

# **Green Paper “Restructuring and anticipation of change”: the view of the European Chemical Employers Group (ECEG)**

---

## **Working Group “Competitiveness, Employment and Industrial Policy”**

Sector Social Dialogue Committee of the Chemical Industry

**Andreas OGRINZ**

ECEG Secretary of the Board

20 March 2012, Brussels

# The Green Paper – a consultation document

---

- Subject: restructuring processes, anticipation of change
- Context: economic and financial crisis in Europe
- Start of a European-wide debate
- Commission “invites all interested parties” to respond to the questions set out in the Green Paper → no consultation of the social partners

# The Green Paper – overall assessment

---

- Broad, holistic approach
- Key word “competitiveness”; competitiveness and restructuring are interlinked
- The idea of anticipation as such makes sense.
- Prominent role for social partners
- **BUT:** what “framework for restructuring” (p. 2)? No new regulations!

## The Green Paper – some ECEG answers

---

### **What types of framework conditions are most appropriate in order to enable successful industrial adjustment?**

*If you are looking for a clearly defined list of criteria, **the “most appropriate” framework conditions do not exist.** There are as many contexts for adjustment strategies as there are companies (...). In our view, it is only possible to describe framework conditions as “appropriate” in abstract terms: those which restrict entrepreneurial freedom as little as possible (flexibility) but which at the same time ensure a high degree of stability (planning certainty) (...).*

## The Green Paper – some ECEG answers

---

### **Is the anticipative approach feasible with regard to management of change and restructuring?**

*Hardly anyone would question the idea that an anticipative approach, i.e. a forward-looking, proactive, future-oriented approach is sensible and desirable (...). However, **(we) warn against a steering optimism which imperceptibly transforms the wish for "anticipation" into "planning" of supposedly unshakable future certainties.** At best, a thorough analysis can identify trends (...) for individual sectors or the economy as a whole, but cannot foresee the future.*

# The Green Paper – some ECEG answers

---

## **How can the existing orientations and guidelines on restructuring be improved in light of the lessons learned from the crisis and the new economic and social challenges?**

*(...) **“Orientations and guidelines”** for restructuring measures **can only be general pointers and conclusions deduced from concrete company and social-partner practice. In 2008, European chemical social partners ECEG and EMCEF reached agreement on such “joint lessons** learned on restructuring, managing change, competitiveness and employment” in the framework of a project supported by the European Commission. These conclusions recognise that, while an ideal restructuring implemented using a ready-made recipe cannot exist, it is nevertheless possible to define certain principles which should apply in our sector (...).*

## The Green Paper – some ECEG answers

---

**To what extent can mutual trust and shared diagnosis play a role in good management of restructuring? How can this be promoted within companies and in broader contexts?**

*Since restructuring operations are ultimately transformation processes set in train by people, **cooperation based on trust plays a central role.** Yet a "spirit of social partnership" cannot be conjured up at the press of a button, it is the **outcome of years of working together (...).***

## The Green Paper – some ECEG answers

---

**What role can evaluation and reporting of past restructuring operations play in increasing knowledge and improving stakeholders' practices?**

*(...) **We (...) reject any obligations on companies** operating in what is already a highly regulated context – not least in chemicals. We regard European information services such as the "European Restructuring Monitor" as a sensible alternative (...).*



# Summary

---

- 1. Restructuring operations should be regarded as what they essentially are:** necessary adjustments by companies to continuous change in economy and society. This should be kept separate in terminology and thought processes from the many phenomena resulting from restructuring.
- 2. The framework conditions for restructuring processes should be structured in such a way that companies' adjustment measures can be decided and implemented as rapidly and with as little bureaucracy as possible.**
- 3. The autonomy of social partners at company, sector, national and European level should be respected.**

## Summary

---

4. The **existing corpus of restructuring-relevant legal provisions is sufficient**. More far-reaching rules, in particular a European “code of conduct”, are superfluous.
5. Policy-makers and authorities should ***enable and flank restructuring processes***, not impede them.
6. The **exchange of good practices on restructuring and institutionalised learning from each other** in the form of social dialogue, internet platforms, sector skills councils, etc., are good instruments which can help to make anticipation of change a beneficial exercise.

# Thank you for your attention!

---



**Dr. Andreas Ogrinz**, Secretary of the  
Board  
European Chemical Employers Group  
(ECEG)

