# **Supplementary Agreement VIII**

# Agreement regarding European Works Councils or equivalent forms of cooperation

#### § 1 OBJECTIVE

The objective of this agreement is to improve the right to information and to consultation of employees in undertakings and groups operating within the EEA area, and by so doing to continue for these undertakings the good cooperation which has been developed in a range of agreements and in practice in Norwegian working life.

# § 2 SCOPE OF APPLICATION

The agreement applies to all groups of employees in Norwegian establishments which fulfil the following requirements:

Norwegian undertakings with at least 1000 employees within the EEA and at least 150 employees in each of at least two EEA countries, hereinafter called Community undertakings, groups/groups of undertakings with a controlling company in Norway and with at least 1000 employees within the EEA, where the group contains at least two undertakings in different

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The objective of this agreement is to improve the right to information and to consultation of employees in undertakings and groups operating within the EEA area, and by so doing to continue for these undertakings the good cooperation which has been developed in a range of agreements and in practice in Norwegian working life.

Information and consultation shall be implemented in such a way as to ensure their effectiveness, and to enable undertakings and groups to take decisions in an effective manner.

## § 2 DEFINITIONS AND SCOPE OF APPLICATION

The agreement applies to all groups of employees in Norwegian establishments which fulfil the following requirements:

EEA countries which each employ at least 150 employees.

The agreement may also, with reference to appointment mechanisms and in other respects as long as it is appropriate, apply to Norwegian establishments or subsidiaries which are covered by some Community legislation with their central management and or controlling company, to the extent that Norwegian establishments shall be included in the group's cooperation mechanisms.

If, due to a conflict between Norwegian and foreign legislation or due to a decision of the foreign group/controlling company, it is relevant to designate a Norwegian subsidiary to carry out the obligations under this agreement, the agreement applies in full to the subsidiary.

In the event that the foreign main administration/controlling undertaking lies outside the EEA and a representative with responsibility for implementing this agreement has not been designated, this responsibility falls to the Norwegian subsidiary as it is this company which employs most employees amongst the establishments within the EEA.

The terms group and controlling undertaking in this agreement are based on the definitions in § 1-2 of the [Norwegian] Companies Act. Controlling undertaking means the company which in relation to these definitions exerts a controlling influence over the other units.

Norwegian undertakings with at least 1000 employees within the EEA and at least 150 employees in each of at least two EEA countries, hereinafter called Community undertakings. groups/groups of undertakings with a controlling company in Norway and with at least 1000 employees within the EEA. where the group contains at least two undertakings in different EEA countries which each employ at least 150 employees.

The agreement may also, with reference to appointment mechanisms and in other respects as long as it is appropriate, apply to Norwegian establishments or subsidiaries which are covered by some Community legislation with their central management and or controlling company, to the extent that Norwegian establishments shall be included in the group's cooperation mechanisms.

If, due to a conflict between Norwegian and foreign legislation or due to a decision of the foreign group/controlling company, it is relevant to designate a Norwegian subsidiary to carry out the obligations under this agreement, the agreement applies in full to the subsidiary.

In the event that the foreign main administration/controlling undertaking lies outside the EEA and a representative with responsibility for implementing this agreement has not been designated, this responsibility falls to the Norwegian subsidiary as it is this company which employs most employees amongst

If the conflict between Norwegian and foreign legislation means that two or more undertakings within a group can be regarded as the controlling undertaking, the undertaking with the right to appoint more than half the members in another (the other) undertaking's management bodies is regarded as the controlling undertaking, unless it is established that another undertaking has a controlling influence for other reasons.

The term "employee" includes the number of employees, including part-time employees, who are employed at the time the request was submitted to establish European Works Councils.

If the average number of employees, including part-time employees, in the two preceding years has been higher than at the time the request was submitted, this is the number which is used as the basis.

# § 3 ESTABLISHMENT OF A COOPERATION **MECHANISM**

In undertakings and groups with the structure and size mentioned in § 2, negotiations can be requested regarding the establishment of European Works Council, hereinafter called EWCs, or regarding other forms of cooperation which guarantee transnational information and consultation of

the establishments within the EEA.

The terms group and controlling undertaking in this agreement are based on the definitions in § 1-2 of the [Norwegian] Companies Act. Controlling undertaking means the company which in relation to these definitions exerts a controlling influence over the other units.

If the conflict between Norwegian and foreign legislation means that two or more undertakings within a group can be regarded as the controlling undertaking, the undertaking with the right to appoint more than half the members in another (the other) undertaking's management bodies is regarded as the controlling undertaking, unless it is established that another undertaking has a controlling influence for other reasons.

The term "employee" includes the number of employees, including part-time employees, who are employed at the time the request was submitted to establish European Works Councils.

If the average number of employees, including part-time employees, in the two preceding years has been higher than at the time the request was submitted, this is the number which is used as the basis.

employees.

Such a request can be submitted in writing by the central management of the undertaking/group in Norway (hereinafter called the management), or by at least 100 employees or their representatives in at least two establishments in at least two different EEA countries.

The negotiations shall cover all the employees in the establishments or subsidiaries in EEA countries, including close with fewer than 150 employees where this does not conflict with the other country's national legislation or agreements, where the conditions of § 2 are otherwise fulfilled.

The management is responsible for arranging and paying for the negotiations, including ensuring the necessary translation of documents and interpreting services, and for implementing and financing the permanent cooperation mechanism the parties establish, cf. § 6 (6).

If the foreign group has more than one subsidiary in Norway, mechanisms can be agreed which facilitate contact between the Norwegian representative(s) in the EWC and the subsidiaries' employees in relation to meetings in the EWC.

In this agreement, the term "information" means the information the employer gives to the employees' representatives so that they can familiarise themselves with the matter and investigate it. The information shall be provided at such a time, in such a way and with such content to enable the employees' representatives to carry out a through assessment of the possible affects, and if necessary to prepare consultation with the relevant body in an undertaking which covers establishments in several EEA countries.

In this agreement the term "consultation" means the development of viewpoints between representatives of the employees and the management at such a time, in such a way and with such content so as to enable the employees' representatives to express their opinion regarding the proposed initiative within a reasonable period of time, based on the information they have received.

Matters are to be regarded as "transnational" if they concern the entire group or Community undertakings or at least two establishments or enterprises/units in different EEA countries.

§ 3 ESTABLISHMENT OF A COOPERATION MECHANISM

Where the corporate structure makes it natural to anchor the cooperation mechanisms on levels other than the central management, for example at divisional or regional level, this must not weaken the employee's rights to information/consultation in accordance with this agreement regarding circumstances which concern the group's overall activities.

# § 4 PROCEDURE FOR ESTABLISHING THE **MECHANISMS**

The management is responsible for implementation of the negotiations in accordance with the following regulations:

a) representatives from the employees in Norway and the national units within the EEA form a special negotiating body, hereinafter called the SNB, which shall negotiate with the management regarding the establishment of EWCs or other forms of cooperation.

b) the SNB shall have at least three members, but not more than the number of countries which are covered at any given time by the regulations regarding European works councils. The body's composition shall ensure that each country where the undertaking/group operates one or more establishments has at least one representative. In addition,

In undertakings and groups with the structure and size mentioned in § 2, negotiations can be requested regarding the establishment of European Works Council, hereinafter called EWCs, or regarding other forms of cooperation which guarantee transnational information and consultation of employees.

The management in each establishment has an obligation, in response to inquiries from the employees' representatives, to provide information regarding the undertaking's or group's structure, number of employees and other information which is necessary for negotiations.

A request for negotiations can be submitted in writing by the central management of the undertaking/group in Norway (hereinafter called the management), or by at least 100 employees or their representatives in at least two establishments in at least two different EEA countries.

The negotiations shall cover all the employees in the establishments or subsidiaries in EEA countries, including close with fewer than 150 employees where this does not conflict with the other country's national legislation or agreements, where the conditions of § 2 are otherwise fulfilled.

The management is responsible for arranging and paying for

further representation in relation to the number of employees in the individual national units must be ensured. The number of additional representatives and their allocation over the establishments is determined, within the stipulated overall framework, by representatives for those employed in the undertaking/group in accordance with discussions with the employee representatives in the national units.

- c) members of the SNC are appointed or elected by and from among the employees in the Community undertaking and its establishments, or in the group, in accordance with the following regulations:
- employees in Norway elect their representative(s) by means of either a written or secret election in accordance with the regulations set out in § 12-3 of the Main Agreement or, in establishments where this is not appropriate, in accordance with the election regulations for employee representation contained in the [Norwegian] Companies Act.

Lack of agreement regarding the procedure for elections, or complaints regarding their implementation, shall be ruled on by Industrial Democracy Committee.

- employees in foreign subsidiaries elect their representatives in accordance with the regulations which stem from legislation,

the negotiations, including ensuring the necessary translation of documents and interpreting services, and for implementing and financing the permanent cooperation mechanism the parties establish, cf. § 6 (6).

If the foreign group has more than one subsidiary in Norway, mechanisms can be agreed which facilitate contact between the Norwegian representative(s) in the EWC and the subsidiaries' employees in relation to meetings in the EWC.

Where the corporate structure makes it natural to anchor the cooperation mechanisms on levels other than the central management, for example at divisional or regional level, this must not weaken the employee's rights to information/consultation in accordance with this agreement regarding circumstances which concern the group's overall activities.

### § 4 PROCEDURE FOR ESTABLISHING THE **MECHANISMS**

The management is responsible for implementation of the negotiations in accordance with the following regulations:

a) representatives from the employees in Norway and the national units within the EEA form a special negotiating body, agreements or practice in the subsidiaries' native country.

- d) SNAs notify both the central management and the management in the national units of the committee's composition.
- e) the management shall convene a negotiation meeting of the committee within three months with a view to establishing the EWC or another form of cooperation mechanism. The management in the national units shall be informed of this.
- f) the SNB is entitled to include experts of its own choosing. The management has a duty to cover the costs of such experts. Covering costs over and above this can be agreed between the parties.
- g) during the negotiations, the parties can, on request, receive advice and guidance from its organisations where such organisations exist. The same applies if after entering into the agreement doubts arise regarding the scope of the said agreement.
- h) the SNB's decision to enter into an agreement regarding cooperation mechanisms in accordance with § 3 must have the support of a majority of the body's members.

hereinafter called the SNB, which shall negotiate with the management regarding the establishment of EWCs or other forms of cooperation.

- b) The members of the special negotiating body are chosen or appointed from the number of employees in each EU/EEAS country. Each country is allocated one seat on the special negotiations board per number of employees employed in that country per tenth or part thereof of the total number of employees employed in all the countries taken together.
- c) members of the SNA are appointed or elected by and from among the employees in the Community undertaking and its establishments, or in the group, in accordance with the following regulations:
- employees in Norway elect their representative(s) by means of either a written or secret election in accordance with the regulations set out in § 12-3 of the Main Agreement or, in establishments where this is not appropriate, in accordance with the election regulations for employee representation contained in the [Norwegian] Companies Act.

Lack of agreement regarding the procedure for elections, or complaints regarding their implementation, shall be ruled on by the Industrial Democracy Committee.

The SNB can resolve with at least two thirds of the votes not to enter into negotiations or to break off negotiations which have already commenced in accordance with this agreement.

A new request to convene an SNB can be submitted at the earliest two years after the termination mentioned, unless the parties in the undertaking/group agree on a shorter period.

#### § 5 CONTENT OF THE AGREEMENT

a) By means of the agreement regarding an EWC or another cooperation regulation, the parties shall attend to the employees' need for relevant and regular information, and for direct dialogue with the management, in matters which concern the group or Community undertaking as a whole and which are transnational in nature, cf. § 1.

The solutions and procedures selected shall take into account the organisational structure and form of leadership of the undertaking/group and the existing corporate culture and cooperation tradition. They shall ensure a beneficial and trustful relationship between management and the employees, where the employees with their experience and insight shall be involved in creating the economic conditions for the

- employees in foreign subsidiaries elect their representatives in accordance with the regulations which stem from legislation, agreements or practice in the subsidiaries' native country.
- d) the special negotiating body shall inform the management of the composition of the board.
- e) the management shall convene a negotiation meeting of the committee within three months with a view to establishing the EWC or another form of cooperation mechanism.

The management in the national units and the current employee and employer organisations at European level must be informed of the composition of the special negotiations board and that negotiations have been initiated.

f) prior to and after each meeting with the management, the special negotiating board is entitled to meet without management representatives being present. In this connection it must have access to all the necessary means of communication.

The SNB is entitled to include experts of its own choosing. The management has a duty to cover the costs of such experts.

Covering costs over and above this can be agreed between the

undertaking's continued development, and for a safe and beneficial working relationship for the good of the undertaking and its employees.

- b) the agreement between the parties must be in writing, and must as a minimum
- indicate the countries and company units which are included.
- 2. stipulate the EWC's composition, number of members and allocation of seats, its competence and working method, and term of office. For any other cooperation model, the scope and content shall be stipulated, and for which fields and to what extent information shall be provided and consultations held.
- 3. stipulate the location, frequency and duration of EWC meetings, including any preliminary meetings in connection with EWC meetings.
- include the budget for the activities of the EWC or 4. cooperation mechanism.
- 5. indicate the agreement's duration and procedure for renegotiations.

parties.

- g) during the negotiations, the parties can, on request, receive advice and guidance from its organisations where such organisations exist. The same applies if after entering into the agreement doubts arise regarding the scope of the said agreement.
- h) the SNB's decision to enter into an agreement regarding cooperation mechanisms in accordance with § 3 must have the support of a majority of the body's members.

The SNB can resolve with at least two thirds of the votes not to enter into negotiations or to break off negotiations which have already commenced in accordance with this agreement.

A new request to convene an SNB can be submitted at the earliest two years after the termination mentioned, unless the parties in the undertaking/group agree on a shorter period.

# § 5 CONTENT OF THE AGREEMENT

a) By means of the agreement regarding an EWC or another cooperation regulation, the parties shall attend to the

employees' need for relevant and regular information, and for direct dialogue with the management, in matters which are transnational in nature.

#### § 6 THE EWC's PRACTICAL WORK

Members of the EWC are elected or appointed by and from the employees in accordance with § 4c, unless otherwise agreed.

Unless otherwise specified by the parties, the council comprises a minimum of three and a maximum of 30 members.

Where the size of the council permits, a working committee can be elected with a maximum of three members.

The EWC shall meet with the management at least once a year to receive information and to be consulted about the development and future prospects of the Community undertaking/group based on a report prepared by the management.

Otherwise, it is for the parties to decide the field of the EWC's activities and the matters which shall be discussed.

Unless otherwise agreed, the following basic regulations apply to the EWC's activities:

to be discussed at the meetings

*Information and consultation shall be provided at an* appropriate management level depending on which topic is being discussed.

The solutions and procedures selected shall take into account the organisational structure and form of leadership of the undertaking/group and the existing corporate culture and cooperation tradition. They shall ensure a beneficial and trustful relationship between management and the employees, where the employees with their experience and insight shall be involved in creating the economic conditions for the undertaking's continued development, and for a safe and beneficial working relationship for the good of the undertaking and its employees.

- b) The agreement between the parties must be in writing, and must as a minimum
- indicate the countries and company units which are 1. included.
- stipulate the EWC's composition, number of members

- the structure of the Community undertaking/group and allocation of seats, its competence and working method, and term of office. For any other cooperation model, the scope and content shall be stipulated, and for which fields and to what extent information shall be
- the economic and financial situation
- expected development in terms of activities, production and the sales employment situation and its assumed development
- investments
- important changes in the group's organisation
- introduction of new working methods and production processes
- plans regarding production transfer, mergers, demergers, reductions, whole or partial closure of establishments
- mass dismissals.
- 2. In special situations where the interests of the employees are substantially affected, in particular with the relocation or closure of establishments or mass dismissals, the EWC's working committee or, where one has not been set up, the entire EWC, is entitled to request a meeting with the group's management or another suitable level of management with independent

3. stipulate the location, frequency and duration of EWC meetings, including any preliminary meetings in connection with EWC meetings.

provided and consultations held.

- include the budget for the activities of the EWC or 4. cooperation mechanism.
- 5. indicate the committee's mode of operation and procedure for providing information and consultation, including coordination of information and consultation on a national and international level.
- the composition of, procedure for nominations, mode of 6. operation and procedure for the special committees to be set within the EWC where these are to be appointed
- 7. the entry into force and duration of the agreement, guidelines for changing and terminating the agreement, conditions for renegotiation including, if necessary, changes in the structure of an undertaking with establishments in several EEA countries.

power to decide on the matter, cf. § 3 (4).

If the meeting is held with the EWC's working committee, the members of the EWC who represent the establishments directly affected by the planned measures may also be present.

Such a meeting must be held as quickly as possible on the basis of a report from the management. At the end of the meeting or as quickly as possible thereafter, the EWC/working committee is entitled to submit a statement regarding the report. The statement shall be placed with the case documents for further discussion unless there are specific reasons for which this is not possible.

- 3. If the parties have agreed to hold preliminary meetings in accordance with § 5b, the employee representatives are entitled to meet without the management being present.
- Unless a confidentiality obligation has been imposed, 4. the EWC's members shall inform the undertaking's/group's employee representatives of the content and outcome of the meetings. In establishments where there are no employee representatives, the

#### THE EWC's PRACTICAL WORK § 6

Members of the EWC are elected or appointed by and from the employees in accordance with § 4c, unless otherwise agreed.

*Unless otherwise specified by the parties, the counsel* comprises at least one member from each country per tenth or part thereof of the total number of employees employed in all the countries taken together.

Where the size of the counsel permits, a working committee can be elected with a maximum of *five* members.

The EWC shall meet management at least once a year to receive information and to be consulted about the development and future prospects of the community-scale enterprise/group based on a report prepared by the management.

Otherwise, it is for the parties to decide the field of the EWC's activities and the matters which shall be handled.

Unless otherwise agreed, the following basic regulations apply to the EWC's activities:

	employees shall be informed.	1.	to be discussed at the meetings
			- the structure of the Community undertaking/group
5.	The EWC or working committee may seek the assistance of experts of its own choice if this is		- the economic and financial situation
	considered necessary to carry out its tasks. The management can stipulate that only one such expert may have his fees covered by the undertaking/group.		- expected development in terms of activities, production and the sales employment situation and its assumed development
			- investments
6.	The fees for the operation of the EWC are covered by		- important changes in the group's organisation
	the management. It shall provide sufficient resources and equipment for the council so that its tasks can be carried out properly.		- introduction of new working methods and production processes
	In particular, the management shall ensure the proper organisation of meetings, and shall pay the members' travel and accommodation costs.		- plans regarding production transfer, mergers, demergers, reductions, whole or partial closure of establishments
	It shall to the extent necessary ensure the translation of documents and interpreting services during the meetings.		- mass dismissals.
		2.	In special situations where the interests of the
7.	If other cooperation mechanisms are agreed within the enterprise/group, the basic regulations above apply so		employees are substantially affected, in particular with the relocation or closure of establishments or mass
	long as they are suitable to the extent that nothing else		dismissals, the EWC's working committee or, where

results from the parties' agreement.

#### § 7 RENEGOTIATIONS

Agreements regarding the EWC or other cooperation mechanisms can be subject to a request for renegotiation from either party at the end of the term of the agreement, or during the term if substantial changes in the number of employees or in the structure of the undertaking/group require it, or if the EU implements changes to the directive which necessitate renegotiation of the agreement.

Any negotiations shall be undertaken directly by the European Works Council, and by necessary representatives for any new employee groups, without prior election of a special negotiating body in accordance with § 4.

# § 8 OBLIGATION TO OBSERVE CONFIDENTIALITY

The members of the SNB and EWC and any experts who assist these bodies are under an obligation not to disclose information provided by the management if this is expressly requested.

A corresponding obligation is incumbent upon participants in other cooperation mechanisms which are established in relation to this agreement.

one has not been set up, the entire EWC, is entitled to request a meeting with the group's management or another suitable level of management with independent power to decide on the matter, cf. § 3 (4).

If the meeting is held with the EWC's working committee, the members of the EWC who represent the establishments directly affected by the planned measures may also be present.

Such a meeting must be held as quickly as possible on the basis of a report from the management. At the end of the meeting or as quickly as possible thereafter, the EWC/working committee is entitled to submit a statement regarding the report. The statement shall be placed with the case documents for further discussion unless there are specific reasons for which this is not possible.

- 3. If the parties have agreed to hold preliminary meetings in accordance with § 5b, the employee representatives are entitled to meet without the management being present.
- 4. Unless a confidentiality obligation has been imposed, the EWC's members shall inform the

# § 9 DEADLINES FOR TERMINATION OF PRIOR NEGOTIATIONS ETC.

Prior negotiations regarding cooperation mechanisms in which, pursuant to the preceding regulations, the two parties have yet to come to an agreement after two years, shall be terminated.

A joint decision by both parties may also be taken earlier to terminate the negotiations if it is not possible to achieve an agreement.

In such cases, or if the management declines to enter into prior negotiations within a period of six months from when the request is submitted in accordance with § 3, the matter shall be brought before the Industrial Democracy Committee.

The committee shall request the management to establish a European Works Council within a period of six months. The committee shall stipulate the structure and tasks of the committee in relation to § 5 and § 6.

# § 10 DISPUTE RESOLUTION

A dispute regarding the content or scope of this agreement shall

undertaking's/group's employee representatives of the content and outcome of the meetings. In establishments where there are no employee representatives, the employees shall be informed.

- 5. The EWC or working committee may seek the assistance of experts of its own choice if this is considered necessary to carry out its tasks. The management can stipulate that only one such expert may have his fees covered by the undertaking/group.
- The fees for the operation of the EWC are covered by 6. the management. It shall provide sufficient resources and equipment for the council so that its tasks can be carried out properly.

In particular, the management shall ensure the proper organisation of meetings, and shall pay the members' travel and accommodation costs.

It shall to the extent necessary ensure the translation of documents and interpreting services during the meetings.

To the extent necessary to be able to carry out its tasks

be adjudicated by the Industrial Democracy Committee. The same applies to disagreements regarding the comprehension or scope of agreements signed in Community undertakings/groups regarding EWCs or other cooperation mechanisms, including questions connected to the scope of the obligation to observe confidentiality imposed or scope of the management's duty to provide information.

### § 11 RELATIONSHIP TO OTHER AGREEMENTS

The obligations under this agreement do not apply to the information and consultation mechanism which was established prior to this agreement coming into force for all employees in undertakings/groups covered by § 2.

Nor do they apply for the information and consultation mechanisms established after this agreement comes into force, if they are supported by changes in the EU's directive regarding European Works Councils and fulfil the conditions which are established there.

Such mechanisms apply until the expiry date they stipulate themselves, and can then be extended jointly by the parties without regard to the stipulations in this agreement.

If the parties cannot agree regarding an extension, the

as representatives in an international environment, the members of the special negotiating body and EWC shall receive training without loss of salary.

7. If other cooperation mechanisms are agreed within the enterprise/group, the basic regulations above apply so long as they are suitable to the extent that nothing else results from the parties' agreement.

#### § 7 OBLIGATION TO OBSERVE CONFIDENTIALITY

The members of the SNB and EWC and any experts who assist these bodies are under an obligation not to disclose information provided by the management if this is expressly requested.

A corresponding obligation is incumbent upon participants in other cooperation mechanisms which are established in relation to this agreement.

# § 8 ADAPTATION AND RENEGOTIATIONS

Agreements regarding the EWC or other cooperation mechanisms can be subject to a request for renegotiation from either party at the end of the term of the agreement, or during the term if substantial changes in the number of employees or in the structure of the undertaking/group require it, or if the EU implements changes to the directive which

stipulations and deadlines in this agreement apply from the expiry of the mechanisms.

Disagreement regarding the basis for or scope of agreements as mentioned in subsection 1 can be brought before the Industrial Democracy Committee for adjudication in accordance with § 10, unless the parties have set out alternative dispute resolution mechanisms in the agreement.

This agreement does not affect the rights and obligations which otherwise apply between parties in working life which follow from Norwegian legislation or agreements.

necessitate renegotiation of the agreement.

If substantial changes are made to the structure, and there are either no provisions in the current agreement or there is a conflict between two or more valid agreements, the management shall initiate negotiations which are dealt with in § 4 at its own initiative or upon receiving a written request to do so from at least 100 employees or their representatives in at least two undertakings or establishments in at least two EEA countries.

At least three members of the existing EWC or of each of the existing EWCs shall be members of the special negotiating body, in addition to the members elected or appointed in accordance with § 4.

During the negotiations, the existing EWC(s) shall continue to operate in accordance with any guidelines which have been adapted by means of an agreement between the members of the European Works Council(s) and the management.

§ 9 DEADLINES FOR TERMINATION OF PRIOR NEGOTIATIONS ETC.

Prior negotiations regarding cooperation mechanisms in which,

pursuant to the preceding regulations, the two parties have yet to come to an agreement after two years, shall be terminated. A joint decision by both parties may also be taken earlier to terminate the negotiations if it is not possible to achieve an agreement. In such cases, or if the management declines to enter into prior negotiations within a period of six months from when the request is submitted in accordance with § 3, the matter shall be brought before the Industrial Democracy Committee. The committee shall request the management to establish a European Works Council within a period of six months. The committee shall stipulate the structure and tasks of the committee in relation to § 5 and § 6. § 10 DISPUTE RESOLUTION A dispute regarding the content or scope of this agreement shall be adjudicated by the Industrial Democracy Committee. The same applies to disagreements regarding the comprehension or scope of agreements signed in Community undertakings/groups

regarding EWCs or other cooperation mechanisms, including

questions connected to the scope of the obligation to observe confidentiality imposed or scope of the management's duty to provide information.

Disagreement regarding the basis for or scope of agreements can be brought before the Industrial Democracy Committee for adjudication, unless the parties have set out alternative dispute resolution mechanisms in the agreement.

This agreement does not affect the rights and obligations which otherwise apply between parties in working life which follow from Norwegian legislation or agreements.

# § 11 RELATIONSHIP TO OTHER AGREEMENTS

The obligations under this agreement do not apply to the information and consultation mechanism which was established pursuant to the stipulations which implement Article 13, no.1, in Directive 94/45/EC or in Article 3, no. 1, in Directive 97/74/EC, and which cover all employees in undertakings/groups which are covered by § 2, or if such agreements have been adapted due to changes in the structure of the undertakings or groups.

Nor do they apply for the information and consultation

**Supplementary Agreement VIII** 

Agreement regarding European Works Councils or equivalent forms of cooperation

# § 1 OBJECTIVE

The objective of this agreement is to improve the right to information and to consultation of employees in undertakings and groups operating within the EEA area, and by so doing to continue for these undertakings the good cooperation which has been developed in a range of agreements and in practice in Norwegian working life.

# § 2 SCOPE OF APPLICATION

The agreement applies to all groups of employees in Norwegian establishments which fulfil the following requirements:

Norwegian undertakings with at least 1000 employees within the EEA and at least 150 employees in each of at least two EEA countries, hereinafter called Community undertakings, groups/groups of undertakings with a controlling company in Norway and with at least 1000 employees within the EEA, where the group contains at least two undertakings in different EEA countries which each employ at least 150 employees.

The agreement may also, with reference to appointment mechanisms and in other respects as long as it is appropriate, apply to Norwegian establishments or subsidiaries which are covered by some of Community legislation with their central management and or controlling company, to the extent that Norwegian establishments shall be included in the group's cooperation mechanisms.

If, due to a conflict between Norwegian and foreign legislation or due to a decision of the foreign group/controlling company, it is relevant to designate a Norwegian subsidiary to carry out the obligations under this agreement, the agreement applies in full to the subsidiary.

In the event that the foreign main administration/controlling undertaking lies outside the EEA and a representative with responsibility for implementing this agreement has not been designated, this responsibility falls to the Norwegian subsidiary as it is this company which employs most employees amongst the establishments within the EEA.

The terms group and controlling undertaking in this agreement are based on the definitions in § 1-2 of the [Norwegian] Companies Act. Controlling undertaking means the company which in relation to these definitions exerts a controlling influence over the other units.

If the conflict between Norwegian and foreign legislation means that two or more undertakings within a group can be regarded as the controlling undertaking, the undertaking with the right to appoint more than half the members in another (the other) undertaking's management bodies is regarded as the controlling undertaking, unless it is established that another undertaking has a controlling influence for other reasons.

The term "employee" includes the number of employees, including part-time employees, who are employed at the time the request was submitted to establish European Works Councils.

If the average number of employees, including part-time employees, in the two preceding years has been higher than at the time the request was submitted, this is the number which is used as the basis.

# § 3 ESTABLISHMENT OF A COOPERATION MECHANISM

In undertakings and groups with the structure and size mentioned in § 2, negotiations can be requested regarding the establishment of European Works Council, hereinafter called EWCs, or regarding other forms of cooperation which guarantee transnational information and consultation of employees.

Such a request can be submitted in writing by the central management of the undertaking/group in Norway (hereinafter called the management), or by at least 100 employees or their representatives in at least two establishments in at least two different EEA countries.

The negotiations shall cover all the employees in the establishments or subsidiaries in EEA countries, including close with fewer than 150 employees where this does not conflict with the other country's national legislation or agreements, where the conditions of § 2 are otherwise fulfilled.

The management is responsible for arranging and paying for the negotiations, including ensuring the necessary translation of documents and interpreting services, and for implementing and financing the permanent cooperation mechanism the parties establish, cf. § 6 (6).

If the foreign group has more than one subsidiary in Norway, mechanisms can be agreed which facilitate contact between the Norwegian representative(s) in the EWC and the subsidiaries' employees in relation to meetings in the EWC.

Where the corporate structure makes it natural to anchor the cooperation mechanisms on levels other than the central management, for example at divisional or regional level, this must not weaken the employee's rights to information/consultation in accordance with this agreement regarding circumstances which concern the group's overall activities.

#### § 4 PROCEDURE FOR ESTABLISHING THE MECHANISMS

The management is responsible for implementation of the negotiations in accordance with the following regulations:

a) representatives from the employees in Norway and the national units within the EEA form a special negotiating body, hereinafter called the SNB, which shall negotiate with the management regarding the establishment of EWCs or other forms of cooperation.

- b) the SNB shall have at least three members, but not more than the number of countries which are covered at any given time by the regulations regarding European works councils. The body's composition shall ensure that each country where the undertaking/group operates one or more establishments has at least one representative. In addition, further representation in relation to the number of employees in the individual national units must be ensured. The number of additional representatives and their allocation over the establishments is determined, within the stipulated overall framework, by representatives for those employed in the undertaking/group in accordance with discussions with the employee representatives in the national units.
- c) members of the SNB are appointed or elected by and from among the employees in the Community undertaking and its establishments, or in the group, in accordance with the following regulations:
- employees in Norway elect their representative(s) by means of either a written or secret election in accordance with the regulations set out in § 12-3 of the Main Agreement or, in establishments where this is not appropriate, in accordance with the election regulations for employee representation contained in the [Norwegian] Companies Act.

Lack of agreement regarding the procedure for elections, or complaints regarding their implementation, shall be ruled on by Industrial Democracy Committee.

- employees in foreign subsidiaries elect their representatives in accordance with the regulations which stem from legislation, agreements or practice in the subsidiaries' native country.
- d) SNAs notify both the central management and the management in the national units of the committee's composition.
- e) the management shall convene a negotiation meeting of the committee within three months with a view to establishing the EWC or another form of cooperation mechanism. The management in the national units shall be informed of this.

- f) the SNB is entitled to include experts of its own choosing. The management has a duty to cover the costs of such experts. Covering costs over and above this can be agreed between the parties.
- g) during the negotiations, the parties can, on request, receive advice and guidance from its organisations where such organisations exist. The same applies if after entering into the agreement doubts arise regarding the scope of the said agreement.
- h) the SNB's decision to enter into an agreement regarding cooperation mechanisms in accordance with § 3 must have the support of a majority of the body's members.

The SNB can resolve with at least two thirds of the votes not to enter into negotiations or to break off negotiations which have already commenced in accordance with this agreement.

A new request to convene an SNB can be submitted at the earliest two years after the termination mentioned, unless the parties in the undertaking/group agree on a shorter period.

## § 5 CONTENT OF THE AGREEMENT

a) By means of the agreement regarding an EWC or another cooperation regulation, the parties shall attend to the employees' need for relevant and regular information, and for direct dialogue with the management, in matters which concern the group or Community undertaking as a whole and which are transnational in nature, cf. § 1.

The solutions and procedures selected shall take into account the organisational structure and form of leadership of the undertaking/group and the existing corporate culture and cooperation tradition. They shall ensure a beneficial and trustful relationship between management and the employees, where the employees with their experience and insight shall be involved in creating the economic conditions for the undertaking's continued development, and for a safe and beneficial working relationship for the good of the undertaking and its employees.

- b) the agreement between the parties must be in writing, and must as a minimum
- indicate the countries and company units which are included. 1.
- 2. stipulate the EWC's composition, number of members and allocation of seats, its competence and working method, and term of office. For any other cooperation model, the scope and content shall be stipulated, and for which fields and to what extent information shall be provided and consultations held.
- 3. stipulate the location, frequency and duration of EWC meetings, including any preliminary meetings in connection with EWC meetings.
- include the budget for the activities of the EWC or cooperation mechanism. 4.
- indicate the agreement's duration and procedure for renegotiations. 5.

#### THE EWC's PRACTICAL WORK § 6

Members of the EWC are elected or appointed by and from the employees in accordance with § 4c, unless otherwise agreed.

Unless otherwise specified by the parties, the council comprises a minimum of three and a maximum of 30 members.

Where the size of the council permits, a working committee can be elected with a maximum of three members.

The EWC shall meet with the management at least once a year to receive information and to be consulted about the development and future prospects of the Community undertaking/group based on a report prepared by the management.

Otherwise, it is for the parties to decide the field of the EWC's activities and the matters which shall be discussed.

Unless otherwise agreed, the following basic regulations apply to the EWC's activities:

- to be discussed at the meetings 1.
  - the structure of the Community undertaking/group
  - the economic and financial situation
  - expected development in terms of activities, production and the sales employment situation and its assumed development
  - investments
  - important changes in the group's organisation
  - introduction of new working methods and production processes
  - plans regarding production transfer, mergers, demergers, reductions, whole or partial closure of establishments
  - mass dismissals.

If the meeting is held with the EWC's working committee, the members of the EWC who represent the establishments directly affected by the planned measures may also be present.

2.

cf. § 3 (4).

Such a meeting must be held as quickly as possible on the basis of a report from the management. At the end of the meeting or as quickly as possible thereafter, the EWC/working committee is entitled to submit a statement regarding the report. The statement shall be placed with the case documents for further discussion unless there are specific reasons for which this is not possible.

- 3. If the parties have agreed to hold preliminary meetings in accordance with § 5b, the employee representatives are entitled to meet without the management being present.
- Unless a confidentiality obligation has been imposed, the EWC's members shall inform the undertaking's/group's employee 4. representatives of the content and outcome of the meetings. In establishments where there are no employee representatives, the employees shall be informed.
- 5. The EWC or working committee may seek the assistance of experts of its own choice if this is considered necessary to carry out its tasks. The management can stipulate that only one such expert may have his fees covered by the undertaking/group.

The fees for the operation of the EWC are covered by the management. It shall provide sufficient resources and equipment for the 6. council so that its tasks can be carried out properly.

In particular, the management shall ensure the proper organisation of meetings, and shall pay the members' travel and accommodation costs.

It shall to the extent necessary ensure the translation of documents and interpreting services during the meetings.

7. If other cooperation mechanisms are agreed within the enterprise/group, the basic regulations above apply so long as they are suitable to the extent that nothing else results from the parties' agreement.

#### **RENEGOTIATIONS** § 7

Agreements regarding the EWC or other cooperation mechanisms can be subject to a request for renegotiation from either party at the end of the term of the agreement, or during the term if substantial changes in the number of employees or in the structure of the undertaking/group require it, or if the EU implements changes to the directive which necessitate renegotiation of the agreement.

Any negotiations shall be undertaken directly by the European Works Council, and by necessary representatives for any new employee groups, without prior election of a special negotiating body in accordance with § 4.

## § 8 OBLIGATION TO OBSERVE CONFIDENTIALITY

The members of the SNB and EWC and any experts who assist these bodies are under an obligation not to disclose information provided by the management if this is expressly requested.

A corresponding obligation is incumbent upon participants in other cooperation mechanisms which are established in relation to this agreement.

#### § 9 DEADLINES FOR TERMINATION OF PRIOR NEGOTIATIONS ETC.

Prior negotiations regarding cooperation mechanisms in which, pursuant to the preceding regulations, the two parties have vet to come to an agreement after two years, shall be terminated.

A joint decision by both parties may also be taken earlier to terminate the negotiations if it is not possible to achieve an agreement.

In such cases, or if the management declines to enter into prior negotiations within a period of six months from when the request is submitted in accordance with § 3, the matter shall be brought before the Industrial Democracy Committee.

The committee shall request the management to establish a European Works Council within a period of six months. The committee shall stipulate the structure and tasks of the committee in relation to § 5 and § 6.

#### § 10 DISPUTE RESOLUTION

A dispute regarding the content or scope of this agreement shall be adjudicated by the Industrial Democracy Committee. The same applies to disagreements regarding the comprehension or scope of agreements signed in Community undertakings/groups regarding EWCs or other cooperation mechanisms, including questions connected to the scope of the obligation to observe confidentiality imposed or scope of the management's duty to provide information.

The obligations under this agreement do not apply to the information and consultation mechanism which was established prior to this agreement coming into force for all employees in undertakings/groups covered by § 2.

Nor do they apply for the information and consultation mechanisms established after this agreement comes into force, if they are supported by changes in the EU's directive regarding European Works Councils and fulfil the conditions which are established there.

Such mechanisms apply until the expiry date they stipulate themselves, and can then be extended jointly by the parties without regard to the stipulations in this agreement.

If the parties cannot agree regarding an extension, the stipulations and deadlines in this agreement apply from the expiry of the mechanisms.

Disagreement regarding the basis for or scope of agreements as mentioned in subsection 1 can be brought before the Industrial Democracy Committee for adjudication in accordance with § 10, unless the parties have set out alternative dispute resolution mechanisms in the agreement.

This agreement does not affect the rights and obligations which otherwise apply between parties in working life which follow from Norwegian legislation or agreements.