



EFFAT

EUROPEAN FEDERATION OF FOOD, AGRICULTURE AND TOURISM TRADE UNIONS

**Meeting of the EFFAT Executive Committee
BRUSSELS, 17 and 18 December 2018**

Agenda item **17: ACTIVITY REPORTS AND EFFAT WORK AREAS 2018**

E) TRANSNATIONAL COMPANIES / EUROPEAN WORKS COUNCILS

Decision: The Executive Committee takes note of the reports and endorses the documents presented.

EFFAT



EUROPEAN FEDERATION OF FOOD, AGRICULTURE AND TOURISM TRADE UNIONS

EWC/TNC Activity Report October 2017 – April 2018

News on Transnational Companies	
Activities	Results and progress
Jacob Douwe Egberts (JDE)	Jacobs Douwe Egberts workers in both Germany and the Netherlands took industrial action on Thursday 22 November. In the Netherlands, the workers at the coffee factory in Utrecht staged a strike for a good collective bargaining agreement. In Germany the workers are currently facing an issue of Trade Union recognition. EFFAT went in front of the factory to bring its support and solidarity together with the IUF. The struggle of the Dutch colleagues (FNV and CNV) and NGG colleagues with JDE Management follow to the dismissal of 57 workers and the closure of the Coffe HAG and Splendid factory in Andezeno, Italy. The Italian Unions are currently negotiating the Social plan and denounce the total lack of cooperation of Company Management that didn't envisage any possibility to find an alternative buyer and save the employment.
Coca-Cola	After 5 years of struggle, it was finally possible to find an agreement to secure the future of the workers of Fuenlabrada. Management will evaluate the possibility to set up a new production factory in Madrid in the upcoming 2 years for all workers under 58 years old. Pre-retirement schemes will already be accessible from 52 years-old. In case Management fails in establishing a new factory, the agreement also secures the future for the youngest: For those with less than 52 years old, the Company will pay an average of 80% of the total salary until the retirement age. EFFAT has strongly supported the workers of Fuenlabrada in these 5 years and it is extremely grateful to them for the great example of perseverance, unity and solidarity they have been for the whole EFFAT Community.

EWC/TNC Activity Report October 2017 – April 2018

Pernigotti	Italian chocolate maker Pernigotti is seeking a domestic production partner after the partial closure of its manufacturing facility. The Company announced the closure of the historical site on 6 December but thanks to the mobilisation of the Unions and civil society it was possible to gain some time. Some 100 employees have been put into an unemployment benefit scheme from 3 December this year until 2 December next year following the Trade Union action. Another 100 employees remain on the company's books. The company, which can trace its origins back to 1860, is owned by Turkish family Toksoz which has interests in everything from food to pharmaceuticals. Pernigotti said it will continue to distribute and sell its products while looking for third-party production partners "capable of guaranteeing the high quality and the selection of raw materials that has always characterised Pernigotti products from early stages".
Cargill	About fourteen union activists and members of IUF union affiliate Tekgida-ış were unfairly dismissed from their jobs on April 17, 2018 while organizing a union at Cargill in Bursa-Orhangazi, Turkey. Two days after Tekgida-ış had applied to the Turkish Labour Ministry for bargaining unit status in March 2018, the then wet mill manager at Bursa-Orhangazi informed workers that there is no need for a union in Cargill. He warned that if the union gets formal bargaining unit status, work rules in the company would change in a way unfavourable to employees. Fourteen dismissals of Tekgida-ış union members in Bursa-Orhangazi then followed. The company has attributed these fourteen dismissals to the government imposed sugar based starch/high fructose corn syrup quota reduction. However, only 4 of the dismissed workers were in a department directly impacted by the quota reduction. It is also customary practice in Turkey, though not required by law, that a company seeks volunteers for redundancies before any layoffs. This did not happen in the case of the 14 dismissed workers. Additionally, Cargill Turkey has now hired two ISS contract workers instead of recalling 2 of the dismissed 14 workers who were supposedly made redundant. The IUF is strongly supporting the fight of Tekgida-ış. EFFAT has also raised this issue to the European Management through the EWC.
Lactalis	On 12 December 2018 the first SNB meeting of Lactalis is taking place. Over the last few years, on several occasions EFFAT has supported its affiliates demanding the establishment of a European Works Council in the Lactalis Group, a demand that the world leader of the dairy industry rejected repeatedly.

EWC/TNC Activity Report October 2017 – April 2018

	In light of Lactalis' negligence, EFFAT, together with another nine of its affiliated unions from France, Spain, Italy and Belgium decided to take legal action against the French dairy giant. The mediation of this legal proceeding was a settlement agreement signed between EFFAT and Lactalis. The agreement includes the following: • Lactalis will enter into discussions with the Special Negotiating Group to reach an agreement on the establishment, composition and functioning of the EWC by 31 December 2019 at the latest. • If the parties fail to sign an agreement before 31 December 2019, the LACTALIS Group committed to establish, from the beginning of 2020, a European Works Council according to the subsidiary requirements laid down in Article L.2343-1 of the French Labor Code. • In the meantime, the court-case will be temporary suspended.
Negotiation of EWC/SE Works Councils Agreements	
Ongoing EWC negotiations	Currently the EFFAT Secretariat is involved as SNB Expert in EWC Negotiations with the following Companies: a) Coca-Cola European Partners: We have now secured a quite intense calendar with one meeting per month till November 2018. The two parties remain far on some relevant issues. b) Ardo – The signature of the agreement is expected by the end of 2018. c) Asahi – In April 2016 Asahi Group Holdings, Ltd. ("Asahi") completed the acquisition of former SABMiller plc's Peroni, Grolsch and Meantime brands and associated businesses (the PGM Business). Then, in March 2017 Asahi Group Holdings, Ltd. ("Asahi") acquired from ABInbev businesses in the Czech Republic, Slovak Republic, Poland, Hungary and Romania and other related assets that were owned by SABMiller Limited (formerly, SABMiller plc) in Central and Eastern European countries. Asahi Group

EWC/TNC Activity Report October 2017 – April 2018

	Holdings established two subsidiaries to manage its new businesses in Europe: Asahi Breweries Europe Group Ltd (“ABEG”) for managing businesses in the five countries in Central and Eastern Europe and AEL (Asahi Europe Ltd) for the PGM Business. AEL and ABEL are today managed as two separate businesses. Until these two bodies are integrated, the two groups will run separately. Two separate European representative bodies will exist. EFFAT has already signed the new ABEG EWC agreement and is currently involved in the negotiation of the AEL EWC. d) Kraft Heinz – Kraft Heinz was established by the merger of Kraft Foods Group and Heinz in 2015. The merger was backed by 3G Capital and Berkshire Hathaway. The Heinz EWC hasn’t met since then. EFFAT has recently met with the new Brazilian management in the Netherlands and relaunched the EWC. A new agreement is being negotiated e) Lactalis – See above f) Other companies where the EFFAT Secretariat is assisting as Expert in the negotiation of new EWC agreements are: Bel Groupe (agreement to be signed soon), Marie Brizard and Bidvest.
Transnational Company Agreements/Declarations	
TCA	EFFAT is actively taking part in the debate around European collective bargaining negotiations and TCAs. An EU project running under the coordination of the ETUC has been finalised. EFFAT was part of this project together with other ETUFs. Business Europe and other national employer associations were partners as well. Joint conclusions were adopted that include the recognition that TCAs are an important tool of for social dialogue that trade unions and multinational companies may make use of. Multinational companies participating in the project have expressed appreciation of the work performed by the ETUFs in coordinating and involving all concerned trade unions, both in the negotiation and implementation phases. During negotiations, thanks to their internal procedures and experience, ETUFs proved able to manage the complexity of national contexts and traditions as well as showing the capacity to coordinate unions across Europe (both within and among countries). In the implementation phase, ETUFs contribute to detecting omissions and challenges at local level, via their networks, as well as helping the central management to mediate with local actors, in order to solve conflicts. The report gathers experiences and data from eight company examples from different sectors, in which a common thread may be found. EFFAT brought the example of the barilla Convention on Health and Safety signed in 2017.

EWC/TNC Activity Report October 2017 – April 2018

	EFFAT is supporting the ETUC proposal for an optional legal framework for TCA.
Strengthening cross-border Trade Union Cooperation in TNCs	
Meetings held at national level among EFFAT Secretariat and affiliates dealing with TNCs	The EFFAT Secretariat sent a circular to promote the organisation of meetings/seminars at national level with EWC members, EFFAT coordinators and other colleagues who carry out trade union work within transnational companies. The aim of this meetings is to present the work carried out by EFFAT on EWCs and transnational companies, and to discuss about the main political challenges that our organisation have to tackle in the near future. Moreover, these meetings are an opportunity to make participants more familiar with the EU Social acquis and present the EFFAT TNC EWC Portal and its tools. The EFFAT Secretariat call on all the Member Organisations that have not organised yet these meetings to please propose to the EFFAT Secretariat a couple of dates in 2019.
The EFFAT Coordination Group on TNC-EWCs	The next meeting of the EFFAT Coordination Group on EWCs/ TNCs will take place in spring next year. This working group has been created to achieve the following aims: 1. Taking stock of current EFFAT work in transnational companies (TNCs) and European Works Councils (EWCs); 2. Identifying good practices of the EFFAT action in TNCs as well as weaknesses and shortcomings 3. Strengthening EFFAT Company Policy 4. Empowering EFFAT action in TNCs.
The new EFFAT TNC-EWC Portal	
Unfortunately the new EFFAT EWC database is far from being completed. Many companies are still missing.	



EUROPEAN FEDERATION OF FOOD, AGRICULTURE AND TOURISM TRADE UNIONS

EWC/TNC Activity Report October 2017 – April 2018

EFFAT sent recently another circular to its Coordinators in Multinational Companies asking to provide information about the company they coordinate as soon as possible.

The new [EFFAT Portal on Transnational Companies and European Works Councils](http://www.effat-ewc.org/) is now available online (<http://www.effat-ewc.org/>) with a link on the EFFAT homepage!

To make use of it we invite you to ask your login details to the EFFAT Secretariat. We will create your own account.

Its key features include:

- a restyled [homepage](#) presenting TNC-EWC related news, dedicated links and easy access to the two other sections of the portal;
- a renewed user-friendly [resources page](#) with the downloadable EFFAT brochure in multiple languages and easy access to useful material and other working documents edited by the EFFAT Secretariat;
- the newly created [EWC database](#) !! EWC agreements and other relevant information of each EWC will now be available for all users. EFFAT Coordinators will directly provide such information by clicking on the  button.

It is absolutely key that EWC Coordinators ask for login details in order to populate the EWC database with relevant information about the EWC they coordinate on behalf of EFFAT.

EU issues: Please see the EU issues report to find all EFFAT Comments on pending legislative proposals