Introduction

The International Framework Agreements (IFAs) or Global Framework Agreements are those negotiated between Multinational Companies (MNCs) and Global Union Federations (GUFs) with the purpose of ensuring international labour standards in all countries and locations where MNCs operate. These are proposals by unions in order to improve the social and labour performance of multinational companies as well as the social and work conditions in the context of globalization. The IFAs are therefore tools for social dialogue with a global reach.

In recent years much has been written on the potential and the implications of IFAs. Their development has fostered extensive academic interest. There have been numerous studies devoted to the analysis of their contents and the various actors' expectations. The high level of interest reflects their potential. They could potentially fill an important gap in the ongoing process of globalization: multinationals operate globally whereas labour standards are predominantly national in scope.

Through the IFAs, the objective is to improve multinationals' labour and social behaviour throughout their geographically dispersed production centres. Initially, IFAs focused on securing commitments concerning fundamental principles and rights at work: freedom of association and collective bargaining, as well as the terms and conditions of employment.

This study, however, focuses on other aspects of the agreements: the clauses related to the environment and occupational health and safety (OHS). Both issues share a number of characteristics. Nevertheless, they are also quite distinct in certain regards, they are generally treated in an integrated manner by trade unions and for years have been merged into one important area of trade union action called “occupational health and safety and environment” (OHSE).

Historically, trade unions have addressed these issues together. The participation of workers in environmental policies in the workplace developed through committees and departments who were in charge of occupational health for different reasons. Firstly, these were spaces for innovative trade union action transcending traditional demands – wages and basic working conditions. Secondly, from a workplace perspective, the environment can be perceived in two phases: the “internal environment” which consists in the workplace; and the “external” environment which relates to the context and means through which a company carries out its

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With the financial support of the European Commission
activities. The technical expertise that is available through trade union departments, committees and occupational health representatives, enables workers to find the appropriate information and integrate the difficulties associated with environmental issues. Lastly, there is an evident link between health, environment and the need to establish integrated systems to foster improvements in both domains.

In most of the agreements that have been studied, as well as in the initiatives that were developed for their implementation, these themes have been simultaneously and jointly addressed. Since IFA proposals are generally initiated by trade unions, the inclusion of OHS and environmental issues has followed union organisational realities. Although in this study both areas will be analysed and presented separately, actors have often addressed them together.

On the other hand, despite the tradition in trade union circles of linking environmental issues to occupational health, a progressive trend towards their differentiation can be seen. Several reasons have been given to explain this. Among them, we find that environmental policies occupy an increasingly significant place, for example climate change and the effect of its mitigation policies on production. Workers are increasingly prepared to take part in the elaboration and monitoring of environmental policies. Indeed, it is progressively more recognised that environmental policies are essential in order to ensure decent and sustainable jobs in the long run. Strategic decisions relating to production are increasingly being shaped by considerations for the environmental impact and the consequences of the environmental policies that are put into practice in order to mitigate it. For this reason, the environment could hold a growing place in social dialogue and employer-worker negotiations and workers could be willing to participate and have a more active role in initiatives and fora where environmental issues are being addressed, in or outside of the framework of industrial relations.

If the trade union culture is one of linking OHS and environment, the employers’ tradition is quite different. The environmental policies and commitments of MNCs are normally developed by Environmental Departments that have little relation with the Human Resources Departments and Company representatives in charge of dealing with negotiations with workers. In other words, environment is placed outside of the reach of workers’ engagement, and it is generally addressed through environmental management departments and through other voluntary initiatives, such as codes of conduct, that imply limited worker and trade union participation.

In the last decades, social agents (environmentalists, consumers, local communities, amongst others) have called for the introduction of environmental responsibility in business practices. On numerous occasions, workers have taken part in such demands, in others they have not, due to the perception of potential risks to their jobs. On the whole, currently there is a strong demand from trade unions for multinationals to be more socially and environmentally sustainable.

Discussions in this study are centred on IFAs and on global social dialogue for occupational health and safety, and environment. However, there are also other initiatives by companies that deal with OHS and particularly environment and that may involve workers to a greater or lesser extent. These initiatives are not the direct object of study here, but it should be noted that they may have synergies.

For the inclusion of any of these issues in the IFAs, some conditions have to be given. Firstly the issue, here OHS and/or environment, needs to be considered an object of discussion through social dialogue. Each party must to recognise, more or less explicitly, the legitimacy of the other to address the given issue and there must be joint agreement on the adequacy of the instrument to tackle the issue, in this case the IFA. It would otherwise be unlikely for these issues to be included in the IFA.

In that sense, occupational health and safety has undoubtedly become a theme of social dialogue although marginal examples in the companies studied exist where it is not yet recognized as such. The defence of workers’ health has held a prominent position in the
negotiation agenda by Trade Union organizations; and as a consequence multinationals have increasingly recognised its importance.

Environmental issues, on the other hand, do not benefit from the same level of recognition. Although there are some concrete examples in countries, companies and sectors of the recognition of the environmental rights for workers, the issue is yet far from considered as a general area for social dialogue. However, there is growing demand at the local, national and sectoral level, for greater worker involvement. The study will highlight the main barriers for its development and areas of advancement.

Methodology and structure

This study includes an update of the framework agreements that have already been signed. It also offers insights into the general trends that surround IFAs, their scope and implementation. The study analyses the environmental and occupational health and safety clauses and mentions, the different approaches, their implementation as well as their weight in the industrial relation scheme and social dialogue debates, barriers, challenges and drivers.

The research was carried out in two phases:

- Analysis of 72 IFAs signed up to June 2009. The different texts, clauses and mentions relating to environmental issues and occupational health and safety were analysed with particular attention to content, scope, and implementation and monitoring provisions.

- Field research focused on 14 agreements. A study of ten agreements was conducted with interviews of management and worker representatives. In order to contextualize these agreements into the broader context, other MNC policies were also examined. Four additional agreements were selected as in-depth case studies with at least eight interviews conducted with both parties for each one. For the list and further details see table 1 page 9.

Framework agreement signature trends

Framework agreements are particularly interesting tools for two main reasons. Firstly they are negotiated codes: negotiation entails mutual recognition by both parties, a concerted decision to go beyond information and consultation, and a higher level of participation. Secondly, for the fact that the negotiating actors are on the one side the global union federations as representative of the workers and on the other side the MNC.

Framework agreements can thus be seen as transnational tools for social dialogue. Social dialogue refers to dialogue between social partners - the management of a company and the trade unions representing its workforce. Social dialogue at national level can take many forms, including collective bargaining. Most countries have, at the national level, a legal framework for social dialogue, even though such frameworks vary widely from one country to another.

While companies or industries are not legally obligated to recognize trade union organizations or engage in negotiations with them at the international level, limited international social dialogue is being carried out. ILO’s tripartite structure is an example of this as well as cases of individual enterprises. The International Framework Agreements are also one such tool for social dialogue.2

The type of industrial relations promoted by framework agreements is set against the more confrontational style of “campaigns”. The signature of an IFA means recognition of the parties

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and acceptance of the “rules of the game”, fundamentally establishing policies for the strategies and tactics used by the parties so that they are based on dialogue rather than force, although this does not mean that they do not sometimes lead to conflict.

Another feature of the agreements is that they establish frameworks of principle and are not detailed collective agreements. They are not intended to compete or conflict with collective bargaining agreements at the national level.

In the unions view they are intended to help create a space for workers to organise and bargain. When those involved in the agreements are asked about the nature of negotiation or dialogue, multinational companies often emphasise the fact that framework agreements maintain existing policies for dialogue. Unions see them as agreements of interest as they serve multiple functions: firstly they help opening channels of negotiation in new areas; secondly they promote the deepening of discussions on existing issues. And thirdly, they serve as a tool that facilitates workers’ organization.

More generally, IFAs imply an approach that is more “formative” than “affirmative”. Affirmative is understood as informing about already existing and agreed practices, and it has mainly a communicative role that relates to the companies’ reputation. Whereas by formative actions, the agreements seek to improve a certain reality, to set objectives to move forward; in other words they have a more dynamic dimension. Although, a few IFAs could be defined as having an “affirmative or declarative” approach, the majority of them outline a series of objectives with a commitment to go beyond the simple affirmation of existing practices.

Framework agreements vary greatly in terms of content, detail, complexity and methods. In fact, they do not share the same title and it seems that the way of referring to them has evolved over time. International Framework Agreements or Global Framework Agreements are the preferred titles.

In the period stretching from 1988 to 2009, 72 International Framework Agreements were signed by Global Union Federations and multinational corporations. It is interesting to note that most of these agreements were signed after 2000, prior to that only eight framework agreements had been signed. This means that the establishment of framework agreements was a slow process, but then the process sped up to an average of five to ten new agreements signed each year.

Since 2007, it would seem that the negotiation of agreements (not their signing, which really implies agreements that could have been negotiated in previous years) has slowed down slightly. This decrease is finally visible in the number of agreements signed in 2009, only 2 until June 2009. This could be because it has not been possible to complete some of those that were being negotiated, fundamentally due to disagreements between management and unions. Currently, the international federations, learning from the experience developed over the last twenty years, wish to improve the tool and make progress with agreements which have been strengthened in the areas of implementation, evaluation and monitoring, and conflict resolution. Additionally, the economic crisis most likely also has a part to play in the important decrease of agreements signed in 2009. During this period of recession other priorities may have arisen among partners, namely for multinationals management.

Figure 1 – Distribution of IFAs signed per year
57 of the 72 studied agreements were concluded with companies whose headquarters were in the European Union. Four were signed by Norwegian companies and one by a Swiss company. Among the ten remaining companies with IFA, two have their headquarters in Brazil, one in Russia, two in South Africa. Australia, Japan, New Zealand, Canada and the US each have one.

The European tradition of labour relations provides a favourable context for the acceptance of IFAs. The strength of union organisations in the company headquarters is fundamental for both the promotion of the tool and its broader acceptance. While there is a fundamental role to be played by local union organisations for strong implementation, the strength of the union organisations in the head offices is indispensable when it comes to the proposal and acceptance of IFAs by multinationals. Although not exclusively these types of relations tend to be more advanced in Europe.

Even if both parties contribute to its elaboration, a framework agreement generally stems from union demands. In other words, GUFs and trade unions from the MNC headquarters are the ones that convince companies to engage in these types of initiatives.

Out of the ten Global Union Federations, eight\(^3\) have signed or co-signed the 72 IFAs. The leaders in this respect are the Union Network International (UNI) (21), followed by the International Metalworkers’ Federation (IMF) (18), the Building and Woodworkers’ International (BWI) (15) and the International Federation of Chemical, Energy, Mine and General Workers’ Unions (ICEM) (14). Close to 90% of the agreements are signed or co-signed by these four GUF. It should be noted that four agreements were signed by more that one GUF\(^4\).

Other parties are sometimes involved in the signature of an IFA. On the ‘worker side’, Global Unions are always one of the signatories, with possibly other organisations as co-signatories. Those who most often appear as co-signatories are regional organisations (European Industrial Federations), national or enterprise-based workers’ organisations: European Works Councils and World Works Councils. Of the 14 companies that were studied, Peugeot and EDF are particularly interesting cases: representatives of national unions from all countries where the company operates were invited to take part in the drafting up of the agreement. Through such an approach, local social dialogue is encouraged hence improving the chances for the effective implementation of the IFA’s, and possibly stimulating decentralized negotiations.

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\(^3\) BWI Building and Woodworkers International. ICEM International Federation of Chemical, Energy, Mine & General Workers’ Union. IFJ. International Federation of Journalists. IMF. International Metalworkers’ Federation. ITGLWF. International Textile, Garment and Leather Workers Federation. IUF. International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Associations. PSI. Public Service International. UNI. Global Union for skills and services.

\(^4\) Brunel, EDF, Lafarge, Umicore
Content & Scope: OHS and Environmental clauses

IFAs typically contain clauses that focus on broad categories of standards: fundamental principles and rights at work (trade union rights, equal opportunities, abolition of forced labour, elimination of child labour) and minimum terms and conditions of employment (working hours, wages, as well as other work-related issues such as training, subcontracting and restructuring).

Occupational health and safety and environment are also two important references. Out of the 72 IFAs, 58 contain mentions to Occupational Health and Safety and 49 contain specific OHS clauses. With regards to the environmental question, 33 agreements mention environmental protection and 22 have included specific environment-related clauses.

The following figure highlights the different themes addressed in the 14 IFA that have been analysed.

**Figure 2** – Provisions included in the 14 IFAs samples

IFAs tend to reflect the principles and issues addressed in the collective agreements, but compared to national industrial relations, IFAs are more general and offer a great deal of flexibility in terms of content. For some aspects such as wages, it is evidently far more complex to go into the specificities, as is the case in collective agreements. For other issues however, such as OHS and the environment it appears easier to go into more detail. An example could be the harmonisation of standards so that workers in one country are not exposed to substances that are banned in another. Nonetheless major differences have been highlighted between the different framework agreements.

In any event, while IFAs are not very concrete when compared to national collective agreements, they are far more detailed than codes of conduct in relation to working hours, OHS, working conditions, among others. The only exception applies to environmental issues which are generally quite vague in the IFAs and are presented in greater detail in CSR policies and codes of conduct.

As part of their development, IFAs are increasingly growing in scope (including more diverse areas for agreements in their provisions), coverage (suppliers and subcontractors) and enforcement (including provisions for implementation).

The increase in the amount of topics covered can be particularly sensitive area. The issues to be included, the “relevance” and what is on the agenda are essential to the concept of industrial
relations and social dialogue. The different actors recognise the other parties’ legitimacy on certain aspects, but not on others. The inclusion of new issues is therefore a delicate matter.

Both occupational health & safety and environment issues are steadily being introduced into the IFAs. In the following table, the figure illustrates this trend. A distinction should be made between mention and actual clauses: a mention is considered a general reference to the concepts but with no specific or detailed provisions, whereas a clause refers to a paragraph or section included in the text which contains specific details.

**Figure 3** – IFAs trends regarding OHS and environmental mention and clauses

There are no IFAs that have been drawn up solely on environmental issues. When the environment is mentioned, mentions of occupational health and safety contents also exist either appearing together or separately in the text (further highlighting the close connection between both issues). None of the framework agreements so far contain references to the environment without content on occupational health and safety. This is of particular significance when drawing final conclusions.

**Figure 4** – OHS and Environmental mentions
For most commitments, the responsibility for compliance with the agreed policies lies with the company, as it is the only party with the capacity to make decisions toward the implementation of commitments. Union representatives who were interviewed usually highlighted that this responsibility lies with companies when it comes to implementation. However, most often for occupational health and safety and environment, both issues are drafted highlighting a joint responsibility. For occupational health and safety and environment, both, employers and employees, state in the IFA that they share the commitments.

The importance of the issues varies greatly from one sector to the next. Despite the overall recognition of occupational health and safety as a central issue relating to all productive activities and jobs, its importance has been more evident for sectors where exposure to risk is higher or more visible: mining, chemical and building/construction. Likewise, the importance of environmental policies will vary greatly from one sector to the next. The need to bolster changes in the production methods will be determined mainly by driving forces such as the pressure to minimize the environmental impacts; the compliance with national legislation; and the need to comply with international agreements (on issues such as climate change). The sector is evidently an important variable.

For this reason, it is not surprising that addressing OHS and environment varies considerably for GUFs. For Occupational Health and Safety, the International Metalworkers’ Federation (IMF), the ICEM and the Building and Woodworkers’ International (BWI) have the highest rates of these clauses amongst those that have signed more than one agreement (88.9%, 92.7% and 86.7% respectively). UNI incorporates OHS at a slightly lower level, only including clauses on workers’ health 71.4% of the time. This could be explained by the less visible problems faced by the service sector when it comes to the health of workers.

In general, there is a lesser amount of IFAs covering environmental concerns but differences also exist across sectors: ICEM stands out with 71.4% of agreements with references to the environment; IMF and UNI have around 40% (38.9% and 38.1% respectively). Among the construction federation (BWI) agreements environmental references are made in 53.3% of the cases.

Based on the research, three fundamental reasons can aid in understanding why these contents may or may not be included in the agreements:

- Perception of relevancy: in some cases issues are not considered of relevance for one of the parties. In general terms, they are not considered as a priority.
• Consideration of the IFA in relation to other multinationals' policies and codes of conduct. In certain cases, the IFA is considered to be “complementary to what exists” in the codes of conduct. As environment is usually present in voluntary agreements, this approach tends to exclude them from the IFA; this could happen with OHS too. In other cases, the opposite approach is followed; it is considered that the various initiatives must be “coherent”. In such cases, occupational health and safety, and particularly environmental issues, will be included in the IFA as a result of a transfer from codes of conduct, which tend to contain more in-depth environmental policies, hence leading to the mainstreaming of such content.

Behind this reason which seems rather formal, of either a “complementary” or a “coherence” approach, there is normally the consideration of whether or not the issue is a topic for social dialogue. Environmental and occupational health issues will primarily be reflected in the IFAs if trade union organizations wish to participate in the definition of such policies and demand their inclusion, and if the company in turn is willing to accept it, through the social dialogue framework. There will be issues that social agents could consider important to discuss but that should have a space outside of the social dialogue negotiations. For example Unions or companies may wish to address environment through multi-stakeholder bodies of the CSR initiative among others.

• Breadth and structure of the IFA: the general level of detail will determine the concreteness on these issues. Some IFAs are quite schematic and only address a limited set of issues (such as the recognition of freedom of association). Those IFAs whose contents are more elaborate generally will tend to include references to occupational health and safety and the environment.

Based on the aforementioned reasons for their inclusion or not, and in combination with the degree of implementation of the clauses when included, the 14 IFAs studied can be classified into four categories:

Cat 1: OHS and Environment are not seen as relevant: One or both parties do not consider these issues as relevant or important.

Cat 2: OHS and Environment are addressed in other frameworks: it is assumed that these are developed in other initiatives in which workers may or may not participate. They are not considered as an issue for worker-employer negotiations or at least an issue to be addressed in the IFAs.

Cat 3: OHS and Environment are mentioned but not elaborated: this is the case when there is a mention to a symbolic or theoretical commitment with no ownership by any of the parties for its implementation. This can be a consequence of certain difficulties for translating the commitments into practice or a consequence of the automatic inclusion of language present in codes of conduct that aims to give a coherent image of the company (above all for environment mentions).

Cat 4: OHS and Environment are developed or considered with potential for progress: under this category are agreements with active OHS and environment measures, although they could be improved. Also found are those which are in a preliminary phase but under conditions that lend to their full elaboration.

Table 1 – Classification 14 IFAs studied:

<table>
<thead>
<tr>
<th>Company</th>
<th>IFAs</th>
<th>OHS clauses</th>
<th>Environmental clauses</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chiquita</td>
<td>Category 4</td>
<td>(incorporation of clauses – joint review committee, meets once a year)</td>
<td>Category 2 (environment is considered to be driven by other frameworks not IFAs)</td>
</tr>
<tr>
<td>Danone</td>
<td>Category 2</td>
<td>(considered to be already addressed in other frameworks)</td>
<td>Category 2 (there was no demand)</td>
</tr>
<tr>
<td>Company</td>
<td>Category</td>
<td>Notes</td>
<td>Category</td>
</tr>
<tr>
<td>------------------------------</td>
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<td>----------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Danske Bank</td>
<td>Category 3</td>
<td>(considered to be a straightforward clause, though OHS is not a big concern)</td>
<td>Category 1</td>
</tr>
<tr>
<td>EDF</td>
<td>Category 4</td>
<td>(incorporation of various clauses, joint committee and bureau, national visits)</td>
<td>Category 4</td>
</tr>
<tr>
<td>Ikea</td>
<td>Category 3</td>
<td></td>
<td>Category 2*</td>
</tr>
<tr>
<td>Inditex (ITGLWF)</td>
<td>Category 3</td>
<td>(just mentioned)</td>
<td>Category 3</td>
</tr>
<tr>
<td>Inditex (UNI Global Union)</td>
<td>Category 3</td>
<td></td>
<td>Category 3</td>
</tr>
<tr>
<td>Lafarge</td>
<td>Category 4</td>
<td>(incorporation of a clause, joint reference group)</td>
<td>Category 3</td>
</tr>
<tr>
<td>Nampak</td>
<td>Category 4</td>
<td>(incorporation of a clause, establishment of a health and safety committee, the agreement is considered to have played an important role on OHS)</td>
<td>Category 2</td>
</tr>
<tr>
<td>Peugeot</td>
<td>Category 4</td>
<td></td>
<td>Category 1</td>
</tr>
<tr>
<td>Rodhia</td>
<td>Category 4</td>
<td></td>
<td>Category 4</td>
</tr>
<tr>
<td>Royal Bam Group</td>
<td>Category 4</td>
<td>(incorporation of a clause, joint reference group, the agreement is considered to have played an important role on OHS)</td>
<td>Category 2</td>
</tr>
<tr>
<td>Statoil</td>
<td>Category 4</td>
<td>(incorporation of a clause, the agreement is considered to have played an important role on OHS)</td>
<td>Category 4</td>
</tr>
<tr>
<td>Umicore</td>
<td>Category 4</td>
<td>(incorporation of clauses – joint committee)</td>
<td>Category 4</td>
</tr>
<tr>
<td>WAZ</td>
<td>Category 1</td>
<td>(mention but not clause)</td>
<td>Category 1</td>
</tr>
</tbody>
</table>

**Inclusion of the environment in the IFA**

Focusing on environmental contents, out of 72 texts signed, 33 framework agreements mention the environment (48.4%) and 22 (30.5%) include environmental clauses. While literature on this issue tends to state that the environment is increasingly being included in the framework agreements, the findings of this survey indicate that there is an improvement in the quality of such references which is shifting from simple mentions to clauses of greater magnitude and to the elaboration on specific contents or procedures for its implementation. In the last two years all agreements signed that contain a mention of environmental protection have a specific clause devoted to actions. See figure 4.

The inclusion of references to the environment varies depending on the sector and associated challenges. In general those sectors that pollute the most are the ones that include the greatest number of environment-related clauses. But other reasons need to be considered to understand existent differences. For instance, IFAs in the metal sector (with a substantial environmental impact) present fewer references to environmental protection when compared to those signed in the chemical sector. The explanation for these differences stems from the nature of the proposals that were put forward by the various trade union organizations, as IFAs are mainly the result of Trade Union requests. This means that proposals to include environmental issues are more present in ICEM’s requests than in IMF’s.

As stated before, the introduction of environment into the international frameworks has been very dependent on MNCs’ CSR policies. In some cases the references outlined in codes of conduct were transmitted to the IFAs as a sort of progression. This means that environment
was not included in order to be implemented through the IFAs, but instead as a means of maintaining coherence with other reputation policies of MNCs. This is the case for many of the IFAs that include only mentions to environment and not clauses.

There is however a general tendency of change. Trade unions are increasingly taking on the environmental topic and in turn workers are increasingly growing aware of the need to create sustainable and decent jobs for the future. Trade unions are subsequently demanding greater access to the process of elaboration and monitoring of environmental policies. In this respect the GUFs are increasingly developing policies and strategies related to environmental matters, some of which will be reflected in the IFAs, while many others will be promoted through other channels.

Environmental sustainability issues are predominately global. Strategic decisions regarding production will increasingly be influenced by environmental policies aimed at mitigating the impacts of production on natural resources, and consequently could be of growing interest for global social dialogue. The progressive adoption of international norms will contribute to increasing the importance of environment and will most likely lead to its more prominent presence in the IFA. In the struggle against the adverse effects of globalization, labour and environmental standards are the most pressing issues.

In this respect in the same way that local and national issues for social dialogue have an influence on international discussions, progress and achievements at the international level may seep into national stage. Addressing environmental protection at workers global level through IFAs or other tools can facilitate, therefore, trade union action at national and company level.

Despite positive examples, there are still many barriers to their complete integration. Firstly, while corporate representatives have on occasions promoted the inclusion of these issues in order to be "consistent" with their broader communication strategies in the field of corporate social responsibility, they do not believe in the ability for workers to meaningfully contribute to the debate. Some of the corporate representatives interviewed do not believe that workers are capable of contributing to the environmental management of companies. This indicates that although present in the agreements, these issues will not easily become topics for negotiation between the parties. On the other hand, this also emphasizes the need for worker training and capacity building on these topics and for implementing more proactive measures.

On other occasions, it is the trade union organisations themselves the ones who consider that their priorities lie in other areas and that action on environmental issues is secondary. This interpretation is influenced by the fact that traditional labour demands have failed to obtain an acceptable response which would enable the organisations to pay greater attention to other social or environmental matters.

Additionally, unions are not pleased with the level of attention given to labour and environmental issues by MNCs and their unequal interest in signing voluntary initiatives to improve them. For the purpose of improving a company's reputation, voluntary initiatives regarding environment are preferred over IFAs. For this reason, some unionists consider the environment as being a "soft", less conflictive issue for MNCs. The fact is that MNCs tend to be influenced by and react to public pressures (mainly consumers and investors), and it seems that these groups put forward more of a demand for environmental sustainability than they do for the protection of trade union rights.

For the companies studied visibility of CSR policies is much higher than IFA. For example, from the 14 companies studied, in 5 of them CSR occupies an important space on the website, whereas the IFA is not visible at all. Only in one the cases studied, Danske Bank, the level of visibility is comparable.

Table 2 – Visibility of the IFA and CSR
<table>
<thead>
<tr>
<th>Company</th>
<th>Visibility on the website</th>
<th>IFAs</th>
<th>CSR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chiquita</td>
<td>No visibility</td>
<td>Medium visibility</td>
<td></td>
</tr>
<tr>
<td>Danone</td>
<td>No visibility</td>
<td>High visibility</td>
<td></td>
</tr>
<tr>
<td>Danske Bank</td>
<td>Medium visibility</td>
<td>Medium-high visibility</td>
<td></td>
</tr>
<tr>
<td>EDF</td>
<td>No visibility</td>
<td>High visibility</td>
<td></td>
</tr>
<tr>
<td>Ikea</td>
<td>Low visibility</td>
<td>High visibility</td>
<td></td>
</tr>
<tr>
<td>Inditex</td>
<td>No visibility</td>
<td>Medium-high visibility</td>
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<tr>
<td>Lafarge</td>
<td>No visibility</td>
<td>High visibility</td>
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<td></td>
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<tr>
<td>WAZ</td>
<td>Low visibility</td>
<td>Low visibility</td>
<td></td>
</tr>
</tbody>
</table>

The nature of the environmental content in IFAs is very diverse: it varies from references to the impact on natural resources and biodiversity to climate change and waste management. In certain cases, the agreement points to a commitment to promote clean technologies, the best available practices, or the precautionary principle\(^5\). In general terms, environmental mentions and clauses are characterized by a broader diversity than those referred to occupational health and safety, or minimum labour standards. A possible explanation for this could be the perception that environment encompasses a broader series of elements; another could be related to trade unions' difficulties to identify and focus on specific objectives, in relation to environmental conventions, resulting in the inability to prioritise the issues that need to be included into the agreement.

Though addressed in recently signed IFAs, implementation procedures are generally vague. For the implementation of the environmental clauses, the mechanisms of implementation and monitoring are even less developed than those for other commitments. Normally the only cases in which they are well defined are those in which they are addressed along with OHS through the joint committees. This is also an important aspect reiterated in the conclusions.

It is however important to highlight that some of the companies studied like EDF, Rhodia or Arcelor Mital have specific agreements on occupational health and safety and they have also managed to make innovative approaches in the environmental field.

Just as it is done for the rest of the contents, the implementation and monitoring procedures have to be addressed in order to ensure that these different commitments can lead to meaningful outcomes. Annual meetings of the joint committees constitute the most widespread means of monitoring IFA. These annual meetings represent the main channel to discuss and resolve conflicts relating to the agreement and its progress. Following pressure from the international union organisations, these meetings are increasingly being combined with joint visits to the different production centres by international management and union representatives.

But for the sake of objectives, monitoring should be institutionalized at all levels. National and local unions are key to guaranteeing this success and local joint committees will play an important role in ensuring the successful implementation of the agreement's clauses. For environmental provisions, occupational health and safety and environment committees could serve an important function and represent an interesting advantage.

\(^5\) Refer to the full report for a complete list of environment contents covered in the IFAs.
The establishment of indicators will also be important. They should guide local and international committee implementation and monitoring. Rhodia and EDF, for instance, have established specific indicators in order to assess progress.

In relation to other provisions addressed in the IFA, particularly those for occupational health and safety, perhaps the main difference in the environmental mentions is the lack of reference to international conventions. While certain environmental clauses highlight the need to abide by international rules, generally, there is almost no reference to specific conventions or standards. Improvements could be easily made in this domain, including references to international environmental agreements considered pertinent and will have positive consequences for guiding the implementation and monitoring of environmental commitments.

Another considerably important aspect of the IFAs is the reference to subcontractors. Their progressive inclusion will be essential in order to successfully address the various problems that stem from globalization. In general terms IFAs tend to highlight the need for the supply chain to abide by the same standards as the MNC. Two companies – Impregilo and EDF - specifically refer to subcontractors when referring to environmental standards; and two other companies – Ikea and Inditex - have IFAs that are specifically addressed to subcontractors.

As framework agreements are negotiated bilaterally between employers and workers’ representatives, the participation of other actors is limited. This bilateral negotiation offers advantage of dealing with internal specific issues, so it follows a formative approach, as previously explained. However, this process could also lead to losing out on an opportunity to gain technical knowledge and support from other social actors. Only one text specifically refers to the possible implication of other social actors (such as NGOs) in the monitoring process. A few of the interviewees highlighted an interest for their greater implication. Success ultimately depends on the optimization of different agents’ capacities, while seeking synergies and complementary modes of action. The consolidation and development of alliances and forums could be beneficial to labour and environmental issues.

### Inclusion of Occupational Health and Safety in the IFA

It should be emphasized that occupational health clauses account for some of the most detailed and specific contents of the framework agreements, outnumbering references to wages and working hours (which are far more contentious). As one interviewee pointed out, occupational health is a "truly global" issue since companies are equally responsible for all their workers’ health, regardless of their geographical location. It is therefore not surprising to see that health and safety issues hold a prominent position in most IFAs.

58 of the 72 texts include references to occupational health and safety and 49 contain specific clauses. Their presence and importance in the agreements is distinct from that of the environmental clauses. Occupational health and safety is a consolidated theme of social dialogue. 36.2% of the IFAs specifically refer to workers’ health as part of social dialogue. While some companies deal with occupational health-related issues with little or no worker participation, most of the agreements address the need for greater worker and trade union engagement. In most cases occupational health and safety is an area that is highly valued and that presents solid work structures at the local and national levels.

For trade unions, one of the core objectives of IFAs is to enhance worker organization. They represent interesting tools for organising workers in production centres where unions may be weak. Along the same lines, the defence of workers’ health at the workplace also enables unions to attract new members. For employers, such themes are generally perceived as being

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6 Edf, Aker, Ability, Takashimaya, Icommon, Italmanceti, Arcelor, Rhodia, Brunel, France Telecom, Euradious, PSA, Portugal Telecom, Videkke, GEA, Lukoil, Norske Skog, OTE; Fraudenberg, Wilkhkham, Italmanceti
less conflictive than others and are beneficial to the company's activities (i.e. reduction in workplace accidents).

As previously explained, one of the major differences between addressing occupational health and safety and the environment has to do with the references to comply with international norms. For other contents as well as for occupational health and safety clauses, IFAs refer clearly to ILO Conventions. A possible explanation for this could be greater trade union awareness of them (as they are co-signers in the ILO tripartite structure), and the fact that their promotion traditionally constitutes an important part of trade union action in developed and developing countries.

39.7% of IFAs directly refer to the ILO Convention on Safety and Health (1983), which concerns occupational safety and health and the working environment. Eight of the IFAs refer to ILO Convention 167 (1988) whose objective is to promote health and safety in the construction industry. Ten IFAs (17.2%) include references to the ILO Guidelines for Occupational Health and Safety Management Systems.

In terms of how objectives are stated, noticeable differences also exist for OHS. In some agreements the OHS final objectives are clearly stated, which is not always the case for other clauses. In this sense, it should be strongly emphasized that seven of the agreements have stated their objective as the total elimination of accidents – Zero Accidents.

As previously stated the establishment of joint committees at the national and international levels constitutes an important issue for the implementation and monitoring of IFAS. In the case of occupational health and safety, there are normally local and national structures and committees dealing with the issue in place or projected to be created. Therefore, the IFA could benefit from these pre-existing structures for effective implementation and follow-up. The IFAs text echoes this reality and mentions the commitments to either strengthen the existing committees or to promote the establishment of new ones where these do not exist. The specific agreement of Arcelor Mittal can be considered as a model in this regard.

In most cases OHS is a highly valued domain since the implementation of the framework agreements has had global results. Interviewees tend to note big advances in this area and companies regularly recognize the fundamental role that union organisations have played in the process.

In closing, one of the key elements on OHS is the promotion of specific education and training programs on occupational health and safety, which is included in twenty IFAs. Apart from the recognition of workers' freedom of association, or the prohibition of the use of child labour, training on OHS is the most frequent concrete commitment measure in all framework agreements.

References to training appear in 64% of the IFAs, and almost 30% of them

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7 Ability, Brunel, Danske Bank, Elanders, Euradius, Icomon, IKEA, Impregilo, Inditex, Italcentemi, ISS, Lafarge, Nampak, OTE, Portugal Telecom, PSA Peugeot Citroën, Royal Bam, Stabilio, Staedtler, Telefonica, Veidekke, Volker Wessels
8 Impregilo, Italcentemi, ISS, OTE, Portugal Telecom, Royal Bam, Veidekke, Volker Wessels
9 Lafarge, Impregilo, Italcentemi, Royal Bam, Veidekke, Volker Wessels, Nampak, Aker, Elanders, Staedtler
10 Aker, Arcelor, Brunel, PSA, Veidekke, Lafarge, Impregilo
11 EDF, IKEA, Inditex, Italcentemi, and Rhodia
contain a specific reference to training on OHS. It is quite outstanding to see that in 5 IFAs - Aker, Aarcelor, Bruel, PSA, SFK and Takashimaya – there is a commitment to extend training to all workers. These agreements have been mostly negotiated by IMF.

### Concluding remarks

The contents of the IFAs evidently reflect the issues that are considered part of social dialogue at the national level (at headquarters) as well as at the international level. While these vary substantially from one place to another, certain contents such as occupational health and safety now occupy a prominent position in the negotiations between workers and companies. There are other issues, such as environment, which have only commenced to be integrated into trade unions’ demands. The initial goal of IFAs was to ensure the same rights for workers on working conditions within multinational corporations. The realisation of the potential of environmental clauses came only at a later stage and in a secondary place.

In practice, the introduction of environmental issues into trade union action and the possibility of seeing them turn into a topic for negotiation have been promoted in large part through action on occupational health. Although currently both areas of action tend to be divided, OHS and environment committees are fundamental for the inclusion of these issues in their technical training as well as for exploring the possibilities of translating “external” environmental issues into actions within the companies.

This is one of the core aspects for the movement of OHS and the environment in the IFAs. In the case of occupational health and safety structures and committees at the local level are normally in place to deal with the issue or are projected to be created. Therefore, it is not surprising that progress is made faster on issues such as OHS as it can be benefited from these pre-existing structures for the effective implementation and follow-up. In turn these solid structures could also facilitate the implementation and follow-up of environmental issues, particularly when issues are presented together such as OSHE (occupational health and safety and the environment).

Occupational health is also an issue that is largely reflected in unilateral codes of conducts (88% of the 50 codes of conduct analysed). Thus, it is an issue which has also become central to corporate social responsibility. What is important though is that in contrast with the codes of conduct, the IFAs generally imply an approach that is more “formative” than “affirmative”, meaning that they intend to achieve a series of objectives that go beyond the simple affirmation of pre-existing practices. Union participation facilitates such an approach raising worker awareness through training and information. This is essential in order to favour the development of occupational health and safety and environment issues in MNCs. The benefits of social dialogue as a means of improving workers’ health are widely recognised. However, the benefits of worker participation on environmental issues are less evident for corporate managers.

Another important aspect worth noting is that by addressing those issues through the IFAs, the monitoring and implementation process relies on an “internal control” by workers who can verify and contrast the reliability of information provided by the company. This system of “double checking” is more difficult to obtain in the case of codes of conduct.

Another advantage of dealing with the issues through the IFA framework relates to the extension of commitments to providers and other actors in the supply chain that is greater than within the codes of conduct. Whereas 96% of the IFAs explicitly indicate that the norms they contain apply to the whole group, this figure only reaches 42% in the case of codes of conduct. This presents the obvious advantages of IFAs for the extension of labour and environmental standards through information, training and sanctioning of those suppliers and subcontractors who fail to comply with these standards. In the case of OHS and environment,

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14 Codes of conduct and international framework agreements. New form of governance at company level. Schömann, André Sobczak, Voss and Wilke.
the extension of their commitment along the supply chain is explicitly reinforced on many occasions.

In terms of the visibility of IFAs on the website however, it is lower than that referred to CSR. Out of the 14 cases studies, it can only be said for only two of them that IFAs and CSR are given the same type of visibility of the company website, and in at least 8 of the cases there is no IFAs visibility where such exists for CSR and possible codes of conduct.

In most of the IFA contents, the responsibility for compliance with the agreed policies lies with the company, as it is the only party with the capacity to make decisions for the implementation of commitments. However, for these two cases - occupational health and safety and environment - both issues are drafted and included in certain IFAs as a joint responsibility. For occupational health and safety and environment, both employers and employees, as stated in the IFA share the commitments.

It should be highlighted that in several agreements the worker representatives collectively commit - along with employers - to environmental protection. Such commitments by the trade union party that are found in the agreements of the service sector, and in certain cases, within the chemical sector, should also be reaffirmed through union proactive policies.

One of the major differences between both issues relates to the unequal reference to international norms and regulations. In the case of OHS, IFAs mention the relevant ILO Conventions. In the case of the environmental issue, references are made to general statements on the need for better practices rather than specific international norms. References to the international conventions related to chemical management (Rotterdam, Stockholm and Basel for instance), or to the UN Framework Convention on Climate Change, could help to ameliorate results.

On the whole, interviewees perceived the results of actions on OHS and environment as considerably better than in other fields. If in certain cases, in unions’ views there were critiques towards the lack of progress of freedom of association or other basic rights, overall, trade unions and employers were satisfied with the progress that has been made in the domain of occupational health and the environment.

The positive perception in the case of environment could be explained mainly for two reasons, firstly because the Unions could be less demanding or strict in comparison to other issues; and secondly because of the effective progress perceived as a result of environmental initiatives by the company outside of the IFA framework. In the case of occupational health, advancements in this area are more measurable and comparable, and can be mainly attributed to the role played by the OHS committees. Many of the industries in the steel, energy, chemical and construction sectors are seeing the fruits of their work.

**Some proposals for future action**

- Clear objectives: definition and clarity are fundamental; the greater the amount of detail in terms of how the IFA is going to be established, implemented and evaluated, the lower the number of subsequent misunderstandings between the parties. Looking at the objectives, there are a number of interesting examples in the field of occupational health and safety: explicit references to the elimination of accidents for instance (zero-accidents).

- References to international regulation. These tools are important in the context of globalization because they lay the foundations for the establishment of universal basic rights, applicable to all production centres. Labour and the environment are the two major vectors of dumping of multinationals where international regulations tend to fall short. Greater references to international environmental conventions are still necessary, as well as to ILO Conventions on occupational health and safety.
• References to specific indicators. Some agreements have highlighted significant progress in this domain. The selection of the right indicators is important in order to ensure that local workers participate in the implementation and supervision process. The elaboration of ad-hoc materials with information on indicators can form a good exercise in terms of awareness raising and capacity building of the workforce.

• Promotion of annual plans for implementation. Once the general objectives have been established in the IFA, social agents should develop annual plans in order to guide future actions and methods of supervision.

• Promotion and reinforcement of joint committees in occupational health and the environment at the global and local levels. Companies that are committed to making progress should set up a time-frame for the establishment of these OSHE committees in all production centres.

• Optimization of IFA by extending their scope to subcontractors in the area of occupational health and safety and the environment.

• Enhancement of IFA visibility at all levels by not only including the text of the agreement but also informing on the degree of implementation and the results achieved. Particular attention should be paid to concrete results relating to the implementation, level of development and joint actions of the OSHE committees.

• Analysis of each issue and examination of aspects that are covered or not by other initiatives (such as CSR). Evaluation of the concrete advantages and disadvantages of tackling the different issues present in the IFA. Comparison of the annual plans of both types of initiatives with the aim of identifying areas of synergy and contradiction.

• Progress on the definition of the specific resources allocated for the IFA. A possible indicator to assess corporate commitment to IFA could be the resources allocated for its implementation.

• Development of training programmes for workers and their representatives in the OSHE domain. In the same way as training on occupational health and safety is actively promoted, training on the environmental dimension should also be included. One of the constraints for greater union involvement relates to the lack of training. Proactive policies should be put in place, with the participation of subcontractors.

• Promotion of alliances with other actors in order to reinforce technical knowledge on both issues, for example with universities, technical institutes and other social actors such as NGO, consumer organizations, etc.

• Promotion of proactive trade union policies by trade union organizations that have committed themselves to occupational health and safety and environmental issues.