

ALITALIA

30-11-2000



[translated from Italian]

AGREEMENT ON THE ESTABLISHMENT OF THE ALITALIA GROUP EUROPEAN WORKS COUNCIL

INTRODUCTION

Having assessed the advisability of concluding this voluntary Agreement prior to the entry into force of Directive 94/45/EC 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;

in view of the Interconfederal Agreement of 27 November 1996 concerning the transposition of Directive 94/45/EC on the establishment of European Works Councils;

convinced that a participatory approach represents a means of making a valuable contribution to the development of the Alitalia Group at European level, including in relation to its obligations connected with increasingly robust international competition;

the Alitalia Group acknowledges the importance of informing and consulting employee representatives about the situation of the Group itself, as well as the need for the workers concerned to be informed and consulted about the transnational activities of the Group which significantly affect their interests.

ARTICLE 1 – SCOPE

For the purposes of Article 1(3) of the above-mentioned Interconfederal Agreement as well as Article 6(3) of Directive 94/45/EC, the parties agree to establish a European Works Council for the entire Alitalia Group in accordance with the terms and conditions laid down in this Agreement.

Pursuant to the content of the Interconfederal Agreement of 27 November 1996, this Agreement shall apply to all Community-scale undertakings of the Alitalia Group as specified in Article 2 below.

ARTICLE 2 – DEFINITIONS

For the purposes of this Agreement:

- “Community-scale undertaking” means any undertaking with at least 1,000 employees within the Member States and at least 150 employees in each of at least two Member States;
- “information and consultation” means the provision of facts, data and information, as well as the exchange of views and establishment of a dialogue for the development of a participatory system of relations between employee representatives and the central management or any other appropriate level of management;

- "European Works Council" means the Council established in accordance with Article 1(2), Article 9(6) or the provisions of Article 16 of the above-mentioned Interconfederal Agreement, and comprising employees of the Community-scale undertaking or group of undertakings as referred to in Article 9(2a), with the purpose of informing and consulting employees.

For the purposes of this Agreement, the prescribed thresholds for the size of the workforce shall be based on the monthly weighted average number of workers employed during the previous two years.

Workers with fixed-term contracts, training and employment contracts and apprenticeships shall be counted according to the monthly weighted average number of half of the workers concerned employed during the previous two years; part-time employees shall be counted in proportion to the work performed. Probationary staff shall be excluded from the calculation.

The geographical scope of this Agreement covers all the Member States of the European Union.

Should other States, in which work sites of the Alitalia Group as governed by this Agreement are based, accede to the European Union during the period of validity of the Agreement, they shall be represented on the European Works Council.

ARTICLE 3 – COMPOSITION AND TERM OF OFFICE OF THE EUROPEAN WORKS COUNCIL

The Works Council shall consist of representatives of the workforce of the undertaking, as defined in Article 2, appointed by the trade union organisations concluding this Agreement according to the different national circumstances represented and in conformity with the practices and legislation of each country.

For the purposes of establishing the European Works Council, account shall be taken of national production sites where the total workforce comprises 20 or more employees. The number of seats on the Works Council, calculated according to the size of the workforce and the economic significance of production in the various countries, is shown in the table annexed to this Agreement.

Without prejudice to the method of composing the Council, as set out in the previous paragraph, an alternate member shall be appointed for each full member. However, participation at the meetings referred to in Article 6 below shall consist of one representative for each of the sites represented at the European Works Council.

Should there be no recognised employee representatives present, different procedures for appointment may be agreed with the signatory trade unions from the country concerned, with due respect for the principles of this Agreement.

Members of the European Works Council must have been employed by the Alitalia Group for at least one year.

An expert from the European Transport Workers' Federation (ETF) shall take part in the work of the European Works Council.

The term of office of the employee representatives, both full and alternate members, shall be four years. However, their term of office on the European Works Council will expire if one of the requirements laid down in this article is no longer fulfilled. In that case, a new representative may be appointed in accordance with the practices and legislation of the country concerned.

ARTICLE 4 - SELECT COMMITTEE

Without prejudice to the functions and entitlements referred to in this Agreement, the members of the European Works Council may elect from their midst a select committee to which they may delegate specific functions with a view to ensuring effective coordination of the Council's work, including as concerns links with the relevant department of the company so as to facilitate the work of the Council.

The composition of the select committee and its functions must be made known to Alitalia.

ARTICLE 5 – SUBJECT MATTER OF INFORMATION AND CONSULTATION

The European Works Council shall be informed and consulted on the situation and progress of Alitalia and the controlled undertakings operating as capacity/service providers for the Group. The meeting shall relate in particular to:

- the economic and financial situation, the probable development of the business and of production and sales;
- the situation and probable trend of employment, including with reference to equal opportunities, investments and training initiatives;
- substantial changes concerning the Group's organisational arrangements, alliances, forms of outsourcing, mergers or the introduction of new working methods and new production processes;
- transfers of production, mergers, cut-backs or closures of undertakings, establishments or important parts thereof;
- collective redundancies.

The European Works Council shall not have negotiating powers or functions, and its information and consultation duties shall not affect the prerogatives of the employee representation bodies existing within the individual countries.

Pursuant to the second paragraph of Article 16(12) of the Interconfederal Agreement of 27 November 1996, the meetings of the European Works Council shall not affect the prerogatives of the central management.

ARTICLE 6 – MEETINGS OF THE EUROPEAN WORKS COUNCIL

The European Works Council shall meet twice a year.

With due regard for the wishes of members of the European Works Council, the date, place and agenda for meetings shall be established by the Alitalia Group, which will give the Works Council members 30 days' notice and send them the documentation required for participation in the meeting.

The European Works Council shall be informed, on the basis of a report drawn up by the central management, on the progress of the business of the Community-scale undertaking or Community-scale group of undertakings and its prospects. The local managements shall be informed accordingly.

Members of the European Works Council shall be entitled to meet on the day preceding the official meeting and to express their opinions about the information received at the meetings.

The minutes of the meeting will be prepared by Alitalia and forwarded to members of the Council for final approval. Once approved, the minutes may be communicated to the workers by way of information, subject to the provisions of Article 8 below concerning confidential information.

Where there are exceptional circumstances affecting the employees' interests to a significant extent, particularly in the event of relocations, the closure of establishments or undertakings or collective redundancies, alliances or mergers, a further meeting may be held in addition to the annual meeting, subject to a reasoned request approved by a majority of the members of the European Works Council and with the consent of the Alitalia Group.

The venue for the meetings referred to in this article shall be Viale Alessandro Marchetti 111, Rome.

ARTICLE 7 - ORGANISATION OF THE EUROPEAN WORKS COUNCIL

Alitalia shall establish a technical secretariat with the task of convening and organising the annual meetings as well as taking all necessary steps to ensure that the Council functions properly.

Members of the Council may, by fax or e-mail, send the secretariat a request for the inclusion of specific items on the agenda, provided that they fall within the scope of the information and consultation defined above.

The European Works Council may adopt its own rules of procedure.

ARTICLE 8 – CONFIDENTIALITY

Members of the European Works Council may not reveal to third parties any information which has expressly been provided to them in confidence by the company.

Without prejudice to civil and criminal liability, disciplinary measures shall be applied wherever this prohibition is infringed.

The company shall not be obliged to communicate the information requested if the subject matter of that information is liable to cause significant difficulties for the operation or business dealings of the undertakings concerned or to cause market damage or disruption.

In the event of a dispute about the confidential nature of information provided in confidence, and in order to determine specific objective criteria for the identification of information liable to cause significant difficulties for the operation or business dealings of the undertakings concerned or to damage them or disrupt markets, a conciliation committee shall be created. Its task will be to establish the reasonableness of the company's conduct on a case-by-case basis.

The committee shall consist of three members, one of them appointed by the European Works Council, one by the central management and one by joint agreement of the parties.

The committee shall reach its own verdict, which will be final, within 15 days of the appeal lodged by the European Works Council.

ARTICLE 9 – ENTITLEMENTS AND TRADE UNION RIGHTS

Members of the European Works Council shall be entitled for the performance of their duties to paid time-off from work, amounting to eight hours every three months, which may by consensus be combined with other entitlements in the case of agreements reached in a different context which have established more favourable conditions than those provided for by the legislation in force.

Members of the European Works Council shall, in the exercise of their functions, enjoy the same protection and guarantees provided for employees' representatives by the national legislation and/or practice in force in their country of employment.

ARTICLE 10 – FUNDING

The Alitalia Group shall meet the costs of holding the meetings referred to in this Agreement, in particular those relating to the organisation of meetings, interpreting facilities and the accommodation and travelling expenses of members of the European Works Council.

ARTICLE 11 – VALIDITY OF THE AGREEMENT

This Agreement is valid for four years and shall be renewed by tacit consent unless it is formally terminated at least six months before the expiry date.

ARTICLE 12 – FINAL PROVISIONS

By signing this Agreement, the parties mutually acknowledge that they have transposed the content of Directive 94/45/EC and the Interconfederal Agreement of 27 November 1996, providing for transnational information and consultation of employees of the Alitalia Group.

The terms and conditions of this Agreement may be renegotiated as and when any other categories of staff fall within its scope.

The official version of this Agreement is the one signed and negotiated in the Italian language. Reference must therefore be made to that version in the event of any problems in interpreting and/or applying the Agreement. Any translations produced by the company serve the sole purpose of disseminating the Agreement among the workers in the countries concerned.

Italian legislation and/or practice shall be followed in the event of any dispute over implementation.

The competent court shall be that of Rome.

Annex - Distribution of members of the European Works Council among Member States

Italy	4 members
Austria	1 member
Belgium	1 member
France	1 member
Germany	1 member
Greece	1 member
Netherlands	1 member
Portugal	1 member
Spain	1 member
UK	1 member

For the Alitalia Group:
[5 signatures]

For the Special Negotiating Body:

FILT-CGIL

FIT-CISL

UIL TRASPORTI

R. Ga. Almazán – CCOO (Spain)

L. Zappella – HTV (Austria)

G. Scognamiglio – SETCA FGTB (Belgium)

R. Wouters – SETCA FGTB (Belgium)

E. Alvaro – CFDT (France)

B. Simbürger – OTV (Germany)

G. Galitis – OPAM (Greece)

R. Aragona – Transport & General Workers' Union
(United Kingdom)

G. Albertini – CCOO (Spain)

F. Cricelli – FO FETS (France)

Rome, 30 November 2000