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## Transnational company agreements: analyzing concrete experiences

Last 27th of February it was held in Madrid the seminar "Transnational company agreements: analyzing concrete experiences", organized by the Fundación 1º de Mayo in coordination with the Spanish Trade Union CCOO.

This seminar, which was attended by people from trade union, academic and business fields, is the first international seminar of the project EURIDE. This project, financed by the European Commission, is focused on the analysis of the transnational company agreements, both in its application and its monitoring processes.

The following organizations are involved in the project: SindNova (coordinator, Italy), Fundación 1º de Mayo (Spain), Fondazione di Vittorio (Italy), IRES (France); the project also involves the participation of CISL (Italy) and the federations of the FIM-CISL y de FILCA-CISL (Italy); finally, the University of Chieti-Pescara (Italy), as external expert.

The opening of the seminar was conducted by Ramón Baeza (Fundación 1º de Mayo) jointly with Mariangela Zito (SindNova). Ramón Baeza high-

lighted the importance of the international trade union action, in the current economic and political context where, on the one hand, multinationals companies are gaining more weight in the whole economy, being even more decisive; and in the other hand, recently important changes in the political field are being produced (Brexit, Trump at the White House, etc.) In this sense, he remarked that a relevant work has been made by unionism on the complaint, but also on the proposal, which has been concreted through the international work of the unions and is articulated under the transnational company agreements.

For its part, *Mariangela Zito* showed the objectives and first results of the EURIDE project. As she explained, this project addresses the analysis of the implementation and monitoring processes of the





transnational agreements. For this, a comparative analysis of the International Framework Agreements (IFAs) has been done, based on 11 cases studies (5-Italy, 3-Spain, 3-France), of different activity sectors (construction, energy, metalworking and chemical). Among other elements, she stressed the role of the European Work Councils (EWC), supporting the negotiation processes and the one of the Global Works Councils (GWC) in the evaluation, as well as the importance of the IFA for the subcontracting. Finally, with regard to monitoring, she remarked the necessity of doing joint reports, the difficulties of evaluation over the suppliers and the extension of the agreement's content to all countries and plants where companies have presence.

Then, Fausta Guarriello (University of Chieti-Pescara, Italy), as a part of the research team of the project, addressed the most relevant issues of the study. She remarked that the own performance of the EWC has given rise to the IFAs, as a step from the European to the international level. The constitution of GWC is a relevant issue if it is considered that there is not any juridical framework. Regarding the effectivity, she highlighted the significance of the content, but above all else, the mechanisms that parties have established for to monitor the evolution of the agreements. Among the results, she addressed the resolution of conflicts, which implies the connexion between local levels and headquarter, and what requires a strong trade union



**Fausta Guarriello:**  
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commitment, both national trade unions and international federations. Concerning the topics, she stressed the trade-union freedom, a central element of the agreements that impacts on the creation of trade union networks, but also for companies, who can have stakeholders in the countries where they work. Finally, she concluded remarking that, despite of being voluntary agreements, IFAs have concrete results, which rely on the involvement of the parties, as well as the action of the trade unions, both in the national and international levels.

The first thematic session was developed by Aukje van Hoek (Universiteit Van Amsterdam), who addressed the juridical aspects of the transnational agreements. She started her intervention remarking the absence of a specific legal framework for IFAs and their placement under the private law. She placed the analysis of the agreements according traditional categories of the law studies (Contract vs. Statute), deepening in the knowledge of the parties, the interests of each of them, as well as the content of the agreements (for example, if they are consultation processes, principles or individual rights). Regarding the legal status of national legislations, she remarked the non-binding character of the agreements and the different implantations and effects (unilateral, as a company decision; mutual obligations of the parties; or collective agreement with normative effects). Finally, she pointed out that the



parties should include in the agreements: the need of expressing the binding content, the legislative references, the mandate to the European negotiators, the implementation in each country for generating a normative effect, as well as the mechanisms of conflict resolution for ensuring both autonomy and effectiveness of agreements.

The second session was focused on the labour and social aspects of the IFAs. Here, Pablo López Calle (Universidad Complutense de Madrid) introduced the results of the analysis, in which he has been involved along last years. After reviewing some elements of the current context, he remarked the need of analysing the agreement under the perspective of the sociology of work, through the establishment of ideal types. So, he explained that the factors and the models of production and work organization help to understand labour relations frameworks and, consequently, the features e implementation of the agreements. Three types of production and labour organization: buyer, producer and trade union networks. Finally, he concluded remarking that collective action is needed in order to redirect the business profit, making stress on: the researching of productive models, the integral policies for workers, the change of the productive model, as well as the need of taking advantage in the strategic points of the value chain.

After this, the first round table, which was focused on the perspective of the international trade union federations,



**Vicente Sánchez:**  
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started with the participation of Atle Hoie (IndustriALL) y Vicente Sánchez (President of BWI Group on IFAs). Thus, firstly, Atle Hoie remarked the objectives of its international trade union federation with regard to IFAs: to build power to challenge multinationals companies; to organize both in the multinationals and the supply chains; to demand recognition from employers for global union committees and networks; to engage an active dialogue, to build strong industrial rela-

tionships; and to sing strong and effective global agreements. Secondly, he addressed their concrete experiences of IFAs and trade union networks, of which he remarked their capacity for fostering international solidarity. For signing IFAs, he pointed out the followings reasons: the inadequacy of codes of conduct and similar; the guarantee of linking to the principles of the ILO, specially in countries with weaker legislation; the provision of mechanisms to resolve conflicts and complaints; the expansion of labour organization in the company and its suppliers; the promotion of social dialogue; and the improvement of the working conditions. Finally, as challenges, he noted also the following ones: the difficulties in the coverage of the value chain; the «neutrality» of the company with respect to the different unions (as in the USA, where companies have not respected trade union right -access to work-places-); as well as the resolution of conflicts, which is still an incipient matter.

Moreover, Vicente Sánchez, as Chairman of the Group of the IFAs of the BWI, pointed out the objectives of its international federation with regard to the agreements in four broad areas: labour relations, trade unionism, political field and ideological-pedagogical field. Thus, from the point of view of labour relations, he emphasized that the IFAs have sought a minimum common denominator, based on the principles of the ILO, which should be extended to all companies in the value chain. Secondly, he stressed that there is not collective bargaining without the empowerment of trade unions, especially where unionism has low presence. Thirdly, he expressed the need for IFAs to incorporate an ideological component, values and principles based on international solidarity, which has to be used as instruments against the nationalist trends of recent times. He also emphasized the pedagogical nature of the agreements, the knowledge of labour relations and the results between the different countries. In the trade union context, he described the experiences of monitoring, articulated between the headquarter and the local level, remarking results obtained with respect to the relations between the unions, as well as the increase of affiliates to the BWI. After a review of the existing agreements, he highlighted the cases of Faber-Castell and Sacyr. Finally, he pointed out that one of the main challenges of the BWI is the interaction with trade unions in the USA, where it is necessary to establish minimum democratic and labour principles, as well as to reinforce trade unions organizations.

The following round table was focused on the ThyssenKrupp case. In the first place Juan Carlos García (President of the EWC of ThyssenKrupp) showed the activity of the company and the EWC (with 144 members), which has been very active defending the workers' rights in different situations (closure and opening plants processes). Regarding the IFA, he pointed out the difficulties in the negotiation process and the constitution of the global committee (initially only the German representatives were included). With respect to the content, he emphasized its linkage with the principles of the ILO. He also explained the mechanisms available for resolving conflicts or complaints (online platform, anonymous e-mail, mainly). Finally, he stressed that 10 complaints have been registered in Europe about the compliance of the agreement, which are being investigated. In the second place, José Luis Las Heras (HR

Head of Elevator Iberia of ThyssenKrupp) remarked that, although the agreement is very recent, it is valued positively. The IFA has expressed «a good beginning». Regarding the content of the agreement, he highlighted the relevance of the recognition of a specific body to resolve disputes. From his point of view, some steps might be taken in relation to the agreement: enhancing the internal communication, stimulating the relationship between headquarters and local management and improving transparency, especially in the agreement's monitoring.

Afterward Jesús Cruces (Fundación 1º de Mayo) outlined the IFA's experience at OHL, a Spanish construction company. Firstly, he stressed the importance of this agreement, which was signed by the ICM and the federation of the construction of CCOO. Regarding the content, he explained that it is similar to others signed in the sector, which includes the core principles of the ILO. Regarding conflict resolution, he noted that, despite its recent signature, the agreement allowed to face two important cases: one related to the trade union action in the company (Turkey) and other linked to economic issues (Chile).

In addition, he also showed how the agreement made possible the strengthening of the relations between unions of the different countries, coordinated by the international federation. Moreover, he highlighted the work done by BWI is to monitor this and other agreements (through a global map of indicators, showing their implementation and results). Finally, he remarked the lacks of the agreement, which are linked to the information and monitoring process along the value chain.

Finally, the seminar was closed by Jesús Cruces. After reviewing the objectives of the seminar and summarizing discussions held, he concluded by pointing out that IFAs will be "dead letters" if there is no union participation behind. The IFA are result of social processes, which take shape in the labour relations of each country. National and international trade union action must give substance and meaning to the agreements, to resolve conflicts and to strengthen unions in each country. One way to build international trade union action. ♦



**Juan Carlos García:**  
**"The EWC is being very active  
defending the workers' rights.  
It has been crucial for the  
agreement and the  
constitution of the World  
Committee"**