EUROPEAN WORKS COUNCILS & THE OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES
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ACKNOWLEDGEMENTS

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THEY WOULD LIKE TO THANK:

• Veronica Nilsson (TUAC) for her invaluable contribution, support and guidance throughout the project.

• The participants at the preparatory TUAC meeting in Paris in September 2004 for their guidance and contributions.

• The organisers and participants at the first workshop in Sweden in January 2005 for refining and focusing the training materials as they were delivered.
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INTRODUCTION

This training programme is designed to raise awareness and support the use of the OECD Guidelines for Multinational Enterprises with European Works Councillors.

European Works Councils have grown rapidly since their inception following the European Directive on Information and Consultation in 1994. They are already developing standards of good practice and effective activity through the exchange of information and the development of consultation with their companies. The OECD Guidelines bring an important additional dimension to the work of European Works Councillors through their recommendations on good corporate practice, their endorsement by OECD governments and their implementation procedure.

Since the review of the Guidelines in 2000 including the strengthening of the implementation procedures, they have become an important vehicle for setting what the Secretary-General of the OECD, has described as a ‘rules-based, values-based, framework for globalisation’. EWC members are key agents in the development of their multinational enterprises and this training programme is designed to spread awareness of the ‘rules’ and ‘values’ of the Guidelines to support them in their task.

We hope you find the training programme interesting and rewarding but, most importantly, we hope that the Guidelines themselves provide a framework of support and a stimulus for further action that strengthens your work in your European Works Council.
# Programme Timetable

## Day One

<table>
<thead>
<tr>
<th>Time</th>
<th>Topic and Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>09.30 – 10.00</td>
<td>Introductions</td>
</tr>
</tbody>
</table>
| 10.00 – 11.00 | Session 1: Comparing EWCs  
Group activity to share information about the EWCs present at the seminar |
| 11.00 – 11.30 | Coffee & Tea                                                                    |
| 11.30 – 12.30 | Session 2: The OECD Guidelines for Multinational Enterprises  
Presentation |
| 12.30 – 14.00 | Lunch                                                                             |
| 14.00 – 15.00 | Session 3: Identifying key issues  
Introduction and group activity to identify key ways of using the Guidelines |
| 15.00 – 15.30 | Coffee and Tea                                                                  |
| 15.30 – 17.00 | Session 4: Ways to use the Guidelines  
Group activity and report for prioritising issues for action  
where the Guidelines can be used |

## Day Two

<table>
<thead>
<tr>
<th>Time</th>
<th>Topic and Activity</th>
</tr>
</thead>
</table>
| 09.00 – 10.00 | Session 5: The Guidelines in a broader context of corporate social responsibility and international framework agreements  
Presentation |
| 10.00 – 10.30 | Coffee and Tea                                                                    |
| 10.30 – 11.00 | Session 6: The National Contact Point (NCP)  
Presentation and discussion |
| 11.00 – 12.30 | Session 7: National Contact Point Procedures  
Group activity |
| 12.30 – 14.00 | Lunch                                                                             |
| 14.00 – 15.00 | Session 8: Taking a case  
Case study discussion |
| 15.00 – 15.30 | Coffee & Tea                                                                    |
| 15.30 – 16.30 | Session 9: Action planning  
Plenary session |
| 16.30 - 17.00 | Session 10: Evaluation                                                          |
TRAINING MATERIALS

day one
SESSION 1

COMPARING EWCS

■ Aim
  • To develop an understanding of the EWCS represented in the programme.

■ Activity
  *In working groups representing different EWCS.*
  1. Complete the information about your own EWC.
  2. Share this information amongst the group.
  3. Report back to the whole group any interesting points from your discussion.

<table>
<thead>
<tr>
<th>Your EWC</th>
<th>Names of other companies in your working group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company name</td>
<td></td>
</tr>
<tr>
<td>What is your company’s main business?</td>
<td></td>
</tr>
<tr>
<td>Number of EWC representatives</td>
<td></td>
</tr>
<tr>
<td>Which countries are represented?</td>
<td></td>
</tr>
<tr>
<td>Which unions are represented?</td>
<td></td>
</tr>
<tr>
<td>How often do you meet?</td>
<td></td>
</tr>
<tr>
<td>Do you have a select (or executive) committee?</td>
<td></td>
</tr>
<tr>
<td>How often does it meet?</td>
<td></td>
</tr>
<tr>
<td>What have been the main achievements?</td>
<td></td>
</tr>
<tr>
<td>What have been the main challenges?</td>
<td></td>
</tr>
</tbody>
</table>
SESSION 2

THE OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES

■ Aim
  • To develop an understanding of the OECD Guidelines.

■ Activity
  Whole group
  1. Présentation.
  2. Questions and discussion.
SESSION 3

IDENTIFYING KEY ISSUES

■ Aim

- To raise awareness of the provisions of the Guidelines and how they can be applied.
- To explore ways of using the Guidelines to resolve practical problems your EWC might face.
- To use the Guidelines to support your discussions with management.

■ Activity

In groups representing different EWCs

Below are some company issues where the Guidelines could be used.

1. Look through your copy of the Guidelines and note down the specific point that corresponds to each issue.
2. This will be followed by a short discussion.

<table>
<thead>
<tr>
<th>Issue</th>
<th>Guideline point</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Information and consultation</td>
<td></td>
</tr>
<tr>
<td>2. Health and Safety</td>
<td></td>
</tr>
<tr>
<td>3. Restructuring</td>
<td></td>
</tr>
<tr>
<td>4. Suppliers and subcontractors</td>
<td></td>
</tr>
<tr>
<td>5. Non-union recognition</td>
<td></td>
</tr>
</tbody>
</table>
WAYS TO USE THE OECD GUIDELINES

Aim

- To develop a strategy to use the Guidelines.
- To identify practical ways to support their use.

The OECD Guidelines can help in your EWC in the following ways:

1. To provide support through its principles in relation to the issues that your EWC addresses such as Information & Consultation, Health & Safety, etc.
2. To extend the range of issues addressed.
3. To provide a benchmark for corporate conduct.

Activity

In small groups

1. Discuss what practical steps you could take in your EWC to address these three areas.
2. Note these down on the table below.
3. Present your ideas to the plenary.

<table>
<thead>
<tr>
<th>Discussion point</th>
<th>Practical steps (There may be a number for each point)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. To provide support about different issues</td>
<td></td>
</tr>
<tr>
<td>2. To extend the range of issues</td>
<td></td>
</tr>
<tr>
<td>3. To provide a benchmark for corporate conduct</td>
<td></td>
</tr>
</tbody>
</table>
TRAINING MATERIALS

day two
SESSION 5

THE OECD GUIDELINES IN A BROADER CONTEXT OF CORPORATE SOCIAL RESPONSIBILITY AND INTERNATIONAL FRAMEWORK AGREEMENTS

■ **Aim**

- To raise awareness of trade union organisations at the European and international level.
- To identify and distinguish different features of international standards covering MNEs, company codes of conduct and union negotiated framework agreements.

■ **Activity**

*Whole group*

1. Presentation.

2. Questions and discussion.
S E S S I O N  6

THE NATIONAL CONTACT POINT (NCP)

- **Aim**
  - To help you understand the role of the National Contact Point.

- **Activity**
  - *Whole group*
  - Presentation by a National Contact Point or course tutor.
  1. Ask questions during and after the presentation.
  2. Make a note of key issues.
SESSION 7

NATIONAL CONTACT POINT PROCEDURES

- **Aim**
  - To help you understand how the National Contact Points work.

- **Activity**
  
  *In small groups*

  Using the information and your own notes from the presentation and the User’s Guide chapters three and four note down your group’s answers to the following points:

  - What do you think is the most important function of the NCP?
  - What ways can the NCP use to help the parties resolve a case?
  - What are the key steps in the implementation procedure for applying the Guidelines?


**Aim**
- To develop an understanding of how to raise a case with a National Contact Point (NCP).

**Activity**
*In small groups work with one of the case study examples.*

---

**Case One**

Your EWC is based in Germany and the Polish representative has drawn your attention to non-trade union recognition at the plant where they work.

Which would be the appropriate NCP to raise the case with?

Which paragraph(s) of the Guidelines is/are relevant?

Using the Guidelines, develop a strategy to raise the case with the company and the National Contact Point.

---

**Case Two**

Your EWC is based in Belgium and the management decides to move an operating plant to China without giving any prior information to the workers.

Which would be the appropriate NCP to raise the case with?

Which paragraph(s) of the Guidelines is/are relevant?

Using the Guidelines, develop a strategy to raise the case with the company and the National Contact Point.

---

Draw up a checklist for action and present it to the other groups.

*There are four examples of cases below that have been dealt with by NCPs and that will show you what action others took and how long the cases lasted. Although they can be raised by any interested party, cases are normally brought by trade unions or NGOs, so EWCs would need to be in close contact with trade union organisations when submitting a case.*

>>>
Siemens (2001, 6 months)
The Czech-Moravian Confederation of Trade Unions (CMKOS) raised a case with the Czech NCP at the beginning of June 2001 concerning a Czech subsidiary of the German-owned multinational Siemens. The conflict had arisen when the labour conditions worsened at the plant and the management refused to negotiate with the trade union. It took three extraordinary meetings of the NCP to resolve the dispute. The NCP also informed the German Embassy and it discussed the case with the German NCP. The intervention of the parent company also contributed to the solution. The parties reached an agreement relatively soon after entering into the negotiations, and after the declaration of the new “Principles for personnel policy”. The trade union requirements were met in these principles and they are respected in the current operating practice.

The case confirmed the importance of positive cooperation between the social partners. The Siemens subsidiary was not affiliated to any of the Czech employers’ organisation, which made the communication between the parties more complicated. In dealing with the case, the Czech NCP played a constructive role. As a result, new activities were agreed to deepen and broaden the role of the NCP and the direct co-operation with the social partners. The CMKOS’ experience with the NCP has therefore been positive.

British American Tobacco (BAT) (2004, 5 months)
The operations of the British American Tobacco Company (BAT) in Burma were raised with the UK NCP by the International Union of Food and Allied Workers (IUF) in September 2003. BAT was conducting a joint venture with the Burmese military, which precluded it from complying with several of the paragraphs of the chapter on General Policies. The IUF argued that BAT’s operations in Burma necessarily involved it in political activities which repeatedly had been condemned by resolutions of the United Nation Security Council, the ILO and other international bodies. Prior to the case being raised, the UK government had already encouraged BAT to leave Burma, but without any result.

At the beginning of November 2003, BAT sold its stake in Burma to a Singapore-based investment company because of a formal request from the British government to withdraw from Burma. It did so reluctantly explaining that “it is hard to ignore the political will of your government”. Consequently, the IUF withdrew the case in February 2004 after a separate meeting with BAT. Although the IUF was successful in reaching its goal to get BAT to disinvest, BAT is nevertheless present in Burma through licensing agreements.

It appears that the Guidelines case and the resulting discussion through the NCP did act as a focal point for getting some momentum in the company position.
**Pinnault-Printemps-Redoute (PPR) (2002/3, 7 months)**

The conduct of Brylane Inc, a US subsidiary to the French Pinnault-Printemps-Redoute (PPR), was raised with the US NCP at the beginning of July 2002 by the US trade union organisations UNITE and AFL-CIO. It was also brought to the attention of the French NCP by the CFDT, CGT and FO.

The reason for the case was that Brylane did not respect the employees’ right to organise. In response to the workers’ efforts to form a trade union, it was alleged that Brylane initiated a campaign of harassment and intimidation. The US NCP contacted the French NCP about the case. In November, UNITE renewed its request to the US NCP as it had not received a response.

UNITE withdrew the case in January 2003 after it had reached an agreement with Brylane to have a card check ballot to determine whether the employees wanted to be represented by UNITE or not. UNITE won the card check ballot on 29 January, and later a collective bargaining agreement was signed. Despite the passivity of the US NCP, the case helped to enable PPR to get Brylane to comply with the Guidelines. Action was taken by French trade unions and the French NCP. This contributed to the positive outcome.

**ASPOCOMP: (2002/3, 19 months)**

In April 2002, Force Ouvrière (FO) raised a case about the Finnish telecom multinational Aspocomp with the French NCP. The company, in announcing the closure of its plant in Evreux, failed to live up to the provisions of the chapter on Employment and Industrial Relations. It also refused to participate in the tripartite consultations conducted by the NCP. In December 2002, the NCP wrote to the Finnish NCP to demand assistance in exerting pressure on the company to attend.

In the final statement of the French NCP in November 2003, it noticed that the company had not acted in conformity with the Guidelines (Annex III). Not only had Aspocomp violated the paragraph cited by the FO, but it had also failed to live up to paragraph 3 of the same chapter. MEDEF (the French Employers’ Association) did however not share this conclusion.

Although the FO was satisfied with the outcome, the decision of the NCP had limited effect considering that Aspocomp did not have any remaining activities in France. Moreover, the procedures were extremely tardy, partly due to the slow reaction of the Finnish NCP and the fact that the company refused to meet with the NCP.
**SESSION 9**

**ACTION PLANNING**

**Aim**
- To support planning on how to move forward from this training.

**Activity**

*In groups for each EWC*

1. Draw up a list of actions and activities that you plan to do as a result of this training programme.

<table>
<thead>
<tr>
<th>Action list ‘Using the OECD Guidelines with my EWC’</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
</tr>
<tr>
<td>2.</td>
</tr>
<tr>
<td>3.</td>
</tr>
<tr>
<td>4.</td>
</tr>
<tr>
<td>5.</td>
</tr>
</tbody>
</table>

2. Share your action list with other member of your group and revise if necessary.

3. Discuss how to implement your list and any anticipated problems that you might encounter.

4. Report back to the plenary.
 SESSION 10  

EVALUATION

■ Aim
  • To evaluate the programme.

■ Activity
  
  As individuals
  1. Complete the course review forms for collection.

  As a whole group
  2. Feedback evaluation of the strengths and weaknesses of the programme.
EVALUATION OF TRAINING

Please complete the following:

1. What were the strengths of the training?

2. What were the weaknesses of the training?

3. What would you change?

4. What would you like to see in future training programmes?

Please continue on the back of this sheet and feel free to add any other comments.
BACKGROUND

This training programme was commissioned by the Trade Union Advisory Committee (TUAC) to the Organisation for Economic Cooperation and Development (OECD) with the support of the European Trade Union Confederation (ETUC).

Its aims are:
- To raise awareness of the revised OECD Guidelines for Multinational Enterprises amongst European Works Council (EWC) representatives;
- To encourage EWC representatives to use the Guidelines to strengthen the position of the EWC;
- To share good practice of using the Guidelines between a number of European Works Councils;
- To inform EWC representatives about the various agencies that can support them in the use of the Guidelines, in particular the National Contact Points (NCPs); and
- To inform EWC representatives of procedures should they decide to raise a case.

PREPARATION

This tutor’s guide aims to support the training materials that have been designed to provide a one or two-day training programme for European Works Council representatives.

Since the training is designed in part to give EWC reps the opportunity to familiarise themselves with the revised text, participants will also require a copy of the OECD Guidelines themselves in order to complete some of the tasks in the training. The Guidelines are available with a valuable supporting commentary in the TUAC publication:


This is available in various languages in hard copy and on the TUAC website (www.tuac.org).

It is advisable that before delivering the programme trainers should:
- Check the latest information about the Guidelines on the TUAC and OECD websites;
- Download copies of TUAC’s list of cases raised with NCPs by trade unions; and
- Consider inviting a National Contact Point to attend the training where possible to deliver a presentation of its role.
ORGANISATION OF THE MATERIALS

The materials can be used as they were designed or as a framework for a more bespoke training programme. Whilst they are detailed, trainers should respond to the participants’ needs and, as a consequence, the focus of an activity or the suggested timings may be changed.

The training is designed to be participative and learner-focussed and the expertise and experience of individual participants should provide the focus of all activities.

If the participants are from different European Works Councils, this provides a rich opportunity to share good practice and experience. If the participants are from a single European Works Council the context is paramount and activities should focus on exploiting the training time for maximum practical development of the group.

The programme can be run as a single 2 day training block or as 2 x one-day training sessions (see the programme on page 5). Day one focuses on raising awareness of the Guidelines themselves and how they can be used for the benefit of the EWC.

Day two focuses on external agencies and contacts for the EWC as well as information about raising a case. Both days include an element of Action – planning.

LANGUAGE ISSUES FOR MULTI-LANGUAGE GROUPS

Whilst it is likely that interpreting will facilitate the plenary sessions, much of the training is designed to be carried out in small groups. It is therefore essential that trainers discuss the possibility of whispering interpretation with the interpreters beforehand so that they are aware of what will be required.

It is also important that the trainers take this into consideration when planning the composition of the groups for each activity.

It is advisable to mix the groups as much as possible in order to maximise the sharing of good practice and to create good group dynamics. However, there may be limitations imposed by language issues.

FEEDBACK

Feedback from the group work is suggested for a number of activities. This can be done in a variety of ways including by flipchart presentation, so that all participants can walk around and read the results of the discussion, or as a simple oral presentation.
DELIVERY

day one
**SESSION 1**

COMPARING EWCS

A major aim of this activity is for the both the trainers and the participants to quickly establish a picture of the various EWCs that are represented in the group. In particular, those that are more firmly established with settled agreements and working procedures as opposed to those EWCs that are more recently established and are likely to be concerned with more fundamental issues such as communication and establishing a group identity.

It is also important that this activity is done in small groups to break the ice and establish the participatory nature of the training programme.

Some preparation will be required to set up the groups to ensure that group members are not from the same EWC.

*If the group is from a single EWC an alternative and shorter introductory ‘icebreaker’ would be necessary.*

**SESSION 2**

THE OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES

This is a formal presentation of the Guidelines.

A presentation in power point style is available in the resources section.

It might be possible to arrange an expert input to this session. Where a tutor is making the presentation it is clear they will need to be familiar with the key features of the Guidelines to facilitate discussion.

It should be stressed that while the Guidelines are not legally binding they are not optional for companies. Furthermore, they are legally binding for governments.

Questions and discussion should particularly focus on how EWCs can make the most effective use of the Guidelines.

**SESSION 3**

IDENTIFYING KEY ISSUES

This session aims to build on the presentation by actively engaging participants in reading and discussing how the Guidelines can be used.

It is important that participants have time to work with the Guidelines and to familiarise themselves with the text.

The main objective of the activity is to use the Guidelines actively in discussion with colleagues in groups rather than to ‘get the right answer’.
Answer guide:

<table>
<thead>
<tr>
<th>Issue</th>
<th>Guideline point</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information and consultation</td>
<td>Section 3: 1, 2, 3, 4, 5</td>
</tr>
<tr>
<td></td>
<td>Section 4: 2b, 2c, 3</td>
</tr>
<tr>
<td>Restructuring</td>
<td>Section 4: 6</td>
</tr>
<tr>
<td>Health &amp; Safety</td>
<td>Section 2: 5</td>
</tr>
<tr>
<td></td>
<td>Section 4: 4b</td>
</tr>
<tr>
<td></td>
<td>Section 5: 1a, 1c, 2a, 2b, 3, 4, 7</td>
</tr>
<tr>
<td></td>
<td>Section 7: 1, 2, 6</td>
</tr>
<tr>
<td>Suppliers and contractors</td>
<td>Section 2: 10</td>
</tr>
<tr>
<td>Non-Union recognition</td>
<td>Section 4: 1a, 2a, 7, 8</td>
</tr>
</tbody>
</table>

**SESSION 4
WAYS TO USE THE OECD GUIDELINES**

It is suggested that this session open with a short plenary presentation of the 3 key ways in which the Guidelines can help European Works Councils. The presentation will set the focus for the activity, which focuses on practical ways that these issues can be addressed in specific EWC contexts.

Some suggested practical steps are as follows (these can be given as a handout if required):
THE OECD GUIDELINES CAN HELP IN YOUR EWC:

1. To support and reinforce the issues your EWC discusses (i.e. Information & Consultation, Health & Safety etc).
2. To extend the range of issues discussed.
3. To provide a basis for good practice between your EWC and Senior Management.

WHAT PRACTICAL STEPS CAN BE TAKEN?

• Get the issue of the Guidelines on your EWC agenda.
• Ensure that members have a copy of the Guidelines (there are versions in several languages).
• Ask for some training in using the Guidelines.
• Ensure that members are aware of their National Contact Point.
• Ensure that the co-ordinating committee takes up issues with Management and is aware of the support the Guidelines can provide.
• Form working groups to collect information on key issues in the Guidelines.
• Ask the company for a written report on the progress of these key issues and provide questions that the EWC requires answers to.
• Ensure that there is a procedure for checking that the company is observing the Guidelines.
• If it is not, encourage national trade union centres to inform their National Contact Point.
• Use experts, if they are permitted in your agreement, to prepare independent reports on key issues from the Guidelines.
• Be strategic about the issues to choose to focus on (there is a danger of information overload if you try to cover too much). Choose a rolling programme of issues for using the Guidelines over a period of time.
DELIVERY

day two
SESSION 5

THE OECD GUIDELINES IN A BROADER CONTEXT OF CORPORATE SOCIAL RESPONSIBILITY AND INTERNATIONAL FRAMEWORK AGREEMENTS

If Day 2 of the training takes place at a later date, it would be important to begin the day with an ice-breaking activity session.

This is a formal presentation about international trade union organisations and the broader setting of corporate social responsibility and accountability.

A presentation in power point style along with additional commentary is available in the resources section.

Questions and discussion should particularly focus on the support available to EWCs through international trade union organisations to help them make practical use of the Guidelines rather than develop a theoretical debate on CSR.

Tutors should nevertheless be aware of the general distinction between international standards that set government expectations as to the behaviour of MNEs wherever they operate (such as the OECD Guidelines and the ILO Tripartite Declaration), International Framework Agreements negotiated between unions and companies and other instruments such as Company Codes of Conduct. There is much support in the trade union movement for strengthening the first two approaches, whilst often scepticism about unilateral company codes. Tutors should also emphasise the importance of EWCs working in association with trade unions in this area in particular when dealing with company activities outside Europe.

Tutors will find additional supporting materials on the web sites of the Global Union Federations and it would be helpful to check sites of the particular Federations covering the programme participants. The ICFTU publication ‘A Trade Union Guide to Globalisation’ also provides useful material.

SESSION 6

THE NATIONAL CONTACT POINT (NCP)

This session is a presentation on the role of the National Contact Point. Participants should be encouraged to ask questions and seek clarification in preparation for the next session.

In some countries it might be appropriate for the NCP to make a presentation. If this is the case then the NCP should be given a clear brief in advance about the participants and what is appropriate for EWC members. The NCP might need briefing on the development and role of EWCs and the significance of areas in the Guidelines such as information and consultation as well as the cases on trade union rights they may be more likely to have dealt with.

Course participants should agree in advance on areas they would like to discuss with the NCP and any questions they want to prioritise.
SESSION 7

NATIONAL CONTACT POINT PROCEDURES

This session aims to ensure that participants are clear about how NCPs deal with issues raised under the Guidelines.

The first question should encourage participants to identify the consultative role of the NCP and how the procedures encourage discussion and agreement between the interested parties.

The second question encourages participants to review the section on problem solving and points a-d on page 6 of the User’s Guide.

The third question draws attention to the steps itemised in chapter 4 of the User’s Guide.

SESSION 8

TAKING A CASE

This session must be dealt with carefully. The proposed activity is a straightforward one but raises significant issues for an EWC that must be dealt with sensitively. However, it is important in demonstrating how the Guidelines can be successfully used and there are case study examples to support this.

In particular, tutors will need to encourage participants to have a carefully planned checklist that demonstrates an understanding of the need for advice, support and joint activity. It must be stressed that EWCs will need to involve relevant trade union organisations such as national centres, EIFs, GUFs, TUAC and ICFTU.

A checklist for action would include:

• Gathering as much information about the case before raising it with the company;
• Indicating to the company in advance that the case would be an EWC agenda item to give them the opportunity to respond; and
• Trying to resolve the problem with the company.

If the problem is unresolved then the strategy would need to be appropriate to the EWC participants’ unions but would be likely to include:

• Raising the matter with national unions and union confederations;
• Pursuing the matter through European Industry Federations or Global Union Federations as appropriate;
• Working with the ICFTU if necessary; and
• Seeking advice and support from TUAC.

The EWC role is most likely to be supporting action taken by others and providing a further forum for influencing company policy.
SESSION 9

ACTION PLANNING

This session provides an opportunity for participants to consolidate the input into an Action Plan to implement with their EWC. Once individual Action Plans have been devised, considerable time should be spent on sharing ideas in groups and revising their plans in the light of a discussion about anticipated problems of implementation.

SESSION 10

EVALUATION

This session is an opportunity to reflect on the programme as individuals, share their views and give feedback to the trainers for future programmes.
RESOURCES


**Introduction**

These resources can be used separately as handouts to participants to support the presentations.

The handout on *European Works Councils* should present information already familiar to participants. However, it might be useful to bring everyone to the same level or where there are non-EWC representatives participating in the programme. It should be drawn to participants attention at the beginning of the programme if necessary.

The handouts on *International Trade Union Organisations* and *International Agreements* should be used to support session 5 and they provide additional information to the presentation slides for that session.
**European Works Councils**

The European Works Council (EWC) Directive as it is commonly known was introduced in 1994 with a two year period for negotiating voluntary (or Article 13) agreements. The Directive initially covered all countries in the European Economic Area (that is the EU States and Liechtenstein, Iceland and Norway) except the UK, which adopted the Directive in 2000 following the election of a Labour Government. The Directive now extends to the EU Accession countries, and non-EEA countries such as Switzerland may be covered by some company agreements.

It is estimated by the European Trade Union Institute that some 2150 companies fall within the scope of the Directive and that there are some 1033 agreements. Further estimates suggest that there may be 20,000 EWC representatives and that up to ten per cent of the European workforce is employed in companies covered by the Directive.

The Directive covers companies with 1000 or more employees with a minimum of 150 in each of two EEA/EU member States. Employers may take the initiative to establish an EWC or workers or their representatives may do so. A Special Negotiating Body is then established bringing together employees of each of the countries in which the company has undertakings covered by the Directive along with appropriate experts. It is common for trade unions to be involved in this process and in representation on EWCs but the Directive makes no reference to them directly.

The ‘subsidiary requirements’ of the Directive are now the basis of post 1996 (Article 6) agreements although many companies adopted them as minimum standards for voluntary agreements.

The key points of these requirements are:

- A minimum of 3 and a maximum of 30 employee delegates elected in accordance with national procedures;
- A select committee where size warrants;
- An annual meeting with central management plus further meetings in exceptional circumstances;
- Meeting of employees without the presence of management;
- Costs covered by management;

In broad terms the EWC has rights to information and consultation about issues covering more than one country and in relation to:

- The structure of the business;
- The economic & financial situation;
- The development of the business;
- Employment and redundancies;
- Restructuring including transfers of production;
- Introduction of new working methods;

The experience of ten years of working with EWCs is difficult to summarise and there are different opinions among commentators with some suggesting an ‘optimistic’ view and others a ‘pessimistic’ view about what they can achieve. The optimistic view stresses the importance of workers meeting together on a cross-national basis, exchanging information, developing an effective communications network and building solidarity. Once this process has begun, the employee representatives on the EWC can begin to formulate their own policies and proposals and engage in an effective dialogue with the central management. This must be the aim of all EWCs.
and they are most likely to be achieved where there is a strong trade union presence utilising the resources and training developed by the European Trade Union Confederation and the European Industry Federations. The more pessimistic view cites evidence of strong management opposition in some companies that also encourage non-union representation and meets only the minimum requirements of the Directive.

Whatever the viewpoint, a number of barriers remain that can obstruct the effective working of an EWC (although they may be addressed in a revision of the Directive). These include:

• The timeliness of consultation to ensure it can influence a decision;
• The confidentiality of information;
• The relationship between EWCs and national systems of information and consultation;
• The number of meetings;
• Support for EWC members such as time off work and resources for training;
• The type and level of sanction against a company that fails to inform and consult.

In each of these cases there is disagreement between employers and worker representatives that are worked out at the level of the company and many good agreements extend the basic provision of the Directive. The trade unions have a particularly important role in advising and supporting employee representatives and negotiating agreements to overcome these barriers and there is now widespread information about good practice.

Finally, some EWCs are now extending their information and consultation structures beyond Europe. Where this is happening it is important that developments are based on trade union structures and involve the relevant Global Union Federation.
National trade unions are organised in two ways:

**Individual trade unions** that represent a particular trade, industry, profession or some other grouping of workers.

**Trade union confederations** that bring together individual trade unions as affiliates. There may be one organisation covering all unions or separate confederations divided by sector or historical differences.

These two different types of national organisations affiliate to international trade union organisations that operate at a regional level (such as Europe) or at a global level.

### 1. Individual Trade Unions

#### European Industry Federation (EIF)

At the European level an individual national union may affiliate to one or more EIFs depending on the workers they represent. There are 11 EIFs.

- EEA European Entertainment Alliance
- EFBWW European Federation of Building & Woodworkers
- EFFAT European Federation of Food, Agriculture and Tourism Trade unions
- EFI European Federation of Journalists
- EMCEF European Mine, Chemical & Energy Workers’ Federation
- EMF European Metalworkers’ Federation
- EPSU European Federation of Public Service Unions
- ETF European Transport Workers’ Federation
- ETUCE European Trade Union Confederation for Education
- ETUF-TCL European Trade Union Confederation – Textile, Clothing & Leather
- UNI-EUROPA Union Network International

EIFs can take on three key roles and this will vary between them:

- **Representing**
  EIFs represent their affiliated unions in the development of policy at the European level. For example they may discuss proposed Directives or contribute to economic and social policy development in relation to their sectors.

- **Co-ordinating**
  EIFs will work with national unions in co-ordinating campaigns. For example they might campaign for a reduction in working hours or against racism across Europe.

- **Negotiating**
  EIFs have taken a key role in the negotiation of EWC agreements through the establishment of guidelines and through their activities as experts at Special Negotiating Bodies. They may also negotiate with European employers in their sectors to agree joint opinions through social dialogue.

A national union can advise EWC members which is the most appropriate EIF that covers the company and the unions represented at the EWC. The EIF web sites also
list national affiliates and representatives as well as providing information about contact points, resources and campaigns.

**Global Union Federation (GUF)**

At the global level an individual national union may affiliate to one or more GUFs depending on the workers they represent. There are 10 GUFs.

<table>
<thead>
<tr>
<th>GUF</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>EI</td>
<td>Education International</td>
</tr>
<tr>
<td>ICEM</td>
<td>International Federation of Chemical, Energy, Mine &amp; General Workers’ Union</td>
</tr>
<tr>
<td>IFBWW</td>
<td>International Federation of Building &amp; Wood Workers</td>
</tr>
<tr>
<td>IFJ</td>
<td>International Federation of Journalists</td>
</tr>
<tr>
<td>IMF</td>
<td>International Metal Workers’ Federation</td>
</tr>
<tr>
<td>ITF</td>
<td>International Transport Workers’ Federation</td>
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<tr>
<td>ITGLWF</td>
<td>International Textile, Garment &amp; Leather Workers’ Federation</td>
</tr>
<tr>
<td>IUF</td>
<td>International Union of Food, Agriculture, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Association</td>
</tr>
<tr>
<td>PSI</td>
<td>Public Services International</td>
</tr>
<tr>
<td>UNI</td>
<td>Union Network International</td>
</tr>
</tbody>
</table>

Like EIFs, GUFs can also have three roles.

- **Representing**
  The GUFs bring together national unions on the international level. They represent unions organising in specific industry sectors or occupational groups. They look after the interest of their affiliates for example by providing information and research.

- **Co-ordinating**
  GUFs will work with national unions in co-ordinating campaigns. For example they might campaign for trade union rights or to ban dangerous chemicals.

- **Negotiating**
  GUFs are becoming increasingly involved with negotiations for cross-sector agreements or framework agreements in individual companies.

**2. Trade Union Confederations**

As with individual unions there are two major bodies representing union confederations at the European and Global level.

- **European Trade Union Confederation**
  Founded in 1973 the ETUC now represents 76 national confederations from 34 countries with 60 million members.
  The ETUC has three principle aims:
  To influence European decision making particularly through its representation in the institutions of the European Union.
To engage in Social Dialogue with employers’ organisations to develop industrial relations at the European level and to negotiate cross-sector framework agreements in co-operation with EIFs.

To co-ordinate action across Europe to support campaigns such as that for a ‘social Europe’.

- **International Confederation of Free Trade Unions (ICFTU)**
  
  The ICFTU was founded in 1949 to represent national trade union federations and it is now the most comprehensive international trade union confederation with 234 affiliates in 145 countries with 148 million members.

  The ICFTU works to:

  - **Representing the interests of workers** to international organisations such as those in the United Nation system, the World Trade Organisation and the International Financial Institutions.

  - **Engage in dialogue** with, for example, the International Labour Organisation where it plays a key role in the Workers’ group and thereby co-operates in setting and using international labour standards.

  - **Co-ordinate action** on issues such as equal rights, labour standards, the environment and child labour.

- **The World Confederation of Labour**
  
  The WCL was founded in 1920 as part of a Christian trade union tradition although it now has encompassed a broader focus and covers 26 million workers – the majority in developing countries. It has similar objectives to the ICFTU and also organises sectoral activities around nine trade federations.

  Since 2004 the ICFTU and the WCL have been working together to create a new international trade union organisation that will also most probably include some national trade union organisations with at present no international affiliation. The new unified organisation will most probably come into being over the course of 2006.

- **Trade Union Advisory Committee (TUAC)**
  
  TUAC is an advisory committee to the Organisation of Economic Co-operation and Development (OECD) and represents affiliated trade union confederations. There are 66 million workers covered by 56 national confederations from the 30 OECD countries.

  TUAC represents unions from the industrialised countries in influencing policy development at the OECD. It has a longstanding interest in the role of multinational companies and the first OECD Guidelines for Multinational Enterprises that were agreed in 1976. A revised version and system for implementing them through National Contact Points (NCPs) was established in 2000.

  TUAC works closely with global union partners – the ICFTU, GUFs as well as the WCL and the ETUC.

- **Further Resources**
  
  Each of the organisations listed here has their own web site where you can find out what they are doing and how it is relevant to you. For example, the EMF web site has separate pages dealing with European Works Councils and their policies. The ETUC
(www.etuc.org) and the European Trade Union College (ETUCO) sites have information resources and training materials about European Works Councils. The TUAC site has information about the OECD Guidelines for Multinational Enterprises and their implementation (www.tuac.org). A starting point for linking to all these sites is simply to go to the web site of the ETUC or TUAC and click on the various links. A particularly useful on line resource for this session is the ICFTU ‘Trade Union Guide to Globalisation’ (www.icftu.org).
GLOBAL RULES FOR MULTINATIONAL ENTERPRISES

As multinational companies have become more powerful and dominant in the global economy, it has become increasingly important for them to be covered by effective global rules so that their activities are socially and environmentally sustainable. A number of different approaches have emerged, often referred to as Corporate Social Responsibility (CSR) or Accountability.

Governmental Standards

Eighty per cent of Foreign Direct Investment is carried out by firms domiciled in the 30 OECD countries, although with the growth of the economic power of China – this proportion is falling. The attitude of OECD governments to establishing more effective government rules varies. Some see the need for effective regulation and realise that at the national or even European level it is difficult to implement regulations covering global activities of companies. They therefore see CSR as a way of trying to achieve public objectives when more formal forms of regulation are difficult. Others however hide behind voluntarism arguing that if companies say that they will behave responsibly then there are fewer needs for state action. The latter approach is likely to lead to initiatives driven by public relations objectives and poorly enforced rather than effective regulations. The OECD Guidelines and the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises represent attempts to set intergovernmental standards. They have political legitimacy in that they are set by governments rather than companies themselves. Although the Guidelines are not formally legally binding they are not optional but rather represent commitments by governments as to their expectations of behaviour by their country’s firms wherever they operate.

Framework Agreements

Just as the earliest trade unions and collective agreements preceded a national legal framework, international industrial relations are evolving as multinationals become engaged in different forms of negotiations with international trade union organisations.

Even though individual companies or industries are not legally obliged to recognise trade union organisations or engage in negotiations at the international level, limited international social dialogue has already started notably with individual enterprises. Many GUFs have already established structures that deal with particular multinational enterprises, usually company councils. In Europe, the law also requires the more formal structure for consultation through EWCs.

International Framework Agreements - formal agreements signed between a GUF and a multinational enterprise - are the next step. Almost 40 agreements have been concluded since 1998. Unlike unilateral company initiatives, agreements are a way to resolve conflicts or problems before they become serious or damaging, based on the agreement, dialogue and the establishment of a certain amount of confidence inside the relationship. Unlike campaigns and other public action, the intention is to implement common, agreed principles in a way that leads to conflicts to be resolved or even anticipated. Whereas most CSR exercises are voluntary efforts – promises or claims – the adoption of framework agreements can be seen as the start of international collective bargaining.

Self-Regulation

Many if not most major MNEs have also developed their own Corporate Social Responsibility strategies. These may be wide ranging policies but they often
incorporate Codes of Conduct in relation their workers and employees of their suppliers. The quality of Codes and the degree to which they are enforced varies greatly. Some Codes have been criticised as ineffective ‘window dressing’ and are particularly worrying when the same companies that profess social responsibility adopt resist trade unions organising in all or part of the company.

Some of the momentum behind the debate over CSR and socially responsible investment has resulted from the market pressures created by consumers seeking to avoid buying products or services from firms seen to have negative social or environment practices. An industry in itself has been created in the area of social rating, certification verification and labelling. Some of these initiatives are supported by unions and NGOs and may be valuable but many also have risks.

**Non Governmental Organisation (NGO) involvement**

Pressure to implement effective Codes has led some multinational companies to work with NGOs in developing policies and monitoring their implementation. This may have positive outcomes and these Codes of Conduct have a better reputation than self-regulation.

In a few cases, trade unions will work with NGOs where they share the same objectives. For example, the ICFTU and the clothing workers’ GUF worked with NGOs in campaigns at the 2004 Olympics to highlight poor labour standards in some sportswear companies.

However, trade unions remain critical as the Codes may omit important labour standards. Just as importantly, trade unions argue that the best people to monitor implementation are the workers themselves.

**Further Resources**

To find out more about Global framework agreements in your sector go to the web site of the appropriate GUF. The ICFTU site has further information. The Global unions web site [www.global-unions.org](http://www.global-unions.org) has a list of the agreements that have currently been signed. The ILO web site [www.ilo.org](http://www.ilo.org) contains its standards and principles on labour conditions.
PRESENTATIONS AND COMMENTARY
Presentation for Session 2
SLIDE 1
This presentation accompanies Session 2.
It is designed to give a basic introduction to the Guidelines and needs to be used in conjunction with the Guidelines themselves.

OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES

SLIDE 2
Historical development of the Guidelines.
Importance of emphasising that, although the Guidelines are non-binding, they are supported by national governments as well as businesses, they represent good practice and it is possible to bring cases to the attention of National Contact Points.

THE GUIDELINES
- First adopted in 1976;
- Revised and strengthened Guidelines adopted in 2000;
- The Guidelines are not legally binding, but they are not optional for companies;
- Countries that have adopted the Guidelines ‘should encourage the enterprises operating in their territories to observe the Guidelines wherever they operate’.

SLIDE 3
The key points of Section II of the Guidelines on General Policies. They represent the overall principles incorporated into the Guidelines.

GENERAL POLICIES
- Contribute to sustainable economic, social and environmental progress;
- Respect human rights;
- Build capacity with local communities;
- Support good corporate governance;
- Promote awareness of company policies to employees.
SLIDE 4

The key points of Section III of the Guidelines on Disclosure. These points are of central importance to EWC representatives and demonstrate how the Guidelines can support their work.

INFORMATION & DISCLOSURE

- Enterprises should ensure that timely, regular, reliable and relevant information is disclosed;
- Information should cover basic information, company activities, structure, financial situation and performance;
- Further information regarding, for example, social and/or environmental reporting are also covered.

SLIDE 5

Key points from Section IV of the Guidelines on Employment and Industrial Relations. They include key ILO standards and a commitment to working in a non-discriminatory way with local communities.

EMPLOYMENT

- The abolition of child labour;
- Elimination of forced labour;
- Non-discrimination on such grounds as race, colour, sex, religion, political opinion, national extraction or social origin other than to address disadvantage;
- Observe standards not less favourable than comparable employer;
- Employ and train local labour.

SLIDE 6

Further key points from Section IV of the Guidelines on Employment and Industrial Relations. This incorporates ILO conventions on trade unions and the last point on transfers could be particularly important for EWCs.

UNIONS & BARGAINING

- The right to trade union representation;
- The right to ‘constructive negotiations’;
- The provision of facilities to support these rights;
- Provide information necessary for meaningful negotiations;
- Not use the threat of transfer to unfairly influence negotiations or the right to organise.
Further key points from Section IV of the Guidelines on Employment and Industrial Relations. These Guidelines reinforce and support those in the Information and Consultation Directive.

**CONSULTATION**

- Promote consultation and co-operation;
- Provide information to employees to give them a ‘true and fair view of the performance’ of the entity or whole organisation;
- Allow consultation with representatives of management authorised to take decisions.

Key points from Section V of the Guidelines on the Environment

**HEALTH & SAFETY & THE ENVIRONMENT**

- ‘Take adequate steps to ensure occupational health and safety’;
- ‘Provide adequate education and training to employees in environmental health and safety matters’;
- ‘Provide the public and employees with adequate and timely information on the potential environment, health and safety impacts of the activities of the enterprise’.

This slide reiterates the importance of the Guidelines and how EWCs can use them to support their work. This final slide takes us into the next activity which encourages a more detailed study of the Guidelines and how they can be used.

**THE GUIDELINES AND EWCs**

- The Guidelines can be used to support and strengthen the EWC;
- To provide a basis for improving information and consultation;
- To support the EWC where there are specific disagreements such as over trade unions rights.
Presentation for Session 5
These slides accompany Session 5. They are designed to raise participants’ awareness of transnational trade union organisations. They distinguish between different types of CSR instruments.

**OECD GUIDELINES & EWCs**

**WORKING WITH OTHER ORGANISATIONS**

**SLIDE 2**

This slide is supported by the commentary in the resources section.

**EUROPEAN TRADE UNION ORGANISATIONS**

**European Industry Federations**
- 11 EIFs representing national union affiliates; Represent/co-ordinate/bargain.

**European Trade Union Confederation**
- Founded in 1973 and now representing 76 national confederations from 34 countries with 60 million members.

**SLIDE 3**

This slide is supported by the commentary in the resources section.

**GLOBAL TRADE UNION ORGANISATIONS**

**Global Union Federations (GUFs)**
- 10 federations representing national unions by sector; Represent/co-ordinate/bargain.

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- Founded in 1949 to represent national trade union confederations it now has 234 affiliates in 152 countries with 148 million members.

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- Founded in 1920 as part of a Christian trade union tradition and covering 26 million workers.
SLIDE 4
This slide is supported by the commentary in the resources section.

TUAC

- Trade Union Advisory Committee of the OECD founded in 1948 and representing 56 national confederations from 30 OECD member countries covering 66 million workers.
- Represents trade unions views to the OECD and OECD governments.

SLIDE 5
This slide is supported by the commentary in the resources section.
The presentation should conclude by reminding participants of the importance of co-operation with and between trade unions in developing successful strategies and that other organisations are valuable sources of information and advice.

RULES FOR MULTINATIONAL COMPANIES

- International governmental standards such as the OECD Guidelines and the ILO Tripartite Declaration;
- Corporate Codes of Conduct introduced by companies without negotiation or agreement and non-enforceable;
- Codes of Conduct with external verification;
- Framework agreements negotiated and agreed with trade unions.
Presentation for Session 6
SLIDE 1

These slides accompany Session 7. Participants should be reminded that although there are no formal sanctions against companies violating the Guidelines the case outcomes are endorsed by the Governments of the NCPs. Thus, a public statement of an NCP concerning a particular company can be of considerable importance for the party raising the case.

The potential complexity of cases and the need for co-operation, guidance and advice should be re-emphasised.

NATIONAL CONTACT POINTS

SLIDE 2

This slide provides a basic definition. For further details tutors and participants should refer to chapter 3 of the User’s Guide to the Guidelines produced by TUAC.

WHAT ARE NCPs?

- Adhering governments are legally obliged to establish National Contact Points to promote the Guidelines and deal with violations.

They may be constituted as:
- Government agencies;
- Multi party agencies involving government, business, labour and, in some cases, NGOs.
SLIDE 3
This slide emphasises the importance of co-operation.
For further details tutors and participants should refer to chapters 3 and 4 of the User’s Guide to the Guidelines produced by TUAC.

RAISING A CASE
• A trade union (or other party) can bring a breach of the Guidelines to a National Contact Point (NCP);
• NCPs will work with the parties to resolve the issues raised;
• The outcome of a case will be public.

SLIDE 4
This slide emphasises the importance of working with the company to try to resolve problems.
For further details tutors and participants should refer to chapters 3 and 4 of the User’s Guide to the Guidelines produced by TUAC.

TAKING A CASE
• The problem should be discussed with the company as a first step;
• If a case is to be presented to an NCP it must be carefully prepared;
• Other relevant organisations should be consulted such as national trade union centres, EIFs, GUFs or the Trade Union Advisory Committee to the OECD.

SLIDE 5
This slide indicates the final steps that might be taken in dealing with a case.
For further details tutors and participants should refer to chapter 3 of the User’s Guide to the Guidelines produced by TUAC.

ACCOUNTABILITY
• NCPs must report annually on their activities to the OECD Investment Committee;
• The Committee provides guidance, assists NCPs and clarifies the meaning of the Guidelines.
Slides for Session 2
OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES
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OECD GUIDELINES & EWCs

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• *International governmental standards* such as the OECD Guidelines and the ILO Tripartite Declaration;

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