

**Strengthening democracy at work and managing  
the impact of financialization in the EFFAT sectors**  
**Call for tenders for subcontracting expert studies in the framework of the  
EFFAT project SOCPL-2021-INFO-REPR - 101048043**

This is a call for a subcontractor to provide expertise in the framework of the implementation of the EFFAT financialization project. EFFAT will publish the call on its website. The deadline for submission of bids is Monday 17 October COB.

## **1. Introduction and context of the EFFAT financialisation project**

EFFAT is an organisation of independent and democratic trade unions representing all workers in the Food, Agriculture, Tourism, and Domestic Work sectors.

As the umbrella organisation of 116 national trade unions from 37 European countries, EFFAT has 2.6 million members and defends the interests of more than 25 million workers towards the European Institutions, European industrial federations, and enterprise management. This project will be developed in the interest of all EEA countries in particular because they are covered by the 2009/38/EC directive.

As a member of the ETUC, EFFAT promotes its members' interests in all European interprofessional issues jointly and with strength. As a regional organisation within the IUF, EFFAT also defends its members interest globally.

In recent years, EFFAT has set up European Works Councils in more than 120 transnational groups and has a successful European sectoral social dialogue underway in - among others - the agriculture, hotel & restaurant, contract catering, sugar, food and drink sectors.

EFFAT tasks in TNCs include establishing well-functioning European Works Councils (EWCs) and ensuring their day to day political and technical coordination. The EFFAT TNCs Committee advocates EFFAT principles and views with respect to EU dossiers such as workers' participation, labour law, corporate governance, company law, taxation, collective bargaining, and corporate social responsibility.

## **2. Objectives and context of the expert study: the EFFAT financialization project**

Since several decades, financialization is a growing phenomenon that is putting companies and workers future at risk: financial investors are dictating companies' strategy, often with a short-term perspective and pressure on costs to maximize the cash flow for the shareholders. Shareholders profits have become the only metrics of the value embedded in the assets, its extraction of cash and reallocation towards other sectors (ex. luxury). This situation has an impact on company governance with the alignment of management and shareholders' interest (stock options). Short term return on investment is unfortunately having a negative impact on the company's capacity to invest in its own production development, research and innovation while pressure on workers raise and labour costs are kept low, thereby encouraging the workforce to look for other jobs or making new talents reluctant to join in.

The economy and the industry in particular, have been challenged by aggressive financial investors, well-known for their “double-digit” expectations regarding return on investment at the expense of the company development and workers conditions. For workers in the food chain—agricultural, food processing and hospitality—who are often women, migrants, low-wage and precarious, the decision to prioritize profits over people continues to have disastrous consequences. Agricultural workers go hungry. Food processing workers work in sped-up factories with high rates of injury. Hospitality workers work multiple jobs to survive while smiling for the outside world. This process is even more evident with the current cost-of-living crisis and with the aggressive speculation which is pushing millions of people into hunger and makes energy bills unbearable for working people.

EFFAT and its affiliates have decided to launch sectoral research on the basis of company case studies to better analyse these trends and to train workers’ representatives at national and European level (including through EWCs) to secure better information, consultation and participation in favour of social dialogue and of fairer solutions.

The project will also focus on the impact of Brexit regarding the legislation applying to EWCs. About 200 trade union and workers’ representatives will be trained and up to date regarding the impact of financialization and Brexit: they will participate in 4 seminars and one final conference. The project impact will be extended to a much larger public scope because deliverables will be made public, including an on-line training tool and recommendations.

Specifically on financialization of its sectors EFFAT has adopted the resolution [People before profit](#) at its 2019 Congress in Zagreb and reflected its demands to address short termism and the negative impact of financialisation in our sectors in the EFFAT Orientation Paper on the Farm to Fork Strategy. This project aims at supporting those demands with evidence and information. It also aims at providing concrete tools to support our affiliates in their daily work with companies.

**The objective of this project is two-fold:**

- **Assessing risks connected to shareholder value maximization in the agro-food and tourism sectors**

Firstly, we want to assess the risks connected to shareholder value maximization; to promote transnational cooperation between social partners by supporting worker involvement in the anticipation and management of change and the prevention and resolution of disputes in the event of various forms of restructuring in Union scale undertakings and groups of undertakings, including those where companies are owned or partially owned by financial investors. This project will seek to assess the state of play and current trends regarding financialization and its impact on the European sectors in the food, agriculture and tourism and their supply chains. It will involve EWC members and trade union representatives who can report on the day-to-day impact in their multinational companies. Their capacity to anticipate change and to influence it will be highlighted.

- **Enhance and promote transnational information and consultation mechanism**

Secondly, we wish to promote exchange and wider dissemination of knowledge and good practices and to launch actions aimed at supporting the setting up and good functioning of transnational information, consultation and participation mechanisms and bodies, including European Works Councils; to promote transnational cooperation between social partners to enhance worker involvement in actions within companies to implement the objectives of the Farm to Fork Strategy and the European Green Deal.

As it aims to raise awareness among workers’ representatives and to the public in general regarding the impact of financialization and the Brexit for worker participation and social dialogue, the project will look

out for the best practices to promote the sustainable development of the three sectors represented by EFFAT, agriculture, food industry and tourism (hospitality).

### 3. Tasks to be performed by the contractor

The external expert(s) will conduct the research, produce the reports and the toolkit and present the findings to the workshops, the mid-term and the final conference.

#### 3.1 Sectoral research on financialization

- *Deliverables: 3 sectoral notes*

Sectoral research on the specificities of financialization for each of the three EFFAT sectors. The EU legislation, policies and current activities will be taken into consideration as a benchmark (including those that have a link to the European Green Deal and the European Pillar of Social Rights). This will include *inter alia*: Farm to Fork, Unfair trading practices directive, EU competition law, EU merger regulation, Taxation (CBCR, CCTB), Shareholder's rights Directives, Financial and non-financial reporting, Due diligence and Director board duties.

#### 3.2 Company case studies and interviews of trade unions representatives

- *Deliverables: 10 case study sheets + 20 interviews*

10 company case studies based on desk analysis of company reporting, academic and sector expert analysis, economic press. Additionally, 20 interviews of management and trade union representatives (including EWC coordinators & secretaries, board level employee representatives and trustees) will be conducted on the basis of interview matrix.

#### 3.3 Report drafting and report proofreading

- *Deliverable: 1 final report of 50 pages, proofread and translated in 3 working languages*

The above-mentioned deliverables will be summarized and published in a report, which will be used as an input to the training seminars. It will comprise the sectoral research on the specificities of financialization for each of the three EFFAT sectors and the 10 company cases studies based on desk analysis of company reporting, academic, sector expert analysis and economic press. It will be in electronic format and translated into 3 languages.

#### 3.4 Training seminars and final conference

- *Deliverables: 2 face to face seminars X 40 participants (EWC members, trade union officers and delegates, employee representatives at the board level or supervisory board or trustees) trained from several EU countries. Two seminars will be organized remotely (video conference systems) to ensure a better participation of all and 1 final conference X 60 participants.*

We intend to carry out 2 seminars with 40 participants for each face to face meeting. The online meeting will allow the participation of more affiliates. The seminars will address the way financialization affect companies and sectors. They will aim to provide workers representatives with tools on how to manage financialization through collective bargaining and workers' participation, the seminars will gather 40 participants including EWC members and trade unionist from several EU countries. 2 seminars will be organised remotely to reach out to even more of our affiliates. For all seminars, interpretation from/into English and 4 to 5 different languages will be provided to participants.

The final conference will gather 60 participants and will provide the opportunity to analyse communalities and differences between sectors, understand how financialization interlinks the sectors, to learn how to better manage the impact of Brexit on EWCs and assess how to best interact with management, particularly in EWCs and company boards, supervisory boards and to promote better workers' participation and social dialogue.

### **3.5 Interactive working tools for workers' representative on financialization**

*E-learning tools:* before and beyond the training seminars, the participants will be invited to actively involve themselves in the project success by following short and accessible self- training modules. This e-learning tool will be used for the continuous training of project participants. The objective is that they can actively contribute to the success and progress of the project.

*Interactive Working tools:* The working tool will include a list of financial indicators that workers' representative should ask for during meetings with management (including during EWC meetings). The importance of each financial indicator will be explained in an easy and practical manner.

## **4. Expertise, experience and skills required**

The work of the contract can be undertaken by one contractor or a consortium of contractors provided that one member of the potential consortium takes the lead and demonstrates it can work effectively with the other partners. The tenderer(s) may apply for all as well as for a given number of tasks reported in point 2 depending on the expertise. Contractors or consortium of contractors capable of carrying out all tasks will be privileged although the final decision will be made autonomously and in full independence by the EFFAT Secretariat. The tenderer(s) must have a sound understanding of the financialization phenomenon and its impact on the European sectors in the food, agriculture and tourism industry. The tenderer should prove his/her expertise with examples of his/her work.

The contract will only be awarded to tenderers that fulfil the following criteria:

- Experience with carrying out research in a European context
- Thorough and up-to-date theoretical and practical knowledge on financialization
- To be familiar with the issues related to EWCs and Brexit
- Knowledge and experience with employment matters, labour relations and working conditions in the food and drink industry
- Knowledge and experience to work with trade unions in Europe
- Ability to deliver pedagogic reports, solid conclusions and practical recommendations in a clear and concise English
- Capacity to coordinate the work in a multicultural and multi-language environment

## **5. Guidance and indications on tasks execution and methodology**

Apart from attendance at a number of specified meetings (steering group, trainings, final conference) in Brussels and abroad, the tasks will take place at the contractor's offices.

All reports must be submitted in an electronic version. Electronic files must be in Microsoft Word for Windows format. All reports must be written in clear and concise English. They should also be well structured and drafted in a style suitable for wider dissemination.

The final materials must be fit for publication and revised by a native English-speaker. The work of the contractor will be supervised and advised upon by the steering committee.

## 6. Selection criteria

The tenders will be assessed by the EFFAT Secretariat against the following criteria:

- Verifiable expertise, experience and skills, as required and described in this call.

Depending on the task to be performed:

- Necessary knowledge and expertise concerning shareholder value, its dynamic in European companies over the last decades
- Proven knowledge of the working conditions and the structures of the sectors mentioned in the project
- Proven track record of ensuring the quality of written materials produced, both in terms of content and format (i.e. previous publications), in the relevant subjects specified in this call for tenders
- Price/Quality ratio
- Previous research/work undertaken in the field

## 7. Award criteria

The contract will be awarded to the tenderer whose offer represents the best value for money, taking into account the following criteria:

- Capacity to understand and achieve the objectives of the project;
- Quality and coherence of the proposed research methodology;
- Proof of compliance with required expertise and qualifications in the field of research (please attach references and similar studies carried out in the field);
- Ability to deliver within project deadlines and budgetary limits.

The respect of the principles of transparency and equal treatment with a view to avoiding any conflict of interest will be undertaken.

## 8. Timeframe

The contractor appointed will be expected to work from mid-October 2022 to November 2024 depending on the tasks, including attending steering group meetings, trainings (face to face and online) and the final conference.

## 9. Payment

The maximum budget available for the expertise is € 69 300 (incl. VAT).

If bids covering a limited number of tasks in article 2 are accepted, the maximum budget available corresponds to the amount reported below:

- Three sectoral notes: 7.000 Euros
- Ten company case studies: 14.000 Euros
- Twenty trade unions' representatives' interviews: 7.000 Euros
- Report drafting: 7.000 Euros
- Supervision of translation, layout, quality check: 4.900 Euros
- Preparation and participation in all five training seminars and one final conference: 16.800 Euros
- E-learning tool coordination with IT supplier: 7.000 Euros
- Coordination with EFFAT and administration: 5.600 Euros

The Contractor will receive an advance and a final payment upon receipt of the requested material.

This amount covers the fees but does not include the travel and subsistence costs incurred for attending project meetings (such as Steering Committee meetings, trainings and conferences). These will be covered by EFFAT on the basis of EU rules & thresholds.

## 10. Legal obligations

The basis of the contract is the grant agreement between the European Commission and EFFAT. The terms of this grant agreement are also applicable to the Contractor.

## 11. Form, structure and content of the tender

Tenders must be written in English. They must be signed by the tenderer or his/her duly authorized representative and be perfectly legible so that there can be no doubt as to words and figures. Since tenderers will be judged on the content of their written bids, they must make it clear that they are able to meet the requirements of the specifications.

All tenders must include at least two sections:

### 1. Technical proposal

The technical proposal must provide all the information needed for the purpose of awarding the contract, including:

- Specific information covering the technical and professional capacity, as required, in particular:
  - 3.5.1.1 Description of relevant professional experience with emphasis on the specific fields covered by the invitation to tender;
  - 3.5.1.2 Detailed curriculum vitae of tenderer and of the other team members if applicable;
  - 3.5.1.3 A selection of the main works and/or articles published by all the experts involved, in relation to the relevant subjects specified in this tender.
- Specific information concerning the proposed methodology for delivering the tasks of this call.

## 2. Financial proposal

The prices of the financial proposal must be quoted in Euros, including if the subcontractor is based in a country which is not in the Euro-area. As far as the tenderers of those countries are concerned, they cannot change the amount of the bid because of the evolution of the exchange rate. The tenderers choose the exchange rate and assume all risks or opportunities relating to the rate fluctuation.

Prices must be fixed amounts and shall not include travel expenses and daily allowances for the attendance to the Steering Committee meetings and other project events which will be covered by EFFAT on the basis of EU rules & thresholds. The maximum amount available for this contract is EUR 69.300 (VAT and all taxes included).

## 12. Content and selection of the bids

This call for tenders will be published on the EFFAT website. Offers must be sent at the latest by Monday 17 October 2022 COB.

Offers must be sent to EFFAT, in electronic format (by e-mail to [p.klinkenberg@effat.org](mailto:p.klinkenberg@effat.org) and [e.somaglia@effat.org](mailto:e.somaglia@effat.org)) and refer to the “Financialization project”.

A committee will be formed comprising of 3 representatives of EFFAT. One or more members of this committee will initial the documents, confirming the date and time of each bid. The committee members will sign the report on the bids received, which will list the admissible bids and provide reasons for rejecting bids owing to their failure to comply with the stipulations of the tendering process.

This committee will also evaluate the tenders that have been deemed admissible. An evaluation report and classification of participation requests will be drawn up, dated and signed by all the members of the evaluation committee and kept for future reference.

This report will include:

- The name and address of the contracting authority, the purpose and value of the contract;
- The names of any excluded candidates and the reasons for their rejection;
- The names of candidates selected for consideration and the justification for their selection;
- The names of candidates put forward and justification of their choice in terms of the selection or award criteria.