Opinion of the European Economic and Social Committee on green collective bargaining: good practices and future prospects

(exploratory opinion)

(2023/C 293/05)

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Outcome of vote	
(for/against/abstentions)	196/2/11

1. Conclusions and recommendations

1.1. The European Economic and Social Committee (EESC) asserts that businesses and workers must have proper channels for participating in efforts to support environmental protection and combat climate change. While respecting the role of national industrial relations systems and the autonomy of the social partners, the EESC considers that issues related to the green transition could be a stronger focus of collective bargaining at the appropriate levels. It believes that promoting green collective bargaining at all levels is an appropriate way of achieving this.

1.2. The EESC considers that the discussion of green issues within collective bargaining is about negotiable clauses between the social partners within collective agreements that have a direct and indirect effect on the environment. Such clauses can cover, but are not limited to:

- (a) the impact of companies' activity on the environment;
- (b) the protection of workers from the effects of the environment and climate change;
- (c) the impact of the green transformation on a company's activity as regards work organisation, changing occupational profiles and the skills of employees;
- (d) internal monitoring of the implementation of points (a), (b), and (c).

The EESC wants to highlight collective bargaining as a key tool that can help companies and workers face the challenges of the climate crisis, including the derived costs for companies.

1.3. The EESC stresses that all the issues discussed in this opinion are approached from the point of view of recognising and fully respecting the autonomy of the will of the social partners, which is independent and sovereign. It therefore states that under no circumstances should this opinion be understood to mean that negotiators of collective agreements must be subject to any imposed obligation or external constraint in their role of contractual self-regulation.

1.4. The EESC believes that civil society, which is not directly concerned by collective bargaining, (i.e. as regards the negotiating of collective agreements, which is undertaken by the social partners) can help to find democratic solutions to the challenges and problems arising from the green transition, but can also contribute to it by being involved in designing and implementing fair measures to ensure that green transitions are socially just.

1.5. The EESC has already highlighted the significant impact which the green transition is having on workers' jobs and working and living conditions in its opinion on energy transition and labour market policies (¹). Therefore, its impact on employment and on territorial and social cohesion, the creation of jobs, transitions between different sectors of activity and the training and reskilling of workers, the particular vulnerability of older workers, health and safety at work, mobility in cities to access workplaces, and energy efficiency in productive activity and in the performance of work are issues that can be addressed in collective bargaining, always playing due attention to gender.

1.6. The EESC has seen growing scientific evidence ⁽²⁾ of the great potential and numerous benefits of green collective bargaining in promoting environmental sustainability, decarbonising the economy, boosting the circular economy and combating climate change, given the substantial contribution that factors specifically relating to its qualities make to achieving these objectives, such as the mobility of employees, ways of organising work, training staff to facilitate green transition processes, ensuring safe and healthy environments. gender issues, etc. This is reflected in the European Social Partners' Statement of 30 May 2017 on tapping the potential from greening the economy for jobs creation, and in their Joint Recommendation of 7 October 2021 on the circular economy in the framework of social dialogue (³).

1.7. The EESC welcomes the Recommendation on ensuring a just transition towards climate neutrality, adopted by the Council (EPSCO) last June (⁴), which recognises the importance of actively involving the social partners, while respecting their autonomy, in all stages of the design and implementation of various public policies, including through social dialogue and collective bargaining.

1.8. The green transition, decarbonisation and the circular economy, along with digitalisation, are all having an impact on the world of work in terms of changing the nature of jobs and tasks, and creating new occupations, while eliminating others. These transitions are interlinked and mutually reinforcing. However, the EESC has noted that, so far, the EU and the Member States still have limited — and very inconsistent — experience of green bargaining. In stark contrast to the digital transition, less attention has been paid to green issues as part of collective bargaining. The EESC therefore calls on the EU and the Member States and the social partners, with full respect for collective autonomy, to take more committed and effective measures to further the development of, and raise the importance of greening in collective bargaining at the various appropriate levels.

1.9. The EESC points out that collective bargaining is an instrument that is particularly well-suited to achieving balanced rules in order to move progressively and fairly towards an economy of greater well-being and productivity. It therefore calls for faster and more effective progress towards green collective bargaining in which the social partners, at the different levels of bargaining, have an ongoing, significant role in helping to achieve the balanced solutions that businesses need in order to be more sustainable, resilient and productive, as well as firmly rooted in decent work.

1.10. The EESC believes that businesses and workers must have appropriate channels for feeding into discussions around the green transition. Indeed, the speed and scale of the impact of greening, as well as digitalisation, on the transformation of labour markets requires the early and effective involvement of the social partners, in line with national industrial relation systems, in order to identify solutions that can be tailored to sectors at the local level. It therefore considers it useful and

^{(&}lt;sup>1</sup>) Opinion of the European Economic and Social Committee on 'Energy policy and the labour market: consequences for employment in regions undergoing energy transitions' (own-initiative opinion) (OJ C 146, 27.4.2023, p. 4). https://www.eesc.europa.eu/lt/ourwork/opinions-information-reports/opinions/energy-policy-and-labour-market-consequences-employment-regions-undergoingenergy-transitions

⁽²⁾ https://www.epsu.org/article/what-green-collective-bargaining

⁽³⁾ https://www.businesseurope.eu/sites/buseur/files/media/reports_and_studies/2021-09-24_final_report_sp_project_on_circular_

ecenomy_and_the_world_of_work.pdf

⁽⁴⁾ This Recommendation states, inter alia, that 'To advance the green transition in an inclusive and democratic way, integrating fair transition objectives from the outset into policy-making at all levels and ensuring an effective whole-of-society approach to fair transition policies, Member States are invited to: actively involve social partners at national, regional and local levels, while respecting their autonomy, in all stages of policy-making and implementation provided for under this Recommendation, including through social dialogue and collective bargaining where appropriate; in addition, promote further the full involvement of social partners in the design and implementation of transition pathways for industrial ecosystems under the Updated New Industrial Strategy'.

important to promote not only social dialogue, but also collective bargaining, as appropriate, at all levels of the EU and Member States, and even at global level, while fully respecting the autonomy of the social partners. The EU and the Member States must also promote the development of more effective information, consultation and collective expression rights for trade union and worker representatives regarding the environmental impact of business activity.

The EESC notes that successful green collective bargaining experiences have been recorded for a decade, at both 1.11. national and EU level. At European level, the European chemical industry's Responsible Care (⁵) negotiating practice should be singled out. With regard to national best practices, the EESC notes the usefulness of the contractual clauses found in agreements such as those in Italy, Spain and France, where in businesses and/or sectors of activity the role of delegated environmental workers is promoted, along with joint environmental management committees (also provided for in certification standards such as EMAS and ISO 14001), clauses on sustainable labour mobility, or recognition of trade unions' rights to issue environmental alerts, etc.

1.12. The EESC calls on the EU and the Member States to further support actions and initiatives that will incentivise employers and workers to adapt to the green transition, and to consider developing, among other measures, a concept of designated employees that act as environmental transition representatives or contact points for matters related to the environmental and ecological transition of the workplace. Within the workplace setting, managers and worker representatives could consider whether to designate people to the specific role (in addition to their core tasks) of helping with issues related to the adaptation of the company to the green transition. The EESC calls on the Member States to create the necessary incentives for businesses and/or sectors of activity to designate the aforementioned environmental transition representatives or contact points. Environmental training in the form of vocational training is also recommended.

As part of their joint work programme for 2022-2024 (%), the EU social partners will work on a Framework of 1.13. Actions on the Green Transition. With regard to the Member States, they should create the right framework to facilitate implementation and to promote, with full respect for collective autonomy, cross-industry agreements in order to facilitate the establishment of appropriate and equitable recommendations, guidelines and standards to make green collective bargaining a key tool for ensuring balanced production models that protect the environment. Given the scale and complexity of the challenge, the EESC is convinced of the need to involve all levels of collective bargaining - sectors and businesses, EU and state, and even international — in achieving a green productive economy.

The EESC considers that air quality is an important aspect of health and safety and recognises that the WHO has 1.14. set new values and global guidelines. The EESC proposes that these should be taken into account as part of green collective bargaining. Taking into account the EMAS and the Directive on corporate social sustainability reporting, it is important to promote the participation of employees and training programmes for environmental management.

The EESC calls on the Member States to fully transpose Directive (EU) 2019/1937 of the European Parliament and 1.15. of the Council (7) on the protection of persons who report possible breaches of EU law, including in the area of environmental law.

2. Background, purpose and gist of the opinion

The EESC supports the EU's aim of leading the green transition by speeding up the deployment of the policies, 2.1. resources — including financial resources — and technologies needed to achieve speedy decarbonisation of the production system. A just transition must be guaranteed, as suggested in the EESC opinion on Energy policy and the labour market (8). Social dialogue and collective bargaining, with full respect for the autonomy of the social partners and the characteristics of national industrial relations systems, are essential to this end.

^{(&}lt;sup>5</sup>) With the purpose of continuously improving the performance of the activities of the chemical industry on safety, health protection and the environment, in accordance with the principles of sustainable development and beyond compliance with current legislation and the provisions of this Agreement, the signatory parties undertake to promote and collaborate on the adherence of companies to the international programme of the chemical industry 'Responsible Care' and the achievement of the objectives sought with this voluntary, public and active initiative of chemical companies. https://www.feique.org/programa-responsible-care/ https://www.businesseurope.eu/publications/european-social-dialogue-work-programme-2022-2024

Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who (7) report breaches of Union law (OJ L 305, 26.11.2019, p. 17). Opinion of the European Economic and Social Committee on 'Energy policy and the labour market: consequences for employment

⁽⁸⁾ in regions undergoing energy transitions' (own-initiative opinion) (OJ C 146, 27.4.2023, p. 4).

2.2. The EESC is aware that the ecological transition and decarbonising the economy in the European Union will impact jobs and people's living conditions, especially when it comes to the most vulnerable people. It is imperative that the transition takes place in a fair way, to mitigate its impact on businesses, workers and the general public. This should also be an opportunity for improvements for the most vulnerable people.

2.3. The EESC stresses that the ILO Guidelines for a just transition towards environmentally sustainable economies and societies for all (2015) (⁹) underline the role of governments and the social partners in creating policy coherence and institutional arrangements for sustainable development for all and reflect the need to facilitate the incorporation of environmental provisions into collective bargaining at all levels. It also underlines the benefits of specific training commitments in this field for managers and employees.

2.4. In its EMAS guidelines on voluntary environmental management systems, the European Commission recognises the importance of effective channels for involving workers and their representatives in green management of companies. In this regard, the most appropriate way forward for this labour involvement in environmental management is through the involvement of the social partners and, as appropriate, collective bargaining, in line with national industrial relations systems and practices. Principle 8 of the European Pillar of Social Rights highlights the need to promote social dialogue and the involvement of workers in social, economic and employment policies, and encourages the social partners to negotiate collective agreements. Additionally, the Council Recommendation of 16 June 2022 on ensuring a just transition towards climate neutrality stresses the important role of the social partners in managing the employment effects of this transition (recital 18).

2.5. Taking as a basis the need for recognition and full respect for the autonomy of the social partners, EESC notes the statement by the Spanish government, which is taking over the EU presidency and has asked for this exploratory opinion, with a view to promoting a regulatory framework and an incentives policy that favour green collective bargaining. This opinion sets out the EESC's response to and proposals regarding the request from the Spanish Presidency.

3. European context and scientific data input on the role of collective bargaining in the green transition

3.1. The EESC has seen growing scientific evidence of the great potential and numerous benefits of green collective bargaining in promoting environmental sustainability, decarbonising the economy, boosting the circular economy and combating climate change, given the substantial contribution that the various facets of this bargaining make to achieving these objectives, such as the mobility of employees, ways of organising work, training staff to facilitate green transition processes, ensuring safe and healthy environments, gender issues, etc. This is reflected in the European Social Partners' Statement of 30 May 2017 (¹⁰) on tapping the potential from greening the economy for job creation, and in their joint project and recommendations of 7 October 2021 (¹¹) on the circular economy.

3.2. The EESC considers that green collective bargaining at all levels is an essential part of the principle of democratic citizen participation, in this case expressed through the specific labour market role played by the social partners, which is key to tackling the climate emergency and the green transition of the economy and society effectively and in a socially fair way.

3.3. Renewable energy policies in the European Union require balances to be sought between economic, environmental and social objectives. As a result, these green transition processes in the EU require new tools to ensure appropriate coherence between them and to promote the integration of individuals and the active population into work. Green collective bargaining is a good tool for striking these balances.

3.4. In a context of accelerating climate change, it is essential to identify which sectors of economic activity and employment are, or will be most affected by the climate crisis and its direct effects, in terms of both economic, working, health and social protection conditions and expectations, including business and labour mobility, in order to establish appropriate measures to mitigate its consequences.

^(°) https://www.ilo.org/wcmsp5/groups/public/@ed_emp/@emp_ent/documents/publication/wcms_432859.pdf

⁽¹⁰⁾ https://www.etuc.org/sites/default/files/document/files/2017-05-29_kick_off_draft_declaration_eu_social_partners_on_green_jobs_final.pdf

^{(&}lt;sup>11</sup>) https://www.businesseurope.eu/sites/buseur/files/media/reports_and_studies/2021-09-24_final_report_sp_project_on_circular_ecenomy_and_the_world_of_work.pdf

3.5. The EU is leading on innovative clean energy production processes to reverse environmental and social imbalances, with economic transformations that bring new decent employment opportunities, such as renewable energy. The EESC calls for more research in this area, as well as for financial support to help the companies involved invest.

3.6. The EESC notes with satisfaction that more and more companies are adopting a corporate social responsibility (CSR) system that includes effective commitments to sustainable environmental management. The EESC takes note of the studies that show how CSR programmes participated in through agreements or conventions offer greater guarantees of seriousness and effectiveness.

3.7. The main way to structure the participation of workers in the just transition processes is through the inclusion of such clauses in the collective agreements of the different levels and characteristics of the different labour relations systems. Collective agreements can play an important role in fostering cooperation between employers and workers in shaping a joint response to the green transition.

3.8. Social responsibility clauses are currently being included in collective bargaining agreements. In this way, collective bargaining becomes a complement to the green public procurement included in social responsibility. As an example, the chemical sector is a pioneer in this matter. Implementation of the European Green Deal requires a new, specific, homogeneous labelling framework that provides economic and ecological information relevant to public and private decision-making. This European eco-labelling strategy would improve sustainable public procurement and has the potential to support circularity and information flow; however, important conditions must be met such as cost-efficiency, confidentiality and proportionality.

3.9. Air quality is an important aspect of health and safety in indoor and outdoor work areas; it therefore affects working conditions and should also be taken into account as part of collective bargaining. Recently, the WHO set new values and global guidelines for air quality and its effects on human health, including the occupational health of people working in outdoor environments. This may result in the need to amend the rules currently in force in the EU. As well as collective bargaining on working environments and environmental service provision conditions, these changes will also affect the cost of investing.

3.10. The EU has regulatory frameworks that favour integrating environmental management into companies. For these to be truly effective, employees and their representatives must be actively involved. This is the case with the voluntary eco-management schemes (EMAS (12)) and Directive 2014/95/EU of the European Parliament and of the Council (13) (the Corporate Sustainability Reporting Directive). Here, the emphasis is on promoting the participation of employees and training programmes for environmental management.

3.11. The EESC notes the increasing number of European studies which highlight the virtues of green collective bargaining as a tool for promoting sustainable production processes through agreements that include green self-regulatory clauses. Collective bargaining, in line with the features of national industrial relations systems and respecting the autonomy of the social partners, can help to facilitate consensus-building on specific measures to be taken by companies to promote the just transition.

4. General comments

4.1. The EESC notes that studies on collective bargaining in EU countries conclude that inclusion of environmental issues in collective agreements is poor. The EESC calls on the EU and the Member States to further support actions and initiatives that will incentivise employers and workers to adapt to the green transition, taking into account practices of workplace information and consultation.

4.2. A well-managed transition to a zero-emission economy is not only vital in order to respond to the climate emergency, it can stimulate a sustainable and inclusive economic recovery. However, long-term measures are needed, requiring strong, sustainable financing mechanisms and participatory and stable governance.

^{(&}lt;sup>12</sup>) Commission Regulation (EU) 2018/2026 of 19 December 2018 amending Annex IV to Regulation (EC) No 1221/2009 of the European Parliament and of the Council on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS) (OJ L 325, 20.12.2018, p. 18).

^{(&}lt;sup>13</sup>) Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups (OJ L 330, 15.11.2014, p. 1).

4.3. In this participatory governance model, collective bargaining is a tool for adapting the world of work to the new challenge of a fully sustainable production model. This is because of its ability to respond immediately, its closeness to sectoral realities and its potential to provide tailored solutions, including the protection of jobs and businesses.

4.4. The EESC recommends that the Commission and the Member States explore with sectoral social partners the potential added value of carrying out studies on the impact of the climate emergency and green transitions on the employment sector across different production sectors, to identify and propose measures to respond effectively to the needs of economic environments and help the various collective bargaining units to manage the just transition in their collective agreements.

4.5. The EESC encourages the social partners to include green transition processes in collective agreements, in line with their cross-industry and sectoral priorities, as appropriate. A European example is the inclusion of the global Responsible Care programme in European chemical sector collective agreements.

5. Specific comments

5.1. The EESC considers that the discussion of green issues within collective bargaining is about negotiable clauses between the social partners within collective agreements that have a direct and indirect effect on the environment. Collective agreements can cover, but are not limited to:

- (a) the impact of companies' activity on the environment;
- (b) the protection of workers from the effects of the environment and climate change;
- (c) the impact of the green transformation on a company's activity as regards work organisation, changing occupational profiles and the skills of employees;
- (d) internal monitoring of implementation of points (a), (b), and (c).

The EESC wants to highlight collective bargaining as a key tool that can help companies and workers face the challenges of the climate crisis, including the derived costs for companies.

5.2. The EESC considers it necessary for the European Commission, within the framework of Articles 154, 155 and 156 of the Treaty on the Functioning of the European Union (TFEU), to encourage the Member States to promote the inclusion of companies' environmental management in social dialogue and collective bargaining. Collective bargaining is a good vehicle for facilitating the adaptation of organisations and employment, as well as working conditions, to the effects of climate change, and it makes it possible to assess and present companies' investment costs in order to maintain them and adapt them to the requirements of fair competitiveness.

5.3. While respecting the autonomy of the social partners and the diversity of the Member States' collective bargaining systems, the EESC considers it appropriate for national legal frameworks and cross-industry agreements to provide a suitable framework for taking into account the aim of achieving a socially just green transition, making productive change (including cost assessment, both business and social, as well as fair cost allocation) compatible with quality and security in as many jobs as possible. Taking into account the various industrial relations systems, consideration could be given to:

- (a) promoting labour representatives' rights to be informed and consulted with regard to the company's behaviour in adapting to climate change, in accordance with national rules and practices;
- (b) promoting training of workers in this area;
- (c) including clauses to encourage employee participation in environmental matters and in committees with responsibility for the environment, where these exist for companies in each sector that have acquired environmental certification in accordance with ISO 14001 or EMAS standards;
- (d) promoting the establishment of specific joint environmental bodies, where possible, or the health and safety committee being given responsibility for the environment and the just transition.

5.4. The EESC calls on the EU and the Member States to further support actions and initiatives that will incentivise employers and workers to adapt to the green transition and to consider developing, among other measures, a concept of designated employees that act as environmental transition representatives or contact points for matters related to the environmental and ecological transition of the workplace. Within the workplace setting, managers and worker representatives could consider whether to designate people to a specific role (in addition to their core tasks) in helping with issues related to the adaptation of the company to the green transition. The EESC calls on the Member States to create the necessary incentives for businesses and/or sectors of activity to designate the aforementioned environmental transition representatives or contact points. Environmental training in the form of vocational training is also recommended.

5.5. The EESC calls on the Member States to create an appropriate framework and conditions to promote mobility clauses in collective agreements to include schemes for labour mobility that is sustainable, healthy and safe throughout the working environment, in order to reduce the use of private vehicles and thus emissions. The Member States should put in place effective and efficient systems for setting them up.

5.6. The EESC calls on the Member States to fully transpose Directive (EU) 2019/1937 on the protection of persons who report possible breaches of EU law, including in the area of environmental law. These rights would be an important contribution to monitoring compliance with European recovery policies based on an ecologically sustainable and socially just economic transition.

5.7. The EESC calls on the social partners to consider and facilitate the establishment of appropriate relationships and equitable recommendations, guidelines and policies to make green collective bargaining one of the best, quality tools to ensure and promote a balanced production model that combines competitive capacity with protection of the whole local and global environment.

Brussels, 14 June 2023.

The President of the European Economic and Social Committee Oliver RÖPKE