Mr. Dennis Radtke, Member of the European Parliament

Mr. Director-General Mario Nava
DG Employment, Social Affairs and Inclusion of the European Commission

Ms. Deputy Secretary-General Elisabeth Werner
Secretariat-General of the European Commission

Ms. Edyta Czarnocka
Chair of the Social Question Working Party - employment, social dialogue - ILO

30 April 2025

Via E-Mail: Revision of the European Works Council Directive

Dear Mr. Radtke, MEP,
Dear Director-General Nava,
Dear Deputy Secretary-General Werner,
Dear Ms. Czarnocka,

France, Germany and Sweden have a strong commitment to the European social model which promotes social dialogue. They are the three EU Member States with the highest number of multinational companies that have set up a European Works Council, in some cases for decades.

The European Union is taking significant steps to strengthen its competitiveness and to reduce unnecessary bureaucratic burdens. The Draghi Report and the Competitiveness Compass serve as guidance for this regulatory simplification agenda. Considering this background, it is essential to ensure that new legislative initiatives do not undermine these efforts.

The ongoing trilogue negotiations on the revision of the European Works Council (EWC) Directive must also be considered in this context. Given today's geopolitical challenges and the pressing need to reinforce Europe's economic strength, it would be counterproductive to introduce measures that further increase regulatory and administrative burdens, cause legal uncertainty on businesses and interfere with the role of the social partners.

The proposed revision to the EWC Directive is problematic in several ways:

1. **Extensive legal and financial risks for companies:**
   The proposal to allow preliminary injunctions to suspend company decisions based on alleged violations of EWC rights is highly problematic. Such a provision would not only delay critical business decisions but also expose companies to legal uncertainties, disrupting their ability to operate in an increasingly competitive global market. Moreover, such a preliminary injunction would change the nature of EWCs closer to a body of codetermination rather than information and consultation.
2. **Overburdening definition of transnational matters:**
   The expanded definition of transnational matters alone creates significant legal uncertainty, making it difficult for companies to determine when and if an EWC consultation or the consultation of a national body is required. It is essential to reintroduce the adjective

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"substantially" to Article 1. With no indication to qualify the effect of a measure on employees, the scope of the EWCs competence will be overwhelming to everyone. The best way to clarify which matters should be subject to the EWC can only be found at a company level.

3. **Unfulfillable complexity in information and consultation procedures:**
   The highly detailed procedures for information and consultation will slow down decision-making processes and undermine companies' agility. The requirements for a prior procedure culminating with a "reasoned response in writing" cannot be guaranteed overall and contradict an efficient social dialogue.
4. **Extensive disclosure of confidential information:**
   The proposal to allow EWC members to pass on confidential information to members of national information and consultation bodies will lead to unwanted disclosure of information. The companies' management must maintain control over sensitive information at all times, which even can be market sensitive information.

In addition, other provisions of the proposal like the mandatory financing of (legal) experts or the extended scope to include franchise and license-based companies—further exacerbate the regulatory burden on companies.

To ensure that the revised EWC Directive remains a tool for meaningful social dialogue without undermining European competitiveness, we urge the trilogue negotiators to reconsider these concerns and adopt a more balanced approach.

We appreciate your attention and remain available for further dialogue on this critical matter.

Yours sincerely,

Steffen Kampeter
CEO

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