

First Steering Committee and Transnational Workshop

Notes

Interdiocesaan Centrum

Guimardstraat 1. 1040 Brussels, Belgium

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On 15th-16th of May, 2019 the first events of IN4BTE project were taking place in Brussels. The first day started with an extended Steering Committee meeting and it was followed by a public Transnational Workshop on the second day. The Steering Committee also continued its work after the public event.

The purpose of the Steering Committee meeting was to bring together the project partners, associated and affiliated organisations to discuss in details the implementation of the project. All co-partners – ASLE (Spain), DIESIS (Belgium), CISL (Italy), CITUB (Bulgaria), PUBLIC (North-Macedonia) was represented. People from affiliated companies - Legacoop (Italy) and innova eG (Germany) and from associated organisations - European Trade Union Confederation (EU), CECOP-CICOPA (Belgium), UGT (Spain) - were joining to the meetings. Representatives from two associated organisations from Spain – CCOO and Deputacion de Gipuzkoa were not able to take part in the first event.

During the extended Steering Committee the participants discussed details such as tasks, responsibilities, timeframe, evaluation, project management and scientific coordination of the research. On the second day, the Steering Committee continued the discussion about communication tasks and financial reporting.

The second day, on the 16th of May morning, the public First Transnational Workshop with the involvement of more than twenty people - including invited guests - took place.

Jone Nolte, project manager (ASLE) welcomed the participants. She gave a brief overview on the project background, activities and expected results. She also explained the importance of financial and other tools in the process of business transfers to employees and the role of employers and employees in the procedure. **Gianluca Pastorelli**, president of DIESIS also welcomed the participants and introduced the agenda of the event.

In the next section, the first speaker, **Melinda Kelemen**, expert (DIESIS) pointed out that information and consultation right of workers is a fundamental right for European citizens. She gave an overview on the European legislation of employee involvement, providing details on the main ones: general/framework

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directives for transnational information and consultation rights ([2002/14/EC](#)), workers' involvement rights in the field of health and safety ([89/391/EC](#)), European Works Councils ([2009/38/EC](#)) and the European Company ([2001/86/EC](#)). She gave basic information and figures on European Companies (SEs) and European Cooperative Societies (ECSs) and mentioned the state of art for European Private Companies. Currently there are more than 3000 SEs and only 60 ECSs. There are 1140 active EWCs operating in 2019, part of them in SEs and SCEs. As participation regards, the SE directive and statute requires employee involvement during the process of establishing and SE, however only 74 SEs has arrangements for board level participation.

In his speech, **Josetxo Hernandez**, director of ASLE, was talking about governance models and transparency principles that promote participation of workers in companies. He explained the model of participation based, worker owned companies in Spain the so called "sociedades laborales". As the speaker said, that not all employers are keen on having employees in decision-making bodies in companies. However, employees want to participate due to various reasons. Participation can mean participation in property, management and in results. There are advantages of participation for example as improving job security, increased life expectancy of a company or higher demand for management quality. Governance and transparency issues are crucial too. Participation however, raises many questions for both the owners and employees as well trade unions. Questions such as what kind of company we want - one ruled by dictatorship or democracy? Are the employees ready to co-manage? What happens with the collective negotiations? Maybe there are no answers for all questions

Marco Cilento, adviser from ETUC in his speech emphasized the importance of workers I + C + P rights and he drew strategic lines with the political framework of SDGs. As he described, the UN 2030 Agenda embraces the three dimensions of sustainability – economic, social and environmental. Amongst the 17 Sustainable Development Goals (SDGs) adopted in September 2015 in New York, there are a few what are particularly interesting promoting long term, sustainable investments and also taking into account worker's right. These are: #8: decent work and economic growth (8.3: job creation in SMEs, 8.10: capacity strengthening of domestic financial institutions) and also #9: industry, innovation and infrastructure (9.3: easier access to equity). These goals are also part of the European strategy.

After a short break, the floor was given to representatives of project partners to speak about I+C+P rights in their countries and if it was possible to give examples on successful cases of business transfers to employees.

The first presentation was on Spain, given by **Anabel Yoldi**, expert from ASLE and she focused on "Sociedad Laboral", the worker – owned company, and legal form that is possible to establish in Spain since 1973. She underlined that is a real alternative to shutting down companies since there are many examples for successful operation in the country. It has various advantages, not only for the employees (e.g. stable employment) but also for the company itself (e.g. higher profitability) and has additional advantages also such as preventing

business relocations. The trade unions play an important role in the transformation process so it is important to involve them into the procedures. It is also important that the local and higher level government creates a favorable environment for business transfers.

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The next country also with rich experience was Italy. **Vilma Rinolfi**, expert from CISL described the legal background and gave a brief overview on the national industrial relation system. Setting up worker cooperatives by buy-outs (WBOs) are supported by the legislative background and also there are some financial funds available to help the process. Since 1986, when this option become possible instead of e.g. shutting down a company, 380 cooperatives were set up and financially supported and 18 750 jobs were saved. Based on a 5-years long period, these companies survival rate were very high, 80,41 % in 2018. She also brought a recent successful example from the metal sector (Coop Fonderia Dante).

Also from Italy, **Gianluca Verasani**, responsible for industrial cooperatives from Legacoop Produzione E Servizi approached the issue from an employer’s view. He gave an overview on the cooperatives in Italy – since 2011 there is a stable cooperation between the largest organisations, namely Legacoop, Confcooperative and Agci-all together they form the Alliance of the Italian Cooperatives. . In Italy, social economy is a very important player in economy, for example Legacoop is a huge organisation with members from sectors such as construction, industry, cleaning, logistic and food and its main task not only provide support to its members, but also to act as a formal political body. As he went into details, WBO-s have quite a long list advantages and also disadvantages as well. Amongst the strenghts, there is eg. higher level of capitalisation, competence, flexible labour cost, ‘clean’ balance sheets, meanwhile on the pro-s side, you can find ones such as commercial weaknesses, need of an external coordination, the problems to change mentality from employees to owners and financial difficulties. As good examples, he mentioned Finpro (services, „intercooperative bank”), Sofinco (financial sector), coop.im (financial company), and finwelfare (supporting social cooperation).

Hans-Gerd Nottenbohm, director of innova eG gave an insight into the situation in Germany. In Germany, most of the cooperatives are consumer-lead, not workers’ cooperatives and there is no special legislation in the lawfor these type of cooperatives. According to the presentation, most of the employee ownership schemes are indirect ownerships through associations, investment companies or foundations. However, worker’s rights are strong in Germany, co-determination is necessary when a company has certain number of employees. As a good example, that the speaker mentioned was Planergemeinschaftfür Stadt und Raum eG. The eG was founded by 16 employees in 2012 after the owner of the company retired. Today the cooperative still in operation with 30 members.



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The last presentation of the day was from Bulgaria, a country with less experience with workers buyouts or companies owned by workers. **Yuliya Simeonova**, National secretary of CITUB (a trade union confederation with huge experience with EU projects) therefore explained the political and legislative background and the principles of social and solidarity-based economy in the country in general. As she said, “the concept of social economy is very young, it was adopted only in 2018 by Council of Ministers and the main goal is to help people in need and disadvantaged people at a given moment, to enhance the sense of community and unity, and to enable creative people to develop alternative business.” Not only the national legislation and easier administration and other measures such as training, but also local governments may support to reach the goals through particular mechanisms, programs and by other means.

The presentations was followed by as short but intense Q+A session where amongst others the problematic side of how to change mentality from an employee to an owner was discussed. As a closure, **Luca Pastorelli** said a few words about the next steps in the project (the second Transnational Workshop will be in Italy, during the summer) and he closed the event.

Melinda Kelemen / Diesis
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