

EPSU European Works Councils (EWCs) and Company Policy Network

15 Oct 2025, Brussels



Updates from participants



28th Legal Regime



EWC Directive



revision of the EWC Directive



1. **Enforcing European Works Councils' rights** through deterrent sanctions and a genuine right to consultation before a final decision is made
2. **Ensuring access to justice** for members of both Special Negotiating Bodies [SNBs] and European Works Councils [EWCs]
3. **Recognising the role of trade union experts** to assist EWCs
4. **Improving the coordination between local, national and European levels** of information and consultation
5. **Extending the scope of the Directive** by including companies run under contract management, franchise systems or as joint ventures
6. **Ending double standards** by removing the 1994 exemption clause and bringing all agreements under the scope of the EWC Directive.
7. **Clarifying the rules for EWC negotiations**
8. **Consolidating the definition of a “transnational matter”** to secure that workers are informed and consulted by the appropriate level of management about planned decisions devised in a Member State other than that in which they are employed
9. **Preventing abuse of confidentiality clauses** to withhold information from EWC members and/or prevent them from sharing with fellow employee representatives
10. **Strengthening the subsidiary requirements** to improve the practical functioning of the EWC

what did we get?



1. enforcement of rights

- consultation must allow EWC to express opinion prior to the adoption of a decision
 - within a 'reasonable' time, taking into account urgency of the matter
 - right to a reasoned written response prior to the adoption of the decision, provided opinion was expressed within 'reasonable' time
 - Member States must ensure penalties that are effective, dissuasive and proportionate
 - financial penalties shall take into consideration gravity, duration, consequences and intentional nature of the offence as well as the annual turn-over of the undertaking or group to be dissuasive
- ↓ injunction not mentioned, but Member States can provide 'other types of sanctions' than financial penalties



2. access to justice

- agreement must determine financial resources for use of experts including legal experts (notified in advance and not frivolous or vexatious)
- Member States must ensure effective access to judicial proceedings for SNBs and EWCs and avoid any restriction for such access for reasons of lack of financial resources
- 'reasonable' costs of legal representation and participation in proceedings borne by management
- prior alternative dispute resolution shall not prejudice or limit the right to bring legal proceedings



what did we get?



3. recognition trade union experts for the EWC

- agreement must determine financial resources for use of experts including representatives of ETUF



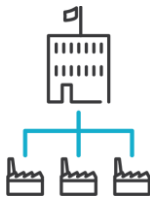
4. coordination EWC-local

- EWC members shall have the right and means to inform local representatives or all staff before and after every meeting



5. definition controlling undertaking

- *preamble*: franchising or license agreements can fulfil the definition of controlled undertaking if dominant influence is established
- ↓ franchising not explicitly mentioned in the text of the Directive



what did we get?



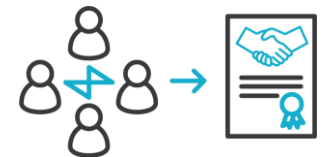
6. all EWCs under the same law, no more exceptions

- if one or several new requirements not already included in 'article 6' agreements, negotiations can be initiated, which can be limited to address those aspects
- either with SNB (according to adaptation clause) or according to procedures foreseen in the agreement
- after 2 years subsidiary requirements will apply
- applicable minimum requirements of the Directive will in any case apply
- *preamble*: 'article 13' agreements operate outside the scope of Union law, but can continue under applicable national rules
- negotiations can be initiated to replace 'article 13' agreements, which can take maximum two years
- during negotiations existing agreements remain in force



7. clear rules for the SNB

- 1st meeting within 6 months following the request
- sufficient number of meetings must be organised
- expenses include 'reasonable' costs for legal experts, management to be notified in advance



what did we get?



8. comprehensive definition transnational matters

- must take into account possible effects on workforce and level of management involved
 - if 'reasonably' expected to affect workers in more than one Member State
 - if 'reasonably' expected to affect workers in one Member State and at least one other Member State by the consequences of those measures
- ↓ no obligation for management to justify why a matter is not transnational



9. no abuse of confidentiality

- management must provide the reasons justifying the provision in confidence and determine the duration
 - obligation continues to apply until reasons have become obsolete
 - management must provide the reasons justifying non-transmission of information
 - duration of appeal procedures must be compatible with effective exercise of I&C rights
- ↓ no provision that confidential information can be shared with local works councils and/or trade unions



what did we get?



10. stronger subsidiary requirements

- right to meet in person with management at least twice a year
- if agreed digital means can be used in exceptional cases
- consultation includes skills and training policies, anticipation of change and management of restructuring processes including green and digital transitions and working conditions
- experts may include representatives of ETUFs, who will – at the request of the EWC – have a right to be present at all meetings in an advisory capacity if management is informed in advance
- operating expenses include legal experts, to be notified in advance
- no more limitation to limit funding to one expert only
- ↓ no consultation on health & safety or data protection



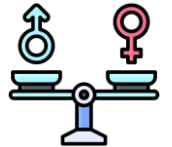
not asked, but got it anyway



- definition information and consultation split in two articles



- in SNB strive to achieve gender balanced representation: 40% men/women
- if objective not reached SNB must explain reasons in writing to the workers
- agreement must include arrangements and make all reasonable efforts to attain gender balance, whereby EWC and SC include at least 40% men/women
- if objective is not reached EWC must explain reasons in writing to the workers



- agreement must determine 'format' of meetings



- *preamble*: persons with disabilities must be able to exercise their rights, all costs borne by management



- agreement must specify financial resources, including provision of relevant training
- 'reasonable' costs of training to be borne by management, if informed in advance



- protection of SNB and EWC members includes retaliatory measures and dismissal



- Member States must inform EC of all measures to comply with the Directive, in particular of how and under which circumstances EWCs and SNBs can bring judicial proceedings



what's next?

approval by plenary European Parliament

9 October 2025

approval by the Employment Council of the European Union

Late 2025

publication in the Official Journal

Late 2025 early 2026

transposition into national law

2025-2027

final entry into force

2028



conclusion

- **new conditions will not enter into force until 2028**
 - **what to do in (re)negotiations?**
 - use improvements as a benchmark (2 meetings in person, legal and trade union experts, opinion prior to decision, right to a reasoned response, extended list of topics for consultation...)
 - ensure completeness (format of the meetings, gender balance)
 - **at this stage no need for renegotiations**
 - but... conversion 'article 13' where the opportunity arises
- do not wait for a better legislation, work on stronger EWCs today!**



Impact of US anti-DEI on company policy



Context

- The Trump administration issued executive orders dismantling federal DEI programs and restricting “preferencing” in hiring.
- Companies with U.S. government contracts or U.S. parent corporations may be required to certify that subsidiaries do not have DEI programs viewed as unlawful in the U.S.
- **Extraterritorial pressure on EU companies**
 - The Trump administration sent letters to European companies asking them to prove that they comply with an executive order banning DEI schemes.
 - U.S. embassies have in some cases asked European firms to commit to ending DEI operations to maintain eligibility for U.S. contracts.

Impact on EU Company Policy

- Legal conflict: U.S. rules may clash with EU or member-state non-discrimination or equality law.
- Scaling back or scrapping formal DEI programs (or renaming them) to comply with U.S. expectations.
- Centralizing decision-making so that the U.S. parent enforces uniform constraints across group entities.
- Segmentation of operations (structurally isolating European subsidiaries) to shield them from U.S. mandates.
- Some firms adopt divergent internal vs. external messaging—publicly watering down DEI language while privately maintaining inclusive practices—creating risks of inconsistencies and legal exposure.

Example: Veolia DEI agreement

- Fully paid leave for victims of workplace and domestic violence.
- The right to refuse relocation to a country where LGBTQ+ rights are restricted.
- A zero-tolerance policy on discrimination.
- A dedicated budget to address gender pay gaps.
- Measures to improve workplace accessibility and career support for disabled workers.
- Recruitment initiatives to promote diversity, including for Roma workers.
- An oversight committee to ensure commitments are upheld and enforced.

Trade Union responses

- The ETUC met with the US Mission in Belgium to highlight:
 - That the request from the US is unlawful and in violation of the EU Treaties' commitments to equality.
 - Could endanger collective bargaining agreements which ensure appointments are made on merit and not unfair discrimination.
- The ETUC is also carrying out research to gather specific examples of where US anti-DEI policies have had an impact on companies.