

# INTERNATIONAL FRAMEWORK AGREEMENTS

AN EMPLOYERS' GUIDE

INTERNATIONAL ORGANISATION OF EMPLOYERS

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# INTRODUCTION

International Framework Agreements (IFAs) are a relatively new feature on the international industrial relations landscape but in a short period of time seem to have attracted a great deal of prominence. The main purpose of these agreements is to establish a relationship between a multinational company and a trade union at the global level.

Ostensibly they usually are an agreement signed between a multinational enterprise (MNE) and a Global Union Federation (GUF), which principally concern international core labour standards. They generally apply throughout the relevant company, but in some instances also have implications for suppliers.

The earliest example of an IFA involved the French international food processing company Danone and the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF) in 1989. This agreement actually predates the first company labour code (Levi Strauss 1991).

The key sectors where IFAs have been signed are services, utilities, energy, mining and manufacturing sectors. Manufacturing accounts for more than five out of 10 of the MNEs concerned, services and utilities/energy/mining for around a fifth each and construction around 10%. In 2003 there was a notable increase in agreements in metalworking and particularly in the motor manufacturing. There are now agreements in place at some of the world's largest car producers, namely DaimlerChrysler and Volkswagen. To date<sup>1</sup> there are sixty such agreements signed by Global Union Federations (GUFs) - the international groupings of trade unions in a particular sector formerly known as International Trade Secretariats – with companies employing approximately two million employees<sup>2</sup>.

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<sup>1</sup> August 2007

<sup>2</sup> Excluding IKEA supply chain employees

## BACKGROUND

IFAs have originated as part of a range of international trade union strategies, in the context of the erosion of trade union influence and membership losses, although such strategies may well have emerged regardless of these factors. At present union membership has generally been falling across the industrialized market economies and this decline seems to be the case relatively uniformly. Since the fall of the Berlin Wall the lines of demarcation between opposing economic models have disappeared and it appears that the trade union movement has had trouble adjusting to this new reality, while at the same time some of the space they have usually occupied is being taken over by non-governmental organizations (NGOs). While the fall of the Berlin Wall was an accelerator for falling trade union membership, numbers were in decline in the years preceding 1990.

The reasons for the drop off in membership are varied and complex, including the decline in employment in traditionally high-unionization manufacturing industries and the growth of lower-unionization services employment. Additionally, the move away from traditional workplaces and practices has led to a decreased need for membership and the dramatic increase in those with technical skills looking less to trade unions for protection. The present globalization debate and the often negative perceptions in the mind of public opinion that characterizes that debate has provided trade unions with a fertile environment in which to re-position themselves. One of the more obvious ways to do this is to look to ensure that workers' rights are protected at the international level. By doing so they can get recognition deals at the international level, which have an impact on national or local level arrangements. This has led to moves to regulate national labour relations systems through initiatives at the supra-national level, at least in relation to fundamental rights of workers encapsulated in the ILO's core Conventions. However, paradoxically, within countries, the trend, to varying degrees, has been to move IR initiatives, including collective bargaining, to the workplace level.

## CODES OF CONDUCT AND FRAMEWORK AGREEMENTS

IFAs are a continuation of a process that started in the 1980s with pressure at that time for developments towards international collective bargaining. Developments accelerated in the 1990s with the appearance of numerous other initiatives, in particular Codes of Conduct, which have been around for a decade or so and generally include commitments by enterprises to achieve or observe certain standards in the social field. There are hundreds of variations of Codes, though not all of them encompass labour rights. The key difference between IFAs and Codes of Conduct is that the latter are unilaterally constructed, although increasingly there is an NGO element to some of them.

Codes of Conduct have been a useful tool for the trade unions to focus attention on labour practices but, because they principally are not negotiated with unions but unilaterally implemented by employers, they have not proven, in the eyes of unions, to be a substitute for either direct trade union influence in a company or collective bargaining. Some unions see them in a negative light as in cases companies have used them as an alternative to direct industrial relations. Therefore, trade unions have now begun to clearly distinguish between company codes of conduct and new forms of agreements between a company and the appropriate trade union.

Some IFAs have originated directly from Codes of Conduct and in some cases are simply a 'downsized version' of the company Code of Practice, making reference to the relevant labour relations aspects for inclusion in a framework agreement. Therefore, in discussing the approximately 60 IFAs, it is useful to keep in mind that some are simply an extension of the existing company Code of Practice and companies see them very much in that light.

While IFAs are massively outnumbered by company codes (in the region of 700 to approximately 60) the pace of the emergence of newly signed IFAs has been rapid.

## **SOME COMMON FEATURES OF FRAMEWORK AGREEMENTS <sup>3</sup>**

- Incorporation of core ILO Conventions: Freedom of Association and Protection of the Right to Organize Convention, 1948 (No. 87); Right to Organize and Collective Bargaining Convention, 1949 (No. 98); Forced Labour Convention, 1930 (No. 29); Abolition of Forced Labour Convention, 1957 (No. 105); Discrimination (Employment and Occupation) Convention, 1958 (No. 111); Equal Remuneration Convention, 1951 (No. 100); Minimum Age Convention, 1973 (No. 138); Worst Forms of Child Labour Convention, 1999 (No. 182)<sup>4</sup>.
- References to ILO Declaration on Fundamental Principles and Rights at Work
- Recognition of the union and its affiliates in operations worldwide
- Establishment of joint review committees
- Obligations with regard to restructuring including information sharing and consultation
- Linkage of Agreement obligations to suppliers through supply chains
- Linkage to the principles of the UN Global Compact
- Affirmation of UN Universal Declaration of Human Rights
- Anti-Corruption
- Provision of union facilities at sites
- Environmental commitments
- Contribution to community activities and act in a socially responsible manner
- “Fair“ compensation for work performed, “reasonable” working hours <sup>5</sup>
- Strengthening of social dialogue
- Health and safety standards
- Some agreements go beyond the basic labour rights issues to cover topics which are more related to the companies’ employment, personnel and industrial relations policies and procedures. The most common is a commitment to training and skills development.

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<sup>3</sup> Not all these part of every agreement but reflect a menu of the types of provisions found in these agreements

<sup>4</sup> One IFA refers to some 20 ILO Conventions

<sup>5</sup> In these cases often there is a reference to respecting, for example industry norms or at the very minimum national legislation

## HOW INTERNATIONAL UNIONS SEE FRAMEWORK AGREEMENTS

The current realities and pressures facing the international trade union movement have meant that it has had to take a long hard look at its own role and develop strategies that assist it in maintaining or regaining power, influence and legitimacy. GUFs see IFAs as an historical opportunity which:

- *can be useful in developing and facilitating communication within affiliates or attracting new affiliates and increasing influence in the developing world*
- *can be effective in helping to recoup influence and in developing the trade union movement, in particular in countries with low union-membership*
- *in including reference to suppliers is seen as particularly important as it will extend the ‘reach’ of the agreement and have a possible multiplier effect*
- *can be a first step towards ‘international industrial relations’*
- *has possibilities for what the unions have identified as a ‘locomotive effect’, in IFAs acting as a catalyst in getting other enterprises in the same sector as a competitor which has signed an IFA to also agree to one.*

Initiatives such as the Global Compact have also been identified by some trade unions, notably the ITUC, as a useful vehicle in identifying multinationals to approach for such agreements.

There are differing views within the trade union movement on how aggressively to pursue this strategy, if at all. Some unions are arguing against the rush to get as many IFAs as possible but to focus on establishing a standard approach to the ‘process’ in reaching an agreement – with a method similar to that adopted in collective bargaining. Others, particularly in the developing world, are hesitant of going too far down this road due to fears of hampering local union development. An even more negative view from developing world unions is the perception of IFAs in terms of a loss of independence and as a means to prevent them from carrying out their own negotiations. However, overall what is clear is that trade unions see IFAs as a permanent long-term arrangement to be renewed (and further developed) as and when required.

GUFs remain the main worker-side signatories of these agreements, usually with the involvement of the national affiliate where the company has its headquarters. Principally these agreements are driven at the international level, although not exclusively as the catalyst may come from a national union initiative.

Questions do arise however as to the capacity of a GUF to sign as a party itself or on behalf of its affiliates.

IFAs are mainly a European phenomenon, with just eight non-European agreements. Consequently, the IFA strategy should be seen in light of how unions want to extend the European Works Councils (EWC) agenda. Principally, unions want to develop EWCs in terms of geographical reach, subject matter, and moving from consultation to negotiation. To date, European-level trade union organizations have usually signed alongside the European Works Councils (EWCs) who have also been the sole signatories in some agreements. Two World Works Councils have also signed agreements.

Under the international umbrella, unions have strong negotiating authority because, while trade union numbers are declining across the board, the process of consolidation and merger has increased the representative strength of these organizations. The Union Network International (UNI), formed in January 2000, consists of 1000 affiliates and claims to represent 15 million members.

## VIEWS OF GLOBAL UNION FEDERATIONS (GUFs)

### INTERNATIONAL METAL WORKERS (IMF)

*“Transnational business operations and a global economy raise issues that go beyond the reach of national legislation. Through IFAs, the ILO’s Core Labour Standards can be guaranteed in all facilities of a transnational company, which is especially helpful in transitional and developing countries, where legislation is sometimes insufficient, poorly enforced or anti-worker.”*

*“The IMF is dedicated to pursuing IFAs in all transnational companies where our affiliates have members”*

### UNION NETWORK INTERNATIONAL (UNI)

*In its strategic objectives for 2002-2005 UNI stated that its sectoral organizations both globally and regionally “will identify those companies where there is potential to negotiate regional and or global agreements with employers”.*

*“(IFAs are) the way forward in democratizing the multinationals.....the relationship between ILO standards and the GUFs is beginning to parallel that between national industrial legislation and national industrial unions.”*

### INTERNATIONAL FEDERATION OF CHEMICAL, ENERGY, MINE AND GENERAL WORKERS' UNIONS (ICEM)

*“The aim is to ensure consistently high standards worldwide by securing the right of the ICEM and its member unions to monitor companies' global performance on these (trade union rights, health, safety and environment and equality at work ) and other issues, and to raise any alleged breaches of the agreements with corporate headquarters management. This is the crucial difference between global agreements and companies' own codes of conduct.”*

A process that is happening concurrently with the current drive to promote IFAs is increased trade union collaboration across borders, which can manifest itself through unions in one jurisdiction playing a direct role in industrial disputes in another. Over the last number of years there have been numerous instances of this kind of activity, including coordinated trans-national boycotts, and the trend appears to be on the increase. The International Metal Workers Congress formalized this procedure, which actively promotes the principle of Sympathy Strikes and Actions Across Borders, at its congress in 2002.

To date efforts by unions have focused on sectors where they traditionally have had a strong presence. For instance, there is a high percentage of ex-public sector companies amongst companies that have signed IFAs, which had a traditionally strong union presence. However, increasingly IFAs are being pursued by a widening group of trade unions.

This all should perhaps be seen as part of a longer-term strategy by the trade union movement which sees a lacuna within the debate on globalization in industrial relations and the need for eventual governance structures at the global level for industrial relations. While it is recognized that there is no immediate prospect of this happening, it *is* part of a longer-term incremental strategy.

## **HOW EMPLOYERS SEE FRAMEWORK AGREEMENTS**

In terms of obligations to labour and human rights those companies that have signed IFAs already adhere - and often go well beyond - the obligations contained in the various instruments cited. So what is the real value in them and what are companies getting from them?

In terms of benefits, a number of companies that have signed IFAs have emphasized that better working relationships with unions have developed. However, perhaps the key finding thus far from enterprises that have signed these agreements is that they see them principally as a mechanism for deepening dialogue, first and foremost, and not as an industrial relations exercise. This factor has been the 'added value' of such agreements.

With an increased focus on 'ethical criteria' for investment decisions in financial markets, some companies have noticed that, in concluding an IFA, this has resulted in advantages in this respect.

It is also clear that in many of the companies that have signed IFAs there has existed a history of good communication and a culture of dialogue with, in some cases, formalized structures. However, some companies with Codes of Conduct that specifically outline the company's responsibilities towards its employees have been approached by their trade union to turn this into an 'framework agreement'. The signing of an IFA has, therefore, not represented a significant leap. Undoubtedly, there is also an element of public relations to some of these agreements, as some who have signed them have said that in effect the IFA was just rationalizing something 'that we do anyway'. Companies should not consider IFAs as a short-term public relations exercise, as unions certainly consider them as an industrial relations exercise designed not only as a permanent fixture but as something to be expanded and added to. It is clear that many companies that have signed IFAs are now coming under pressure to develop and widen these agreements.

Generally, companies have different reasons for signing an IFAs – the rationale is dictated by differing circumstances, contexts and experiences. In many ways the term 'agreement' is an inaccurate one – perhaps 'agreement to dialogue' would be a fairer assessment of how companies view IFAs. Notwithstanding this view 'Agreement' carries with it a 'legal' character. Companies that have signed have intimated that they do not want to be locked into a 'legal process'; rather they want to be engaged in a 'dialogue process'. In terms of developing existing IFAs into other areas there does not seem to be any great appetite on the part of business to do this. This is however not the case with trade unions who are increasingly looking for ways to increase the company's obligations under an IFA by including, for example, "Enforcement" clauses into the text of the IFA.

## ***REASONS WHY COMPANIES DECIDE AGAINST SIGNING AN IFA***

Here is a list of some of the reasons that IFAs might not be the right option for certain companies:

- The agreement would expose its conditions of employment and labour standards to comparison by a partisan entity, which could use this information to drive up wages and conditions of service to the highest common denominator of all operations - i.e. this could expose them to demands for equalization of wage rates across all operations and could result in demands for a dollar-based wage.
- The agreement would require the disclosure of sensitive information which may not be in the interests of the group to reveal. Additionally, there may be pressures to discuss or disclose information or actions in areas not covered by the agreement.
- If concluded, the agreement would compel them to meet regularly with Global Union Federations officials to discuss its “compliance” with various UN standards and could be used to circumvent the full and final settlement clauses contained in national wage settlements. This could ultimately compel them to engage in one round of collective bargaining at a national level and another round at international level, if the GUFs took the view that certain conditions of employment breached certain UN standards.
- Once an IFA has been concluded it could result in pressures to mobilize global union action across some or all of the company’s national operations on an industrial relations issue relevant to one particular national operation.
- It is not inconceivable that industrial action in one country could result in sympathy strikes in another.
- A failure to enlarge agreements in future on terms considered suitable by the GUF and the local affiliate could further expose them to industrial action at an international level.
- The obligation to report and engage in discussion/negotiations with the GUF, which would arise if the agreement was concluded, would require the employment of additional staff to monitor compliance, provide information, draft reports and to attend to the GUF’s requests for access, information and meetings.
- The obligations arising out of the proposed agreement regarding training, information disclosure, meetings, monitoring, reports and negotiations would divert management resources from productive activities towards activities which in no way are revenue-generating.

## KEY ISSUES THAT HAVE EMERGED TO DATE

The cultural differences and the impact IFAs can have, particularly in relation to dialogue, has been one of the more prominent issues that has emerged to date. Not all countries where the agreement may be applicable will have a generic approach to dialogue or to partnership and attempts therefore to impose 'models' in this respect have met with difficulties. Gender and occupational issues are for example approached differently in different regions.

Companies that have signed IFAs generally stress the importance of respecting local legislation and business practices and that there is a clear demarcation between actions at the local operational level and at a global level. IFAs are not designed to replace or supersede any local agreements. However, there have been some instances of confusion where, upon the signing of an IFA, the local (national) union affiliate then thought that other national-specific issues would be negotiated at the global level with the GUF. In fact, for both sides this 'local versus global' aspect is important as, on the worker side, GUFs are mindful of appearing to negotiate on behalf of local affiliates. According to the International Metalworkers Federation (IMF), an IFA is "*a global instrument...(that)... is negotiated on a global level but implemented locally.*"

Companies signing an IFA should be fully aware that they are designed as a permanent fixture. Unions see them as a first step in global industrial relations and expect to increase their content progressively. Even if the IFA specifies a start and end date, once engaged in the process a company may feel reluctant not to renew an IFA for fear of the adverse consequences to its public image and reputation.

While it is, in many cases, too early to give a full proper analysis of the agreements signed, the following are some reactions from companies to how they see IFAs thus far:

- They can play a role in delivering industrial peace throughout all the parts of the organization (there have been positive experiences in this regard).
- They can help spread (and develop) a 'culture' of dialogue and partnership with trade unions within the organization (while restricting this to certain areas and in particular not in the area of Corporate Social Responsibility).
- They can help to develop the image of an enterprise as a 'global entity' and IFAs can be utilized as a reaction to that reality.
- They can create an opportunity to harmonize relations with unions throughout the organization.

- They can play a role in helping to overcome a crisis (one company used the term ‘alert’ to describe the role of their IFA in that it would act as a indicator of a major problem).
- They can improve a company’s image vis-à-vis competitors – some said that it has noticeably raised their ‘social profile’.
- By having an agreement with one GUF, they can help to avoid the need to deal with a wide range of actors
- Finally, they can lead to adverse publicity such as in cases where companies signing up to such agreements subsequently had to react to a downturn in the market by downsizing.

## SECTORAL APPROACHES

An area of central concern on the future of IFAs relates to attempts by unions to use them as benchmarks across an industry. This approach continues to concern the IOE for the simple reason that what might work for one company will not necessarily work for another. If a company signs up to an IFA then it is its own decision to do so because it makes sense for its organization. This may not be the case for other similar companies, which should not feel pressured into signing an agreement simply because a competitor has.

Further attempts to develop sectoral approaches may occur as a result of the international collective agreement between the International Transport Workers Federation and the International Shipping Federation which covers wages, minimum standards and other terms and conditions of work, including maternity protection<sup>6</sup>. Previous attempts to reach sectoral level agreements, such as in 2001 between ICEM and the International Council of Chemical Associations (ICCA), had not been successful. However, the Confederation of International Contractors’ Associations (CICA) and the International Federation of Building and Wood Workers (IFBWW) signed a “*message of common understanding*” in March 2001, which in particular drew reference to the need to observe core ILO international labour standards.

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<sup>6</sup> October 2003

## INTERNATIONAL LABOUR STANDARDS AND COMPANIES

Most of the IFAs make reference to international labour standards (ILS) – principally the core labour standards. Some agreements are orientated towards the principles of certain ILS without specifically citing them. The central concern here is the proposition: *Is there that big a jump in demanding companies to comply with International Labour Standards given that they are drafted for governments?*

The fact is that there are efforts from some quarters to find ways to impose ILS on companies and this concept is now more in the public domain. What is more, this approach is garnering some interest from companies which feel under pressure from their stakeholders. While it is clear that companies must adhere to the law of the land, ILS are the exclusive responsibility of governments.

A recent example of an attempt to impose government obligations onto private companies was the initiative by a Sub-Commission of the United Nations High Commissioner for Human Rights (August 2003) on devising **Norms on Responsibilities of Transnational Corporations (Draft Norms)**. The Draft Norms called for an companies to be held to an obligatorily bound to international regulation in areas such as human rights, labour, environment and consumer protection. The Draft Norms were eventually set aside due to the many outstanding questions they raised, such as: How would such a process work? Who would enforce the Norms? What kind of law would it be and how would it be enforced? Despite the end to the Draft Norms, the debate on these questions is not over.

Given the intent underlying the debate surrounding the Draft Norms, companies must be particularly mindful in the context of developing countries with weak legislation. GUFs may see IFAs as potentially acting as a substitute to legislation.

## THE ROLE OF EMPLOYERS' ORGANIZATIONS

The impact of these agreements on national industrial relations structures and outcomes requires national employers' organizations to be able to respond. Therefore, there is an opportunity for them to develop services for larger multinational members with national operations required to give effect to an IFA and with supplier companies.

The probability is that these agreements are going to be a feature of future global initiatives and consequently they will impact at the national level wherever a global company which has signed one has an operation or even a supplier. It is therefore important that employers' organizations position themselves as being able to advise members as to how to proceed or how to respond and to help them decide how best to proceed.

A good knowledge is required of current developments by the employers' organization in order for it to be able to advise a member as to whether or not it should consider such an approach or include any particular provision. To this end employers' organizations should establish a web directory of the union sites engaging in this activity (a list of them is annexed) and they should be regularly monitored. The IOE provides a regular update of developments in this area in its regular news bulletin the IOE.net and on its website: [www.ioe-emp.org](http://www.ioe-emp.org).

Similarly, employers' organizations should look to establish a database of these types of agreement in order to provide information and advice to members on current strategies and developments. To assist, a list of the existing IFAs as at September 2005 is included at the end of this document.

### ***SOME ISSUES TO CONSIDER IN ADVISING A MEMBER INCLUDE:***

- A feature of some of the agreements to date is that they arise from a Corporate Affairs or Public Relations response to a union approach, normally directly to the Chief Executive. At times this may call into question how the proposed agreement is discussed internally from an industrial relations perspective. While the signing of such an IFA may have positive public relations benefits, it is ultimately an industrial relations issue in terms of its implementation and effect. It is therefore vital that all relevant sides of the enterprise are fully apprised of the process from start to finish.

- There have been instances of long standing partnerships between a company and a trade union in different countries being disrupted by agreements signed with a GUF, without first factoring in national realities. If a company is considering signing such an agreement, it needs to take into consideration its potential impact with the local partner(s) and what ramifications an IFA could have on such a relationship(s).
- What is the “value added” of entering into an IFA versus the risks or negative impact of not doing so?
- The legal status of such an agreement and how it might impact in a national legal context are sometimes unclear. In a dispute, how would a court regard this type of agreement and how might it affect any other national agreements signed by the company? Could it lead to a double jeopardy? Having breached a national agreement may the company find itself facing another, or higher penalty if the behaviour is also seen as a breach of the Global Agreement?
- How might the company’s undertaking to recognize a union and its affiliates at the global level impact in the national context? Is the site unionized and, if so, by which union? What if it is not an affiliate of the international group? If not unionized does the staff want to join a union and if so do they want to join the affiliate union? Could such a demand actually be against the principle of freedom of association? How does that fit with national law? What might be the effect on existing relationships with representatives of the workers? How might it impact on local industrial relations, traditions and realities?
- How will some of the key terms used in the IFA be defined? What is meant by “fair” in terms of compensation? What is “reasonable” with regard to working hours? How has that been dealt with in any local agreements the company may have in place? Is there an existing local legal definition? Is so, is the IFA consistent with the local legal definition? If not, who will determine that? A court? The review committee?
- How do the global obligations regarding provisions relating to restructuring fit with national law and local agreements? How does the company feel about an obligation to share information at global level and the natural demands for consultation and negotiation at global level?
- What if there are inconsistencies between what has been agreed globally and what exists in current local agreements? Who determines what is to occur? Can local agreements be easily changed during their term?
- Is collective bargaining a feature of the local law and/or practice? How will the commitment to bargain collectively impact on existing arrangements?

- In negotiating such an agreement, what advantages or disadvantages does the company face? What is to happen when the agreement expires? Can the company walk away or is the commitment to renew too strong, or likely to result in negative public and staff relations?
- How might the obligations be visited upon supplier companies? How do the practices of the supplying company compare to the requirements being made of it? How big is the gap? How can it be addressed? What needs to change? What are the impacts of those changes on the business?
- There will be other questions depending on the content of the agreement and the national context within which it is being considered. Each organization would need to develop its own questions in order to address properly all of the implications of the agreement.
- Can the company bind its subsidiaries? Questions of legal personality and capacity can arise.
- What are the implications for its suppliers if the company agrees to promote the agreement to them, or require them to comply?
- What happens in a dispute? What law might prevail? Do you need a legal jurisdiction provision?
- ILO Conventions are ratified by countries not companies. Until such ratification is reflected in national law, the actual content of a Convention can be largely meaningless. What does it mean for a company to commit to give effect to a Convention? Is the company actually even able to give effect to that commitment in a meaningful way? How does the content of the Convention relate to national law? Is it consistent or inconsistent? Interpretations of ILO Conventions are against governments yet the result of that interpretation could be visited upon the company by default.

## CONCLUDING REMARKS

It remains too early to pass judgement and too early to say definitively what the final destination is in this process. As is evidenced by this paper there are many unresolved issues that will only be answered in time.

- What is the final destination of this strategy – is it a sectoral approach to IFAs?
- What are the implications for suppliers? Could they be more liable than the company if the terms of the IFA are translated into commercial requirements?
- Is it to impose international labour standards on companies or obligations under the ILO's international labour standards (ILS) on companies?
- Could there be attempts to alter existing agreements to widen them to include reference to wages and working conditions?
- Could there be future campaigns to single out companies that do not sign IFAs?

Perhaps the one question in this debate that may prove the most conflictual in the short term concerns differing perception of what IFAs are. Are they a means for better and more effective dialogue and cooperation, as signing companies believe, or a means to an end, namely embryonic attempts at global industrial relations systems, as many in the trade union movement believe? On the surface of things, the two approaches appear on a collision course.

The pressure on companies to sign IFAs will continue in those sectors with active GUFs and in companies with strong unions, but in the short term it is unlikely that unions will have all that much success in penetrating companies in the USA or Asia. Companies will continue to remain more interested in consumer views than the views of trade unions and consequently if trade unions want to make an impact, then they will have to appeal more to the general public.

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**INTERNATIONAL FRAMEWORK AGREEMENTS**  
(as at August 2007)

	COMPANY	EMPLOYEES	COUNTRY	INDUSTRY	GUF	YEAR
1.	Volker Wessels	16,700	Netherlands	Building	BWI/ICEM	2007
2.	WAZ Media	/	Germany	Media	IFJ	2007
3.	Brunel	/	Netherlands	Recruitment	IMF	2007
4.	Euradius	600	Netherlands	Graphic/Media	UNI	2006
5.	Falck	11,000	Denmark	Emergency Services	UNI	2006
6.	France Telecom	+ 200,000	France	Telecommunications	UNI	2006
7.	Metro	+250,000	France	Retail	UNI	2006
8.	NAG	38,000	Australia	Finance	UNI	2006
9.	NAMPAK	16,000	South Africa	Packaging	UNI	2006
10.	Portugal Telecom	/	Portugal	Telecommunications	UNI	2006
11.	Quebecor	/	Canada	Media/Communications	UNI	2006
12.	Securitas	225,000	Sweden	Security Services	UNI	2006
13.	PSA Peugeot	207,000	France	Automotive	IMF	2006
14.	Royal BAM	27,000	Netherlands	Building	BWI/ICEM	2006
15.	Staedler	3,000	Germany	Writing/...	BWI	2006
16.	EDF	167,000	France	Energy	ICEM	2005
17.	Rhodia	20,000	France	Chemical	ICEM	2005
18.	Veidekke	5,000	Norway	Construction	IFBWW	2005
19.	BMW	106,000	Germany	Auto Industry	IMF	2005
20.	EADS	110,000	Netherlands	Aerospace	IMF	2005
21.	UPU	/	UN Agency	Postal	UNI	2005
22.	Arcelar	95,000	Luxembourg	Metal	IMF	2005
23.	Stabilo	2,600	Germany	Writing Industry	BWI	2005
24.	Lafarge	77,000	France	Building	BWI/ICEM	2005
25.	Röchling	8,000	Germany	Automotive Components	IMF	2005
26.	H&M	40,000	Sweden	Retail	UNI	2004
27.	Bosch	225,900	Germany	Automotive/Electronics	IMF	2004
28.	Prym	4,000	Germany	Metal Manufacturing	IMF	2004
29.	SCA	46,000	Sweden	Paper	ICEM	2004
30.	Lukoil	150,000	Russia	Energy/Oil	ICEM	2004
31.	Renault	130,700	France	Automotive	IMF	2004
32.	Impregilo	13,000	Italy	Construction	IFBWW	2004
33.	Club Med	20,000	France	Tourism	IUF	2004

	COMPANY	EMPLOYEES	COUNTRY	INDUSTRY	GUF	YEAR
34.	Leoni	18,000	Germany	Electrical/Automotive	IMF	2003
35.	ISS	280,000	Denmark	Cleaning & Maintenance	UNI	2003
36.	GEA	14,000	Germany	Engineering	IMF	2003
37.	SKF	39,000	Sweden	Ball Bearing	IMF	2003
38.	Rheinmetall	29,950	Germany	Defence/Auto./Electronics	IMF	2003
39.	RAG	/	Germany	Mining/Energy	ICEM	2003
40.	Merloni	20,000	Italy	Metal	IMF	2002
41.	Endesa	13,600	Spain	Power	ICEM	2002
42.	Ballast Nedam	7,800	Netherlands	Construction	IFBWW	2002
43.	Fonterra	20,000	New Zealand	Dairy	IUF	2002
44.	Volkswagen	325,000	Germany	Automotive	IMF	2002
45.	Norske Skog	11,000	Norway	Paper	ICEM	2002
46.	AngloGold	64,900	South Africa	Mining	ICEM	2002
47.	Daimler Chrysler	372,000	Germany	Automotive	IMF	2002
48.	Eni	70,000	Italy	Energy	ICEM	2002
49.	Carrefour	383,000	France	Retail	UNI	2001
50.	Chiquita	26,000	USA	Agriculture	IUF	2001
51.	OTE Telecom	18,500	Greece	Telecommunications	UNI	2001
52.	Skanska	79,000	Sweden	Construction	IFBWW	2001
53.	Telefonica	161,500	Spain	Telecommunications	UNI	2001
54.	Freudenberg	27,500	Germany	Chemical	ICEM	2000
55.	Hochtief	37,000	Germany	Construction	IFBWW	2000
56.	Faber-Castell	6,000	Germany	Office Material	IFBWW	1999
57.	IKEA	70,000	Sweden	Furniture	IFBWW	1998
58.	Statoil	16,000	Norway	Oil	ICEM	1998
59.	Accor	147,000	France	Hotels	IUF	1995
60.	Danone	100,000	France	Food	IUF	1988

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(\* Core Labour Standard)





**INTERNATIONAL ORGANISATION OF EMPLOYERS (IOE)**

26 chemin de Joinville  
1216 Cointrin / Geneva  
Switzerland

Phone : +4122 929 00 00  
Fax : +4122 929 00 01  
E-mail : [ioe@ioe-emp.org](mailto:ioe@ioe-emp.org)  
Website : [www.ioe-emp.org](http://www.ioe-emp.org)

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