

TUAC Project Description on “Developing the use of the OECD Guidelines for MNEs by EWCs”

Summary

The project aims to increase the effectiveness of CSR-instruments by integrating them with industrial relations. The project will particularly focus on developing synergies between the OECD Guidelines for Multinational Enterprises and European Works Councils (EWCs). In order to do this, five workshops will be held to train trade union officials responsible for training EWC-representatives as well as the EWC-representatives themselves.

Justification of the project aims

The OECD Guidelines for Multinational Enterprises are widely recognised as one of the foremost tools for corporate social responsibility (CSR) and TUAC has made their implementation one of its priorities. They also serve as a tool for social dialogue and they can for example assist Global Union Federations in negotiating framework agreements with multinational corporations. In order to increase the effectiveness of the Guidelines, they have to be widely disseminated to workers and business representatives. As bodies for information and consultation between employer and workers, EWCs are extremely well placed to deal with the Guidelines and CSR more generally. Ultimately, every EWC should be informed of the Guidelines. The project would foster a dialogue between trade unions and companies on these issues. By focusing on EWCs, the project aims to reach the largest international companies operating in Europe (those covered by the EWC Directive have a minimum of 1000 employees, of which 150 must be in at least two EU countries), either directly or indirectly through multiplier effects.

Although TUAC and others have succeeded in raising awareness of the Guidelines, there is a lack of knowledge of how the Guidelines relate to other instruments and existing EU legislation for example on EWCs. Thus, there is a need to develop a wider understanding of the linkages between the Guidelines, other CSR practices including framework agreements and law. It is also necessary to make more readily available the evolving body of knowledge on “what works” from the point of view of practical experience in using instruments such as the Guidelines.

The project would examine how the Guidelines can be incorporated into the activities of EWCs. By introducing the Guidelines to EWCs, synergies between the two would be created. First, the Guidelines can strengthen the role of EWCs and help in resolving problems that may arise. A majority of the cases raised under the Guidelines with National Contact Points (NCPs) in Europe concern restructuring (closures and transfers of plants), not counting cases involving non-adhering countries. The Guidelines can also help prevent conflicts by making the social partners aware of them. Secondly, EWCs can enforce the Guidelines by contributing to their promotion and implementation.

The objective is to organise five workshops to train trade union officials responsible for training and representatives of EWCs in the EU and the accession countries on how to use the Guidelines to improve information and consultation with the employer, and to deal with

specific problems in the companies. The participants would learn about the Guidelines and how to raise a case with an NCP. The workshops would study specific provisions of the Guidelines with particular relevance such as the chapters on Disclosure and Employment and Industrial Relations. In order to promote equal opportunities between men and women, provisions relating to non-discrimination in employment would be highlighted. The development of best practices both in terms of the Guidelines and EWCs would be discussed. TUAC has gained considerable experience with the Guidelines which would be made available to the participants. Some issues that would be addressed are best practices when raising cases with NCPs, drafting a submission, co-operation with relevant trade unions etc. There is also an amount of trade union experience with EWCs and the workshops would explore how to make EWCs more effective and operational. The workshops would furthermore discuss how the Guidelines can address difficulties and challenges facing the EWCs. In addition, the workshops would consider the role of Global and European Works Councils in initiating framework agreements. Almost 30 such agreements have been established between Global Union Federations and multinational enterprises, of which most were signed after 2000. The workshops would also provide participants with the opportunity to network and exchange information and experience.

The first workshop would target the trade union officials responsible for training, particularly those who have experience with EWCs. It would also serve as a way to recruit trainers who could assist in the remaining workshops. Furthermore, by targeting the trainers we would ensure that the Guidelines are included in future activities directed towards EWC-representatives and more general training programmes even after the project has been terminated. The four remaining workshops would target EWC-representatives in Europe.

A majority of the EWCs are joint bodies, i.e. they are made up of both employees and employers. In those cases, the chair is normally an employer representative. However, EWCs belonging to German companies usually consist only of employees. The workshops would principally target employee representatives as they can advocate the Guidelines in their relations with management. But some employer representatives should also be invited considering that the Guidelines are addressed to companies, and in order to facilitate a dialogue between employers and trade unions. Given the fact that a majority of the EWC-representatives are men, the project would actively encourage the participation of women.

More than 60 per cent of the companies covered by the EWC Directive have operations in Germany, the UK and France. It would therefore be desirable to organise one workshop in each of these countries. Sweden also has quite a few companies that have established EWCs and affiliates have expressed their interest in hosting a workshop for Nordic EWC-representatives.

More than one in four companies affected by the EWC Directive has operations in EU applicant countries. It is however not obligatory for companies with EWCs and activities in the accession countries to include representatives of those countries in the EWC. Nevertheless, the number of EWC-representatives from Eastern Europe is growing and the EWC-directive will soon apply to several of these countries. Against this background it is important to also invite EWC-representatives from the accession countries. Poland is the largest applicant country in terms of number of EWC-representatives (50) followed by the Czech Republic (26) and Hungary (23). Yet some EWC-representatives are not full members, but observers.

Project description

Preparatory phase

The preparatory phase would begin in the third quarter of 2004. The first event would be to organise a workshop for trade union officials responsible for training, particularly those who have experience with EWCs. This initial workshop would help identify trainers that could run or assist in the organisation of the four main workshops for representatives of EWCs. Furthermore, by targeting the trainers we would ensure that the Guidelines will be included in future activities directed towards EWC-representatives and more general training programmes even after the workshops have been carried out. This first workshop would be organised as a one and a half day training session in Paris at the OECD some time in September. We would aim to reach about 20 trainers from the EU and accession countries. Women's participation would be encouraged. Interpretation into English and French would be envisaged.

Main event

The main event consists of organising four workshops targeting EWC-representatives and trade union officials responsible for EWCs in Europe. By primarily inviting participants from the countries where the workshops will be held, we would reduce travel and interpretation costs. It would also make it easier to identify the EWC-representatives and facilitate the administration of the workshops. Each workshop would aim for about 20 participants, of which two should represent employers. We would strive for gender balance among the participants, but as most EWC-representatives are men we may have to settle for a lower participation of women. The workshops would run for one and a half to two days and they would be organised in co-operation with the affiliates in the host countries, who would assist in identifying the EWC-representatives in the countries concerned.

Workshop I: Stockholm/Sweden

The first workshop would be held in Stockholm in the fourth quarter of 2004 targeting the Nordic countries. It would be organised in close co-operation with TUAC's Swedish affiliates. They would identify a dozen Swedish companies with EWCs that are considered progressive and could lead the way for other companies. It would also be important to invite a company that has experience with the Guidelines (for example Atlas Copco) to use as a case study. Two EWC-representatives from each company would be invited representing Sweden, Denmark, Norway and/or Finland. However, since the budget heading does not cover costs for participants outside the EU and accession countries, it may be difficult to get EWC-representatives from Norway to attend. Furthermore, the Finnish participants would be limited to those who are Swedish-speaking in order to keep down the interpretation costs. The languages would be Swedish/Scandinavian and English. The reason for why two representatives of each EWC would be invited is to encourage participants to make use of the training when back at the workplace. Although this would give a smaller diffusion effect, it is considered to be a more effective approach in the Nordic countries.

Workshop II: London/the UK

TUAC would in co-operation with the Trades Union Congress (TUC) prepare the workshop to be held in the UK in the first quarter of 2005. It would primarily target British (16-18) and Dutch (3) EWC-representatives. The workshop would also target EWC-representatives of the two British companies that have been subject to Guidelines cases to be examined as case studies, i.e. Marks and Spencer and BAT. The workshop would be carried out in English.

Workshop III: Germany

The workshop in Germany would be organised in co-operation with the German Confederation of Trade Unions (DGB). It would be organised as a joint workshop for EWC-representatives primarily in Germany (13-15) and the accession countries (two from the Czech Republic and one from Poland). Languages would be German and English. TUAC's Czech affiliate CMKOS would assist in contacting the Czech EWC-representatives. Bosch and Siemens would be among the companies to invite since they could serve as case studies considering they were raised as Guidelines cases with the Czech NCP. The workshop would be scheduled for the second quarter of 2004.

Workshop IV: Paris/France

The workshop in France would be prepared jointly with our French affiliates. It would be scheduled to the third quarter of 2005. It would aim at French (10-12) and Belgian (2-3) participants. French cases raised under the Guidelines that could serve as concrete examples include Metaleurop, PPR and St Gobain. The languages for the workshop would be French and English.

Follow-up

TUAC would in co-operation with its affiliates follow up the workshops by contacting the participants to find out what role the Guidelines play in training for EWC-representatives and to what degree the Guidelines have been introduced in the EWC and the company. This could either be done through a questionnaire to all participants or through contacts with key participants depending on resources. TUAC would also measure to what extent framework agreements are being signed by companies with EWCs. It would be important to keep track of eventual cases being raised concerning the companies represented in the workshops. TUAC is prepared to assist EWC-representatives in using the Guidelines in concrete cases. Furthermore, TUAC would continue to provide training material for future workshops including sessions on the Guidelines and directly to EWC-representatives.

Documentation and training material

The training material would be an essential part of the project. TUAC's Users' Guide to the OECD Guidelines for MNEs covers fully different aspects of the Guidelines: history, content, implementation procedures, how they are used in practice etc and would be distributed at all the workshops. The Guide is already available in English, French and Czech among other languages, but it would have to be translated into German for the workshop in Germany. As to the workshop in Sweden we would make use of a guide or handbook produced jointly by the Swedish government and the social partners in Swedish. The workshop in the UK would include the TUC booklet "Holding Multinationals to Account: Using OECD Guidelines to Protect Workers' Interests". The OECD booklet on the OECD Guidelines (available in English and French) would also form part of the training material. Furthermore, the Guidelines would be distributed in all the languages of the participants: Czech, Danish, Dutch, English, French, German, Norwegian, Polish and Swedish. In addition, a list of trade union cases raised with NCPs including analysis of the outcomes would be utilised in the workshops.

In order to integrate the Guidelines with the activities of EWC and to focus on some of the challenges facing EWCs, a special booklet of about 20 pages is planned. It would consist of four parts:

- Brief introduction to the Guidelines

- The role of EWCs (what they do and how they operate)
- EWCs and the Guidelines (raising awareness, working with employers, taking action)
- A Global Role for EWCs? (reviewing the evidence and planning for the future)

The booklet would be posted on the TUAC website to reach as many people as possible. It would also be translated from English into French and German, and if possible Swedish and East European languages.

Use of results – multiplier effects and evaluation

First, by raising awareness of the Guidelines among EWC-representatives the project seeks to ensure the promotion and implementation of the Guidelines at company level, which is where they can make the greatest contribution. The Guidelines offer EWCs and others a tool to deal with concrete problems that may arise in the individual company. Secondly, the Guidelines can strengthen the information and consultation role of EWCs, which is one of the areas covered by the Guidelines. They can also respond to some of the challenges EWCs are facing, such as relocation and plant closures and dealing with CSR strategies. The results of the project would help improve corporate conduct and industrial relations.

TUAC's Users' Guide has been disseminated within the trade union movement as well as more broadly to governments, business and NGOs. The project offers another opportunity to spread the Guide and information about the Guidelines. The Users' Guide would be translated into German, which would be used internally within German trade union organisations. The booklet to be produced especially for the training workshops would be used in future training sessions and seminars or workshops on the Guidelines and EWCs.

By organising the first workshop solely for trade union officials responsible for training, the project has a strong multiplier effect. The participants would be given the capacity and encouraged to include the Guidelines in future training session that they are planning. Also the four workshops for the EWC-representatives have multiplier effects. The participants would be responsible for raising awareness of the Guidelines within the EWC and the company when they return to their workplaces. Besides the targeted participants in the five workshops, the project aims to reach a considerably higher number of people through the active contribution of the participants.

Each workshop would be evaluated through a questionnaire to the participants. TUAC would also put together a final project report evaluating the whole project.