

# TIR-H

Transporting Industrial Relations towards Hydrogen

## Policy recommendations

Deliverable 4.3



Co-funded by the  
European Union

Project acronym: TIR-H | Project No. 101048682

## PROJECT CONSORTIUM

Coordinator



Beneficiaries



Affiliated Entities

Fondazione **ADAPT**

Associate Partners



## D4.2 POLICY RECOMMENDATIONS DOCUMENT

### Document Information

Project Acronym

TIR-H

Project Number

101048682

Deliverable number and title

[D4.3.] [Policy recommendations document]

Dissemination level

Public

Organisation Name

[ADAPT]

Submission date

20/05/2024

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## Preliminary considerations and background

Given that:

- Effective social dialogue and initiatives can channel innovation to yield positive impacts on both the market and society. Strengthening social dialogue among EU Member states, industrial actors, employers, unions and workers' representatives is essential for fostering innovation in large enterprises and SMEs in the manufacturing sector (namely manufacturing of heavy transport vehicles of goods and people), given their significance in the European and global economy. Furthermore, effective social dialogue can contribute to reducing the gap between companies operating within the Union and elsewhere, to ensure the achievement of green transition and fairness objectives universally.
- National social partners operating at the national and sectoral levels bear the responsibility for establishing the foundations and guidelines for the green transition in the manufacturing sector. They should formulate and enforce regulations on the sectoral scale, ensuring a green and equitable transformation within the sector, while also promoting an industrial policy that will create the conditions to keep and develop manufacturing activities. This encompasses addressing employees' training needs, considering the evolving demands of both workers and employers, including new tasks, technologies, and occupational transitions. Additionally, it involves considering aspects such as infrastructure, skills and education, public investment, and public procurement.
- The achievement of the green and just transition goal in the manufacturing sector – along with the promotion of innovative and sustainable technologies – requires continuous engagement with both public and private institutions. Furthermore, collaboration with national and local authorities, tailored to the specific needs of the sector, is crucial. At the company level, social partners must play a role in managing and delivering on-site training for workers and their representatives.

# Recommendations

We recommend:

## 1. At the EU level

- **Green Transition: equality across EU and Non-EU Member states**

The European Union's companies are currently engaged in activities that contribute to environmental pollution in non-EU or economically disadvantaged nations. It is imperative for the EU to acknowledge and take responsibility for the environmental impact of its operations in these regions. By doing so, the EU can work towards fostering sustainable practices throughout its entire value chain, ensuring that the adverse effects of its activities are mitigated, particularly in the most vulnerable countries (e.g., the EU's battery passport regulation that promotes sustainability and circular economy goals by standardising documentation, enhancing transparency, facilitating reuse and recycling, and fostering innovation and competitiveness in the European battery industry, thus aligning with climate neutrality objectives).

The discussion revolving around the green transition should not be construed as a means to permit the relocation of polluting practices outside the EU while maintaining stringent environmental standards within the EU. Rather, there is a critical need for consistent health and safety standards across all states where EU companies operate. This approach is in line with the principles of environmental justice and underscores the importance of a global commitment to sustainable practices.

The European Union also ought to ensure that multinational corporations domiciled within its jurisdiction are bound to apply equivalent due diligence measures in non-EU countries. In this regard, the EU should advocate for the final adoption of the Corporate Sustainability Due Diligence Directive, so that environmental and social responsibility is upheld globally, fostering sustainable practices and mitigating adverse impacts across its borders.

- **Energy policies and the use of hydrogen**

The European Union has made significant strides in promoting hydrogen as a key component of its energy strategy. Initiatives such as the RepowerEU plan outline ambitious targets for the adoption and integration of hydrogen technologies. These efforts aim to bolster energy security, reduce greenhouse gas emissions, and foster sustainable economic growth. It is vital to continue supporting these initiatives while setting clear, achievable targets for the future to ensure the successful integration of hydrogen into the EU's energy mix.

It is essential to acknowledge the significant uncertainties surrounding the industrial potential of green hydrogen in Europe. Despite its promise, green hydrogen remains prohibitively expensive to produce due to low efficiency rates and the stringent technical requirements for storage and transport. In this sense, these challenges necessitate ongoing research, innovation, and investment to improve production processes and infrastructure. Also, given the highly explosive nature of hydrogen, it is critical to stress the importance of implementing strong health and safety measures across the European Union. This entails establishing rigorous protocols for the safe handling, storage, and transportation of hydrogen to mitigate risks and ensure the protection of workers, communities, and

infrastructure, as well as the provision of tailored training on these issues both for workers, their representatives and companies.

- **Sustainable Development: fostering the economic, environmental, and social pillars**

In pursuit of genuine sustainable development, it is crucial that the European Union promotes regulations that give equal importance to the economic, environmental and social pillars. Balancing these three dimensions ensures that development is comprehensive, addressing not only economic growth but also environmental conservation and social well-being. This holistic approach is essential for creating a sustainable and resilient future for all. While the ecological transition is crucial, it should not overshadow the importance of a just transition. A just transition considers the social and economic aspects, ensuring that the shift to more sustainable practices does not disproportionately affect certain communities or groups. The EU should emphasise in its policies the need for a just transition, to foster a more equitable and inclusive pathway to sustainability.

The EU should actively champion policies aimed at safeguarding vulnerable groups, to establish an inclusive and supportive environment, particularly for those who may face heightened vulnerability to economic and social challenges, including but not limited to women, elderly individuals, persons with disabilities, and young people.

- **Collective rights**

The EU should recognise and encourage the collective dimension of work, which holds significant importance in fostering collaboration, cohesion and inclusivity within workplaces. Emphasising this aspect not only strengthens the bonds among workers but also enhances the overall efficiency and effectiveness of organisations. This emphasis aligns with the principles of social responsibility and promotes a harmonious work environment.

The critical role of trade unions should be acknowledged and protected by the EU. Trade unions serve as key actors not only within companies but also in shaping broader societal discussions and policies. By ensuring their prominence, the EU can contribute to fair and equitable labour practices.

A strong stance must be taken against any national legislation that undermines the fundamental rights of workers, particularly the right to organise, strike and demonstrate. These rights are integral components of democratic societies and contribute to the fair and equitable treatment of workers across EU Member states. Empowering trade unions contributes to a more inclusive and equitable working environment.

- **Fostering social dialogue**

The absence of meaningful social dialogue in certain EU Member states necessitates a clarification at the European level regarding the necessary elements of an effective social dialogue. Establishing a common understanding ensures that social dialogue is not only present but also contributes positively to social cohesion, economic development and the overall well-being of the population.

In particular, the EU needs to address the challenge of managing social dialogue in companies where production occurs in different locations than the legal headquarters. The EU should explore strategies to ensure effective communication and collaboration between stakeholders, recognising the unique dynamics of each production site while upholding overarching principles of social dialogue.

- **Information and consultation rights**

Regarding social dialogue, the EU should encourage transitioning from a mere informational relationship to one of consultation and collaboration with trade unions, towards



participatory decision-making. This shift recognises the valuable insights and contributions of trade unions, ensuring that their perspectives are actively considered in shaping policies and strategies.

Proposing the mandatory implementation of meaningful consultation at production sites underscores the commitment of the EU to inclusivity and transparency in decision-making. This ensures that the perspectives of all relevant stakeholders, including workers and trade unions, are considered and incorporated into the decision-making framework.

The European Union must support the functioning of European Works Councils (EWCs) to ensure consistent processes of information and consultation across the various countries in which a company operates and equality among all the workers. This support should encompass initiatives aimed at harmonising standards of communication and engagement, facilitating cross-border dialogue, also promoting the effective implementation of EWC revised directive across Member states.

- **Rejecting austerity measures**

The EU should foster a strong rejection of austerity measures, emphasising the commitment to prioritising the well-being and livelihoods of workers and communities. Austerity measures, often associated with budget cuts and reduced social spending, can exacerbate inequalities and hinder sustainable development. The EU should explore alternative approaches that prioritise social welfare and economic stability.

## 2. To Member states

- **Role of public authorities**

Each member state should emphasise the essential role of public authorities in regulatory processes, recognising their responsibility both in shaping and enforcing policies, and in determining certain market variables (e.g., prices) capable of having an impact on production and purchasing dynamics not only by companies but by society as a whole, to achieve “green” targets.

- **Energy regulations**

It should be recognised the need for specificity in each state's requirements due to diverse energy shares. Each Member state should recognise the imperative to tailor energy-related policies according to the unique energy shares of each state, acknowledging diversity in energy needs and consumption patterns.

Member states should refer to hydrogen not in an ideological sense as the ultimate solution but in a pragmatic sense as one of the viable solutions to address energy challenges.

- **Due Diligence regulation**

Member states should endorse the European Union's efforts in constructing a regulatory framework that holds companies headquartered within the European Union accountable for their entire value chain, ensuring they exercise due diligence throughout their entire production processes. It is hoped that Member states will vote in favour of the proposed Corporate Sustainability Due Diligence Directive, emphasising the need to address human rights and a just green transition across their entire value chain, even in third countries.

In this sense, Member states should also emphasise the importance of engaging in meaningful dialogues with social partners, employers, and employees to develop policies that consider all stakeholders' interests in the transition processes.

- **Social challenges**

Each member state should advocate for enhanced accessibility to job opportunities for people with disabilities in general for vulnerable groups, with a specific demand voiced by trade unions.

Directing attention to the younger demographic and entry-level employment, Member states should emphasise the importance of transitioning policies as it significantly impacts their future.

- **Training**

Member states should support, also financially, the organisation of training programmes, collaborating among themselves, with third countries where their companies operate, and companies to ensure that all workers involved in transition processes are guided and protected through the transitions.

Member states should ensure that every worker is equipped with a diverse skill set, essential for the evolving demands of the future workforce. These skills should extend beyond those typically acquired through workplace training and include critical thinking, problem-solving, creativity, and adaptability, which are vital for navigating complex and rapidly changing environments. In this sense, Member states should support investments in education to foster innovation, drive economic growth, and promote social development in an increasingly competitive global landscape.

- **Industrial policies and social dialogue**

Member states should encourage industrial policies that do not imply state intervention in business management but rather support transition sectors, advocating for active participation in social dialogue and supportive measures. Member states should encourage collaboration between states, companies, enterprises and unions in transition processes. This includes: creating a comprehensive map for job growth, defining new employment opportunities and attracting investments. The aim is to place these entities at the forefront of transition processes, fostering active dialogue and participation.

### 3. To social partners at the national and sectorial level

- **Fostering the culture of transition**

The social partners at the national level must support a cultural change within both large companies and SMI's and among workers, to create a "culture of transition". In this regard, the parties are encouraged to foster among workers a mindset that embraces change and adaptation to new technologies and practices, while also advocating for the idea and necessity of lifelong learning.

- **Fostering social dialogue**

Stressing the importance of genuine dialogue with governments, employers and companies, including those that oppose or do not recognise the need for a green transition, social partners at the national level must demand and encourage constructive conversations to bridge gaps and foster understanding between stakeholders.

Social partners must promote the central role of trade unions in addressing challenges related to training, employment and the transition process in general.



- **Training**

National social partners must develop training programmes for workers to mitigate potential negative impacts on employment during transition processes. Simultaneously, national social partners are called upon to design training pathways for worker representatives, ensuring their competence and knowledge to actively contribute to sectoral social dialogue in constructing fair and just transition processes.

Training resources play a crucial role in promoting high-quality, effective and inclusive lifelong learning, enabling workers to innovate and apply their skills, whether in their current roles or when seeking employment in different sectors. Furthermore, these modules should address specific training needs, with a focus on promoting easily transferable learning outcomes and skills through validation and certification tools recognised at the European level. In this sense, parties involved should establish professional training pathways that enhance employability throughout one's career, rather than merely reacting to contingencies such as new technological innovations.

National social partners should acknowledge and endorse the need for new research on future essential skills, encompassing both hard skills, such as digital proficiency and soft skills like adaptability and communication.

## 4. To social partners at the company level

- **Fostering social dialogue**

At the company level, social partners are asked to promote and implement information and consultation rights, enabling unions and worker representatives to participate in decision-making processes that consider the perspectives and interests of both parties. In the context of multinational corporations, social partners should recognise the crucial role played by the European Works Council (EWCs) in facilitating decision-making and communication processes. Emphasising the necessity for collaboration and information exchange between the EWC and the company representatives ensures a cohesive approach to decision-making within the multinational context.

- **Addressing territorial and company specificities**

When examining the territorial dimension, especially in the context of transitions that could lead to job losses and challenges in certain regions, social partners at the company level must acknowledge the crucial importance of addressing regional and territorial aspects in decision-making processes. The objective is to ensure that decisions consider the broader impact on individuals and communities within specific territories.

Companies are called upon to promote respect for human rights and ecological transition processes along the entire global value chains and global supply chains. They should take into account the specificities of each country in which they operate while ensuring the protection of human rights and a just ecological transition for all.

The social partners play also a significant role in monitoring and enhancing employee satisfaction within the company. A content and fulfilled workforce not only contributes positively to the work environment but also influences the overall success and productivity of the organisation. This focus on employee satisfaction aligns with the broader goal of creating a harmonious and thriving workplace.

Trade unions at the company level and workers' representatives should be supported both at the European and national levels, ensuring that they are empowered to advocate for social and environmental protection measures.

- **Training**

The social partners at the company level need to advocate for comprehensive training programmes encompassing green and digital skills and the promotion of lifelong learning, underlining the responsibility of the company to contribute to the continuous development of its workforce. By adopting this approach, social partners need to work collaboratively to create a learning environment that aligns with the dynamic demands of the contemporary job landscape, also aiming to prepare individuals for employability, thereby enhancing their adaptability to the evolving job market. Fostering a workforce capable of adapting to various roles is essential for reducing the potential negative impacts of transition processes. Also, recognising the significance of well-informed and skilled workers' representatives, the social partners should support initiatives for their training and retraining. This ensures that employee representatives are equipped with the necessary skills and knowledge to actively contribute to the decision-making processes within the company, fostering effective communication and collaboration.

## Relevant definitions

### EFFECTIVE SOCIAL DIALOGUE

*Social dialogue can be defined as all types of negotiation, consultation, joint actions or simply exchange of information or discussions between, or among, representatives of governments, employers and workers, on issues of common interest relating to economic and social policy. It can exist as a tripartite process, with the government as an official party to the dialogue or it may consist of bipartite relations only between labour and management (or trade unions and employers' organisations), with or without indirect government involvement. Social dialogue processes can be informal or institutionalised, and often it is a combination of the two. It can take place at the national, regional or at company level and it can be inter-professional, sectoral or a combination of these.*

*The main goal of social dialogue itself is to promote consensus-building and democratic involvement among the main stakeholders in the world of work. Balancing the interests of workers and employers and contributing to both economic competitiveness and social cohesion, successful social dialogue structures and processes have the potential to resolve important economic and social issues, encourage good governance, advance social and industrial peace and stability and boost economic progress. (ILO; Eurofound)*

### VOCATIONAL TRAINING

*Vocational education and training, abbreviated as VET, sometimes simply called vocational training, is the training in skills and teaching of knowledge related to a specific trade, occupation or vocation in which the student or employees participate. It provides hands-on, job-specific instruction, and can lead to certification, a diploma or, sometimes, even an associate's degree.*

*Vocational education may be undertaken at an educational institution, as part of secondary or tertiary education, or may be part of initial training during employment, for example as an apprentice or as a combination of formal education and workplace learning. It is referred to as initial vocational education and training (IVET), encompassing learning carried out in the initial vocational education and training system, usually before entering the labour market, to acquire skills and competencies that lead to a specific occupation or job.*

*Conversely, continuing vocational education and training (CVET) refers to learning undertaken after initial education or training-or after entry into working life-that aims to improve or update knowledge, know-how and skills (upskilling); acquiring new skills for career advancement (retraining/reskilling); supporting professional development.*

*VET can take place in a broad range of – formal and non-formal – settings and – public or private – sectors. (CEDEFOP; European Commission)*