potential to combat the crisis. There is an urgent need to take a new direction, to stabilise the economic situation and create quality jobs in a social Europe.

The EU must use its strengths to forge a more prosperous, equal and democratic future. It is necessary to have a longer-term perspective. Massive investments are needed to give our economies a new start, based on sustainable growth. We propose an investment target of 2% of EU GDP annually over a ten-year period. This will have the additional effect of boosting added private investment, and promote wide-scale private modernisation measures. Such investments would help building a strong industrial base, good public services, properly functioning state systems, with inclusive welfare systems, and innovative research and educational institutions.

€1,000 billion was spent to save the financial sector. €1,000 billion is lost every year in tax evasion and fraud. It is now time to spend €250 billion for quality jobs and a good future for EU citizens. A bold investment plan could yield up to 11 million quality new jobs. The plan is open to all EU countries, with Europe-wide projects being developed in conjunction with national investment projects. Investments that have the greatest impact on domestic economic activity should be given priority.

ETUC IS AGAINST Austerity, massive unemployment, precarious work and tax injustice, economic policies geared to reassure markets instead of securing social progress

ETUC ASKS FOR Massive investments for sustainable growth and quality jobs, good public and private sector services, properly functioning state systems, inclusive Welfare systems, innovative research and educational institutions, no more tax fraud and tax evasion; fair taxation to finance an investment plan, flexibility in applying public deficit rules if investments are made.

MANIFESTO OF THE EUROPEAN TRADE UNION CONFEDERATION AHEAD OF THE EUROPEAN PARLIAMENT ELECTIONS

At the end of May 2014, EU citizens will be asked to vote on who will represent them in the European Parliament.

The election is important for all Europeans. The parliament has the power to make European laws, decide the EU budget and appoint the president of the European Commission. Next year sees the parliament being elected against a backdrop of a prolonged financial, economic and social crisis in Europe.

We call on citizens to vote for candidates that will change the way the EU is being run.

Europe can change in 2014. ETUC is promoting an alternative vision for a prosperous, socially inclusive Europe. We need to support candidates that share this vision.

ETUC, the voice of European workers, is calling on all citizens to get behind those who promote a progressive Europe, an inclusive Europe, and a Europe that works for the rights of its people. A better Europe is possible. Together, we can make it happen. Together, we can forge a new path for Europe.

ETUC IS AGAINST

- » Any attempts to reverse the progress made by the trade union movement in advancing the working and social conditions of citizens.
- » The undermining of the European project through policies that go against the basis of the European social model, such as good industrial relations, quality public services and inclusive social protection.
- » A system that makes people compete on the basis of reduced wages, poor working conditions, inadequate social protection and unfair taxation. European employment policy should not be based on precarious work and inequality.

ETUC STANDS FOR

- » A social Europe; a Europe that provides its citizens with quality employment and a secure future.
- » The end to austerity. The EU must put solidarity back at the heart of its policies. Social Europe must not be dismantled.
- » A new industrial policy based on innovation, research and development, education, training, health and just transition.
- » An ambitious investment plan that will revitalise the European economy.
- » Social justice for its citizens. The gap between rich and poor must close.
- » Equality. Effective measures to secure equal pay and rights for all must be upheld. The pay gap between women and men must end.
- » Progressive taxation. Redistributive and graduated taxation on income and wealth, the end of tax havens, tax evasion, fraud, corruption and undeclared work.
- » Fair global trade.



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NEWS FROM EU

STRENGTHENING THE EUROPEAN UNION'S INVESTMENT PLAN TO STIMULATE GROWTH AND EMPLOYMENT CREATION



At the eve of the European Council of 25 October 2013, European social partners' organisations BUSINESSSEUROPE, UEAPME, CEEP, and ETUC of course, addressed a letter to Presidents Van Rompuy, Barroso and Grybauskaite, on the necessity to "strengthen the EU's investment plan to stimulate growth and employment creation".

A prerequisite for long-term growth, rising employment and high living standards is that enterprises across the continent have the long-term confidence to make the investments needed to expand production and drive job creation. This confidence, in turn, is dependent upon robust and stable demand, supportive and high quality networks, infrastructure and public services, as well as a climate of social peace and social cohesion. In a number of areas, funding is yet to be released to the investment projects where it is needed. Only one project has received funding through project bonds. In addition, the Council, Commission and EIB need to specify without delay the parameters for the design of the new

risk-sharing instrument to allow it to begin operating by January 2014. Europe must do everything it can to support the long-term investment needed to sustain growth and employment creation.

Therefore European Social Partners urge governments to focus on how they can ensure public investment best contributes to long-term growth and job creation. We also urge the Council and Commission, as part of a broader investment plan, to quickly agree on effective EIB instruments, ensuring that funding comes on stream without delay.

THE ETUC SAYS: RETHINK REFIT!



At the beginning of October, in a Communication on regulatory fitness and performance (IP/13/891), the European Commission outlined areas for action aimed at simplifying EU rules and make them less burdensome. One of these areas will be health and safety. It also set out where further action will be taken, for example by considering withdrawing pending proposals or evaluating or repealing existing pieces of legislation.

Forthcoming legislative initiatives to simplify and reduce burden may regard key policy areas such as the consolidation of three Directives in the area of information and consultation of workers subject

to the results of a consultation of social partners - a major challenge for trade unions in the EU. The ETUC immediately published a press release in response to the Commission's Communication. Bernadette Ségol said: "The internal market is only acceptable if implemented with strong social rules. The Commission's refit programme is blocking all progress in that direction. We need social rights across the board for all EU workers. The social dimension of the EU with its indicators is not meeting this objective."

Read the ETUC resolution: **STRENGTHENING INFORMATION, CONSULTATION AND PARTICIPATION RIGHTS FOR ALL WORKERS**, available in [English](#) and [French](#).

EU COUNCIL: EMPTY WORDS FOR SOCIAL EUROPE, STRONG SUPPORT TO DEREGULATION: THE ETUC SAYS RETHINK REFIT!



The EU Council of December 2013 interpreters the expression "EMU social dimension" as a wide category of unbalances and inequalities that affect Europe. But this vision is very far from the vision of the ETUC.

The conclusions of the EU Council do not offer any serious perspective to reorient economic policy towards a reduction of inequalities and poverty, nor towards long term investments for sustainable growth and quality jobs.

Instead of harming workers' rights, the European Commission should increment its efforts to grant the effective respect of existing legislation by all member states, and to tackle possible lacunas.

Bernadette Ségol, ETUC General Secretary said: *"They are trying to convince us that black is white; they won't deceive us. The social dimension is reduced to a scoreboard, to statistical information; no action for sustainable growth and decent jobs; no initiative for more social justice; yet we can expect action for the EU deregulatory agenda. Today workers feel angry and deeply disappointed."*

The ETUC has strongly reacted to the Council conclusions.

By rapidly implementing the REFIT programme, the Council is rubber stamping Barroso's intention to ditch the social partners' agreement on the protection of occupational health and safety in the hairdressing sector. Instead of attacking workers' rights, the Commission should focus its efforts on ensuring that EU legislation is correctly applied throughout Europe and identify regulatory gaps.

On the ETUC website you can read the ETUC Resolution **STOP THE DEREGULATION OF EUROPE: RETHINK REFIT** available in [English](#) and [French](#).

EUROPEAN UNION DIRECTIVE ON SOCIALLY RESPONSIBLE RESTRUCTURING AT A STANDSTILL

On 15th January 2013 the European Parliament in Strasbourg voted a resolution, with an overwhelming majority of 503 MP's (with 107 votes against and 72 abstentions), in favor of a legislative initiative on the regulation of company restructuring.

Such resolution is called "**Cercas report**", after his rapporteur, the S&D MEP Alejandro Cercas, and represents one of the most important legislative initiatives for worker involvement in anticipation of change on the European level since 2008 when the EWC Directive was revised.

The European Parliament's employment and social affairs commission had already voted favorably on a report from the Spanish socialist, Alejandro Cercas, on 19th November 2012, describing in detail the draft legislation.

According to the European Parliament the draft legislation should cover 14 points, which are to represent minimum standards for companies in all EU-countries.

The most important are:

- Long-term strategic workforce planning
- Early recognition for employment and skills' requirements

- Promotion of further education by the employer
- Early preparation for major restructuring
- Rules for the establishment of social plans with the involvement of employee representatives
- Minimization of the external economic, social and ecological costs



Since legal provisions for long-term workforce planning, social plans and compensation agreements already exist in many EU-countries, the effects of the planned EU Directive would vary greatly from country to country. Substantial improvements would certainly to be expected in Eastern Europe, the Mediterranean countries or in the UK, whereas in Germany, Austria or Scandinavia employees already benefit today from good basic conditions. Amendments to national legislation might be expected however, even for countries with high standards such as to the German Works Constitution Act.

On this basis, the European Commission should have been obliged either to submit a draft European Directive within three months, or to start official consultation with the social partners. Employer confederations refused however any initiative for legislation on the subject. The commission had until mid-April 2013 to submit draft legislation.

The ETUC requested urgent action in an open letter addressed to José Manuel Barroso, President of the European Commission, on 8th March 2013. In spite of the outstanding majority which determined the approval of European citizens' representatives, the European Commission planned instead to release a declaration on the "Cercas Report" before the end of 2013, including examples of best practice in socially responsible management of company restructuring, but not containing any political recommendations: any legislative initiative would neither be accepted by employers nor obtain wide support in the Council of Ministers.

Trade unions and the European Parliament consider this lack of action as a violation against the Lisbon Treaty, defining the functioning of the European Union since 2009. On 2 September 2013 the ETUC filed an official complaint with the European Union Ombudsman, for the Commission's lack of action on the "Cercas Report".

The Ombudsman is responsible for examining complaints on irregularities in the administration of EU-institutions and for submitting suggestions on solutions to conflict. It cannot however force any legislative initiative.

The ETUC press release as well as the complaint to the EU Ombudsman are available on the ETUC website, both in [English](#) and in [French](#).

STEPS FORWARD FOR TRANSNATIONAL COLLECTIVE BARGAINING

In recent years, transnational collective agreements (TCAs) have become an increasingly common practice in transnational companies. It is the result of the internationalisation of industrial relations in which European and International trade unions have found a new ground for action. On 18 October 2012, the Executive Committee of the ETUC endorsed the position on European Commission's consultation on the Transnational Company Agreements (TCAs).

On the basis of this position, the ETUC Secretariat developed further discussions with the European Commission and the European Parliament that led to the initiative report, Cross-border collective bargaining and transnational social dialogue (2012/2292(INI)) adopted by the Parliament on 15 July 2013, rapporteur Thomas Haendel (GUE), and mainly based on the ETUC Position and the ETUFs procedures for transnational negotiations.

In the meantime, the ETUC started developing an EU co-financed project, in order to draft a trade union proposal for an optional legal framework, by involving legal experts and the affiliates, particularly the ETUFs. The project consisted of a first phase of research for the compilation of a report, aiming at:

- discussing the opportunities of developing an optional legal framework for TCAs
- defining the legal basis and the content of such a framework
- suggesting the steps that may lead to its adoption.

YOUTH GUARANTEE: EU MEMBER STATES ON THE WAY OF THE IMPLEMENTATION



On 17 and 18 October the European Commission and the EU member states met to discuss the practical aspects of the implementation of the Youth Guarantee, in a seminar organised by the EC in La Hulpe, in Belgium. Such event was part of a wider programme, planned by the EC, aiming at supporting EU member states to design and develop viable schemes for their national Youth Guarantees. The programme

itself provides a series of high level contents, and a series of tools for technical and financial assistance.

The aim of the Youth Guarantees is in fact to tackle the serious issue of the high youth unemployment in Europe. The objective is to grant every citizen under 25 a decent job, life-long learning and apprenticeship programmes possibly directly finalised to employment. Each EU country has been widely trained about the importance of these guarantees for youth approaching the labour market, and each member state has now the task to elaborate a plan to implement the objectives, designing all necessary practical steps and especially providing viable financial resources for such measures. The national Youth Guarantees will have to:

- indicate the role of the public educational institutions and the role of all authorities devoted to the inclusion into the labour market, such as youth organisations, workers' and employers' representatives;
- indicate structural reforms to be applied to the system, so that foreseen measures and other initiatives in the same line can be effective as soon as possible, to ensure actual guarantees to youth victim of the devastating effects of the economic crisis;
- clearly specify the financial means implied in the implementation of this programme, especially through the support of initiatives link to the Youth Employment Fund and to the European Social Fund (ESF).
- set a clear timeline for implementing and monitoring the developments of the programme at national level.

The European Social Fund, which will allocate more than 10 million Euro each year from 2014 to 2020, will support EU member states in defining the schemes of such

youth guarantees. Member states estimating internal regions with youth unemployment rate beyond 25%, will be potential beneficiaries of further European funds to design and implement the project more specifically.

Such Member States, in order to be eligible for these additional funds, had to present a specific request for Youth Guarantee Implementation Plans by the end of 2013, while other countries will have until mid 2014 to present their plans for their national youth guarantees. Czech Republic, Croatia and Poland have already applied for their national plans.

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The website of the I.C.A.R.U.S. project is www.icaruspartecipation.eu, while all issues of the newsletter are available at the www.icaruspartecipation.eu/info-internazionali/. Read the ETUC press releases on the initiatives to tackle youth unemployment in Europe on the [ETUC webpage](#).

NEWS FROM EUROPEAN INDUSTRY FEDERATIONS



EPSU - EUROPEAN FEDERATION OF PUBLIC SERVICE UNIONS



AUSTERITY HAS FAILED – A LOOK AT THE EVIDENCE

As the European economy shows some signs of sluggish growth, the advocates of austerity such as EU Commissioner Ollie Rehn and Commission President Barroso may be tempted to claim their policies have worked. This briefing from the European Federation of Public Service Unions (EPSU) is a timely reminder not only that austerity has failed and caused social pain to workers and citizens but that an urgent change of policy is needed to create the conditions for a sustainable recovery.

EPSU has asked Ronald Janssen (economic advisor at the European Trade Union Confederation) to examine the impact of austerity and explain how and why it has failed. In this first of five briefings he looks at the scale of the cuts imposed on public spending across Europe and their economic and social impact. He points out that even in its own terms – reducing debt as a percentage of GDP – austerity has failed in

several countries. The briefing also includes a warning about the long-term impact of such measures. Those supporting austerity claim it is needed in the short-term to create the conditions for economic growth but as argued in the briefing there is a real risk of undermining the prospects for long-term recovery as workers are locked into unemployment and public investment is slashed. EPSU deputy general secretary Jan Willem Goudriaan said: *"We have been making these arguments for years now but European policy makers have blindly continued with their failed policies."*

Unfortunately, our experience in recent consultations with the European Commission and the European Central Bank over the current economic situation and the next Annual Growth Survey indicate that we are in for more of the same as the next European Semester gets under way."

He added: *"It is crucial that we continue to provide people with the facts and the arguments about why austerity has failed, what its consequences have been and what alternative action is needed. We believe that this series of briefings will be an important contribution to the debate and assist EPSU, its affiliates and others in campaigning for a change of course."*

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THE ANNUAL ETUC CONFERENCE ON EWCS **WHAT NEW ROLES FOR EUROPEAN WORKS COUNCILS?**

We are currently facing a quadruple crisis – four major problems we are facing are: the financial crisis, the ecological crisis, increasing inequality and a loss of trust in the institutions of governance. These problems are intrinsically linked to and reinforced by the short-termist shareholder value orientation which dominates our economy. Companies and top managers are primarily concerned with increasing share price, not with helping stakeholders. The Sustainable Company is an alternative to the shareholder value which emphasizes the involvement of stakeholders and in particular workers in the company. European Works Councils (EWCs) as well as workers board level representation (WBLR) are an important part of the Sustainable Company, as companies with EWCs are more sustainable than companies without EWCs.



However, companies will have to radically change before we can get out of the quadruple crisis. EWCs and WBLR will need to take a much more active role to push companies to change. The brochure of the Conference is available in several EU languages [on the webpage](#) as well as all the conference material displayed during the different working sessions.

EFFAT'S VIEW ON SUSTAINABILITY

In the occasion of the annual ETUC conference on EWCs, the European Federation of Trade Unions in the Food, Agriculture and Tourism sectors EFFAT's intervened quite significantly. In recent years EFFAT has set up European Works Councils in more than 100 transnational groups and has a successful social dialogue underway in agriculture, hotel and restaurant, contract catering, food, sugar and tobacco sectors. According to EFFAT, a sustainable company operates in respect of fair interactions between ecological, economic, and social dimensions. We believe that a sustainable company is one with sustainability goals and a detailed strategy for achieving them. EFFAT considers sustainability as a vital principle based on labour rights, democracy, gender equality, social equity, the rule of law and respect for fundamental rights. In EFFAT's sectors, sustainability means respecting workers' rights, a fair price to small scale-farmers and exercising environmental responsibility.

Unfortunately, these considerations remain abstract for many multinationals.

In its daily activities EFFAT works to create a fairer food system promoting social and economic fairness along the entire supply chain. In this regard, EFFAT considers

corporate transparency as a fundamental tool. To be “sustainable”, a company should have an externally verifiable reporting system on both financial and non-financial (environmental, social, etc.) information and performances which allows for measuring progress on the achievement of sustainability goals.

Sustainability for multinational companies also means creating quality jobs and a competent, skilled and motivated workforce. Therefore, EFFAT deplores competitiveness based on cost reduction and a race to the bottom in terms of wages and working conditions. For multinational companies it is crucial to develop sustainable policies, not only for ethical reasons, but also because those who are the most inventive today are likely to be the most profitable tomorrow. This is why in EFFAT we strongly believe that human capital development as well as the implementation of corporate social responsibility policies need to be considered as springboards for competitiveness and growth. Thus, governments, but also businesses, need to invest in research and innovation to foster economic growth and boost competitiveness.

In EFFAT’s vision, another crucial element of sustainability consists of the involvement of stakeholders, in particular employees, in decision-making processes. This can occur through a number of mechanisms, including collective bargaining, board-level employee representation (BLER) or European Works Councils (EWCs).

EWCs are highly significant in terms of European industrial relations since they reflect a growing recognition of the need to respond to the “europeanisation” of business by supplementing existing national channels of information and consultation for workers. EWCs are therefore an essential element of democracy and good corporate governance. If correctly informed and consulted, EWCs can limit bad consequences of management’s decisions, especially in the case of restructuring processes at pan-European level.

Above all, EFFAT’s view of sustainability is that of a social challenge, a call to action, a task in progress and, therefore, a political process.

SUSTAINABILITY FOR THE EUROPEAN FEDERATION OF BUILDING AND WOOD WORKERS

Sustainability of a company includes, according to the EFBWW, all that relates to the long-term durability of the company, in terms of ecological impact, economic opportunities and social and human development.

Since the reality in the European building sector for the last decade has been the search for cheap labour, the development has many times been “anti-sustainable”. Cheap labour means exploited workers without good working conditions, without proper vocational training and without adequate social protection. According to the EFBWW, sustainable growth must also include respect for fundamental rights, aiming at a healthy, skilled and motivated workforce.

LETTERS FROM EWCS: THOUGHTS AFTER THE CONFERENCE

Hello everybody,

In the aftermath of the EWC conference, which took place in Brussels, and I would like to share some of my thoughts with you all.

The conference “title”, this year, “Which new roles for EWCs”, seemed to be quite ambitious. It covered different aspects, and touched themes such as the financial crisis, ecological and environmental issues, growing inequality, the crisis of legitimacy of the political system...

A lot of crucial issues have been debated by important speakers – trade unionists and company representatives, as well as EWC members from all over Europe – with a wide audience of expert participants.

A very interesting topic debated during the conference was board level worker representation, allowing representatives of the workforce to seat in executive or supervisory boards. The issue has been widely displayed and deeply discussed, especially by German colleagues that have matured a long experience on this ground.

My feeling is that in Italy too we could benefit from diverse and up-to-date forms of worker participation. In some cases, we will have to 'invent' them, conceive them from scratch, but some provisions already exist, as it is the case in the national collective agreement for the chemical sector. Clearly, such an idea will have to be developed. Juridical, ideological, ethical burdens will have to be kept into account. Nevertheless, I think such argument deserves our attention, and to be seriously considered.

Another intervention was particularly appreciated by the audience and earned large consensus: it came from Jonathan Hayward, responsible of the international department of the British Unite the Union. He offered strong reasoning about the need to redefine current rules which, at the state, limit the functioning and the potential impact of EWCs. In this sense, he called trade unions at a more progressive and dynamic approach, and the ETUC at providing a concrete support for a greater efficiency of EWCs.

As EWC chair in Air Liquide, multinational company active in the chemical sector, I would have liked to intervene too, but time was short due the intense participation to the debate.

In line with the problems highlighted by Jonathan, I would have liked to tell our story, about the EWC agreement in Air Liquide that we are trying to renegotiate and adapt to the 'new' 2009/38 Directive since 2012.

We are mainly dealing with a concrete issue, with double-folded consequences, with regards to the meaningfulness of EWC consultation procedures.

On the one hand, there is the obstacle posed by the company management: clearly, Air Liquide does not like us to "interfere" in its decisions.

On the other hand, we experience a difficulty in coordinating and aligning possible actions of the EWC with possible actions undertaken by other national trade union structures.

Such difficulties can only be overcome if there is a real, concrete will to collaborate, even on the basis of different national legislations, implementation rules, collective agreements and so on.

Our EWC directly experienced this difficulty, and is still struggling with new methods, in order to be able to efficiently manage transnational reorganisation and delocalisation processes.

In some cases, this lack of "syntony" was at the origin of concrete operational problems. In some countries, there was the need to conclude national level agreements foreseen by law by a certain date. However, these time constraints were openly in contrast with the necessity at transnational level to wait for the EWC to be consulted and to issue its reasoned opinion on the reorganisation process.

In conclusion, I would like to quote one of the conference speakers: "*The road to the Sustainable Company is still long, but has to be taken to generate a sustainable world and for the sake of future generations*".

I would like to thank the ETUC for the opportunity to take part into this conference, which is an outstanding experience definitively to be repeated.

All my warmest regards

Sonia Cattaneo, Air Liquide Italia, EWC Chair

SUPERVISORY BOARD OF BASF SE - THE EXPERIENCE OF WORKERS' PARTICIPATION

An interview by Geneviève Laforêt (CSC)

In 2008, BASF, one of the largest chemical companies in the world, which is headquartered in Ludwigshafen, Germany, was transformed into a European Company (SE). This new company, BASF SE, therefore had to conclude an agreement to ensure the involvement of workers at the community level, through rights to information, consultation, but also participation in the supervisory board of the SE, to the extent where participation



existed in the German group before its transformation into an SE. According to the European Directive 2001/86/SE, the transformation of a company into a SE cannot in fact lead to the disappearance or weakening of existing rights.

Denise Schellemans, LBC- NVK (CSC) delegate at BASF Antwerp NV, has been sitting on the Supervisory Board of the SE for nearly six years. She is also still Vice-President of the European Works Council (EWC). She shares her experience of participation based on the German model of "co-determination".

What are the conditions for the participation of workers at BASF SE?

At BASF -SE, the governance system is dualistic: it includes the steering or "Vorstand" which includes the CEOs of the group, that is to say the members of the highest level of management, and a supervisory board where shareholder representatives and employee representatives sit in equal numbers. The Board monitors the decisions that management intends to take. Management is present at the meetings to present its strategy. The votes of shareholders are paramount in this board as the Chairman, who is a shareholder, has two votes. In addition, the Supervisory Board appoints the members of the "Vorstand". The modalities of participation for workers' representatives were fixed in an agreement negotiated between the central HR management and the special negotiating body composed of representatives of workers in all Member States in which BASF operates. To carry out negotiations, workers have benefited from the valuable assistance of a trade union expert. The agreement sets out the terms of appointment of workers' representatives to the European Works Council (EWC), the term of office for members of the EWC and the members of the supervisory board, etc.. The Board meets five times a year.

German law also requires supervisory boards to hold an additional meeting per year to assess the functioning and procedures of decision-making (the preparation of decisions, the provision of appropriate documentation, the time required, etc.). The objective is to ensure that decisions are based on facts and that each member of the Supervisory Board is aware of his/her role. Within the Board, permanent commissions were created on specific topics such as economic and financial information and personnel matters. The results of their work are then presented to the plenary.

These operating procedures are supplemented by internal regulations of the Supervisory Board as regards the liability of members, the rules of confidentiality, the functioning of the various commissions...

The Belgian representative is elected by and from amongst the workers delegations within BASF works councils in Belgium. The mandate lasts for a period of five years. BASF currently has three sites in Belgium with a works council (Antwerp, Ghent and Waterloo). The EWC then endorses the candidate for the Supervisory Board. Given that the vast majority of workers of the group are employed in Germany (75%), there is unfortunately only one seat available for non-German representatives. It was given to Belgium, as the country with the second largest number of workers after Germany (6%).

What is participation in practice?

During meetings of the Supervisory Board, the central management provides information on the group's strategy, investment policy, research and development, product development, proposed acquisitions, sales, reduction or increase in equity, joint ventures, etc. This information gives an overview of the economic and financial outlook of the SE, but do not address the specific circumstances of enterprises in different countries, nor on collective redundancies.

Theoretically, some decisions may be blocked, but in practice, it is the management and representatives of the shareholders who decide. It is nevertheless possible to

BASF SE is one of the largest chemical companies in the world. 75% of workers are employed in Germany. Belgium is the second country with the largest number of workers (6%). Three Belgian sites have a works council: Antwerp, Ghent and Waterloo.

postpone the implementation, guide the modalities of restructuring and make alternative proposals that could be followed. This was the case when the Council

was informed of a decision of disinvestment in a division: the workers' representatives presented a convincing argument in favor of an alternative proposal of joint venture which led to the suspension of the decision to review the proposal in depth. Finally, management followed the proposal of workers' representatives. The information is therefore provided at a time when we can still influence the decision, which is more difficult at the national level. The amount of information also goes well beyond what could be achieved at a local Works Council in Belgium. The impact on the decision-making process is not always measurable, but at least you can bring your vision and sometimes you get to slow the process down and convince management to change its decision.

In addition, the Supervisory Board mandate assures me the freedom of access to the different implantations of the group in Europe and gives me the opportunity to directly address certain topics with the central direction.

Is it possible to build one's own place as a non-German representative on the Supervisory Board of the SE?

Obviously, this is not easy. Not only because the German system is different from the one we know in Belgium, but also because I'm the only non-German representative on the board and am not represented in the thematic committees. Following the registration of the company as a SE, the number of members of the board dropped from 20 to 12 (six shareholder representatives and six employee representatives) and this reduction was primarily at the expense of the Germans who lost mandates. In this situation, and given the volume of employment outside Germany, there was only a single seat available for non-German representatives.

Preparatory meetings between representatives of workers are essential.

They enable workers' representatives to gather information from commissions and thus prepare the plenary meetings of the Board. If I can impose myself and make myself heard, it's probably because I focused on building relations of trust. I have already been seating in the EWC for many years and I had the opportunity to network with German colleagues. They have therefore become accustomed to briefing me permanently on the information they have by their presence in the committees of the Board or in the German "betriebsraten" (Works Councils). It is for me to be fully part of the group of workers and not to position myself "on the side". I have to "play the game ". At BASF, a large space is left to informal relations. This applies to relationships with German unionist colleagues as well as to contacts with other members of the EWC.

How the participation of employees in the supervisory board articulated in relation with the other levels of representation of workers?

Participation is not isolated from the whole system of worker representation. It complements existing systems of information-consultation or negotiation at European and national levels. These different levels of consultation should be built, while respecting the prerogatives and competence of each of them.

The supervisory board is a place for the approval of strategic decisions. Its mission is to regularly monitor the management of the company. This is certainly not a union forum to file a list of demands and where you type your fist on the table as one might do in a local Works Council or trade union delegation. The information reported to the Supervisory Board helps to better understand how the strategic directions are likely to have consequences in terms of employment, training, skills, etc. This makes it possible to guide the agenda and discussions of the EWC, where information and consultation of workers and exchanges between management and workers in Europe take place. The relationship between levels must allow the right questions to be asked at the right

Denise Schellemans , CSC Associate at BASF Antwerp NV, has been on the European Company Supervisory Board for nearly six years: "This mandate to the Board does not affect my quality of trade union activist and my capacity to question the management at European, local or global level, on the contrary!"

time in the right place and that we can better anticipate changes and measures, including training and personnel policy. In the EWC, we will also be able to put

more emphasis on the situation in different countries. In an ideal environment, local information may also be useful for European cooperation. Thus, German "betriebsraten" (Works Councils), who have extended rights to information, consultation and co-decision, may share information that are not available in all countries with other members of the EWC. If Spanish colleagues report a crisis at the local level, information may be addressed at EWC level and issues can be traced back to the supervisory body. In Belgium, thanks to the information I have, I can better prepare local Works Councils meetings and ask relevant questions at the right time. All of the representatives of workers in different unions of the three Belgian sites should know what is happening at European level and understand our role in the EWC and the Supervisory Board. It is also important that workers are informed continuously of themes that are discussed within the EWC.

What is the value of this experience at the union level?

First, I would like to emphasize board membership does not affect my qualities as

a trade union activist nor my capacity to question the management at European, global or local levels, quite the contrary! Board membership is not the basis of trade union work. It is a tool, not an end in itself. It is a platform that allows us not only to get the same information that shareholders and enhance our knowledge of the company, but also to influence the decision-making process. The information is also communicated well in advance of decisions and their implementation, thereby enabling us to take action in a timely manner at the local level. I can give the example of two business closures in Belgium that were announced at the EWC.

It was not possible for us to prevent the decision, but, thanks to my contacts, I was able to allow union representatives to participate in the negotiations on layoffs as part of a social plan, while there was no union representation in these companies.

What are the main pitfalls of participation on the German model?

If decisions with negative consequences on employment and working conditions were to be taken tomorrow, I do not really know how it would turn out. As representative of the workers, I am of course always free to vote against a decision, but that does not prevent it from being adopted by the majority. We do not have a right of veto, only a power of influence. This may be resented by workers who do

The modalities of participation for workers' representatives were fixed in an agreement negotiated between the central HR management and the special negotiating body composed of representatives of workers in all Member States in which BASF operates agreement.

not necessarily know our position on the board and can associate us with a decision that goes against the interests of workers. This is why it is the responsibility of management

itself to communicate its decisions. The obligation of confidentiality may also be a constraint in trade union practice. One must be able to juggle this obligation of confidentiality on the one hand and the need for accountability and to inform workers on the other. This requires some discernment. Although I can not disclose certain confidential information, they are part of my knowledge of the company and they will of course guide my union work.

The issue of compensation of members of the Supervisory Board is also a very hot topic. As a union representative, it would indeed be unacceptable to receive remuneration for the exercise of this mandate. If I sit in this place, it is certainly not personally, but because I was elected by the workers. A large part (90%) of this "Remuneration" is reassigned to the European Trade Union Confederation (ETUC) which has established a special fund in this regard. This fund is used exclusively for training and support for union representatives.

What are the main qualities required for a worker representative to the Supervisory Board?

It is first important to integrate the global dimension of the mandate: at this level, I represent all the employees of the SE and not only workers of one country or one union. Another big advantage is definitely the knowledge of the language of the country of the head office which not only enables one to build strong relationships with other representatives of the workers, but also to dialogue with representatives of the management and shareholders outside of the formal meetings. Then you have a series of personal qualities such as ease of expression, curiosity about another culture and other practices of employee representation, openness to develop one's skills, particularly in economic matters... on the trade union side, we need to ensure strong links between different levels of European, national or

“A workers’ representative on the Supervisory Board must be able to integrate the global dimension of the term, that is to say, represent all the employees of the SE and not only workers of one country or one union.”

local representation and consultation. It is therefore necessary to navigate the combination of different roles (Member of the Supervisory Board, member of the EWC, versus local delegate), while juggling with the confidentiality obligations. This requires some diplomacy. And finally, we must also keep our integrity. The Supervisory Board is not a small private club in which workers identify with members of management, even if in some cases it can unfortunately happen.

What do you expect from the ETUC and your union?

This mandate requires skills and resources to meet the task in terms of training, exchange of good practice, support and expertise. We need to rely on the European Union and our national union. There is indeed an offer from the European Fund for participation of the ETUC, but it concerns very specific themes. Basic training on the overall functioning of participation in boards of directors or supervisory boards is also necessary.

This interview by a CSC-colleague, Geneviève Laforêt, to a member of the supervisory board of BASF-SE was published in the CSC newsletter syndicaliste of November 2013 (in French only).

FURTHER IMPORTANT INFORMATION ON WORKER INVOLVEMENT



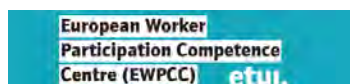
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