

1. Introduction

The agreement on "Business Area, Group Staff and Support Function Consultative Committees" is the basis for handling major change with cross-boarder consequences and expected to results in redundancies. The agreement states:

"... with respect to the national collaboration procedures the final decision-making must await, processing in national collaboration bodies, when planned changes, including outsourcing, courses a retrenchment of employees by collective dismissals."

2. The Agreement

In order to come to terms with the high level, strategic business orientation in major change initiatives, with cross-boarder consequences expected to result in redundancies, faster and with greater overview and transparency the following Negotiating Committee arrangement will be used.

- The Consultative Committee discusses proposed change initiatives, of the type indicated in the first paragraph, on the basis of full information concerning background, objectives, business-case and strategic impact.
- If, on the one hand, the CC dialogue concludes with a joint recommendation by management and union representatives to adopt the change initiative, this is referred directly to the relevant national collaboration procedures.
- If, on the other hand, the recommendations on the change initiative are split between management and union representatives, these recommendations are referred to the Negotiating Committee (NC).
- The NC "negotiates" on the basis of the CC recommendation and whatever other "facts" it may find relevant. The particular purpose of this negotiation is to place the change initiative within the larger Group context and make sure that a Group perspective is maintained to the extent possible and that sub-optimisation is avoided.
- At the end of these negotiations – when arguments are exhausted and understanding is not enhanced by further dialogue – management states the high level, strategic business orientation for the proposed change initiative.
- The orientation is communicated and referred to the national collaboration bodies involved, where the effects of implementation are worked out according to local rules and collaboration procedures.
- National laws and agreements will be respected in all negotiations.

This "Negotiating Committee" arrangement will be tried for six months starting January 1, 2003. After the trial period, the "Negotiating Committee" arrangement will be evaluated jointly and through collaboration on Group level.