



PSI Guidelines on the Conclusion of International Agreements with Multinational Enterprises

Based on decisions by the PSI Congress 2007 in Vienna and the Executive Board 139 in November 2009, PSI establishes the following regulations on negotiations with multinational enterprises (MNEs).

PROCEDURE

1. The PSI secretariat is authorised to take the initiative to negotiate and conclude international agreements with multinational enterprises. The secretariat may also enter negotiations on the initiative of an MNE or join negotiations initiated by a trade union or another Global Union Federation (GUF).
2. The secretariat will, at the earliest possible time, inform affiliates which organise workers in subsidiaries of the MNE that negotiations are planned and/or undertaken. Internal and external sources will be used to identify the MNE's subsidiaries and PSI affiliates that may organise MNEs' employees. On the basis of this mapping, the secretariat will invite and assist affiliates to build sub-regional, regional and/or global networks within MNEs in order to improve information exchange, to facilitate transparency of company activities and to coordinate common trade union positions on the MNE. Networks will regularly be established on the basis of electronic communication, but can include meetings if possible in organisational and financial terms.
3. The secretariat will continuously inform affiliates concerned about the process of negotiations, inviting them to communicate their views and proposals on submitted draft agreements. If contact data is available, the secretariat's information will be copied to affiliates' representatives at enterprise level. Where appropriate, the negotiation commission may include representatives of affiliates.
4. When applicable, the secretariat will seek cooperation and joint negotiations with other GUFs. European Works Councils (EWCs), if any, will be informed and consulted on the negotiations.
5. Before signing an agreement, the final draft will be sent to affiliates for information and approval. At that stage, affiliates cannot request changes of the text any more, but only approve or disapprove the agreement as a whole. In case affiliates oppose proposals, positions, strategies or actions of the secretariat, they must communicate this explicitly. Keeping silence will be interpreted as approval of the secretariat's proposals and approaches.
6. When an agreement is achieved, the secretariat will sign/co-sign it on behalf of the PSI affiliates organising workers in the MNE concerned. The secretariat will not sign an agreement, if one or more affiliates representing at least one third of the total number of PSI members in the MNE oppose it.

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7. The secretariat will seek the MNE's formal recognition of key international standards, such as the Universal Declaration of Human Rights, the OECD Guidelines for Multinational Enterprises,

the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy, the UN Global Compact.

8. An international agreement must, as a minimum, include the recognition of the rights elaborated in the ILO Declaration on Fundamental Rights at Work: Freedom of Association and Collective Bargaining (conventions 87 and 98), Discrimination (conventions 100 and 111), Forced Labour (conventions 29 and 105), Child Labour (conventions 138 and 182); it must ban any form of discrimination of workers and guarantee the right of trade unions to access the work places and/or employees. Where appropriate, the secretariat will seek the application of ILO convention 94.
9. The secretariat will target all subsidiaries, suppliers and subcontractors of the MNE being covered by the provisions of the agreement.
10. International agreements will not invalidate or call into question existing collective agreements at local, national or other levels. They intend to ensure that minimum standards are observed and respected throughout the world without in any way affecting higher or more detailed standards which may already exist.
11. The secretariat will not sign an agreement that contains formulations welcoming or endorsing the privatisation of public services or can be understood as supporting privatisation policies.

IMPLEMENTATION

12. International agreements will contain agreed mechanisms for implementation. This will include the establishment of a reference group, which is entitled to deal with complaints on violations of the agreement and the interpretation of the text. The reference group will consist of the signatories to the agreement and may include representatives of the secretariat and of PSI affiliates.
13. The application of international agreements will be monitored by the PSI affiliates with the support of the secretariat. Where trade unions do not exist or cannot monitor the application, external partners can be involved.
14. In the event of a complaint or an alleged violation of the agreement, the matter should be dealt with at first instance by the local/national PSI affiliate and the local/national management of the MNE. Workers must have the right to seek union representation. Any infractions which could not be resolved at this level will be addressed by the reference group; the affiliates in the country concerned will be involved.