



## Employee Involvement in Facility Management Enterprises

### EiforFM Project

#### Partnership

EiforFM partnership gathers 11 committed organisations from 6 EU Countries.

#### Core partners

- [Legacoop Servizi](#)
- [Scuola Nazionale Servizi \(SNS\)](#)
- [DIESIS](#)
- [Bulgarian Facility Management Association \(BGFMA\)](#)
- [Facility Management Institute \(FMI\)](#)
- [Hungarian Facility Management Society \(HFMS\)](#)
- [Hellenic Management Association \(HMA\)](#)

#### Affiliated organisation

- [CONFESAL](#)
- [COCETA](#)

#### Supporting organisations

- [Filcams CIGIL](#)
- [UNIEuropa](#)

For further information visit our website

[www.eiforfm.eu](http://www.eiforfm.eu)

The Employee Involvement in Facility Management Enterprises project (EiforFM) aims to **promote activities** designed to explore and prepare the establishment of a **European Society (SE)** or a **European Cooperative Society (SCE)** in the service sector, and in particular with the involvement of companies active in the field of **Facility Management (FM)**.

More precisely, the project focuses on the necessary arrangement to establish structures and procedures for workers information, consultation and participation in the context of a new European Society or a European Cooperative Society. A specific focus, given the nature of the partner involved will be on the legislation and practices operating in worker cooperatives, and on the implementation of the related European directives.

#### The specific objectives of the project are:

- Working on the idea of **creating a European Society or a European Cooperative Society** gathering together companies from five countries (**Italy, Spain, Bulgaria, Greece and Hungary**) active in the facility management sector;
- **Encourage discussion and transnational exchanges** among participants ;
- **Develop specific training modules;**
- **Encourage discussion, exchange of ideas and collect information** through National workshops, information meetings and a European-level public seminar.

#### The main expected results of the project are:

- The production of a **Study containing:** the inventory of national situations, agreements and implementation of identified EU Directives; an overview of good practices and European legal framework; training modules for the implementation of rights of information, consultation and participation of employees and some Recommendations. The Study will also identifies a specific plan to create a SE or SCE in the FM sector;
- The organization of **five National training and information workshop** and one **European public seminar;**
- A wide dissemination of **good practices in worker cooperatives** about information systems, consultation and participation of employees at company level.



## The Study: EMPLOYEE INVOLVEMENT IN FACILITY MANAGEMENT ENTERPRISES

The project aims to explore the possibilities to develop a European level business structure for companies established in 5 different countries (Italy, Spain, Greece, Bulgaria and Hungary), all engaged in the sector of Facility Management.

The **main objective** of the project, with the involvement of these companies active in the field of Facility Management (FM), is to promote activities designed to explore and prepare the establishment of a European Society (SE) or a European Cooperative Society (SCE) in the service sector.

These business structures represent another step in the completion of the EU's internal market: their aim is to facilitate cooperatives' cross-border and trans-national activities, reducing existing cross-border obstacles and making it easier for companies to operate across European borders, thereby enhancing their competitiveness.

One of the main expected results of the project is the production a **study**, containing:

- the inventory of national situations, agreements and implementation of identified EU Directives, with a specific focus on the sector of Facility Management in the 5 countries;
- an overview of SE and SCE operating in the European FM industry within the European legal framework;
- training modules for the implementation of rights of information, consultation and participation of employees and some Recommendations for future policy regarding the promotion of workers participation in "typical" enterprises.

In this operation, the development of procedures for information, consultation and participation of worker representatives of undertakings in the FM sector represents a crucial point: worker participation implements social rights and strengthens democracy in the

working environment, combining economic competitiveness with social progress.

Since the beginning of the European integration process, there has been a commitment to provide employees in Europe with the right to be involved in company decision-making. With more and more companies operating Europe-wide (or even globally), the transnational level of employee interest representation is becoming increasingly important. A stronger participation of workers in strategic business decisions, which are often taken at European or global level, is necessary in order to strengthen the long-term viability and sustainability of companies.

In accordance with this development, the European Union has more recently embarked upon the definition of a general framework of employee involvement in transnational undertakings, included in directives regulating the establishment of European Works Councils, the European Company (SE) and the European Cooperative Society (SCE).

A specific focus of the study, given the nature of the partner organisations involved (representing both cooperatives and private companies), will be on legislation and practice in worker cooperatives, and on the implementation of the European framework directive 2002/14, of the Directive on the involvement of employees in the European Company (2001/86/EC) "SE Directive", the Directive on the involvement of employees in the European Cooperative Society (2003/72/EC), the Directive on cross-border mergers of limited liability companies (2005/56/EC).

In connection with the budget line and its priorities, and keeping into due consideration the EU legislation in this field, both at national level and at transnational level, the study will allow to approach topics such as the necessary arrangements to establish structures and procedures for workers information and consultation, collective redundancies and transfer company in the context of such new SE or SCE.

## Information and Consultation Rights in Europe: legislation, practice and challenges

The right to information, consultation and participation is a workers' right that aims at the creation of an integrated approach between management and labour. The right to be informed and consulted (I&C) is considered to have a positive impact on the company's performances as it contributes to improve living and working conditions and mitigating human resource problems.

These rights are recognised at international level in the Article 21 of the European Social Charter (Council of Europe) where it is affirmed that: "*Workers have the right to be informed and to be consulted within the undertaking*".

At European Union level, information and consultation rights are recognised in the Community Charter of the Fundamental Social Rights (1989) and also in the Charter of Fundamental Rights of the European Union (2000), where it is stated (Article 27) that "*Workers or their representatives must, at the appropriate levels, be guaranteed information and consultation in good time in the cases and under the conditions provided for by Union law and national laws and practices*".

Even though their recognition in the Community Charter of the Fundamental Social Rights, a proper legal basis for information and consultation has been introduced only with the Treaty of Amsterdam in 1998 that incorporated the Agreement on Social Policy into the text of the treaty. The legal basis is nowadays represented by the articles 151 and 153 of the Treaty on the Functioning of the European Union (TFEU) where it is given to the Council and to the European parliament the power to act. In particular, the article 153 entrusts the Parliament and the Council to adopt:

- Measures designed to encourage cooperation between Member State;
- Directives setting out minimum requirements for gradual implementation.

In this field, the Ordinary legislative procedure is applicable with prior consultation of the European Economic and Social Committee and the Committee of Regions.

During the years, the European Institutions adopted many Directives to legislate the in this sector. However wide, the *acquis* concerning employee involvement is considered fragmented and not homogeneous.

For practical reasons the European legislation on I&C can be divided in 3 groups.

A first group of directives concerns employee involvement in relation to important issues connected to a company's economic performance, financial soundness and future development plans which could affect employment.

This first group of directives includes:

- Directive 75/129/EEC on collective redundancies, as amended by Council Directives 92/56/EEC and 98/59/EC, under which employers must enter into negotiations with workers in the event of mass redundancy, with a view to identifying ways and means of avoiding collective redundancies or reducing the number of workers affected and mitigating the consequences. The Directive also provides for a notification procedure for public authorities;
- Directive 2001/23/EC on the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses (consolidating Council Directives 77/187/EEC and 98/50/EC), under which workers must be informed of the reasons for such a transfer and its consequences; it also contains material provisions on safeguarding employees' jobs and rights in the event of transfer;
- Directive 2002/14/EC, which set up a general framework for informing and consulting employees in the European Community, which lays down minimum procedural standards protecting the right of workers to be informed and consulted on the economic and employment situation affecting their workplace.

The second group of directives focuses on the transnational dimension and addresses different issues related to cross-border companies foreseeing form of workers representations:

- Council Directive 2001/86/EC complements the Statute for a European Company providing the right to be involved on decision-making and on the strategic development of the company;
- Council Directive 2003/72/EC supplements the Statute for a European Cooperative Society providing the workers right to influence the running of the undertaking;
- Directive 2005/56/EC about the employee involvement in cross-border mergers of L.L.C.

A third group of directives focuses situations with a transnational component, granting partial rights to participation in the corporate governance:

- Directive 2001/86/EC of 8 October 2001 supplementing the Statute for a European company with regard to the involvement of employees: the Statute for a European public limited liability company, adopted by Council Regulation (EC) No 2157/2001, is complemented by a directive establishing rules on the participation of workers in decisions concerning the strategic development of the company. Not only are employees informed and consulted through a body similar to a European Works Council, but provision is made for board-level employee participation where this form of participation was applied in the national founding companies, as is the case in the national systems of many Member States (the so-called 'before-and-after' principle);
- Directive 2003/72/EC of 22 July 2003, supplementing the Statute for a European Cooperative Society (Council Regulation (EC) No 1435/2003), with regard to the involvement of employees: this directive sets rules on the mechanisms to be provided for in European Cooperative Societies (ECSs) in order to ensure that employees' representatives can exercise influence on the running of the undertaking. Cooperatives have a specific governance model based on joint ownership, democratic participation and control by members;

- Directive 2005/56/EC on cross-border mergers of limited liability companies also contains rules on determining the employee participation regime to be applied to the merged company.

This framework is also enriched by a recent development in the practice that has seen the conclusion, between companies and workers' representatives, of transnational company agreements (TCAs). This is happening in a context of growing international dimension of company organisation and increasing emphasis on corporate social responsibility, including new approaches to dialogue between management and employees. In its resolution of 12 September 2013, on cross-border collective bargaining and transnational social dialogue (2012/2292(INI)), the Parliament proposes that the Commission gives consideration to the need, in the interests of greater legal security and transparency, for an optional European legal framework for European TCAs, which would include clauses designed to ensure that the conclusion of this kind of agreements does not result in an evasion of national collective agreements.

Although great steps have been done, the EU legislation in the sector presents some limitations as legislative measures mostly presuppose existing national systems of employee involvement and in certain cases there are gaps in the National law. Furthermore, there are no homogeneous definitions of information and consultation and there are difficulties in the linkage among various instances of I&C in different branches of EU law. EU Institutions should to work in order to ensure an effective implementation of this model with homogeneous definitions of information and consultation, and act in a way that promote a coherent and sustainable model of employee involvement in the EU legislation enhancing European minimum standards for worker involvement for a concrete and deep implementation of I&C rights.

## NATIONAL TRAINING AND INFORMATION WORKSHOPS

The Project wants to get in touch and deepen the dialogue with relevant stakeholders. To this goal, the organization of five National training and information workshops it is one of the main expected results of the project.

The opening of the project was held at the office of Legacoop in Rome with the **Kick-off meeting** on January 13<sup>th</sup> and 14<sup>th</sup>, 2015.



- **FIRST WORKSHOP:** it was held in Rome on the 14<sup>th</sup> of January 2015, on the occasion of the Legacoop Servizi's National Direction.

- **SECOND WORKSHOP:** it was held in Budapest on the 29<sup>th</sup> of April 2015 and it was organized by Hungarian Facility Management Society – HFMS.



- **THIRD WORKSHOP:** it was held in Madrid on the 9<sup>th</sup> July 2015 and it was organized by the Spanish partners Coceta and Confesal, under the supervision of DIESIS.



- **FOURTH WORKSHOP:** it was held in Athens on the 8<sup>th</sup> of October 2015 and it was organized by Hellenic Management Association – HMA.



- **FIFTH WORKSHOP:** it will be held in Sofia on 21<sup>st</sup> of January 2016 and it will be organized by Bulgarian Facility Management Association - BGFMA and Facility Management Institute – FMI.

## FINAL CONFERENCE

The main event of the Project will be the final **European public seminar** that will be organized in Brussels by DIESIS on the 14<sup>th</sup> of April 2016. The event will be the occasion to meet several stakeholder in and discuss the results of the project. It will be also the occasion to disseminate the project results in a European dimension.