

**INVOLVE PROJECT
("FOSTERING THE INVOLVEMENT OF WORKERS
IN SCEs AND NATIONAL COOPERATIVES AND WORKER-OWNED
ENTERPRISES")**

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INFORMATION, CONSULTATION AND PARTICIPATION
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Common ETUC-CECOP conclusions concerning the voluntary standards of workers' involvement in SCE composed of worker cooperatives, social cooperatives or worker owned enterprises, and/or of worker-members.

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Plus CECOP's modification proposals, 12-11-2007**

1. General considerations

1.1. Scope

The present common conclusions establish standards of workers' involvement (information, consultation and participation) in European cooperative societies (SCE) composed either:

- of worker cooperatives, social cooperatives or worker owned enterprises,
- of worker-members;
- of both.

1.2. Basic documents

The present common conclusions are fully based on:

- Council Directive 2003/72/CE of 22 July 2003 completing the statute of the European cooperative society
- Council Regulation (EC) No 1435/2003 of 22 July 2003 on the Statute for a European Cooperative Society (SCE)
- Council Directive 2002/14/CE 2002/14/EC of 11 March 2002 establishing a general framework for informing and consulting employees in the European Community
- The World Declaration on Worker Cooperatives, approved by the 2005 General Assembly of the International Cooperative Alliance, which applies to the situation of worker-members (called 'worker ownership') the ICA Statement on the Cooperative Identity, incorporated into ILO Recommendation 193/2002 on the Promotion of Cooperatives.

1.3. Basic international principles of cooperative worker ownership

The present common conclusions uphold the following basic international principles of cooperative worker ownership as stipulated in the afore-mentioned Declaration. In particular, worker cooperatives:

- *"have the objective of creating and maintaining sustainable jobs and generating wealth, in order to improve the quality of life of the worker-members, dignify human work, allow workers' democratic self-management and promote community and local development"* (1.1).

- *"The free and voluntary membership of their members, in order to contribute with their personal work and economic resources, is conditioned by the existence of workplaces"* (1.2)
- *"As a general rule, work should be carried on by the members. This implies that the majority of the workers in a given worker cooperative enterprise are members and vice versa"* (1.3).
- *"Their internal regulation is formally defined by regimes that are democratically agreed upon and accepted by the worker-members"* (1.5)
- *"They shall be autonomous and independent, before the State and third parties, in their labour relations and management, and in the usage and management of the means of production"* (1.6)
- They shall *"provide the workplaces with physical and technical facilities aimed at achieving an appropriate functioning and a good organisational climate"* (2.3)
- They shall *"practice democracy in the decisive instances of the organisation and in all the stages of the management process"* (2.5)
- They shall *'ensure permanent education and training for capacity building of members and information to the latter, in order to guarantee professional knowledge and the development of the worker cooperative model, and to stimulate innovation and good management'* (2.6)
- They shall *"combat their being instruments aimed at making the labour conditions of wage-earning workers more flexible or precarious, and from acting as conventional intermediaries for jobs"* (2.8)

Social cooperatives and worker-owned enterprises normally abide by the above principles as well.

Thus, by the very character of their enterprises, worker-members have built-in rights of information, consultation and participation, which are substantially wider than those foreseen in the Directive 14/2002/CE.

1.4. Definition of workers, inclusion of all workers, voluntary and open membership

The definition of workers, in these common conclusions is the same as the one included in Directive 14/2002/CE. ~~The status of worker member is already covered by the rights of worker involvement as per this Directive.~~

~~Besides, according to the SCE Directive, all workers in an SCE should be included in the provisions of workers' involvement (information, consultation and participation).~~

ETUC and CECOP will maintain bilateral consultations on cases in which the inbuilt rights of information, consultation and participation of worker-members appear not to be properly exerted by the worker-members because of shortcomings concerning cooperative governance, taking particular measures against false cooperatives, within which those powers are being illegally denied. Furthermore, ETUC and CECOP will deepen existing good practices in worker cooperatives, social cooperatives and worker-owned enterprises, and will disseminate them.

According to the first cooperative principle (*"Voluntary and open membership – Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination"* ILO Recommendation 193), all the workers have the right to become members.

2. Workers-members, and constitution of the special group of negotiation foreseen in the SCE directive

2.1 SCE established by merger or transformation

A SCE can be established by merger or transformation of worker cooperatives, social cooperatives and/or employee-owned enterprises.

In both cases, the special group of negotiation shall be established in accordance with art 3.2. of Directive 2003/72 CE: the delegates of the workers shall be elected in proportion to the number of workers in the national-level legal entities which are at the origin of the SCE. The workers will be enabled to negotiate their own mechanisms of workers' involvement.

2.2. SCE established ex novo

SCE established ex novo by legal-person members characterised by worker ownership (worker cooperatives, social cooperatives and/or worker-owned enterprises), or by physical worker-members or both shall establish a special group of negotiation as soon as the SCE itself employs at least 5 workers.

3 Specific standards of workers' involvement (information, consultation and participation)

All the provisions foreseen in the Directive shall apply. Furthermore, the present common conclusions establish the following higher standards of information, consultation and participation, as follows:

3.1 Information and consultation

- ETUC notes that, in compliance with the cooperative definition, values and principles recognised world wide and in their totality in ILO Recommendation 193 on the Promotion of Cooperatives, all worker-members, as co-owners and co-managers of the enterprise, shall enjoy the information and consultation levels enabling them to properly exercise such role.
- As much as possible, all workers in probationary period shall enjoy the same level of information and consultation as the worker-members.
- All other workers shall enjoy the information and consultation levels stipulated in the Directive and in the corresponding provisions in national legislation, even if the enterprise workforce is below the threshold foreseen by the latter

3.2 Participation

- ETUC notes that, in compliance with the cooperative definition, values and principles recognised world wide and in their totality in ILO Recommendation 193 on the Promotion of Cooperatives, all worker-members have full participation rights in decision-making and in being elected in general assemblies and boards.
- Provisions in pertaining national legislations shall be abided by. Moreover, subject to agreement by the board of directors of the cooperative, and preserving the principles included in Directive 2003/72 CE and the protection of already acquired rights, representatives of non member workers can have access to the general assemblies.