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NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council

Subject: Draft Council Conclusions on more democracy at work and green collective bargaining for decent work and sustainable and inclusive growth
- *Approval*

1. The Presidency has prepared a set of draft Council Conclusions entitled "More democracy at work and green collective bargaining for decent work and sustainable and inclusive growth".
2. The Conclusions were examined by the Working Party on Social Questions on 28 September and 16 and 31 October 2023.
3. Following an informal written consultation, the Working Party reached an agreement on the Conclusions as set out in the Annex to this document.
4. The Permanent Representatives Committee is invited to:
 - confirm the agreement on the text of the draft Conclusions as set out in the Annex;
and
 - forward the attached draft Conclusions to the Council (EPSCO) on 27 November 2023 for approval.

More democracy at work and green collective bargaining for decent work and sustainable and inclusive growth

Draft Council Conclusions

CONSIDERING THAT:

1. The European Union is founded on the values of respect for human dignity, freedom, democracy, equality, the rule of law, and respect for human rights; democracy, in its political, economic and social dimensions, is crucial for our society.
2. Democracy functions well when everyone can participate and make their voice heard effectively in every sphere of their lives, including their workplace. Democracy at work is one of the core values and a guarantee of a more just and inclusive social Europe.
3. Democracy at work is part of the European social model and is found in the Union and its Member States in different forms through the information and consultation of workers, collective bargaining, social dialogue and the participation of workers in any company's administrative, management or supervisory bodies.
4. More democracy at work can contribute to the sustainable development of the Union and, in particular, to a competitive and inclusive social market economy, leading to full employment, decent work and social progress, and to sustainable growth.

RECALLING:

5. Articles 12, 27 and 28 of the Charter of Fundamental Rights of the European Union, which guarantee the freedom of assembly and association, workers' right to information and consultation within their workplace and the right of collective bargaining and action.
6. Principle 8 of the European Pillar of Social Rights, which refers to social dialogue and the involvement of workers, and the European Pillar of Social Rights Action Plan, presented by the Commission on 4 March 2021, acknowledges the importance of social dialogue, collective bargaining, information, consultation and participation of workers and their representatives at different levels (including at company and sectoral level). The European Pillar of Social Rights principles and the European Pillar of Social Rights Action Plan play an important role in inspiring measures aimed at shaping economic transitions and promoting workplace innovation, in particular with a view to the ongoing twin transitions and the changes in the world of work.
7. The Social Commitment at the 2021 Porto Social Summit, which calls for the promotion of social dialogue as a structuring component of the European social model and its strengthening at European, national, regional, sectoral and company levels.
8. The United Nations Sustainable Development Goals, which sets, as Development Goal number 8, to promote inclusive and sustainable economic growth, employment and decent work for all.

9. The European Economic and Social Committee exploratory opinion on democracy at work of 26 April 2023¹, which considers that more democracy in the world of work depends on having the necessary and appropriate legal bases and on knowledge-based cooperation of all stakeholders. This applies especially in the context of the challenge of the green and digital transitions.
10. The resolution of the European Parliament of 11 May 2023 on a roadmap towards a social Europe – two years after the Porto Social Summit², which calls on the Commission, the Member States and the EU social partners to work towards a higher collective bargaining coverage and calls for EU funding to take into account public policy objectives, for instance, social requirements.
11. The European Economic and Social Committee exploratory opinion on green collective bargaining of 31 May 2023³, which considers that issues related to the green transition could be a stronger focus of collective bargaining at the appropriate levels and that promoting green collective bargaining at all levels is an appropriate way of achieving this.
12. The own-initiative non-legislative report on Democracy at Work of the European Parliament of 16 December 2021⁴, which promotes the involvement of workers at company level as a way in which to support democracy at work and calls for further action in areas of worker information, consultation and participation, works councils as well as company law and corporate governance.

¹ European Economic and Social Committee exploratory opinion on democracy at work of 26 April 2023, SOC/746-EESC-2022: <https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/democracy-work>

² European Parliament resolution of 11 May 2023 on a roadmap towards a social Europe – two years after the Porto Social Summit https://www.europarl.europa.eu/doceo/document/TA-9-2023-0203_EN.html

³ European Economic and Social Committee exploratory opinion on green collective bargaining of 14 June 2023: <https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/green-collective-bargaining>

⁴ [Texts adopted - European framework for employees' participation rights and the revision of the European Works Council Directive - Thursday, 16 December 2021 \(europa.eu\)](#)

13. Decision (EU) 2023/936 of the European Parliament and of the Council of 10 May 2023 on a European Year of Skills, which calls for measures such as promoting the design of transition pathways and large-scale skill partnerships, and of national, sectoral and company-specific skills strategies and training, including through social dialogue and the involvement of the social partners.
14. Existing EU law on employee involvement at national and transnational levels, notably Directive 2002/14/EC establishing a general framework for informing and consulting employees, Directive 98/59/EC on collective redundancies as well as recast Directive 2009/38/EC on European Works Councils and the Directives 2001/86/EC and 2003/72/EC on employee involvement in the European Company and the European Cooperative Society.
15. The Council Recommendation of 16 June 2022 on ensuring a fair transition towards climate neutrality⁵, which calls on Member States to provide for the full and meaningful involvement, including information and consultation, of workers at all levels and their representatives as regards the anticipation of change and the management of restructuring processes including those linked to the green transition.

⁵ [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022H0627\(04\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022H0627(04))

16. **For the purposes of these Conclusions, “collective bargaining” means all negotiations which take place according to national laws and practices in each Member State between an employer, a group of employers or one or more employers’ organisations on the one hand, and one or more trade unions on the other, for determining working conditions and terms of employment; “collective agreements” means a written agreement regarding provisions on working conditions and terms of employment concluded by the social partners having the capacity to bargain on behalf of workers and employers respectively, according to national law and practices, including those that are declared universally applicable.**
17. The Council Recommendation of 12 June 2023 on strengthening social dialogue in the European Union, which provides guidance to the Member States, for instance, on how to promote social dialogue, including collective bargaining, by means of ensuring an enabling environment for bipartite and tripartite social dialogue and involving social partners in a systematic, meaningful and timely manner and ensuring that they have access to relevant information.
18. The relevant ILO conventions, notably Convention 87 on Freedom of Association and Protection of the Right to Organise and Convention 98 on the Right to Organise and Collective Bargaining.

EMPHASISING THAT:

19. Democracy at work requires well-functioning collective bargaining systems, the promotion of collective bargaining, strategies and effective spaces for the different types of involvement of workers and their representatives in a company, taking into account the different forms of corporate organisation, management and supervision.
20. The different national models for the governance of corporate enterprises enable the participation of workers in such governance. These models can contribute to sustainable and inclusive growth and decent work, and lead to improvements in company competitiveness and in workers' involvement as well as commitment to a company's goals.
21. Regular, transparent, respectful and broad dialogue between social partners can generate a higher level of trust and contribute to the development of more successful and balanced adaptation processes in the context of the multiple changes faced by companies and other organisations.
22. The green and digital transitions, together with the other transformations affecting the world of work, such as demographic changes and migration, make it necessary to take further steps to strengthen democracy at work so as to further promote sustainable and inclusive growth and decent work.
23. Existing EU law on information and consultation of workers needs to remain fit-for-purpose and take into account the recent changes in the world of work.
24. From the outset, strategic decisions may benefit from the involvement of workers in corporate decision-making processes, thus mitigating the risk of future conflicts.

25. Workers' representatives access to companies' administrative, management or supervisory bodies is essential for the integration of the workers' perspective into a company's general management system, especially within transnational companies, and needs to be developed in line with national legislation or practices.
26. The digital transition and the digitalisation of companies present new challenges to the effectiveness of the rights to information and consultation. These affect the physical spaces where work takes place and, by extension, the concept of establishment. Furthermore, the use of artificial intelligence and algorithmic management in work organisation, labour relations or new forms of work may impact on how information and the consultation of workers can be done. Effective enforcement of information and consultation rights, as well as collective bargaining, play a crucial role in the development of and respect for workers' rights in the context of digitalisation processes as well the use of artificial intelligence and algorithms in work organisation and labour relations.
27. Social dialogue, including collective bargaining, at all levels, are ideal instruments for promoting the training and reskilling of workers, given that social partners have first-hand knowledge of the present and future skills that the job market requires, also in the context of the green and digital transitions.

28. Social dialogue, including collective bargaining, at all levels and within their remits, are also crucial for ensuring either adequate job-to-job transitions, the creation of quality jobs in the transition, including green jobs, or the effective implementation of adequate wages and working conditions, including those related to health and safety at work and lifelong learning.
29. Green collective bargaining, at all levels, including at the cross-sectoral and sectoral level, and at the company, local, regional, national and European level, defined as the content of collective bargaining in issues related to the green transition, plays a key role in securing the European Green Deal goals and in the transition towards a climate-neutral and inclusive economy. The role of the social partners, whose autonomy needs to be respected, is crucial in the design and implementation of balanced solutions that facilitate a fair transition towards a decarbonised economy and favour a green and social Europe.
30. In view of the above, democracy at work and green collective bargaining for decent work and sustainable and inclusive growth require strong social partners, as well as the promotion of social dialogue and collective bargaining in order to increase its coverage.
31. This set of Conclusions builds on previous work and political commitments voiced by the Council, the European Parliament, the Commission and relevant stakeholders in this area. These previous political commitments are included also in the documents listed in the Annex.

THE COUNCIL INVITES THE MEMBER STATES, in accordance with national competences, and taking into account national practices and respecting the role and autonomy of national social partners, TO:

32. Promote the further development of different forms of democracy at work in national legislation or practices.
33. Take steps to continue supporting the effective application of the European framework on workers' rights to information and consultation, for instance, the existing systems of effective sanctions and of protection of workers' representatives.
34. Continue strengthening social dialogue and promote a higher level of coverage of collective bargaining and enable effective collective bargaining, in close cooperation with social partners, in line with the Council Recommendation of 12 June 2023, while respecting the autonomy of social partners and the principle of free and voluntary negotiations.
35. Share experiences and the good practices of national and European mechanisms for workers' participation in companies' administrative, management or supervisory bodies.
36. Encourage further the development of green collective bargaining at cross-sectoral, sectoral and company level, in close cooperation with social partners, while respecting their autonomy and the principle of free and voluntary negotiations.

THE COUNCIL INVITES THE COMMISSION, while respecting the role and autonomy of European and national social partners, TO:

37. Develop initiatives designed to raise more awareness of national and EU rules on workers' right to information, consultation and participation, stress the evidence-based positive effects of workers involvement and promote the exchange of best practices between Member States.
38. Contribute to strengthening social dialogue in the EU and encourage initiatives to promote a higher level of coverage of collective bargaining and enable effective collective bargaining, for example through public funding, support to businesses or public procurement.
39. Continue considering, in close cooperation with European social partners, whether existing EU law for information and consultation of workers remains fit-for-purpose. This needs to take into account, for instance, the changes brought by the digital transition, such as the use of artificial intelligence and algorithmic management in work organisation, labour relations or new forms of work, as well as the challenges in relation to the effective enforcement of information and consultation rights in the Member States;
40. Reflect on the need and relevance of EU law developments regarding worker participation in companies, in particular transnational companies. This should take into account, for instance, the need to ensure that the creation of European companies and European cooperative societies, as well as cross-border operations, does not circumvent or undermine workers' participation rights.

41. Encourage social dialogue on the digital transformation of companies and its impact on working conditions and promote the human-centred approach to the use of artificial intelligence, algorithms and digitalisation, respecting workers' individual and collective rights.
42. Promote the development of green collective bargaining at European, cross-sectoral, sectoral, and company level in the implementation of the green transition. This development needs to fully respect the characteristics of domestic collective bargaining systems and could address issues such as: the new employment opportunities and the creation of green jobs; the impact of the green transition on territorial and social cohesion; the transitions between different sectors of activity; the requisite upskilling, training and reskilling of workers; the measures needed for the groups of workers and territories most vulnerable to the changes brought about by the green transition; occupational health and safety at work; working conditions; mobility in terms of travel to the workplace; and the provision of adequate training and specialisation for social partners.

References

1. EU interinstitutional

- Charter of Fundamental Rights of the European Union.
<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:12012P/TXT>
- European Pillar of Social Rights proclaimed by the European Parliament, the Council and the Commission on 17 November 2017.
https://commission.europa.eu/publications/european-pillar-social-rights-booklet_en

2. EU legislation

- Council Directive 2001/86/EC of 8 October 2001 supplementing the Statute for a European company with regard to the involvement of employees.
<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32001L0086>
- Directive 2002/14/EC of the European Parliament and of the Council of 11 March 2002 establishing a general framework for informing and consulting employees in the European Community.
<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32002L0014>
- Council Directive 2003/72/EC of 22 July 2003 supplementing the Statute for a European Cooperative Society with regard to the involvement of employees.
<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32003L0072>
- Directive 2009/38/EC of the European Parliament and of the Council of 6 May 2009 on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees.
<https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2009:122:0028:0044:EN:PDF>
- Directive (EU) 2019/2121 of the European Parliament and of the Council of 27 November 2019 amending Directive (EU) 2017/1132 as regards cross-border conversions, mergers and divisions.
<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L2121>

- Council Recommendation of 16 June 2022 on ensuring a fair transition towards climate neutrality.

[https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022H0627\(04\)](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022H0627(04))

- Council Recommendation of 12 June 2023 on strengthening social dialogue in the European Union.

3. European Parliament

- European Parliament report of 16 December 2021 on “Democracy at work: a European framework for employees’ participation rights and the revision of the European Works Council Directive”.

https://www.europarl.europa.eu/doceo/document/A-9-2021-0331_EN.html

- European Parliament resolution of 2 February 2023 with recommendations to the Commission on the Revision of European Works Councils Directive.

https://www.europarl.europa.eu/doceo/document/TA-9-2023-0028_EN.html

- European Parliament resolution of 1 June 2023 on strengthening social dialogue.

<https://www.europa.eu/press-room/media/infographic/texts/2023/06/01/20230601-01>

4. European Commission

- Communication from the Commission on strengthening social dialogue in the European Union: harnessing its full potential for managing fair transitions

<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52023DC0040>

5. United Nations

- The 2030 Agenda for Sustainable Development

<https://sdgs.un.org/goals>
