

Promulgation of the Act on European Works Councils ¹⁾

Act no. 1018 of 27 October 2009 on European Cooperation Committees is hereby promulgated with the amendments that follow from Act no. 281 of 6 April 2011 and section 1 of Act no. 385 of 26 April 2017.

Chapter 1

Purpose and scope of the Act

§ 1. The purpose of the Act is to improve employees' opportunities for information and consultation on issues affecting companies in several countries, by establishing European Cooperation Committees or introducing an information and consultation procedure.

§ 2. The Act applies to Community companies and Community groups, cf. §§ 4 and 5. When the central management, cf. § 7, is located in Denmark, the provisions of the Act, with the exception of § 8, § 11, para. 3 and 4, § 22, para. 2 and 3, § 33 and §§ 35-37 also apply to foreign subsidiaries and holdings.

§ 2 a. The Act applies to procedures for information and consultation of employees regarding transnational issues.

§ 3. The Act does not apply to the extent that a collective agreement or contract contains obligations and rights that at least correspond to the provisions of Council Directive No. 2009/38 on the establishment of European Works Councils or a procedure in Community companies and groups with a view to to inform and consult the workers.

PCS. However, the provisions of Chapter 6 shall always apply to Community companies and groups and to foreign subsidiaries and holdings.

Chapter 2

Definitions

§ 4. A Community undertaking means an undertaking which:

- 1) employs at least 1,000 employees in the EU and EEA countries and
- 2) having establishments in at least two of the countries listed in no. 1, and
- 3) employing at least 150 employees in each of at least two of the countries mentioned in point. First

§ 5. A Community group means a group that fulfills the following conditions:

- 1) It employs at least 1,000 employees in the countries mentioned in § 4, no. 1, and
- 2) it includes companies in at least two of the countries mentioned in § 4, no. 1, and
- 3) at least one company employs 150 employees in one of the countries mentioned in § 4, no. 1, and another company employs at least 150 employees in another of the countries mentioned in § 4, no. 1;

§ 6. By a parent company is meant a company that can exercise a controlling influence on another company, e.g. by virtue of property rights, financial participation or the rules to which it is subject, cf. 6.

PCS. 2. Unless the contrary is proved, it is presumed that an undertaking may exercise a controlling influence where it is directly or indirectly

- 1) has the right to appoint more than half of the members to the administrative, management, or supervisory body of another company; or
- 2) holds the majority of the voting rights in another company or
- 3) owns the majority of another company's subscribed share capital.

PCS. 3. If two or more companies within the same group complying with paragraph. 2, means the company that fulfills the condition in para. 2, no. 1, as a parent company. If the condition in para. 2, no. 1, is not fulfilled by any company, the company that fulfills the condition in para. 2, no. 2, as a parent company.

PCS. 4. A parent company together with the subsidiaries forms a group.

PCS. 5. An undertaking with which a parent undertaking has one of the 1, is referred to as a subsidiary.

PCS. 6. Notwithstanding subsection For the purposes of paragraphs 1 to 3, an undertaking shall not be considered a parent undertaking in the case of a company within the meaning of Article 3 (1). 5 (a) of Council Regulation (EEC) No 139/2004 of 20 January 2004 on the control of associations of undertakings. The same shall apply in the case of a company within the meaning of the same Article (c) referred to in Article 5 (2). 3, 1st sentence, of the Fourth Council Directive of 25 July 1978 on the annual accounts of certain types of companies (78/660).

PCS. 7. In the calculation of voting rights and rights to appoint or remove members of administrative, management or supervisory bodies, both rights held by the parent company and rights held by its subsidiaries are included.

PCS. 8. A manager of a bankruptcy, a liquidator or similar regulatory authority, which performs its duties under the Bankruptcy Act, Companies Act or similar legislation, are not considered to exercise control under paragraph. 1 and 2.

§ 7. The central management of a Community company means the management of the Community company. The central management of a Community group means the management of the parent company. If several companies within the same group are parent companies, the central management is considered to be the management of the one of these companies that can exercise a controlling influence over the other companies, cf., however, section 6 (1). 6.

PCS. 2. If the central management of the Community - scale undertaking or the Community group is not located in one of the countries referred to in § 4 (1), the central management shall be deemed to be the representative appointed by the central management. If such a representative is not appointed, the central management shall be deemed to be the management of the holding or undertaking which has the largest number of employees in one of the countries mentioned in § 4, no.

§ 7 a. Transnational issues are issues which concern an entire Community undertaking or a whole Community group or at least two undertakings or holdings in the Community undertaking or group which are situated in two different Member States which are relevant to the European workforce of the Community undertaking or group. involves a relevant level of management and representation.

§ 7 b. For the purposes of this Act, information means the employer's disclosure of information to the employee representatives at a time, in a manner and with content, so that the employee representatives are enabled to conduct an in-depth examination of the information and, if necessary, prepare meetings with the central management of the Community companies or groups concerned.

§ 7 c. For the purposes of this Act, consultation means the establishment of dialogue and exchange of views between the employee representatives and the central management or any other more appropriate management level at a time, in a manner and with a content that enables the employee representatives on the basis of the information provided on the proposed measures to which the consultation relates, to issue an opinion which may be taken into account in the decision - making process of the Community - scale undertaking or group of groups.

§ 8. The Minister of Employment lays down rules for calculating the number of employees in accordance with § 4 and § 5.

§ 9. The central management shall provide the conditions and the means necessary to set up a European Works Council or to introduce an information and consultation procedure.

PCS. 2. The central management is responsible for obtaining and passing on information to employees that is necessary for initiating negotiations on the establishment of the special bargaining body, including information in accordance with sections 4 and 5 of the Act on the company or group's structure and the number of employees.

§ 10. The central management may enter into negotiations on the establishment of a European Works Council or the introduction of an information and consultation procedure on its own initiative and shall do so at the written request of at least 100 employees or their representatives in at least two companies or companies located in at least two different from the countries mentioned in § 4, no. 1.

PCS. 2. Request pursuant to para. Paragraph 1 shall be submitted to the central management or any other management of the Community - scale undertaking or group.

PCS. (3) The time limits mentioned in section 20 shall run from the time when a request to this effect has been submitted, cf. 1, to the central management or to the management of one of the undertakings or holdings which are otherwise part of the Community group or undertaking.

Chapter 4

The special negotiating body

Reduction

§ 11. When the conditions in § 10 are met, the central management must take the initiative to set up a special negotiating body.

PCS. 2. The members of the special negotiating body shall be appointed in proportion to the number of employees employed by the Community company or group in each Member State. Wage earners in each Member State are allocated an ordinary seat in the special bargaining body for every 10 per cent. or part thereof, which the employees of a Member State make up of the total number of employees of the Community-scale undertaking or group of undertakings. The members of the special bargaining body are elected by the employee representatives of their center or, failing that, by all the employees of their center.

PCS. 3. Members elected in Denmark are elected from among the employees by the employee representatives in the co-operation committees. Where co-operation committees have not been set up, the members are elected by the shop stewards. If no shop stewards have been elected, or if it is agreed between the management and the ordinary representatives of the employees, the members are elected by all employees.

PCS. 4. If required to do so before the election, the Cooperation Committee or the group of shop stewards may be supplemented with representatives of groups that are not represented through the ordinary Cooperative Committee members or shop stewards.

PCS. 5. (Repealed)

PCS. 6. (Repealed)

§ 12. The central management, the local managements and the competent European employee and employer organizations shall be informed of the commencement of negotiations and of who has been elected to the special bargaining body.

Tasks of the special negotiating body

§ 13. The special negotiating body and the central management shall negotiate in a cooperative spirit with a view to concluding a written agreement on either the establishment of a European Works Council or the introduction of one or more information and consultation procedures.

PCS. 2. The special negotiating body may be assisted by experts after the members' own choice. The special experts may be representatives of the competent and recognized workers' organizations at Community level, which may, at the request of the special negotiating body, act as advisers in the negotiating meetings.

§ 14. The central management shall convene the special negotiating body for a meeting with a view to initiating the negotiations on the conclusion of an agreement. The other managements are notified of the call.

PCS. 2. In connection with meetings with the central management, the special negotiating body is allowed to hold a meeting without the management being present, and in this connection it must have the necessary means of communication at its disposal.

§ 15. The special negotiating body may, by at least two-thirds of the votes, decide not to initiate or interrupt the negotiations.

PCS. 2. If the special negotiating body decides in accordance with paragraph. 1, the negotiations on the conclusion of an agreement shall cease and the provisions of Chapter 5 shall not apply.

PCS. 3. A new request to convene the special negotiating body may be made no earlier than two years after a decision has been taken pursuant to paragraph 1. 1, unless the negotiating body and the central management set a shorter deadline.

§ 16. The central management bears the costs in connection with negotiations pursuant to §§ 13 and 14. § 28, para. 2 and 3 shall apply mutatis mutandis.

The content of an agreement on a European Works Council

§ 17. An agreement on the establishment of a European Works Council, cf. § 13, shall stipulate, inter alia, the following:

- 1) Which companies are covered by the agreement.
- 2) The composition of the committee and the number of members, taking into account as far as possible the need for equal representation of employees by activities, categories, gender and duration of the mandate.
- 3) The tasks, powers and procedure of the Committee for the information and consultation of the European Works Council and of the national bodies for employee representation.
- 4) Meeting place, meeting frequency and meeting length.
- 5) The financial and material resources made available to the European Works Council.
- 6) Rules on adapting the agreement to changes in the parent company's or group's structure and size.
- 7) The date of entry into force and duration of the agreement, rules for amendment, renegotiation and termination of the agreement.
- 8) Composition, appointment rules, powers and rules of procedure of an Executive Committee of the European Works Council, if one is to be set up.

§ 17 a. If there are significant changes in the structure of the Community company or group, and no provisions have been laid down on what is to happen to the European Cooperation Committee in the event of significant changes in accordance with applicable agreements, or the provisions in two or more applicable agreements against each other, the central management may initiate the negotiations referred to in § 10 on its own initiative, and the central management shall do so at the written request of at least 100 employees or their representatives in at least two holdings or establishments located in at least two different Member States.

PCS. 2. At least 3 members of the existing European Works Council or, if there are several committees, 3 members of each of the existing European Works Councils shall be members of the special negotiating body in addition to the members elected or appointed in accordance with § 11.

PCS. 3. While the negotiations under para. 1 is ongoing, the existing European Works Council (s) shall continue their work, possibly in accordance with rules adapted by agreement between the members of the European Works Council (s) and the central management.

The content of an agreement on information and consultation procedure

§ 18. An agreement on one or more information and consultation procedures, cf. § 13, shall lay down guidelines for how the employee representatives have the right to meet to exchange views on the information they receive.

PCS. 2. De i stk. The information referred to in paragraph 1 shall cover in particular issues which affect undertakings in several countries and which significantly affect the interests of employees.

Common provision

§ 19. The special negotiating body makes its decisions by a majority of the members' votes, cf., however, § 15. In the event of a tie, the members from the country with the most employees have an extra vote.

§ 19 a. The practical organization of information and consultation of employees is carried out in such a way that the efficiency of the procedure is ensured and that the company or group is given the opportunity for effective decision-making.

Chapter 5

Subsidiary provisions

Establishment and competence of European Works Councils

§ 20. A European Cooperation Committee shall be established in accordance with the rules in this chapter:

- 1) If the central management and the special negotiating body so decide, or
- 2) if the central management has not started negotiations within six months after the request mentioned in § 10 has been submitted, or
- 3) if the parties are unable to reach agreement on the agreement referred to in § 17 or the agreement referred to in § 18 within three years from the date of the initial request, and if the special negotiating body has not previously taken the decision mentioned in § 15.

§ 21. The competence of the European Cooperation Committee concerns transnational issues.

PCS. 2. The European Works Council must of the central management especially consulted on the business of the community to the structure, economic and financial situation, probable development, as regards its activities, production and sales, the employment situation and probable development, investment, and substantial changes the organization, the introduction of new working methods or production processes, production transfers, mergers, cuts or closures of companies, holdings or significant parts thereof and collective redundancies.

PCS. 3. The hearing pursuant to para. 2 takes place in such a way that the members of the European Works Council meet with the central management and receive a reasoned response to any opinion.

§ 22. The members of the European Works Council are elected by the employee representatives of their center or, in the absence thereof, of all the employees of their center.

PCS. 2. Members elected in Denmark are elected by the employee representatives in the co-operation committees. Where co-operation committees have not been set up, the members are elected by the shop stewards. If no shop stewards have been elected, or if it is agreed between the management and the ordinary representatives of the employees, the members are elected by all employees.

PCS. 3. If, prior to the selection is obligatory, can works council or the group of union supplemented with representatives of the groups which are not represented by the ordinary members or union.

PCS. 4. In order to coordinate its activities, the European Works Council may elect from among its members an Executive Committee, which shall consist of a maximum of 5 members and which shall have the preconditions to enable it to carry out its activities on a regular basis.

PCS. 5. Members of the European Works Council shall be elected and appointed in proportion to the number of employees employed by the Community company or group in each Member State. Wage earners in each Member State are allocated an ordinary seat on the European Works Council for every 10 per cent. or a part of it which the employees of a State constitute of the total number of employees of the Community undertaking or group.

PCS. 6. The central management of this management information any other more appropriate level of management informed of the composition of the European Works Council.

PCS. 7. Every two years after the introduction of the European Works Council, the central management shall calculate the number of employees in each of the countries mentioned in § 4 (1). The central management shall inform the European Works Council of the result of the calculation. If the calculation will lead to a changed composition according to the rules in para. 5, the number of members from the countries that are subsequently entitled to more or fewer members shall be regulated accordingly.

PCS. 8. Four years after the introduction of the European Works Council set up under the provisions of this chapter the committee must consider whether there is a need to open negotiations for the conclusion of the in § 17 or § 18 agreement in question, or on the works council must be maintained at the given legal basis.

PCS. 9. § 17, § 18 and § 20, para. Paragraph 1 shall apply mutatis mutandis if it is decided to negotiate an agreement in accordance with § 17 and § 18, and the term 'the special negotiating body' is then replaced by the term 'the European Cooperation Committee'.

Meet

§ 23. The European Works Council is entitled to meet with the central management once a year. Prior to the meeting, the central management prepares a report that forms the basis for the meeting. The purpose of the meeting is to inform and consult the committee on the development of the activities of the Community-scale undertaking or the Community group and its future prospects. The local managements are informed of the report.

PCS. 2. The meeting shall relate in particular to the structure of the company or group, its economic and financial situation, the expected development in terms of its activities, production and sales, the employment situation and its likely development, investments, significant changes in the organization of the company or group, the introduction of new working methods or production processes, production transfers, mergers, size reduction or closure of companies, holdings or significant parts thereof and redundancies on a large scale.

§ 24. In the event of completely exceptional circumstances or decisions that significantly affect the interests of employees, in particular the relocation, closure of companies or firms or redundancies on a large scale, the Executive Committee or, if such does not exist, the European Works Council shall be entitled to: be informed.

PCS. 2. The Executive Committee or, in the absence of such, the European Works Council shall, upon request, be entitled to meet with the central management or any other more appropriate level of management of the Community-scale undertaking or group, provided that such management level has the power to take independent decisions. be informed and heard.

PCS. 3. In the Executive Committee's meeting with the management, cf. The members of the European Works Council who have been elected or appointed by the holdings or undertakings directly concerned by the circumstances or decisions in question may also participate.

PCS. 4. The in para. The meeting referred to in paragraph 2 shall take place as soon as possible on the basis of a report from the central management or any other more appropriate level of management. The

Executive Committee or the European Works Council may issue an opinion on the report after the meeting or within a reasonable time.

PCS. 5. The holding of the meeting, cf. 2, does not affect the powers of the central management.

§ 25. In connection with meetings with the central management, the European Cooperation Committee or the Executive Committee, possibly in the in § 24, para. 3, said extended composition, allowed to hold a meeting without the management being present.

§ 26. The members of the European Works Council shall, subject to § 30, inform the employee representatives at company or company level or, in the absence of such representatives, all employees of the content and outcome of the information and consultation procedure initiated in accordance with the provisions. in this chapter.

§ 27. The European Cooperation Committee or the Executive Committee may be assisted by special experts of the members' own choice, if this is necessary for the committee to carry out its tasks.

§ 28. The operating costs of the European Cooperation Committee shall be borne by the central management.

PCS. 2. The central management must make sufficient funds available to members of the European Works Council to enable them to perform their duties in an appropriate manner. In this context, members must receive training without loss of pay, if necessary, in order to be able to carry out their representative duties in an international environment. The central management shall ensure that the members of the European Works Council and the Executive Committee do not suffer any loss of pay as a result of their participation in the work of the Committee.

PCS. 3. The central management shall bear the costs of organizing meetings and interpretation of those, living and traveling expenses of members of the European Works Council and the Executive Committee as well as a special expert, unless otherwise agreed.

§ 29. The Minister for Employment may lay down budget rules for the operation of the European Cooperation Committee.

Chapter 6

Confidentiality

§ 30. Where the interests of the company so require, the central management may in specific cases impose a duty of confidentiality on the members of the special negotiating body, the European Cooperation Committee and the Executive Committee, as well as the special experts who may assist them. The duty of confidentiality also applies after the end of the members' term of office.

§ 31. The central management may refrain from passing on information to the members of the special negotiating body, of the European Works Council and of the Executive Committee, if this is necessary in the interests of the company because it will bother or harm the company.

§ 32. §§ 30 and 31 also apply where an information and consultation procedure has been agreed, cf. § 13, subsection. 1.

Chapter 7

Other provisions

§ 33. The members of the special negotiating body and of the European Cooperation Committee are protected against dismissal and other deterioration of their relations in the same way as shop stewards within the relevant or similar professional area.

§ 33 a. The members of the European Works Council shall inform the employee representatives at company level of a Community group or, in the absence of representatives, all employees of the content and outcome of the information and consultation procedure.

§ 34. A member of a special negotiating body or of a European Works Council or an alternate of such a member who is a member of the crew of a seagoing ship shall be entitled to attend a meeting of the special negotiating body, the European Works Council or any other meeting of pursuant to information and consultation procedures agreed upon in accordance with section 13, subsection 1, if this member or his deputy is not at sea or in a port in a country other than that in which the company is domiciled when the meeting takes place. The meeting shall, whenever practicable, be scheduled with a view to facilitating the participation of members or alternates who are members of the crew on seagoing ships. In cases where a member of a special negotiating body or of a European Works Council or an alternate of such a member,

PCS. 2. The Minister of Employment shall otherwise lay down special rules for crew members on merchant ships.

§ 35. The Minister of Employment may lay down more detailed rules for how the members of the special negotiating body and the European Cooperation Committee are elected in Denmark.

Chapter 8

Sanctions

§ 36. A fine shall be imposed on a person who discloses information which, pursuant to §§ 30 and 32, has been given as confidential, unless a higher penalty is due under other legislation.

§ 37. Violation of § 9, § 10, para. 1, § 11, para. 1, §§ 16, 17 a, 20 and 23, § 24, para. 1, 2 and 4, and § 28 is punishable by a fine.

PCS. (2) In rules issued pursuant to sections 29, 34 and 35, a fine may be imposed.

PCS. 3. If the infringement is committed by a company, an association, a self-governing institution, a foundation or the like, a fine may be imposed on the legal person as such.

Chapter 9

Entry into force, etc.

§ 38. The Act enters into force on 22 September 1996.

§ 39. The Act does not apply to those Community companies and Community groups where there are agreements on information and consultation, which have entered into force or which enter into force no later than 21 September 1996. However, it is a precondition that an agreement includes all employees in the company or group in question and relates to information and consultation on issues that affect companies or companies in several of the countries mentioned in § 4, no. 1.

PCS. 2. If in paragraphs. 1, the agreements mentioned expire, the parties may agree to continue these. If they are not continued, the law applies.

§ 40. The Act does not apply to the Faroe Islands and Greenland.

Act No. 932 of 15 December 1999 (Great Britain is covered by the Act) ²⁾ contains the following entry into force provisions:

The law enters into force on 17 December 1999.

§ 3

PCS. 1. The Act shall not apply to those Community undertakings and groups which, as a result of section 1 (1), are covered by the Law on European Works Councils and where there are agreements on information and consultation which have entered into force or which enter into force in force no later than 14 December 1999. However, it is a prerequisite that an agreement covers all employees in the company or group in question and relates to information and consultation on issues relating to companies or companies in several of those in § 4, no. 1, mentioned countries.

PCS. 2. If in paragraphs. 1, the agreements mentioned expire, the parties may agree to continue these. If they are not continued, the law applies.

Act no. 107 of 26 February 2008 (Extension of the number of members of the special negotiating body) ³⁾ contains the following entry into force provision:

§ 2

The law enters into force on March 1, 2008.

Act No. 281 of 6 April 2011 (Implementation of Council Directive 2009/38 / EC on the revision of the existing Directive) ⁴⁾ contains the following entry into force provisions:

§ 2

The law enters into force on 5 June 2011.

§ 3

PCS. 1. Act apart from § 1, no. 15, does not apply to the Community-scale undertakings and Community-scale groups where there are agreements on information and consultation under this Act which is in force or which shall take effect June 4, 2011 However, it is a precondition that an agreement covers all employees of the company or group in question and concerns information and consultation on issues affecting companies or companies in several EU and EEA countries.

PCS. 2. If in paragraphs. 1, the agreements mentioned expire, the parties may agree to continue these. If they are not continued, the law applies.

Act no. 385 of 26 April 2017 (Implementation of directive amending certain directives in the field of labor and employment law, as far as seafarers, etc.) ⁵⁾ contains the following entry into force provision:

§ 5

The law enters into force on October 10, 2017.

Ministry of Employment, 14 September 2018

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¹⁾ The law contains provisions implementing Council Directive 1994/45 / EC of 22 September 1994, Official Journal 1994, L 254, page 54, Council Directive 1997/74 / EC of 15 December 1997 , Official Journal 1998, No L 10, page 22, Council Directive 2006/109 / EC of 20 November 2006, Official Journal 2006, L 363, page 416, and Council Directive 2009/38 / EC of 6 May 2009, Official Journal 2009, No L 122, pages 28-44, and parts of Directive 2015/1794 / EU of the European Parliament and of the Council of 6 October 2015 amending Regulation (EC) No Directives 2008/94 / EC, 2009/38 / EC and 2002/14 / EC as well as Council Directives 98/59 / EC and 2001/23 / EC as regards seafarers, Official Journal 2015, No L 263, page 1 -5.

²⁾The amendment to the Act relates to sections 4 and 11 of the Act.

³⁾The amendment to the Act relates to the footnote to the title of the Act and section 11 of the Act.

⁴⁾The amendment to the Act relates to § 1, § 2 a, § 3, § 6, § 7 a, § 7 b, § 7 c, § 9, § 11, § 12, § 13, § 17, § 17 a, § 19 a, § 21, § 22, § 24, § 28, § 33 a and § 37.

⁵⁾The amendment to the Act relates to the footnote to the title of the Act and sections 14 and 34 of the Act.

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