

Next Up for North American Employers and Unions? International and Corporate Social Responsibility

By Michael G. Sherrard* & Dr. Gerlind Wisskirchen**

I. Introduction

On September 7, 2012, workers at a small Siemens USA manufacturing facility held a certification vote.¹ The facility is located in North East, Maryland, a town near the Delaware border with 3,572 inhabitants.² Of the thirty-nine workers who voted, fifteen favored representation by the United Steelworkers and twenty-four voted against the union.³

Like many employers, Siemens USA was concerned about the impact of unionization on the facility's profitability and its ability to effectively manage a unionized workforce. Before the vote, the employer lawfully articulated its desire to remain union-free in a letter circulated to employees.⁴ This letter included the statement: "Siemens does not believe a union is in the best interest of our employees here in North East. The reason is two-fold: Unions haven't delivered on their

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1. Press Release, United Steelworkers, USW Not Surprised by Election Results at Siemens in North East, Maryland (Sept. 7, 2012), http://www.usw.org/media_center/releases_advisories?id=0607.

2. *Cecil County, Maryland*, MD. MANUAL ONLINE, <http://msa.maryland.gov/msa/mdmanual/37mun/northeast/html/n.html> (last visited Feb. 9, 2014) (population as of the 2010 census).

3. Press Release, United Steelworkers, *supra* note 1.

4. Press Release, United Steelworkers, Workers at Siemens Maryland Plant Being Targeted (Aug. 10, 2012), http://www.usw.org/media_center/releases_advisories?id=0592.

promises and unionized employers can have difficulty being competitive in today's global economy."⁵

This statement, and the certification vote results at the North East facility, attracted worldwide attention. IndustriALL, a Global Union Federation (GUF) based in Geneva, Switzerland, denounced Siemens USA's actions as anathema to an international framework agreement (IFA) it signed with Siemens' global headquarters only about a month earlier.⁶ In a letter to Siemens President and CEO Peter Löscher, IndustriALL requested local management be provided with a copy of the agreement and instructed to "take a neutral position, cease all anti-union activities . . . and afford the [United Steelworkers] reasonable access to the plant to communicate with employees."⁷ The North East facility remains union-free, despite these international efforts.

However, as this example suggests, "labor relations" should no longer be seen as a concept confined exclusively to a domestic context. A union can mobilize an international affiliate network to exert pressure on a multinational enterprise's (MNE) European headquarters and gain advantage in even the smallest organizing campaigns. Controversy on the shop floor in North East was quickly carried to boardrooms in Munich, Germany. In addition, IFAs are the vehicle through which European trade union practices—such as employer "neutrality" during organizing campaigns—can enter North American industrial relations. As will be shown in the examples below, not all North American subsidiaries of Europe-based MNEs have escaped the implementation of IFAs as successfully as Siemens USA.

In Part II, we begin with an overview of IFAs. We engage in a quantitative analysis documenting the recent proliferation, geographical scope, and sectors these agreements cover. Though IFAs can vary in length and detail, we examine the content typical of most agreements, including references to freedom of association. In Part III, we consider several recent examples of how IFAs have affected the outcomes in drives to organize North American subsidiaries and suppliers. We note the variability of outcomes, and speculate why, in some instances, IFAs are critical to union campaigns and in others are non-factors. In Part IV, we consider how an Organisation for Economic Cooperation and Development (OECD) complaint against an MNE may influence the outcome of an organizing drive or collective agreement negotiation. In Part V, we conclude with practical tips and advice for North American employers on how to shape a global labor strategy and avoid or minimize the undesirable consequences of IFAs.

5. *Id.*

6. Press Release, IndustriALL, Siemens GRA Put to Early Test in the US (Aug. 28, 2012), <http://www.industriall-union.org/siemens-gfa-put-to-early-test-in-the-us>.

7. Letter from Jyrki Raina, IndustriALL Gen. Sec'y, to Peter Löscher, Siemens AG President & CEO 2 (Aug. 24, 2012), available at <http://www.industriall-union.org/siemens-gfa-put-to-early-test-in-the-us>.

II. International Framework Agreements (IFAs) and Global Union Federations (GUFs)

A. IFAs: What Are They?

The phrase “international framework agreement” has been used as a way to clearly distinguish bilaterally negotiated agreements signed by MNEs and GUFs from voluntary codes of conduct that corporations adopt unilaterally. While some commentators have suggested IFAs are the first inroad to transnational collective bargaining,⁸ IFAs are not really collective agreements but better understood as sets of guiding principles intended to be applied beyond Europe’s borders.⁹ Reference is almost always made to the Core Labour Standards promoted by the International Labour Organization (ILO) including no forced labor, no child labor, no discrimination, freedom of association, and the right to collective bargaining.¹⁰ As will be seen below, the commitment to freedom of association and collective bargaining has caused the greatest harm to North American employers.

The growth of IFAs has been exponential in the last fifteen years. Though the first IFA was entered into by French food MNE Danone and the International Union of Food Workers (IUF) in 1988, only seven additional agreements had been executed prior to 2000. Since that time, however, the number of agreements has ballooned to 116 (see Figure 1). The peak of IFA activity appears to be 2005–2008, with annual signings gradually decreasing since then. One scholar, Dimitris Stevis, has speculated the reason for this decline is twofold.¹¹ First, MNEs have become wary of IFAs and many corporations approached by unions—including Boeing, Nestle, Gerdau, and, until recently, Siemens—have been unwilling to engage in negotiations.¹² Second, unions have reviewed their strategies and now seek greater dispute resolution and implementation mechanisms.¹³ MNEs are less likely to accede to these demands.¹⁴ A complete list¹⁵ of existing IFAs, current to December 2013, is included in Appendix A.

8. See, e.g., VOLKER TELLJOHANN ET AL., EUROPEAN AND INTERNATIONAL FRAMEWORK AGREEMENTS: PRACTICE EXPERIENCES AND STRATEGIC APPROACHES 83 (2009).

9. Gregor Murray, *Can Multiple Weak Ties Reverse the Social Regulation Deficit? Multinational Companies and Labor Regulation*, 33 COMP. LAB. L. & POL’Y J. 715, 729 (2012).

10. International Labour Organization [ILO], *ILO Declaration on Fundamental Principles at the Rights at Work*, art. 2, 86th Sess. (June 18, 1998), available at <http://www.ilo.org/declaration/thedeclaration/textdeclaration/lang-en/index.htm> [hereinafter *ILO Declaration*].

11. Dimitris Stevis, *International Framework Agreements and Global Social Dialogue: Parameters and Prospects* 2 (ILO, Employment Working Paper No. 47, 2010).

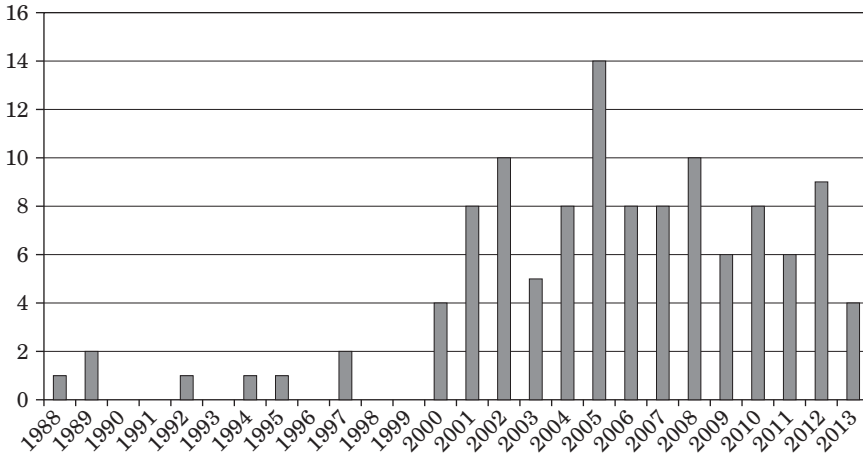
12. *Id.*

13. *Id.* at 2–3.

14. *Id.* at 3.

15. The list is a compilation of search results from *Database on Transnational Company Agreements*, EUR. COMM’N, <http://ec.europa.eu/social/main.jsp?catId=978> (last visited Dec. 31, 2013), and *International Framework Agreements*, EUR. WORKS COUNCILS, http://www.ewcdb.eu/list_intl_framework_agreements.php (last visited Dec. 31, 2013).

Figure 1: Number of IFAs Executed by Year



Methodological Note: Agreements that have been renewed have only been counted once, at the date of initial signing. Data compiled from European Commission’s Database on Transnational Company Agreements¹⁶ and European Works Councils’ Database of International Framework Agreements.¹⁷

B. Signatories: GUFs and MNEs

Every IFA is signed by at least two parties: a GUF and an MNE. Frequently, affiliated national unions or European Works Councils (EWCs) will sign alongside the GUF.¹⁸ Typically, IFAs are initiated at the international level.¹⁹ GUFs are federations established by regional and national unions across the world.²⁰ They are typically sector-specific, and a federation’s member-unions will generally represent the same specific occupational group.²¹ For example, UNI Global Union only represents workers in the skills and services industry.²²

GUFs tend to seek IFAs to improve working conditions, particularly in countries with less stringent labor standards than Western Europe, and to support the development of union organization and

16. *Database on Transnational Company Agreements*, *supra* note 15.

17. *International Framework Agreements*, *supra* note 15.

18. INT’L ORG. OF EMP’RS, INTERNATIONAL FRAMEWORK AGREEMENTS: AN EMPLOYERS’ GUIDE 5 (2007) [hereinafter EMPLOYERS’ GUIDE].

19. *Id.*

20. *Id.* at 1.

21. *Id.*

22. *Sectors*, UNI GLOBAL UNION, <http://www.uniglobalunion.org/sectors> (last visited Feb. 2, 2014). “Skills and services,” as used by UNI, encompasses both the traditional services industry, as well as some industries that might not fit neatly within the “service sector” rubric (i.e., professional athletes).

networking platforms to increase union density.²³ The role of IFAs as an organizing and networking tool was emphasized in the International Metalworkers' Federation's (IMF) recommendations at the 2006 International Framework Agreement Conference.²⁴ The IMF argued IFAs are a means of building stronger unions, with membership growing beyond the company itself and into the company's global supply chains and other local enterprises.²⁵ IFAs are seen as a lifeline for unions in the face of eroding trade union influence and decreasing union membership.²⁶

There is ample evidence to suggest IFAs have been effective organizing tools. IndustriALL, for example, boasts fifty million members in the mining, energy, and manufacturing sectors of 140 countries.²⁷ UNI Global Union claims to represent twenty million skills and service sector workers through 900 affiliated unions.²⁸

MNEs have many reasons for signing IFAs. There is often a public relations benefit to signing an IFA. IFAs are seen as a more legitimate and genuine way to enforce minimum labor standards than corporate codes of conduct, which are unilaterally drafted, implemented, and enforced by a corporation.²⁹ Swedish apparel retailer H&M, for example, advertises itself as "an ethical company" and publicizes that "[o]pen, constructive dialogue with the trade unions and other labour organisations which employees voluntarily choose to represent them is also part of H&M's dedication to being a good employer."³⁰ In this way, MNEs seek to capitalize on the public's social consciousness. Other MNEs have been persuaded to sign an IFA by union pressure applied to their worldwide operations.³¹

Figure 2 shows the relative prevalence of IFAs by sector. Traditionally union-heavy sectors like manufacturing and construction account for over sixty percent of IFAs. Many of these MNEs have a history of positive communication and industrial relations with national unions. Moreover, strong national unions and works councils have successfully persuaded MNEs to view IFAs as part of a "continuing bargaining process," in which IFAs are seen as merely one of many agree-

23. See Stevis, *supra* note 11.

24. INT'L METALWORKERS' FED'N [IMF], INTERNATIONAL METALWORKERS' FEDERATION RECOMMENDATIONS OF THE INTERNATIONAL FRAMEWORK AGREEMENT (IFA) CONFERENCE § 3 (2006).

25. *Id.*

26. See EMPLOYERS' GUIDE, *supra* note 18, at 2.

27. *About Us*, INDUSTRIALL GLOBAL UNION, <http://www.industrialall-union.org/about-us> (last visited Feb. 2, 2014) [hereinafter INDUSTRIALL].

28. *About Us*, UNI GLOBAL UNION, <http://www.uniglobalunion.org/about-us> (last visited Feb. 2, 2014).

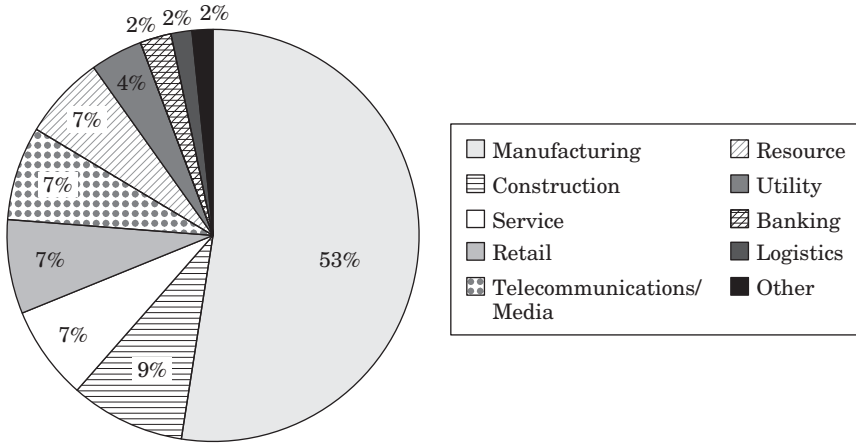
29. EMPLOYERS' GUIDE, *supra* note 18, at 3.

30. H&M, ANNUAL REPORT 2012, at 34 (2012), available at http://about.hm.com/content/dam/hm/about/documents/en/Annual%20Report/Annual-Report-2012_en.pdf [hereinafter H&M ANNUAL REPORT].

31. See generally Stevis, *supra* note 11.

ments made in the course of the parties’ relationship.³² As a result, the signing of an IFA has not always represented a significant leap for the corporate signatory.³³

Figure 2: Percentage of Executed IFAs by Sector



Methodological Note: Agreements that have been renewed have only been counted once. If an IFA covers more than one sector, each sector was included as a separate entry. Sector determinations were made by the authors on the basis of information contained on each MNE’s corporate website. Data compiled from European Commission’s Database on Transnational Company Agreements³⁴ and European Works Councils’ Database of International Framework Agreements.³⁵

As illustrated in Figure 3, all but eighteen of the 116 IFAs signed since 1988 were executed by MNEs based in Western Europe. MNEs rooted in Germany and France alone account for more than forty percent of all IFAs. Two-thirds of all IFAs were signed by corporations with headquarters in just five countries: France, Germany, Italy, Spain, and Sweden. A significant exception to this general trend is Ford Motor Company, which signed an IFA in 2012. As Owen E. Herrnstadt has explained, the prevalence of IFAs among Europe-based MNEs should not be surprising.³⁶ He notes that European labor relations nurture

32. César F. Rosado Marzán, *Organizing Unions in the U.S. with International Framework Agreements: An Exploratory Study*, 3 U.C. IRVINE L. REV. (forthcoming 2013) (manuscript at 26–27), available at http://www.upf.edu/gredtiss/_pdf/2013-LLRN Conf_Rosado_xv2x.pdf.

33. *Id.* at 27.

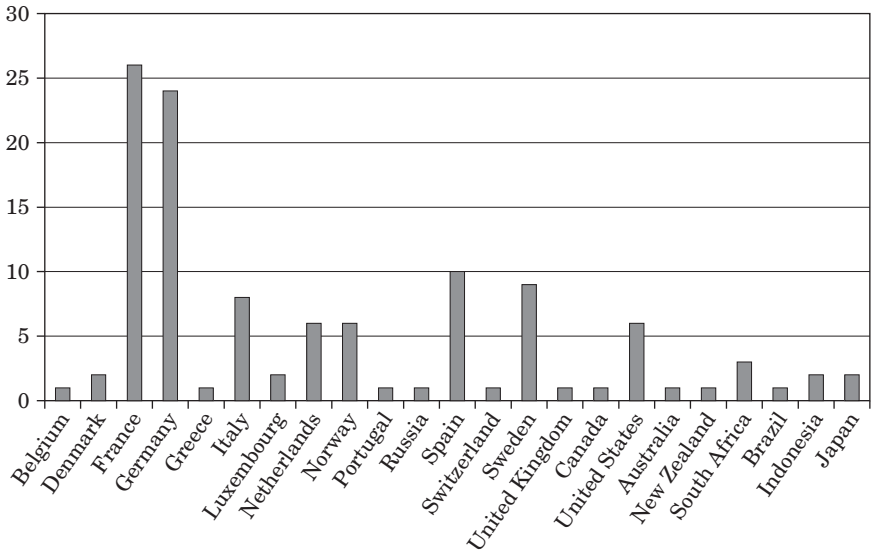
34. *Database on Transnational Company Agreements*, *supra* note 15.

35. *International Framework Agreements*, *supra* note 15.

36. Owen E. Herrnstadt, *Corporate Social Responsibility, International Framework Agreements and Changing Corporate Behavior in the Global Workplace*, 3 LAB. & EMP. LAW F. 263, 265 (2013).

“a culture of dialogue”; works councils, supervisory boards, and codetermination are not predicated on an adversarial relationship.³⁷

Figure 3: Number of IFAs Executed by Country of MNE HQ



Methodological Note: Agreements that have been renewed have only been counted once. Data compiled from European Commission’s Database on Transnational Company Agreements³⁸ and European Works Councils’ Database of International Framework Agreements.³⁹

MNEs operating throughout the European continent also have a history of entering European Framework Agreements (EFA), the most detailed of which provide for Europe-level collective bargaining (for example, EADS—the Airbus Group).⁴⁰ These agreements have a European scope of application and the union signatory is typically either a European Industry Federation (EIF) or an EWC.⁴¹ EIFs—like GUFs—are sector-specific union federations, composed of affiliated regional and national European unions.⁴² EWCS, in contrast, are generally more concerned with codetermination rights relating to operational issues at the company level than industry-wide collective bargaining on main

37. *Id.* (quoting *Framework Agreements*, GLOBAL COUNCIL OF UNIONS, <http://www.global-unions.org/framework-agreements>).

38. *Database on Transnational Company Agreements*, *supra* note 15.

39. *International Framework Agreements*, *supra* note 15.

40. *See, e.g.*, TELLJOHANN ET AL., *supra* note 8, at 6.

41. *Id.* at 1.

42. EUR. TRADE UNION CONFEDERATION CONST. art. 5 (as amended May 2011), *available at* http://www.etuc.org/IMG/pdf/Brochure_statuts-DEF_EN.pdf.

working conditions (for example, remuneration).⁴³ Under the 1994 European Works Council Directive, later amended in 2009, an MNE must establish an EWC if it employs “at least 1,000 employees within the [European Union] Member States, and at least 150 employees in each of at least two Member States.”⁴⁴ Since the 1994 Directive, over 1,200 EWCs have been established.⁴⁵

The way unions bargain in Europe can also radically depart from practices in North America. In Europe, industry-wide or national collective bargaining can exist alongside more familiar company-level agreements.⁴⁶ In Belgium, for example, “[m]ost collective bargaining agreements are reached at the national level through large framework agreements covering working hours, minimum wages, flex-time, job security arrangements, etc.”⁴⁷ Similar practices exist elsewhere in Europe, including Italy, Germany, and France.⁴⁸

As a result, executing an IFA may not always represent an important change in the boardrooms of European headquarters; however, the operations of North American subsidiaries competing in highly nonunionized sectors can be greatly disadvantaged.⁴⁹ Many European trade union structures cover an entire sector,⁵⁰ minimizing—if not altogether eliminating—advantages and disadvantages experienced in North America between being unionized and remaining union-free. Unfortunately, European “social dialogue” all too often manifests as “class warfare” in North America.⁵¹ This problem is especially true if a subsidiary has not been consulted or informed in advance of an agreement’s execution, which is often the case.⁵² North American sup-

43. See Joel Rogers & Wolfgang Streeck, *The Study of Works Councils: Concepts and Problems*, in WORKS COUNCILS: CONSULTATION, REPRESENTATION AND COOPERATION IN INDUSTRIAL RELATIONS 3, 7–8 (Joel Rogers & Wolfgang Streeck eds., 1995).

44. Directive 2009/38, art. 2(1)(a), of the European Parliament and of the Council of 6 May 2009 on the Establishment of a European Works Council or a Procedure in Community-Scale Undertakings and Community-Scale Groups of Undertakings for the Purposes of Informing and Consulting Employees, 2009 O.J. (L 122).

45. *European Works Councils*, DATABASE ON EUR. WORKS COUNCIL AGREEMENTS, <http://www.ewcdb.eu/ewc.php> (last visited Feb. 2, 2014).

46. Danny Kaufer & Thomas Brady, *Unions in the Global Workplace: New Frontiers a North-American Overview and Canadian Experience* (Nov. 7, 2013), in MATERIALS FROM THE ABA 7TH ANNUAL LAB. & EMP. L. CONF., Nov. 2013, at 1597.

47. *Id.* (quoting 1A INTERNATIONAL LABOUR AND EMPLOYMENT LAWS 3–61 (Timothy J. Darby & William L. Keller eds., 3d ed. 2009)).

48. *Id.*

49. For example, Canada has a private sector union density of approximately 17.5% and the United States has a rate of 6.6%. See Sharanjit Uppal, *Unionization 2011*, PERSPECTIVES ON LAB. & INCOME, Oct. 26, 2011, at 6, tbl.1; Press Release, Bureau of Lab. Statistics, U.S. Dep’t of Lab., Union Members—2013 (Jan. 24, 2014).

50. Kaufer & Brady, *supra* note 46, at 7.

51. Dimitris Stevis & Michael Fichter, *International Framework Agreements in the United States: Escaping, Projecting, or Globalizing Social Dialogues?*, 33 COMP. LAB. L. & POL’Y J. 667, 671–72 (2012).

52. *Id.* at 673.

pliers and business partners, the majority of which remain union-free and compete in highly nonunion environments, will be even less aware of an IFA's negotiation or execution despite being included in the agreement's sphere of application.

C. *Content of IFAs*

An IFA's scope can vary. While many IFAs apply globally, this is not always the case.⁵³ For example, Chiquita, a U.S.-based banana MNE, signed an IFA restricted to its operations in Latin America.⁵⁴

Geographic restrictions have been criticized by unionists, who claim that "workers throughout the world deserve the full application and enforcement" of IFAs, regardless of national laws.⁵⁵ These critiques fail to appreciate how business environments, labor relations practices and histories, and union density can differ significantly by jurisdiction. IFAs are most likely to be strictly adhered to when they allow for a nuanced application that is responsive to the varying contexts in which they apply. As noted by Danny Kaufer and Thomas Brady, jurisdictional differences are not "merely cosmetic"; IFAs can often be at odds with North American Wagner Act models, which impose stringent union certification criteria premised on majoritarian exclusivity and observe a more limited scope of protection for freedom of association.⁵⁶

As a general rule, most agreements also cover subsidiaries. One prominent exception is Volkswagen: its IFA is limited to countries represented in the corporation's World Works Council, a restriction leading to the exclusion of China.⁵⁷ Many agreements also oblige an MNE to inform its suppliers and business partners about the agreement and to support or encourage these suppliers to adhere to the principles contained therein.⁵⁸ The IFA that Canadian MNE Quebecor World Inc. signed in 2007 included a commitment by the corporation to "not knowingly use vendors or suppliers who willfully violate the principles of this Joint Statement."⁵⁹ Some agreements formally cover the

53. Stevis, *supra* note 11, at 7.

54. IUF-COLSIBA & CHIQUITA, IUF/COLSIBA AND CHIQUITA AGREEMENT ON FREEDOM OF ASSOCIATION, MINIMUM LABOUR STANDARDS AND EMPLOYMENT IN LATIN AMERICAN BANANA OPERATIONS (2001), available at <http://www.iufdocuments.org/www/documents/Chiquita-e.pdf>.

55. See, e.g., Herrnstadt, *supra* note 36, at 268.

56. Kaufer & Brady, *supra* note 46, at 1609.

57. VOLKSWAGEN AG, GLOBAL PLANT COUNCIL OF VOLKSWAGEN AG & INT'L METAL UNION, DECLARATION ON SOCIAL RIGHTS AND INDUSTRIAL RELATIONSHIPS AT VOLKSWAGEN 1 (2002), available at http://supplynet.autoeuropa.pt/files/Declaration_social_rights_industrial_relationships_vw.pdf.

58. Stevis & Fichter, *supra* note 51, at 674–75.

59. QUEBECOR WORLD INC. & UNI GLOBAL UNION, JOINT STATEMENT ON THE RESPECT AND PROMOTION OF INTERNATIONAL LABOUR STANDARDS 2 (2007), available at [http://place.uniglobalunion.org/servlet/QuickrSupportUtil?type=quickrdownload&key=/LotusQuickr/pub/PageLibraryC1257824003A7C09.nsf/0/3085A1E6EEAF2C87C12578AA0050F1A4/\\$file/UNI-Quebecor-en.pdf](http://place.uniglobalunion.org/servlet/QuickrSupportUtil?type=quickrdownload&key=/LotusQuickr/pub/PageLibraryC1257824003A7C09.nsf/0/3085A1E6EEAF2C87C12578AA0050F1A4/$file/UNI-Quebecor-en.pdf).

entire supply chain but qualify this scope with the formulation “if possible.”⁶⁰

Most agreements adhere, either expressly or implicitly, to the Core Labour Values set out in the ILO *Declaration on Fundamental Principles and Rights at Work*.⁶¹ The standards are “(a) freedom of association and the effective recognition of the right to collective bargaining; (b) the elimination of all forms of forced or compulsory labour; (c) the effective abolition of child labour; and (d) elimination of discrimination in respect of employment and occupation.”⁶² Express reference to these standards, and jurisprudence made thereunder, helps ensure an IFA is not vague, ambiguous, or subject to competing interpretations.⁶³ Many IFAs also contain references to minimum terms of employment, for example, hours of work, wages, and health and safety.⁶⁴

In recent years, IFAs have become increasingly detailed.⁶⁵ Rather than being placated by a simple reference to freedom of association, for example, GUFs have increasingly sought clearer statements of mutual expectations and commitments.⁶⁶ GUFs have demanded express guarantees that workers will be permitted to organize without any opposition from the employer, that there will be no obstacles in the path to recognition, and that unions will have access to workers for the purpose of organizing.⁶⁷ An IFA may also require an employer to recognize a union “by using the easiest legal process available to them in that country” (for example, voluntary recognition in the United States).⁶⁸

60. TELLJOHANN ET AL., *supra* note 8, at 32.

61. *ILO Declaration*, *supra* note 10. The ILO is a United Nations agency created in 1919 through the Treaty of Versailles. *Origins and History*, ILO, <http://www.ilo.org/global/about-the-ilo/history/lang-en/index.htm> (last visited Feb. 3, 2014). It is comprised of equal numbers of government, employer, and worker representatives from 185 member states. *Structure*, ILO, <http://www.ilo.org/global/about-the-ilo/who-we-are/lang-en/index.htm> (last visited Feb. 3, 2014). One of its mandates is to improve working conditions around the world, which is fulfilled through the establishment of declarations, conventions, and recommendations. *How International Labour Standards Are Created*, ILO, <http://ilo.org/global/standards/introduction-to-international-labour-standards/international-labour-standards-creation/lang-en/index.htm> (last visited Feb. 3, 2014). The assent of two-thirds of the ILO’s tripartite governing body, the International Conference, is required to adopt a convention. *Id.*

62. *ILO Declaration*, *supra* note 10.

63. Herrnstadt, *supra* note 36, at 267.

64. TELLJOHANN ET AL., *supra* note 8, at 51. Conversely, the EFAs with which many Europe-based MNEs are familiar typically address a greater variety of issues than IFAs. *Id.* at 72. Many EFAs discuss restructuring, key principles of employment and personnel policy, occupational health and safety, and labor rights and core labor standards. *Id.* Fundamental social rights do not appear prominently in these agreements—unlike IFAs where they are often the predominant issue. *Id.*

65. Christy Hoffman, *Evolving Global Industrial Relations: Global Agreements and UNI Global Union—Does This Matter in the United States?* (Nov. 7, 2013) in MATERIALS FROM THE ABA 7TH ANNUAL LAB. & EMP. L. CONF., Nov. 2013, at 2.

66. *Id.*

67. *Id.* at 2–3.

68. *Id.* at 2.

Another common feature of IFAs is an implementation and dispute resolution process—although the mechanisms used can vary considerably between agreements. Some agreements contain a mediation/arbitration clause. For example, the ISS-UNI IFA states:

In the event that the parties are unable to resolve a dispute arising out of this global agreement . . . the matter shall be referred to a mutually agreed independent mediator/arbitrator, who shall seek initially a mediated resolution. In the event of a failure to reach a mediated resolution the independent party shall propose an arbitrated resolution which shall be binding on both parties. It shall be left for the independent mediator/arbitrator to decide, which party shall pay the costs associated with such mediation or arbitration.⁶⁹

Mediation/arbitration clauses, however, exist in only a minority (albeit a growing number) of IFAs. More frequently, a GUF relies on informal discussions with an employer to resolve differences, and failing that, proceeds with a public campaign to pressure the employer into compliance.⁷⁰ Scholars have also assessed the potential of an IFA being enforced in North American courts under tort, contract, or labor law. However, no cases have yet tested the efficacy of these theories.⁷¹

The primary concern for North American subsidiaries is whether the standards outlined in an IFA are more onerous than national requirements so as to cause a competitive disadvantage. In contemplation of this possible impact, some IFAs require the GUF or affiliated unions to pursue greater unionization in the affected sector in an attempt to level the playing field. For example, the IFA signed by a security MNE states:

The parties recognise that [the employer] operates in a highly competitive environment in which many local competitors do not respect laws on working hours and pay. *If any improvements to terms and conditions of employment appear likely to result in a loss of market share or margin to [the employer,] the local union and management team will develop a joint strategy and action plan to monitor and raise standards among all of the companies in the market and create an environment in which [the employer] will be able to raise standards without compromising its competitive position.*⁷²

With respect to freedom of association, the most challenging area for North American subsidiaries, there are two ILO conventions ad-

69. ISS & UNI GLOBAL UNION, ISS-UNI GLOBAL AGREEMENT art 6.4 (2008).

70. Hoffman, *supra* note 65, at 5.

71. See generally, e.g., Kevin Banks & Elizabeth Shilton, *Corporate Commitments to Freedom of Association: Is There a Role for Enforcement Under Canadian Law?*, 33 COMP. LAB. L. & POL'Y J. 495 (2012).

72. GROUP 4 SECURICOR & UNI GLOBAL UNION, A GLOBAL AGREEMENT BETWEEN UNI AND G4S: ETHICAL EMPLOYMENT PARTNERSHIP art. 5 (2008) (emphasis added).

dressings this right—Conventions 87⁷³ and 98.⁷⁴ In practical terms, freedom of association includes the right to unionize.⁷⁵ When an MNE signs an IFA that expressly or implicitly includes this right, it has agreed to *support* unionization or, at the very least, remain *neutral* during an organizing drive.⁷⁶ For example, it would not be atypical for a European-initiated IFA to contain a commitment “not to oppose efforts to unionize its employees.” Conversely, national North American standards would, at a minimum, allow an employer to communicate to employees its opposition to unionization.⁷⁷

This means a North American subsidiary violates an IFA when it exercises its lawful right to express its views against union organization. Similarly, an employer is prevented from holding so-called “captive audience meetings” with workers unless it provides equal time and access to a union, thereby preserving the appearance of neutrality. As will be shown in the examples below, whether these IFA violations result in “sanctions” being taken against an MNE will depend on how successfully a GUF can coordinate its global network and exert pressure or influence on the MNE’s corporate headquarters.

III. Effect of IFAs on North American Operations

There has been considerable variability in how successfully unions have been able to rely on and enforce IFAs. In their 2012 study, scholars Dmitris Stevis and Michael Fichter categorized three outcome types.⁷⁸ First, they found numerous IFAs have had no impact whatsoever on labor relations practices—these are hollow agreements that were never intended to be implemented.⁷⁹ A North American subsidiary should not feel threatened by this IFA type—it will have no impact on how business is conducted.

A second category, which is a very small minority, includes those cases in which IFAs have become institutionalized, fostering long-term constructive labor relations between the GUF and MNE.⁸⁰ In these circumstances, all subsidiary and supplier corporations may already share or support corporate headquarters’ “social dialogue” approach to labor relations.⁸¹ In such cases, IFAs are likely to have little

73. ILO, *Freedom of Association and Protection of the Right to Organise Convention*, ILO Doc. CO87 (July 9, 1948) [hereinafter *Freedom of Association*].

74. ILO, *Right to Organise and Collective Bargaining*, ILO Doc. CO98 (Jan. 7, 1949).

75. See *Freedom of Association*, *supra* note 73, art. 2.

76. See Owen E. Herrnstadt, *Are International Framework Agreements a Path to Corporate Responsibility?*, 10 U. PA. J. BUS. & EMP. L. 187, 200 (2007).

77. See, e.g., 29 U.S.C. § 158(c) (2006) (free speech clause of the Taft-Hartley Act).

78. Stevis & Fichter, *supra* note 51, at 669.

79. *Id.*

80. *Id.*

81. *Id.*

impact on a corporation's culture; subsidiaries are already unlikely to engage in actions opposed to unionization.

A final category includes IFAs having "limited" or "episodic" outcomes. Such an agreement's impact is characterized by an "*ad hoc* reaction in a specific conflict situation."⁸² For example, when a North American subsidiary or supplier is faced with an organizing campaign and responds defensively, an IFA may be used to induce the corporate headquarters to intervene and restrain its subsidiary. Efforts by GUFs to utilize IFAs for this purpose are becoming increasingly common in North America.⁸³

A. H&M

Swedish-based H&M is the world's second largest clothing retailer.⁸⁴ It operates approximately 2,800 stores in forty-eight markets worldwide, including 330 stores in North America.⁸⁵ In 2012, H&M had approximately US\$2.4 billion in North American sales.⁸⁶ Global profits produced a return on equity of 38.4% and an operating margin of 18.0% in 2012.⁸⁷

H&M's business concept is simple: "[O]ffer fashion and quality at the best price."⁸⁸ Cost advantages are achieved by "in-house design, no middlemen, large purchasing volumes, efficient logistics and cost-consciousness at every stage."⁸⁹ Efficiencies are obtained by outsourcing production and distribution to approximately 800 independent suppliers and placing significant cost pressure on them.⁹⁰

In 2004, H&M agreed to an IFA with UNI Global Union.⁹¹ This decision appears to have been motivated by public pressure to improve working conditions at its suppliers' facilities in the developing world, including Bangladesh, Cambodia, Pakistan, and Sri Lanka. On April 24, 2013, Rana Plaza (an apparel factory that did not supply H&M) collapsed in Bangladesh. This resulted in renewed pressure by GUFs UNI and IndustriALL, among other interest groups, and led H&M to

82. *Id.* (emphasis added).

83. See discussion *infra* Parts III.A–B.

84. Greg Petro, *The Future of Fashion Retailing—The H&M Approach (Part 3 of 3)*, FORBES (Nov. 5, 2012, 10:18 AM), <http://www.forbes.com/sites/gregpetro/2012/11/05/the-future-of-fashion-retailing-the-hm-approach-part-3-of-3/>.

85. H&M ANNUAL REPORT, *supra* note 30, at 40–41.

86. See *id.* at 41. We used <http://www.xe.com> to convert the 15.675B SEK listed in H&M's annual report to US\$2.6B, using an exchange rate of 1 SEK=US\$0.153668 (as of Aug. 16, 2013).

87. H&M ANNUAL REPORT, *supra* note 30, at 44.

88. *Id.* at 7.

89. *Id.*

90. *Id.* at 9.

91. H&M & UNI GLOBAL UNION, AGREEMENT BETWEEN H&M HENNES & MAURITZ AB (H&M) AND UNION NETWORK INTERNATIONAL ON COOPERATION IN ORDER TO SECURE AND PROMOTE FUNDAMENTAL WORKER'S RIGHTS AT H&M'S WORKPLACES WORLDWIDE (2004).

enter into a new pact intended to further improve working conditions in the developing world.⁹²

H&M's IFA with UNI Global Union is only four paragraphs long, but it affirms H&M's commitment to the "support [of] and respect for fundamental human rights including freedom of association and the right to collective bargaining . . . in all H&M's workplaces."⁹³ Express mention is made of ILO Conventions 87 and 98.⁹⁴

Although H&M boasts that about sixty-three percent of its worldwide workforce is unionized, unionization of its North America operations was a relative rarity before the signing of an IFA.⁹⁵ In 2011, for example, H&M voluntarily recognized the UFCW as the bargaining agent for approximately 240 workers in six New York City stores after it was presented with signed union cards from an "overwhelming majority of workers at the stores."⁹⁶ The behavior of local management at the New York stores was atypically restrained—management did not oppose the UFCW's organizing efforts whatsoever, in compliance with H&M's IFA.⁹⁷

These organizing drives have continued into Canada. In October 2011, employees at an H&M store in Mississauga, Ontario, voted in favor of UFCW representation. UFCW organizer Kevin Shimmin described the corporation's response to its application for certification as "muted," noting that "[t]he employer was not nearly as intimidating as they usually are."⁹⁸ For example, the H&M store permitted an employee to wear a pro-union T-shirt during work hours.⁹⁹ Another successful UFCW certification followed at an H&M store in Joliette, Quebec.¹⁰⁰

On June 14, 2012, the UFCW successfully organized employees working at a Remco distribution warehouse located in Brampton,

92. Liz Alderman, *Public Outrage over Factory Conditions Spurs Labor Deal*, N.Y. TIMES (May 19, 2013), <http://www.nytimes.com/2013/05/20/business/global/hm-led-labor-breakthrough-by-european-retailers.html?pagewanted=all>.

93. H&M & UNI GLOBAL UNION, *supra* note 91.

94. *Id.*

95. *Employee Relations*, H&M, <http://about.hm.com/en/About/Sustainability/Commitments/Be-Ethical/Fair-Partner/Employee-Relations.html> (last visited Feb. 16, 2014).

96. *H&M Workers at Six New York Stores Say Union Yes with UFCW*, UFCW (July 28, 2011), <http://www.ufcw.org/2011/07/28/hm-workers-at-six-new-york-stores-say-union-yes-with-ufcw-2/>.

97. *See id.*

98. Vanessa Lu, *Retail Workers Organize H&M Outlet: A Group of Young Workers at the Trendy H&M Chain Have Managed to Form a Union, Helping UFCW to Break into the Small Retail Market*, TORONTO STAR (Oct. 31, 2011), http://www.thestar.com/business/2011/10/31/retail_workers_organize_hm_outlet.html.

99. *Id.*

100. *H&M Associates in Quebec Join the Union*, UFCW CANADA, http://ufcw.ca/index.php?option=com_content&view=article&id=2591%3Aham-associates-in-quebec-join-the-union&catid=6%3AAdirections-newsletter&Itemid=6&lang=en (last visited Feb. 22, 2014).

Ontario, that operates exclusively for H&M.¹⁰¹ Upon receiving the application for certification, H&M immediately contacted Remco to reiterate its position on unionization. H&M spokesperson Emily Scarlett told *The Huffington Post Canada*:

We had a conversation with Remco just to say that H&M has a long-standing relationship with unions and we are open to working with unions just so that it was very clear that our position is of an open atmosphere of working with unions, and we have been doing so for a very long time . . . ¹⁰²

There is no evidence Remco actively or aggressively opposed the UFCW's organizing campaign. The successful unionization at Remco is just one example of "supply-chain leveraging," in which unions organize a retailer's distribution workers to leverage union recognition among frontline sales staff.¹⁰³

H&M appears to fit into the narrow second category of outcomes where IFAs have institutionalized a long-term constructive relationship between the MNE, GUF, and affiliated national unions. For now, H&M's performance remains strong and interactions with its unions appear to remain positive. Entering into the IFA may have been a calculated gamble as H&M attempted to avert attention from its suppliers' workplace practices in the developing world. However, H&M's ability to continue to perform at its current levels is worth monitoring closely as it copes with the long-term risks unionization poses to its core strengths, particularly when competing in the highly nonunionized North American economy.

B. Daimler

Daimler has operated a car assembly and parts manufacturing plant near Tuscaloosa, Alabama, since 1997. This plant employs approximately 2,900 workers and produces around 180,000 vehicles annually.¹⁰⁴ It is one of only five Mercedes-Benz Car (MBC) plants outside of Germany and the only such facility in North America.¹⁰⁵ The eight German MBC plants employ nearly 84,000 people—eighty-six percent of the worldwide MBC workforce.¹⁰⁶

101. Rachel Mendleson, *H&M Unionization: Remco Warehouse Workers Vote to Join UFCW*, HUFFINGTON POST CANADA (May 23, 2012), http://www.huffingtonpost.ca/2012/05/23/hm-unionization-remco-ufew_n_1540032.html (last visited Feb. 16, 2014).

102. *Id.*

103. Peter Ikeler, *Organizing Retail: Ideas for Labor's Ongoing Challenge*, 14 WORKING USA 367, 381–82 (2011).

104. *Mercedes-Benz Tuscaloosa Plant*, DAIMLER, <http://www.daimler.com/dccom/0-5-1382119-1-1333338-1-0-0-0-0-9506-0-0-0-0-0-0-0-0-0-0-0-0-0.html> (last visited Feb. 16, 2014).

105. *See Locations Mercedes-Benz Cars*, DAIMLER, <http://www.daimler.com/company/business-units/mercedes-benz-cars/locations> (last visited Feb. 18, 2014).

106. *Mercedes-Benz Cars*, DAIMLER, <http://www.daimler.com/company/business-units/mercedes-benz-cars> (last visited Feb. 16, 2014).

Like most automobile manufacturers, especially given its German base, Daimler is a highly unionized MNE. Its key partner in Germany is IG Metall—one of the largest and most influential unions in that country.¹⁰⁷ IG Metall is also a prominent affiliate of IndustriALL, a GUF representing fifty million mining, energy, and manufacturing workers in 140 countries.¹⁰⁸ The Tuscaloosa facility is one of only a few Daimler plants where employees are not unionized.¹⁰⁹

An IFA was signed by DaimlerChrysler (as it then was) and the IMF (a predecessor to IndustriALL) in 2002.¹¹⁰ This agreement, which is considerably longer and more detailed than the H&M agreement, contains a robust commitment to freedom of association. It states:

- DaimlerChrysler acknowledges the *human right to form trade unions*.

During organization campaigns the *company and the executives will remain neutral*; the trade unions and the company will comply with basic democratic principles, and thus, they will ensure the employees can make a free decision. *DaimlerChrysler respects the right to collective bargaining*.

Elaboration of this human right is subject to national statutory regulations and existing agreements. Freedom of association will be *granted even in those countries in which freedom of association is not protected by law*.

- Cooperation with employees, employees' representatives and trade unions will be constructive. The aim of such cooperation will be to seek a *fair balance between the commercial interests of the company and the interests of the employees*. Even where there is disagreement, the aim will always be to work out a solution that permits constructive cooperation in the long term.¹¹¹

Daimler's commitment to neutrality during union organizing campaigns has not yet been decisive in Tuscaloosa. In 1999, for example, the United Auto Workers (UAW) commenced an organizing drive there. Though not bound by an IFA at that time, Daimler pledged not to oppose the union.¹¹² As reported in *The Wall Street Journal*, the UAW still faced an immovable obstacle: an anti-union campaign organized and financed

107. Christoph Rauwald, *IG Metal Widens Walkouts to Daimler Home State in Raises Push*, BLOOMBERG BUSINESSWEEK (May 2, 2013), <http://www.businessweek.com/news/2013-05-02/ig-metall-widens-walkouts-to-daimler-home-state-in-raises-push>.

108. INDUSTRIALL, *supra* note 27.

109. See Patrick Rupinski, *UAW Targets Mercedes Workers*, TUSCALOOSA NEWS (July 14, 2013), <http://www.tuscaloosanews.com/article/20130714/NEWS/130719924>.

110. DAIMLERCHRYSLER & INT'L METALWORKERS FED'N, SOCIAL RESPONSIBILITY PRINCIPLES OF DAMLERCHRYSLER (2002).

111. *Id.* at 2 (emphasis added).

112. Jeff Ball, *UAW's Reception in Alabama Mercedes Plant Is Sour*, WALL ST. J., Jan. 31, 2000, at A15.

by the local business community.¹¹³ Business leaders were likely concerned about their ability to remain union-free if the UAW gained a presence in the region. In addition, organized labor was likely seen to be at odds with community values and “right-to-work” politics. In any event, the UAW only registered about twenty-two percent of Daimler’s then 1,300 workers.¹¹⁴ A vote was never held.

In 2013–14, fourteen years after its initial organizing campaign, the UAW launched another effort at Tuscaloosa, committing at least \$60 million to organizing efforts in the South.¹¹⁵ This time it hoped to leverage its IFA and make use of the resources and influence of IG Metall, which had opened an office near the Daimler plant.¹¹⁶ The direct cooperation between the UAW and IG Metall was a relatively new development, spurred in part by German workers’ concerns that production would exit Germany for lower-cost nonunion jurisdictions.¹¹⁷ On average, U.S. auto workers received about \$37 in wages and benefits per hour worked in 2012, compared with about \$59 in Germany.¹¹⁸

Daimler once again promised neutrality, and local businesses again came to the company’s aid. Dara Longgrear, the Tuscaloosa County Economic Development Authority’s executive director, was concerned about the statewide implications of a resurgent UAW. Alabama relied on its strong union-free culture as a major selling point to corporations looking to relocate facilities or commence new operations. She told *The Tuscaloosa News*:

It would be a tremendous blow for what people like me work for—for what I have worked for 35 years. That’s recruiting industries with good-paying jobs . . . This would do untold damage to those efforts . . . I would ask what did the UAW do for the auto industry in Michigan? That industry would not exist, or most of it would not exist if the U.S. taxpayers had not bailed it out . . . All the UAW offers is a chance for workers to pay money that goes to Detroit.¹¹⁹

Alabama Governor Robert Bentley similarly remarked to a reporter, “I really don’t believe they have any need for unionization and an in-

113. *Id.*

114. *Id.*

115. Dawn Kent Azok, *Division over Union: UAW Push to Organize Alabama’s Plant Could Be Felt Throughout the State*, ALA. MEDIA GRP. (July 28, 2013), http://www.al.com/business/index.ssf/2013/07/division_over_union_uaw_push_t.html (last visited Feb. 16, 2014).

116. Rupinski, *supra* note 109.

117. Neal E. Boudette, *German Worries Help Auto Union Effort in U.S.*, WALL ST. J. (Nov. 7, 2013), <http://online.wsj.com/news/articles/SB10001424052702304672404579183560759486136>.

118. *Id.*

119. Rupinski, *supra* note 109.

termediary between them and management I don't think it's going to happen."¹²⁰ This comment was echoed by a sixteen-year employee of Daimler at Tuscaloosa: "I'm 60 years old, and I don't need a man or a woman to speak for me."¹²¹

It remains to be seen whether assistance from global unions and an IFA will defeat a community and culture that neither values nor welcomes unionization. However, there are indications that the result in 2013–14 may be different from 1999. The UAW has already grabbed a toehold in the region, having recently certified five Daimler suppliers in Alabama.¹²² The UAW also requested a National Labor Relations Board (NLRB) election at a sixth supplier's site.¹²³ Thus far Daimler's IFA has produced a "hollow" outcome in Tuscaloosa, but it is not clear how much longer the corporation's U.S. operations can withstand the global labor movement's impact. The tide may be turning against Daimler, with potentially devastating results for the corporation, community, and State of Alabama.

IV. Use of OECD Complaints to Influence North American Operations

The OECD Guidelines for Multinational Enterprises (Guidelines) are voluntary, nonbinding recommendations intended to provide minimum standards for business conduct.¹²⁴ Like the ILO Core Labour Standards, the Guidelines call for greater information and consultation with workers' representatives, safe and healthy jobs, advance notice of workplace closures, and other good faith measures in labor relations.¹²⁵ More specifically, the Guidelines require MNEs to "[r]espect the right of workers employed by the multinational enterprise to establish or join trade unions and representative organisations of their own choosing."¹²⁶ The Guidelines are directed at MNEs operating in countries adhering to the OECD's Declaration on International Investment and Multinational Enterprises, of which the Guidelines form the first part.¹²⁷ Both Canada and the United States, as OECD member-countries, are signatories to the Declaration.

120. Dawn Kent Azok, *Bentley: Alabama's Mercedes-Benz Plant Doesn't Need a Union*, ALA. MEDIA GRP. (June 30, 2013), http://www.al.com/business/index.ssf/2013/06/bentley_alabamas_mercedes-benz.html (last visited Feb. 16, 2014).

121. Azok, *supra* note 115.

122. See Patrick Rupinski, *UAW Petitions for Faurecia Union Vote: Organizer Says Enough Plant Employees Signed Cards Calling for an Election*, TUSCALOOSA NEWS (July 17, 2013), <http://www.tuscaloosaneews.com/article/20130717/NEWS/130719809>.

123. *Id.*

124. ORG. FOR ECON. CO-OPERATION & DEV. [OECD], OECD GUIDELINES FOR MULTINATIONAL ENTERPRISES 3 (2011).

125. *Id.* at 38.

126. *Id.* at 35.

127. *Id.*

Adhering governments have committed to encourage MNEs to follow the Guidelines and to appoint a national contact point (NCP) to assist parties in seeking a consensual resolution to specific instances of conflict. The Canadian NCP is “an interdepartmental committee chaired by the Department of Foreign Affairs and International Trade”;¹²⁸ the United States’ NCP is housed in the State Department’s Bureau of Economic and Business Affairs.¹²⁹

An NCP is granted wide latitude in how it addresses complaints. It can offer a forum for confidential discussion, including but not limited to facilitating voluntary mediation or conciliation.¹³⁰ An NCP also has the discretion to publish a final report summarizing the complaint and its recommendations to the parties. Consistent with the Guidelines’ voluntary nature, an NCP does not determine whether a party has “violated” the Guidelines, nor does it possess the authority to adjudicate.¹³¹ Despite these limitations, filing an OECD complaint has become part of a union’s global approach to labor relations. Not only do complaints force an MNE to participate in mediation, but they also generate negative publicity that can adversely affect the MNE’s operations and encourage settlement.

A. *GDF Suez/United Water*

GDF Suez, a Parisian utilities MNE, promotes itself as the world’s largest producer of nonnuclear power, the second largest buyer of natural gas in Europe, and Europe’s largest natural gas distributor.¹³² It has 138,200 employees and operates in nearly fifty countries, although only 2,800 of its employees are located in North America.¹³³ North American operations generated €4.2 billion in 2012.¹³⁴ By contrast, 124,300 of its employees are based in Europe, where €66.6 billion in revenue was produced in that year.¹³⁵

In 2010, GDF Suez signed an IFA with three GUFs: the International Federation of Chemical, Energy, Mine, General Workers’ Unions (ICEM); Building and Woodworkers International (BWI); and Public

128. *Canada’s National Contact Point (NCP) for the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises (MNEs)*, FOREIGN AFFAIRS, TRADE & DEV. CAN. (Dec. 23, 2013), <http://www.international.gc.ca/trade-agreements-accords-commerciaux/ncp-pcn/index.aspx?lang=eng>.

129. *U.S. National Contact Point for the OECD Guidelines for Multinational Enterprises*, U.S. DEPT OF STATE, <http://www.state.gov/e/eb/oeed/usncp/index.htm> (last visited Feb. 16, 2014).

130. *Id.*

131. See OECD, *supra* note 124, at 13.

132. *Profile*, GDF SUEZ, <http://www.gdfsuez.com/en/group/profile-key-figures/> (last visited Feb. 16, 2014).

133. *Id.*

134. *Id.*

135. *Id.*

Services International (PSI).¹³⁶ This IFA applies to “all present and future GDF Suez companies, employees, subcontractors and suppliers” and commits GDF Suez to support and uphold international standards, including the Guidelines and ILO Conventions 87 and 98.¹³⁷ Article 1.2 states:

*The rights of workers who wish to form or join trade unions are to be respected and there shall be no discrimination against such workers or against trade union or other employee representatives. To ensure transparency, GDF SUEZ will facilitate access to employees by trade union or other employee representatives under agreed conditions. GDF SUEZ and signatory Global Union Federations will co-operate to promote and encourage positive and constructive industrial relations inside all GDF SUEZ companies and their business partners. GDF SUEZ will provide information on its operations to trade unions in order to facilitate the practice of collective bargaining.*¹³⁸

Among the many international subsidiaries of GDF Suez bound by this IFA is Suez Environnement, a France-based water and waste management corporation. New Jersey-based United Water is a wholly owned subsidiary of Suez Environnement and, as a result, also must comply with the IFA.¹³⁹ United Water operates ninety municipal water systems, owns sixteen water utilities, and treats 955 million gallons of drinking water and 1.205 billion gallons of wastewater daily.¹⁴⁰ It employs 2,350 people in twenty-one U.S. states and produced \$765 million in 2012 revenues.¹⁴¹ It also has a longstanding relationship with the Utility Workers Union of America (UWUA), with some operations having been unionized for over fifty years.¹⁴²

United Water’s operations include a water filtration plant in Bloomsburg, Pennsylvania.¹⁴³ Workers at this plant have been represented by the UWUA for approximately fifteen years and had successfully negotiated several collective agreements, one of which expired on December 31, 2010.¹⁴⁴ Renewal negotiations commenced in November 2010 and dragged on through 2011 with considerable acrimony be-

136. GDF SUEZ, GLOBAL AGREEMENT ON FUNDAMENTAL RIGHTS, SOCIAL DIALOGUE AND SUSTAINABLE DEVELOPMENT 6 (2010), available at <http://www.bwint.org/pdfs/GDFgobagree EN.pdf>.

137. *Id.* at 1.

138. *Id.* at 2 (emphasis added).

139. *Facts & Figures: By the Numbers*, UNITED WATER, <http://www.unitedwater.com/facts-and-figures.aspx> (last visited Feb. 16, 2014).

140. *Id.*

141. *Id.*

142. See Press Release, United Water, United Water and UWUA Local 375 Reach Agreement (Oct. 5, 2011), <http://www.unitedwater.com/Allendale/newscenter.aspx?id=7432>.

143. United Water Penn. Inc., No. 06-CA-037236, 2011 WL 5149074, at *2 (N.L.R.B. Oct. 31, 2011).

144. *Id.*

tween the parties.¹⁴⁵ These negotiations coincided with similarly bitter bargaining at the New Rochelle, New York; Jersey City and Toms River, New Jersey; and Wilmington, Delaware plants. In the course of bargaining, the UWUA filed several unfair labor practice complaints with the NLRB, alleging United Water engaged in bad faith negotiations by withholding “essential bargaining data” and unjustly denying workers scheduled bonus payments.¹⁴⁶

To help enhance its bargaining position, the UWUA also launched an international campaign. As a component of this, it co-filed an OECD complaint with an environmental nongovernment organization (NGO), Food & Water Watch, at the U.S. NCP on June 8, 2011.¹⁴⁷ The complaint alleged several environmental violations by United Water and also repeated the UWUA’s unfair labor practice claims.¹⁴⁸ It specifically referenced the following three paragraphs of the Guidelines:

1. b) Respect the right of workers employed by the multinational enterprise to have trade unions and representative organizations of their own choosing recognized for the purpose of collective bargaining, and *engage in constructive negotiations, either individually or through employers’ associations, with such representatives* with a view to reaching agreements on terms and conditions of employment
2. b) *Provide information to workers’ representatives* which is needed for meaningful negotiations on conditions of employment
8. Enable authorized representatives of the workers in their employment to negotiate on collective bargaining or labor-management relations issues and allow the parties to consult on matters of mutual concern with representatives of management who are authorized to take decisions on these matters.¹⁴⁹

In addition to formally filing the OECD complaint with the U.S. NCP, the UWUA also filed the complaint at the French embassy in Washington, D.C., as well as at the French Mission to the United Nations in New York.¹⁵⁰

The UWUA gained immediate international assistance from two GUFs, ICEM and PSI, who jointly criticized the parent company for

145. *Id.* at *3.

146. *Id.* at *1–2.

147. See generally Letter from D. Michael Langford, President of UWUA, and Wenonah Hauter, Exec. Dir. of Food & Water Watch, to Diane Bean, U.S. Nat’l Contact Point for OECD Guidelines for Multinational Enters. (June 8, 2011), available at http://documents.foodandwaterwatch.org/doc/United_Water_Suez_OECD_submission.pdf.

148. *Id.* at 2–5.

149. *Id.* at 8 (emphasis added).

150. *CEM, PSI Join US, French OECD Complaint Against GDF SUEZ*, INDUS. TRIALL (June 20, 2011), <http://www.industrial-union.org/es/node/11237>.

the insolent social conduct.¹⁵¹ In a letter to GDF Suez CEO Gérard Mestralett, leadership of both ICEM and PSI expressed how “angry and disappointed [they were] with the callousness, indifference, and negative conduct of United Water management in relation to the Global Framework Agreement and abidance to GDF SUEZ’s core social principles.”¹⁵²

Upon receipt of the OECD complaint, the U.S. NCP met with United Water to gather information.¹⁵³ The U.S. NCP’s involvement beyond this stage appears limited, with it largely deferring to ongoing proceedings led by the Federal Mediation and Conciliation Service. Although French NCP involvement was requested, it declined to proceed, presumably because it felt that the U.S. NCP was better positioned to help settle the dispute.¹⁵⁴

In February 2012, the UWUA and United Water resolved all the collective bargaining disputes that formed the basis of the OECD complaint; new agreements were reached “on very favourable terms for workers.”¹⁵⁵ Although the OECD process had little formal impact, the UWUA credited its success “as a direct result of the comprehensive [international] campaign against the company.”¹⁵⁶ The OECD labor complaint was formally withdrawn on February 29, 2012.¹⁵⁷ The U.S. NCP produced a final report in June 2013, but it was not made public.¹⁵⁸

B. *Deutsche Telekom/T-Mobile USA*

Headquartered in Bonn, Germany, Deutsche Telekom AG (DT) is a telecommunications giant with greater than €58 billion in annual revenues, approximately 230,000 employees, and operations in fifty countries.¹⁵⁹ Nearly fifteen percent of DT is owned by the Federal Republic of Germany.¹⁶⁰ Although DT only has sixteen employees in Canada,¹⁶¹ its largest foreign operation is T-Mobile USA, which entered

151. *Id.*

152. *US Utility Workers File OECD Complaint Against Suez Environnement*, INDUSTRIALL (June 9, 2011), <http://www.industrialunion.org/archive/icem/us-utility-workers-file-oecd-complaint-against-suez-environnement>.

153. *UWUA & FWW vs. United Water*, OECD WATCH, http://oecdwatch.org/cases/Case_218 (last visited Feb. 16, 2014).

154. *Id.*

155. *Id.*

156. *Id.*

157. *Id.*

158. *Id.*

159. *Facts and Figures*, DEUTSCHE TELEKOM, <http://www.telekom.com/company/at-a-glance/81660> (last visited Feb. 16, 2014).

160. *Id.*

161. DEUTSCHE TELEKOM, HR REPORT 2012–2013: FACTS AND FIGURES 4, available at http://www.hr-report.telekom.com/site13/sites/default/files/pdf/pb_zahlen_und_daten_en.pdf.

the U.S. market in 2001, employs about 38,000 people, serves forty-three million customers, and generates annual revenues in excess of US \$24 billion.¹⁶²

Neither DT nor T-Mobile USA has signed an IFA. In May 2005, it appeared as though an IFA between DT and UNI Global Union was imminent. Speaking at the UNI Telecom World Meeting in Berlin, DT CEO Kai-Uwe Ricke announced that the “time ha[d] come” for the company to sign a global agreement.¹⁶³ Though agreements had already been reached with Europe’s other large telecommunication corporations—Telefónica (2001) and France Telecom (2002)¹⁶⁴—an IFA with DT never materialized. Instead, DT unilaterally created a Social Charter.¹⁶⁵ The Charter begins with an acknowledgment that should be read as “in accordance with internationally recognized norms, directives and standards, in particular those of the International Bill of Rights, the ILO Core Conventions, the OECD Guidelines and the [UN] Global Compact.”¹⁶⁶ In addition, it contains the following statement supporting freedom of association:

[DT] [r]ecognizes the fundamental right to the freedom of association and the right to collective bargaining *within the scope of national regulations* and existing agreements. Deutsche Telekom also declares itself in favor of cooperating with legitimate democratic employee representations in an open and trusting manner based on a constructive social dialog with the *aim of achieving a fair balance of interests . . .*¹⁶⁷

While DT’s Social Charter has worldwide application, it includes the qualification that it should be “reviewed in light of national and international developments and, if necessary, modified.”¹⁶⁸ In a similar vein, DT’s Employee Relations Policy states:

We respect and acknowledge the right to freedom of association and collective action *within the scope of national regulations, customs and existing agreements*. We will not interfere with, restrain, or co-

162. *About T-Mobile: Company Information: Quick Facts*, T-MOBILE, http://www.t-mobile.com/Company/CompanyInfo.aspx?tp=Abt_Tab_CompanyOverview (last visited Feb. 16, 2014).

163. JOHN LOGAN, LOWERING THE BAR OR SETTING THE STANDARD? DEUTSCHE TELEKOM’S U.S. LABOR PRACTICES 10 (2009), available at http://laborcenter.berkeley.edu/laborlaw/deutsche_telekom09.pdf.

164. *Id.* at 4.

165. DEUTSCHE TELEKOM, SOCIAL CHARTER (2013), available at <http://www.telekom.com/static/-/123412/5/social-charter-si> [hereinafter DT SOCIAL CHARTER].

166. *Id.* at 2.

167. *Id.* at 3 (emphasis added). The third principle in the UN Global Compact states that “[b]usinesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.” This requires that businesses not “interfere in an employee’s decision to associate.” *United Nations Global Compact: Global Compact Principle Three*, UNITED NATIONS (Aug. 14, 2009), <http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/principle3.html>.

168. DT SOCIAL CHARTER, *supra* note 165, at 4.

erce employees in the exercise of these rights. There will be no threat of reprisal or force, or promise of benefit when expressing any views, argument, or opinion towards employees making use of their right to self-organization.¹⁶⁹

Both DT's Social Charter and Employee Relations Policy provide a high degree of local flexibility. These policies provide a baseline—for example, a prohibition of reprisals for expressing pro-union views—but empower local management to modify standards to conform to local laws and practices.

This approach to global labor relations has contributed to a significant disparity between unionization rates in Germany and the United States. While unions are rampant in the former—half of DT's highest corporate board, its supervisory board, is composed of trade union representatives—the latter has been almost entirely untouched by organized labor.¹⁷⁰ At present only twenty-five of T-Mobile USA's 38,000 employees are unionized.¹⁷¹

T-Mobile USA has enjoyed this success by adopting union avoidance tactics that are commonplace and lawful in the United States. It has not been forced to adopt neutrality toward union organizing by either an IFA or DT headquarters. For example, an internal memo from 2008 instructs local T-Mobile USA managers to

- Inform employees that it is preferable “to engage in direct, one-to-one communication, rather than through a third party representative.”
- Remind employees of their “superior benefit package without having to pay union dues or be subject to the other obligations of union membership.”
- Tell employees that “collective bargaining could result in the loss of certain benefits.”
- Remind employees that “thousands of workers in the telecommunications industry who are represented by unions have been laid off.”¹⁷²

GUFs and German national unions have attempted to pressure T-Mobile USA and DT into adopting more union-friendly positions. Without a bilateral IFA, however, the unions' toolbox was sparse. Filing an OECD complaint was one available option.

169. DEUTSCHE TELEKOM, GROUP POLICY ON EMPLOYEE RELATIONS 7 (2013), available at <http://www.telekom.com/static/-/205940/2/employee-relations-policy-erp-si> (emphasis added).

170. *Supervisory Board*, DEUTSCHE TELEKOM, <http://www.telekom.com/company/supervisory-board/15692> (last updated Feb. 6, 2014).

171. See *Union Representation*, DEUTSCHE TELEKOM (Oct. 9, 2013), <http://www.telekom.com/company/at-a-glance/responsible-employer/news/202338>.

172. LOGAN, *supra* note 163, at 13.

In July 2011, the Communications Workers of America (CWA), *ver.di* (a German national union representing DT employees), and UNI Global Union launched a complaint against DT and T-Mobile USA alleging multiple Guidelines infringements.¹⁷³ The U.S. NCP, which received the OECD complaint, reviewed the filing and recommended the parties arrive at a “consensual resolution” through voluntary, third-party mediation.¹⁷⁴ A pre-mediation meeting was not held until March 5, 2013.¹⁷⁵ Though the parties met at that time to discuss the parameters and general approach to the mediation, no further meetings occurred.¹⁷⁶ On July 9, 2013, the U.S. NCP closed the complaint, determining it was “no longer able to contribute to a positive resolution of this dispute[.]”¹⁷⁷

As with United Water, the OECD complaint procedure did not have a significant direct impact. However, the complaint did result in domestic and international negative publicity for T-Mobile USA.¹⁷⁸ One week after the complaint was submitted, the CWA capitalized on this and achieved its first and only victory against T-Mobile USA—a small group of technicians in Connecticut voted in favor of unionization by a margin of 8–7.¹⁷⁹ Yet, T-Mobile USA’s union avoidance policies continue unabated today, and no further operations have unionized.

V. Advice for Employers: Global Labor Strategies

We believe the best way to protect local operations is for each MNE to decline the invitation to sign an IFA. Instead, the MNE should develop and implement its own global labor strategy, taking into account the different labor laws and business environments in which it carries on business. This approach was successful for DT/T-Mobile USA. It declined an invitation to sign an IFA with UNI Global Union and instead developed an internal policy that was responsive to the localities in which it operated. If an MNE must sign an IFA, at the very least, it should attempt to incorporate language recognizing the significant labor relations and business differences among jurisdictions.

173. *U.S. NCP Final Assessment: Communication Workers of America (AFL-CIO, CWA)/ver.di and Deutsche Telekom AG*, U.S. DEP’T OF STATE (July 9, 2013), <http://www.state.gov/e/eb/oeed/usncp/links/rls/211646.htm>.

174. *Id.*

175. *Id.*

176. *Id.*

177. *Id.*

178. *See, e.g., Cornelius Rahn, T-Mobile USA Violates Workers’ Rights, Union Representatives Say*, BLOOMBERG NEWS (July 12, 2011), <http://www.bloomberg.com/news/2011-07-12/deutsche-telekom-unions-file-complaint-at-oeed-on-labor-rights.html>; *Media Storm in Germany over Deutsche Telekom*, UNI GLOBAL UNION (July 13, 2011), <http://www.uniglobalunion.org/news/media-storm-germany-over-deutsche-telekom>.

179. *T-Mobile Workers Win Union Voice in Connecticut*, INT’L TRADE UNION CONFEDERATION (July 20, 2011), <http://www.ituc-csi.org/t-mobile-workers-win-union-voice>.

Harry Arthurs, one of Canada's leading labor law scholars, has noted that "it is in the interests of transnational corporations to cosmeticise conflict, if they can, to pacify workers, neutralize unions and reassure NGOs, governments and consumers."¹⁸⁰ A global labor strategy should try to accomplish these goals.

Every global labor strategy should include, at a minimum, an international code of conduct created and implemented by the employer. This code generally should include a commitment to many of the objectives outlined in the ILO Core Labour Standards—no forced or child labor nor discrimination—as well as basic occupational health and safety standards. It may also address freedom of association or an MNE's position with respect to unionization more generally. However, care should be taken in this regard, especially if the MNE has operations in countries with wide disparities in union density, influence, and activism.

In developing a global labor strategy, MNEs must ensure a range of stakeholders—including executive management, local human resource professionals, front-line employees, and, if applicable, employee representatives—are adequately consulted. A global labor strategy will be at best ineffective, and at worst potentially harmful, if it is adopted without the input of human resource and operational stakeholders at the regional level. These are the people who can best advise on what content is needed in various jurisdictions, such as how a neutrality agreement with unions might affect the MNE's ability to remain competitive in the local market. These local stakeholders will also be best positioned to assess the strategy's "on-the-ground" effectiveness.

A well-designed and implemented global labor strategy will benefit an MNE in a number of important ways. The process will

1. Educate the MNE regarding the labor laws, business customs, and freedom of association norms of the jurisdictions in which it operates.
2. Cause the MNE to appreciate the consequences, and potentially negative implications, of entering into an IFA. This should reduce the risk the MNE will enter into an IFA that will hurt its operations in union-free jurisdictions.
3. Result in a set of protocols and labor standards designed by the MNE—and not negotiated with a GUF. These will be tailor-made to reflect an MNE's business realities, as well as those of its entire supply chain.

180. Harry Arthurs, *Private Ordering and Workers Rights in the Global Economy: Corporate Codes of Conduct as a Regime of Labour Market Regulation*, in *LABOUR LAW IN AN ERA OF GLOBALIZATION: TRANSFORMATIVE PRACTICES AND POSSIBILITIES* 471, 479 (Joanne Conaghan et al. eds., 2001).

4. Insulate the MNE from pressure by GUFs to execute an IFA by a preemptive adoption of an existing code of conduct that adequately protects ILO Core Labour Standards.
5. Foster positive public relations and minimize the impact of accusations by labor unions and lobbyists who claim the MNE profits from poor labor conditions, particularly in developing countries.
6. Improve working conditions for the MNE's employees worldwide. This should raise morale, improve productivity, and reduce the desire or perceived need for a union.

VI. Conclusion

Unions are on the move. Their networks span the globe, structured through colossal GUFs and bilateral affiliations. Organizing campaigns in Tuscaloosa, Alabama, or North East, Maryland, can appear in newspapers and on the evening news in Stuttgart and Munich, Germany. As a result, labor relations can no longer be conducted on a strictly local, regional, or national basis.

While an IFA is not always a union's golden ticket to certification, and other factors such as local union-free politics still matter, MNEs should be very wary about entering into such agreements. A better approach is to develop a global labor strategy unilaterally that accounts for the legal and practical differences among jurisdictions. These strategies are critical to the health, productivity, and continued competitiveness of an MNE's worldwide operations.

Appendix A¹⁸¹

No.	Employer	Headquarters	Sector	Document Title	Year(s) of Signing
1	Codere	Spain	Entertainment/Gaming	Global Agreement between Codere and UNI Global Union for implementation of fundamental labour rights and decent work	2013
2	Enel	Italy	Utility	Global framework agreement on social dialogue guidelines	2013
3	Renault	France	Manufacturing	Global framework agreement on social, societal and environmental responsibility between the Renault Group, the Renault Group Workers' Council and IndustriALL Global Union	2013
4	Telenor	Norway	Telecommunications/Media	Global agreement between Telenor ASA and UNI Global Union	2013
5	Eurosport	France	Telecommunications/Media	Global agreement on fundamental social rights	2012
6	Ferrovial Agroman	Spain	Construction	Acuerdo Marco entre Ferrovial, La Federación Internacional de Construcción y Madera, FECOMA y MCA	2012
7	Fomento de Construcciones y Contratas	Spain	Construction	Framework agreement between FCC CONSTRUCCIÓN, S.A., Building and Woodworkers' International, FECOMA and MCA	2012
8	Ford	United States	Manufacturing	Global framework agreement	2012

Continued

181. This list is a compilation of search results from *Database on Transnational Company Agreements*, EUR. COMM'N, <http://ec.europa.eu/social/main.jsp?catId=978> (last visited Dec. 31, 2013), and *International Framework Agreements*, EUR. WORKS COUNCILS, http://www.ewcdb.eu/list_intl_framework_agreements.php (last visited Dec. 31, 2013). Sector determinations were made by the authors on the basis of information on each MNE's corporate website (last visited Dec. 31, 2013). Variations in capitalization stem from the preservation of native language capitalization conventions.

No.	Employer	Headquarters	Sector	Document Title	Year(s) of Signing
9	Inditex	Spain	Manufacturing	Global agreement on the involvement of unions to monitor the respect of workers' conditions at supplier	2012
10	Man SE	Germany	Manufacturing	Global Framework Agreement on Human Rights and Working Conditions	2012
11	OHL	Spain	Construction	Framework agreement between Obrascón Huarte Lain S.A., Building and Wood Workers' International, FECOMA and MCA	2012
12	Saab	Sweden	Manufacturing	International Framework Agreement between SAAB AB and employee representatives organizations in Saab AB and IF Metall and IndustriAll Global Union	2012
13	Siemens	Germany	Manufacturing	International Framework Agreement between Siemens AG, the Central Works Council of Siemens AG, the IG Metall and the IndustriAll Global Union	2012
14	Banco do Brasil	Brazil	Banking	Global Framework Agreement for the Americas Union Network International (UNI) and Banco do Brasil	2011, 2013
15	Danone	France	Manufacturing	Danone/TUF Agreement on health, safety, working conditions and stress	2011
16	Mizuno	Japan	Manufacturing	Global Framework Agreement	2011
17	Norsk Hydro	Norway	Manufacturing	Global Framework Agreement between Norsk Hydro ASA and IMF/ICEM Fellesforbundet and IndustriEnergi for the development of good working relations in Norsk Hydro ASA operations worldwide	2011
18	Sodexo	France	Service	International Framework Agreement	2011
19	ZF Friedrichshafen	Germany	Manufacturing	Global framework agreement on rights at work	2011

Continued

No.	Employer	Headquarters	Sector	Document Title	Year(s) of Signing
20	Antara	Indonesia	Telecommunications/ Media	Labour Management Agreement on Code of Conduct between Antara, Antara Employees' Union and UNI Global Union	2010
21	Electrolux	Sweden	Manufacturing	International Framework Agreement between AG Electrolux and employee representatives of IF Metall, UNI, IMF and the KFD[1] of the AB Electrolux Board of Directors	2010
22	France Telecom	France	Telecommunications/ Media	Worldwide Agreement on Fundamental Labour Rights	2010
23	GDF Suez	France	Utility	Global Agreement on Fundamental Rights, Social Dialogue and Sustainable Development	2010
24	Kimberly-Clark	United States	Manufacturing	Joint Statement between Kimberly-Clark and UNI/K-C Union Network	2010
25	Pfleiderer	Germany	Manufacturing	International Framework Agreement between Pfeiderer AG (hereinafter Pfeiderer), and IG Metall Germany, Building and Wood Workers International (BWI) and the European Works Council of Pfeiderer AG	2010
26	Shoptite Checkers	South Africa	Retail	Global Framework agreement	2010
27	Telkom Indonesia	Indonesia	Telecommunications/ Media	Global Framework Protocol between Telkom Indonesia and UNI Global Union	2010
28	Club Méditerranée	France	Service	Agreement on the respect of fundamental rights at work and transnational mobility	2009
29	Elanders	Sweden	Retail, Manufacturing	Global Framework Agreement on the respect and promotion of international labor standards and trade union rights	2009

Continued

No.	Employer	Headquarters	Sector	Document Title	Year(s) of Signing
30	ENEL	Italy	Utility	Corporate Social Responsibility Protocol	2009
31	Inditex	Spain	Retail	Global agreement for implementation of fundamental labor rights and decent work	2009
32	Volkswagen	Germany	Manufacturing	Charter on Labour Relations within the Volkswagen Group	2009
33	Wilkhan	Germany	Manufacturing	International Framework Agreement on Social Responsibility and promotion of Employees' Rights	2009
34	Aker	Norway	Resource, Manufacturing, Construction	Agreement on an International Framework Agreement for the development of good working relations in companies that are part of Aker	2008
35	ArcelorMittal	Luxembourg	Manufacturing	Agreement on minimum requirements for Plant level Joint H&S Committees	2008
36	ArcelorMittal	Luxembourg	Manufacturing	Terms of reference for a joint global OSH committee	2008
37	Danske Bank	Denmark	Banking	Global Framework Agreement on fundamental labor rights within Danske Bank Group	2008
38	Fiat	Italy	Manufacturing	FIAT International Framework Agreement	2008
39	G4S	United Kingdom	Service	A Global Agreement: Ethical Employment Partnership	2008
40	Italcementi	Italy	Manufacturing	International Framework Agreement to promote and protect workers' rights	2008
41	Manpower	United States	Services	Memorandum of understanding between CIETT Corporate members & UNI Global Union on Temporary agency work	2008

Continued

No.	Employer	Headquarters	Sector	Document Title	Year(s) of Signing
42	Takashimaya	Japan	Retail	Global Framework Agreement: Labour-Management Agreement on Code of Conduct between Takashimaya Company Limited, Takashimaya Labour Union, JSD and UNI Global Union	2008
43	Vallourec	France	Manufacturing	Agreement on the principles of responsibilities	2008
44	Brunel	Germany	Services	Global Framework Agreement on Social Responsibility—A commitment to social responsibility without borders	2007
45	Danone	France	Manufacturing	Convention on Diversity	2007
46	Inditex	Spain	Manufacturing	International Framework Agreement on the Implementation of International Labour Standards throughout the Inditex Supply Chain	2007
47	Pirelli	Italy	Manufacturing	Pirelli Tyre International Framework Agreement	2007
48	Quebecor World Inc.	Canada	Manufacturing	Joint Statement on the respect and promotion of international labor standards	2007
49	Umicore	Belgium	Manufacturing	Sustainable Development Agreement	2011
50	VolkerWessels	Netherlands	Construction	VolkerWessels: Signed between Royal Volker Wessels Stevin NV (VolkerWessels) and the Building and Wood Workers International (BWI) to promote and protect worker's rights	2007
51	WAZ	Germany	Manufacturing	Framework Agreement between Westdeutsche Allgemeine Zeitung Mediengruppe (WAZ) and International Federation of Journalists/European Federation of Journalists (IFJ/EFJ) on the defense and the promotion of press freedom, quality journalism and sound industries	2007
52	Euradius	Netherlands	Manufacturing	Global Agreement	2006

Continued

No.	Employer	Headquarters	Sector	Document Title	Year(s) of Signing
53	Nampak	South Africa	Manufacturing	Global Agreement on the Respect and Promotion of International Labour Standards between Nampak Ltd. and Union Network International	2006
54	National Australia Group	Australia	Banking	Global Agreement—The National Australia Group and Global Union Engagement Strategy	2006
55	PSA Peugeot	France	Manufacturing	International Framework Agreement on PSA Peugeot Citroën's Social Responsibility	2006, 2010
56	Portugal Telecom	Portugal	Telecommunications	Social Responsibility Code of Conduct	2006
57	Royal BAM	Netherlands	Construction	Framework agreement between Royal BAM Group nv and Building and Woodworkers International (BWI) to promote and protect workers' rights	2006
58	Securitas	Sweden	Service	Agreement between Securitas AB (publ.) and Union Network International and Swedish Transport Workers' Union on the development of good working relations in the Securitas group	2006, 2012
59	Staedtler	Germany	Manufacturing	International Framework Agreement between Staedtler, IG Metall Germany and Building and Woodworkers' International (BWI)	2006
60	Arcelor	Netherlands	Manufacturing	Worldwide Agreement on the Principles of Arcelor's Corporate Social Responsibility	2005
61	BMW	Germany	Manufacturing	Joint Declaration on Human Rights and Working Conditions in the BMW Group	2005
62	Coca-Cola Co	United States	Manufacturing	Joint Statement	2005
63	Computer Science Corporation	United States	Services	Framework agreement—Agreed arrangements relating to World Sourcing	2005

Continued

No.	Employer	Headquarters	Sector	Document Title	Year(s) of Signing
64	Danone	France	Manufacturing	Convention on the setting up of social indicators at group level	2005
65	Danone	France	Manufacturing	Fundamental Social Principles	2009
66	EADS	Netherlands	Manufacturing	International Framework Agreement	2005
67	Electricité de France	France	Utility	Agreement on EDF Group Corporate Social Responsibility	2005, 2009
68	GeoPost	Germany	Logistics	Framework agreement on the principles of GeoPost international management & Development Holding GmbH regarding social policy and employment in its sector	2005
69	Lafarge	France	Manufacturing	Global Agreement on Corporate Social Responsibility and International Industrial Relations	2005, 2013
70	Rhodia	France	Manufacturing	Global Corporate Social Responsibility Agreement between Rhodia and ICEM	2005, 2008, 2010, 2011
71	Schwan Stabilo	Germany	Manufacturing	International Framework Agreement between Schwanhäußer Industrie Holding GmbH & Co KG, 90562 Heroldsberg, Germany and IG Metall, Germany/ International Federation of Building and Wood Workers (IFBWW)	2005
72	UPU	Switzerland	Government	Memorandum of Understanding	2005
73	Veidekke	Norway	Construction	Global Framework Agreement between Fellesforbundet, Norsk Arbeidsmandsforbund/IFBWW and Veidekke ASA on the development of good working relations in Veidekke ASA operations worldwide	2005
74	Bosch	Germany	Manufacturing	Basic principles of social responsibility at Bosch	2004
75	GEA	Germany	Manufacturing	Codes of Conduct of GEA AG	2003

Continued

No.	Employer	Headquarters	Sector	Document Title	Year(s) of Signing
76	H&M	Sweden	Retail	Agreement between H&M Hennes & Mauritz AB (H&M) and Union Network International (UNI) on Cooperation in order to secure and promote fundamental worker's rights at H&M's workplaces worldwide	2004
77	Impregilo	Italy	Construction	Framework Agreement	2006
78	Lukoil	Russia	Resource	Agreement between International Federation of Chemical, Energy, Mine and General Workers' Unions, Russian Oil and Gas Workers Union And Open Joint Stock Company "Oil Company LUKOIL"	2004
79	Renault	France	Manufacturing	Renault Group employees' fundamental rights declaration	2004
80	Röchling	Germany	Manufacturing	Principles of Social Responsibility—Codes of Conduct	2004
81	Svenska Cellulosa Aktiebolaget	Sweden	Manufacturing	Framework agreement for promotion of cooperation and social responsibility between SCA and ICEM	2004
82	ISS	Denmark	Service	UNI-ISS Global Agreement	2003, 2008
83	Prym	Germany	Manufacturing	Declaration of the Social rights and Industrial relations within the Prym Group	2003
84	RAG	Germany	Resource	Agreement between RAG and IG BCE/ICEM on Cooperative Labor Relationships and the Protection of Good Working Conditions within the Worldwide Business Activity of the RAG Group	2003
85	Rheinmetall AG	Germany	Manufacturing	Social Responsibility Guidelines Code of Conduct of Rheinmetall AG	2003
86	SKF	Sweden	Manufacturing	SKF Code of Conduct	2003

Continued

No.	Employer	Headquarters	Sector	Document Title	Year(s) of Signing
87	Anglogold	South Africa	Resource	Global agreement on the promotion and implementation of good human and industrial relations in AngloGold operations worldwide	2002
88	Ballast Nedam	Netherlands	Construction	Framework agreement between Ballast Nedam and IFBWW	2002
89	DaimlerChrysler	Germany	Manufacturing	Social Responsibility Principles of DaimlerChrysler	2002
90	Endesa	Spain	Utility	ICEM Global Agreement with Endesa	2002
91	ENI	Italy	Resource	Agreement on transnational industrial relations and corporate social responsibility	2002, 2004, 2009
92	Fonterra	New Zealand	Manufacturing	Agreement between Fonterra, the IUF and the New Zealand Dairy Workers Union	2002
93	France Telecom	France	Telecommunications/ Media	Worldwide Agreement on Fundamental Labour Rights	2002, 2010
94	LEONI	Germany	Manufacturing	Declaration of Social Rights and Industrial Relationships at LEONI	2002
95	Norske Skog	Norway	Manufacturing	Agreement between Fellesforbundet/ICEM and Norske Skogindustrier ASA on the Development of Good Working Relations in Norske Skogindustrier's Worldwide Operations	2002
96	Volkswagen	Germany	Manufacturing	Declaration on Social Rights and Industrial Relationships at Volkswagen	2002
97	Carrefour	France	Retail	Joint agreement on monitoring the proper application of ILO conventions 87-98 and 135	2001

Continued

No.	Employer	Headquarters	Sector	Document Title	Year(s) of Signing
98	Chiquita	United States	Resource, Logistics	Agreement on Freedom of Association, Minimum Labour Standards and Employment in Latin American Banana Operations	2001
99	IKEA	Sweden	Retail	Framework agreement between IKEA and the IFBWW	2001
100	Indesit	Italy	Manufacturing	International framework agreement	2001
101	OTE	Greece	Telecommunications/ Media	Global agreement	2001
102	Skanska	Sweden	Construction	Agreement between Skanska and IFBWW	2001
103	StatoilHydro	Norway	Resource, Retail	The exchange of information and the development of good working practice within Statoil worldwide operations	2001, 2008, 2010
104	Telefónica	Spain	Telecommunications/ Media	UNI-Telefónica code of conduct	2001
105	Carrefour	France	Retail	Global Agreement Carrefour-UNI Union Network International	2000
106	Faber Castell	Germany	Manufacturing	AGREEMENT between A. W. Faber-Castell Unternehmensverwaltung GmbH & Co., 90546 Stein and Industriegewerkschaft Metall/Bau- und Holzarbeiter Internationale, BHI	2000, 2008
107	Freudenberg	Germany	Manufacturing	Cooperation, Responsibility and Social Dialogue in the Freudenberg Group	2000
108	Hochtief	Germany	Construction	Framework agreement between Hochtief and IFBWW	2000
109	Danone	France	Manufacturing	Convention applicable in the event of changes in business activities affecting employment or working conditions	1997, 2005
110	Grupo Repsol YPF	Spain	Resource, Manufacturing	Framework agreement for the Repsol Group	1997

Continued

No.	Employer	Headquarters	Sector	Document Title	Year(s) of Signing
111	Accor	France	Service	Agreement between the IUF and the Accor Group on Trade Union Rights	1995
112	Danone	France	Manufacturing	Convention on trade union rights	1994, 2005
113	Danone	France	Manufacturing	Convention on skills training	1992, 2005
114	Danone	France	Manufacturing	Convention on economic and social data in Groupe Danone companies	1989, 2005
115	Danone	France	Manufacturing	Convention for the promotion of equality of men and women in the workplace	1989, 2005
116	Danone	France	Manufacturing	Social standards applicable in restructuring of biscuits division in Europe	1988