







# Grant Agreement VS/2019/0057 "Information and consultation – New challenges" TRANSNATIONAL CONFERENCE ATHENS Friday 10 January 2020

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### CASE STUDIES FROM BULGARIA

Regarding the new challenges in Information and Consultation in Bulgaria

The process of information and consultation in Bulgarian enterprises is developing too slowly, especially in enterprises without presence of trade unions. No more than 8-10% of all companies with 50 and more employees are covered by these systems. They are more developed in multinational companies, but no more than 1/3 of the existing divisions of companies with representative bodies at company level are elected Bulgarian representatives.









The Labour Code in Bulgaria does not provide a strict procedure to ensure the implementation of the Directive in the enterprises employing less than 50 employees. In such enterprises, its introduction is not provided at all. The Directive does not apply also to civil servants working in the public service.









# We have 2 different case studies in Bulgaria:

- 1. Branch Collective labour bargaining in the following companies:
- 1. Nuclear energy, treatment of radioactive waste;
- 2. Power generation;
- 3. NEK EAD. Hydroelectric Power Plants;
- 4. Electricity System Operator;
- 5. Electrical distribution and sale of electricity;
- 6. Production and distribution of heat;
- 7. Electrical construction;
- 8. Repair and modernization, efficient use of energy resources.









This Collective labour bargaining was signed in September 2018. More than 130,000 workers work in the industries that signed the contract. These are economic activities that are fundamental to the Bulgarian economy.

Section IV. from Collective labour bargaining: employment, information and consultation refers to the process of information and consultation in branch companies.

Its requirements are referred to all employers who are included in the scope of Collective Bargaining.

This is a great success for the Bulgarian trade unions in some of the most difficult economic spheres in the country.









# 2. SOFIYSKA VODA JSC, part of Veolia, France

Sofiyska Voda JSC was established in October 2000 under a 25-year Concession Contract. Through it, Sofia Municipality gave the company the exploitation and maintenance of the water supply and sewerage system in Sofia. The share capital is distributed between the Municipality of Sofia (22.9%) and the French company Veolia total 77.1% of the shares).

The company employs about 2,240 employees.









In 2007 the Workers' Council has been created. Podkrepa CL is the main trade union in the enterprise. It is determined after the meetings of the primary trade unions organization. Following extensive negotiations, the trade unions signed the most recent collective agreement with the company on 2018.









It could be said that relations between the trade unions and the company are good. The head of personnel holds monthly meetings with local employees and professional trade unionists to address operative problems. Higher level meetings are also held between the General Management of the company and the heads of the trade unions in case of issues relating to policy and the interpretation of the collective agreement. Moreover, meetings at the highest level are held every two to three months. The representatives of the trade unions hold meetings with the chairman of the Board of Directors of Sofiyska Voda JSC to resolve issues and problems that cannot be resolved in the other meetings.









The issues that are included in the negotiations are:

- distribution of bonuses and better and safer workplace conditions;
- the social policy of the company.

As a result of periodic consultations, the company management adopts a policy document and a commitment of the management on the quality of service, safety and health at work and environmental protection.









For the purpose of the negotiations, workers' representatives requested the following information:

- 1. The company's financial results for 2018.
- 2. Are there internal rules for the distribution of annual bonuses?
- 3. Report on working conditions in the company

The management of the company in Bulgaria declined to provide information about the financial bonuses and working conditions in Romania. There VEOLIA owns a similar company as Sofiyska Voda JSC. This refusal to provide information about another company from the Holding is normal.









The confidentiality of information about other companies is accepted normally. But workers are seeking "equal pay for equal work".

In this case, the Workers' Council submitted a new request for information, which only concerns the company in Bulgaria. The management of Sofiyska Voda JSC accepted this request.

The company's management provided information on the Company's Financial Results for 2018, the Internal Rules for the Distribution of Annual Bonuses, and the Company's Working Conditions Report. After the requested information was provided, two general meetings were held. The main points of the information provided were discussed.









In case of failures without real motivation, we refer to experts from the Executive Agency "Main Labour Inspectorate", Bulgaria.

No external assistance was used in the negotiation process. The main consultations are provided by the CL Podkrepa experts.

The negotiations were successful. The local community expected the results of the negotiations with the company's management. At the same time, the local community was also informed as precisely as possible through press conferences and interviews in the mass media.









### **Our recommendations:**

In Bulgaria, the issues concerning information and consultation in multinational companies are mainly discussed in the Law on information and consultation of employees in multinational enterprises, groups of enterprises and European companies. Information and consultation are carried out through the European Workers Councils or an Information and Consultation Procedure.

The consultation is a part from the decision-making process. Access to information does not stop to workers' representatives, but there shall be in place an effective dialogue and equal access to information to all workers, so that they can critically assess the situation. The consultation can take place as part of such a process.









## THANK YOU FOR YOUR ATTENTION!

TODOR KACHKOV

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