

## PERC Newsletter, January and February 2011

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### *Inside this issue:*

- 1. PERC activities**
- 2. News from the organizations**
- 3. Upcoming events**
- 4. You may be interested**

### *PERC Activities*

### ***PERC Planning meeting with Solidarity Support Organizations, Brussels, 27 and 28 January 2011***



The PERC planning meeting with the Solidarity Support Organisations took place from 27 to 28 January in Brussels with the support of the Belgium CGSLB which hosted the meeting on 27 January. The main issues discussed during the meeting were the ITUC priorities based on the resolutions adopted at the ITUC Congress in Vancouver; the challenges in the PERC region, the work plan for 2011 and 2012 with specific developments and role of the regional offices. The regional offices presented the situation in the NIS, specific country situations for Belarus, Georgia, Ukraine and Moldova and the situation in the SEE region. Special emphasis was given to the trade union view as concerns the EU Eastern Partnership Policy. The HTUR Network activities for the NIS were presented together with the planned activities for the women's and youth committees.

The meeting was attended by the ILO ACTRAV and most of the western partner organisations.

/PERC/

**Meeting of SEE trade union economists:  
“Trade union approaches and strategic  
opportunities in combating corruption”**

**Sarajevo,**



At the SEE TU Forum meeting, held in Sarajevo on 9–10 November 2010, trade union leaders emphasized the interest to have on the agenda some important issues in their societies, which are the requirement for social stability and economic development. The problem of corruption is a hot issue in all these countries, and the trade unions want to develop an approach and a possibility to have a more active role in fighting corruption.

Thus, the PERC organized an extraordinary meeting of SEE Economic Experts “Trade union approaches and strategic opportunities in combating corruption”. The third meeting of the SEE TU Economists Network was held in KOTOR, December 9 -10, 2010, attended by TU economic experts from Albania, Macedonia, Montenegro, Serbia, Bosnia and Herzegovina, and Croatia. The meeting was organized by ITUC/ PERC SEE Office, and financially supported by LO-TCO, LO-Norway and ITUC Solidarity Fund.

The aim of the meeting was to develop TU approaches to understanding corruption; to increase SEE TU capacities for fighting corruption; to set up the TU Working Group on anticorruption in the South Eastern Europe countries; to exchange opinions and considerations about possible trade union approaches and strategic opportunities. More information can be found on the PERC web site:

ITUC/PERC SEE Office Sarajevo

**PERC Women’s Committee meeting,  
Brussels, 9 and 10 February 2011**



The PERC Women’s Committee meeting took place in Brussels on 9 and 10 February.

The main purpose of the meeting was to discuss and agree upon the work programme for 2011-2012 and the work plan for this year. The priority areas for the next two years are: to intensify participation in the Decent Work for Decent Life Women Campaign; to increase union activity for pay equity at national level; to monitor and assist unions to bring about coherence in trade union gender policies; to further strengthen women’s involvement in trade union decision making, policies and activities; fully engage in efforts to enable the adoption of the ILO Convention and Recommendation on domestic workers; intensify campaigning at national, regional and international levels for the ratification and implementation of core ILO Conventions and to participate actively in all actions on elimination of violence against women. The documents prepared by the PERC Women’s Committee will be discussed and approved by the PERC Executive Committee on 7 March.

***The 4-th meeting of the PERC Youth Committee, Ankara, 25 February***

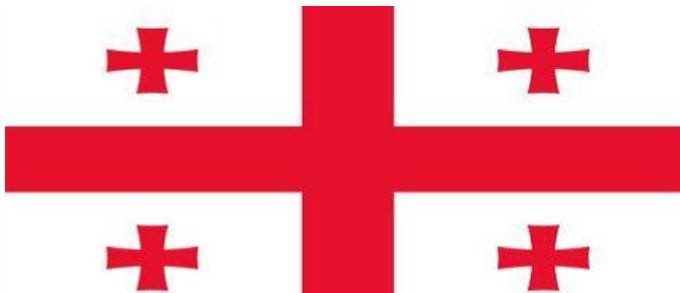


The fourth meeting of the PERC Youth Committee was organised in Ankara, Turkey, on 25 February, upon invitation of HAK-Is. The meeting provided an opportunity to the Committee members to inform the young activists from Turkey about the main directions of the committee's work, its actions and priorities. In public session with participation of the HAK-Is President Salim Uslu and HAK-Is young activists the information about ITUC campaigns - Youth, T-mobile, Play Fair, Decisions for Life - was presented together with different campaigning tools developed by the ITUC and run by ITUC Youth. Specific attention was devoted to reflection upon different World Day for Decent Work activities and the role of youth in making the action creative and innovative. Particular examples, such as "airport action in Lithuania", "Unilever action in Hungary", "funerals in Russia" were mentioned. During the formal meeting of the Committee, it discussed proposals to the PERC work plan for the coming year, reaffirmed its intention to be included in different working groups of the PERC, particularly, on organising and communication policies, and in preparation of the PERC Assembly, debated the concept for the PERC youth conference on vocational education and training and the respective project to be developed on the subject. It also discussed the report to the PERC Executive Committee, actions for the International Women's day on 8 March, for the Euro demonstration in Budapest on 9 April and for the 1st of May.


***CNSM workshop on social dialogue and labour dispute resolution***



Following the PERC mission in 2010 and the discussion on future cooperation of CNSM with PERC and SSOs active in Moldova, CNSM developed a provisional action frame identifying priorities for work in 2011. One of the areas defined has been the development of adequate structures and procedures to deal with efficient resolution of individual and collective conflicts as a way to further develop and consolidate the system of industrial relations and social dialogue. Topics discussed involved conceptual frames for development of social dialogue, the variety of structures, procedures and instruments for operating labour courts and alternative dispute resolution in Europe with particular stress on the Romanian experience. The CNSM activists from various structures showed high interest in the issues and participated actively in the discussions laying

	<p>a good base for further steps in realising the proposed framework of activities.</p>
	<p><b><i>News from the organizations</i></b></p>
<p><b><i>Georgia: Life Toll to Neo-liberal “Success” Policies</i></b></p> 	<p>Georgian authorities are often very proud with the evaluation of the business climate in their country in the annual report “Doing Business” of the World Bank Group. Currently Georgia ranks 12th of 183 countries (2011), up one place from last year, just in front of Finland (13), Sweden (14) and much ahead of Germany (22nd). The tragic events in the mines of Tkibuli in the last several months, however, reveal a staggering picture about the social impact and human costs of the “success” story.</p> <p>On 22 January 2011 an explosion in the Tkibuli Mindeli mine took the life of one of the miners and sent several others with heavy injuries into intensive care. The accident did not come as much of surprise, as there was information of a concentration of methane gas of over 6%. The miners refused to go down the mine but were forced by the company management. In the preceding days, two other brigades were similarly forced down the pits despite the obviously dangerous conditions. The grim record of this way of operation of the company sends chilling signals for the future: nine lives lost in the last nine months and many more injured. It also reveals the deeply embedded cynicism and lack of any sense of responsibility in the conditions of “doing business” in Georgia. This is a hardly surprising result when one takes into account the unique labor law that cuts across workers’ and trade union rights, that discourages collective bargaining and has erased any monitoring and control of conditions of work along with the specialized institutions for that purpose. Georgia is a unique case of a country where labour inspection has been abolished. Also, not surprisingly the labour law is the focus of complaints and of criticism by the ILO since it was adopted in 2006. After the last case at the Tkibuli Mindeli mine, the workers went on strike for protection of their rights and of the victims of the reckless policy of the management.</p> <p>The ITUC and PERC are very concerned about the developments in Georgia, which are beginning to influence the emerging labour relations system in other countries in the</p>

	<p>region. The ITUC and PERC strongly support the actions of the workers of the Metal, Mining and Chemical Industry Workers Trade Union, a member of affiliate GTUC, to make the management and authorities respect the rights of all workers in Georgia.</p> <p>The ITUC and PERC is also continuing to apply pressure in support of ILO recommendations to bring the labour law and related legislation into conformity with international labour standards. At its second meeting the ITUC Human and Trade Union Rights Committee included Georgia as the country where workers' rights are at risk.</p> <p>The ITUC, ETUC and PERC have sent a joint solidarity letter to the GTUC.</p> <p>Brussels, 4 February 2011 (ITUC OnLine)</p>
<p><b><i>Moldova: Sugar workers demand their wages - and their union leaders' freedom</i></b></p> 	<p>Union members from Moldova's bankrupt Glodeni-Zahar sugar company – formerly the largest in the country - made the 3-hour journey to the capital Chisinau to demonstrate in defence of their wages and their union leaders' freedom. Workers at the plant, which at its peak employed some 500 people, have not been paid their wages since June 2009. In November 2009 Glodeni-Zahar filed for bankruptcy and operations ceased, unleashing a battle over 2,500 tons of warehoused sugar with a market value of some USD 2.8 million which the workers rightly view as the only guarantee of their wage and benefit arrears.</p> <p>In March 2010, with the company under bankruptcy administration, the administrator entered into an illegal agreement to sell the sugar to a company called Viktomax Sistem. The sale was illegal, because according to Moldova's bankruptcy law a meeting of creditors – including those owed wages - should have been convened within 45 days of the formal opening of bankruptcy proceedings. The meeting has never taken place. The union successfully filed to have the sugar impounded until the court decides the fate of their wages. The bankruptcy administrator failed to attend scheduled hearings and the workers are now not even included on the creditors' list.</p> <p>However, the fact that the company remains in bankruptcy proceedings has not stopped the court administrator from selling the sugar. To prevent Viktomax from emptying</p>

	<p>the warehouse, the union established a round-the-clock vigil using trucks to block access to the warehouse.</p> <p>In December 2010, 5 union leaders were charged with criminal offenses carrying jail terms of from 3 to 8 years and placed under house arrest. House arrest was lifted after a week but the charges remain – and the workers still have not been paid while regular attempts are made to empty the warehouse under armed guard.</p> <p>The workers – many of them with decades of service at what was once Moldova’s sugar maker - rightly fear they will lose everything if the sugar is removed and the company formally liquidated. They also reject the use of the courts to criminalise the union’s efforts to defend its members’ wage and benefit arrears. The sugar is all they have left.</p> <p>Union vice-chair Valentina Semenyuk explains: "We demand that our wages and other benefits are paid and that all charges against our members are dropped. We believe that the Moldova government and authorities should intervene in the situation to solve the conflict in the spirit of justice and law. We call on our sisters and brothers in the labour movement to support our struggle and to help us to put pressure on the Moldova government”.</p>
<p><b><i>CMKOS Protest Assembly against Government reforms of pensions, health service, Labour and Civil Codes</i></b></p> 	<p>On 19 February 2011, CMKOS held a Protest Assembly of representatives of trade unions. The event was attended by about 1000 invited trade union officials from affiliated trade unions and their company organisations. They discussed common steps against draft Governmental reforms, especially in the sphere of pensions, health service, Labour and Civil Codes and tax reform.</p> <p>The meeting expressed itself on these issues in its declaration and started the trade union campaign against these reforms under the motto “Open Your Eyes” which will be carried out in the Spring 2011. The campaign is aimed at gaining the support, especially of the public, for trade union proposals.</p> <p>/CMKOS/</p>

## Romanian Government raising political stakes



Following the introduction of an extreme package of austerity measures in May 2010 and the consequent protest actions since then the government is now directly attacking the labour laws providing the base of labour relations in the country – the laws on labour, on labour dispute resolution, on trade unions, on employer organisations, etc. Government proposals will severely limit the possibility for setting up of new grass root organisations, undermine representativity of organisations on different levels with effectively decentralising collective bargaining and tie it primarily to company level negotiations. The changes will further dilute protection of workers' rights on the individual level by opening to abuse the regulations on fixed term contracts, shifting the burden of proof from the employer to the worker, more flexible schemes for working time arrangements, etc.

To simulate social dialogue the government gave one month period to trade unions and employers to come up with their positions - starting 21 December 2010!!! The pressure on the social partners, who both protested against the government policy had also a positive effect of bringing them closer in opposing the policy of the government instigated by the American Chamber of Commerce and the Council of Foreign Investors in Romania. Following intervention of ITUC with the Managing Director of the INC the government backed down on the deadlines but finally still ignored the proposals of the social partners. It also ignored the expert opinion of the ILO defining certain texts as violations of ILO labour standards at the end of February 2011 and has sent its own draft for voting in Parliament. Both the ETUC and ITUC have sent protest letters to the Romanian Government and the European Commission ( please see the letters on the PERC web site : <http://perc.ituc-csi.org> )

In order to win the “war” against violations of fundamental rights of workers in Romania the five trade union confederations have agreed on a common action plan which combines the following elements: correct and full information of the trade union members; campaign on rising awareness of the politicians; important street actions ; start the general strike on national level. The trade union confederations will organize meetings with their member organisations, campaigns on rising awareness of politicians, street

	<p>actions from 26 February to 18 March and if the Labour Code will pass a general strike is foreseen. A web site was opened with all necessary information material : <a href="http://www.sustinecodulmuncii.ro">www.sustinecodulmuncii.ro</a> (information on actions, photos, etc. will be posted on the common web site)</p>
	<p><b><i>Upcoming events</i></b></p>
<b><i>Meeting for the international secretaries</i></b>	<b>30 March , Brussels</b>
<b><i>PERC HTUR meeting</i></b>	<b>31 March</b>
<b><i>PERC-ILO NIS Conference on OSH and HIV prevention policies</i></b>	<b>4-5 April, Moscow</b>
	<p><b><i>You may be interested</i></b></p>
<p><b><i>Launch of Consultations on the World Bank Social Protection and Labour Strategy</i></b></p> <p><i>The World Bank Group is launching consultations on a renewed social protection and labour strategy that will guide its work for the next decade and we would like to invite you to be part of this process.</i></p> <p><b><i>We encourage you to share your views at <a href="http://www.worldbank.org/spstrategy">www.worldbank.org/spstrategy</a>.</i></b></p>	<p>The new strategy will be launched in early 2012 to guide the World Bank in supporting developing countries achieve their social protection and labour goals.</p> <p>Through May 2011, the World Bank is consulting stakeholders throughout the world via on-line consultations and face-to-face meetings. Comments and recommendations will inform the drafting of the social protection and labour strategy.</p> <p>The new strategy will help the WBG meet varying needs and development demands. The concept note for the strategy highlights four emerging themes that respond to a changing global context, and address some of the challenges countries face in implementing effective social protection and labor policies and programs:</p> <p>* Supporting countries in building social protection systems that are appropriate to capacity and context. The Bank's social protection and labor work has mainly focused on individual programs in safety nets, pensions, disability and labor markets. Yet, in most countries, these core programs seldom comprise well-articulated systems, leaving coverage gaps and leading to inefficiencies. The proposed strategy stresses the need for developing systems appropriate</p>



	<p>to country contexts.</p> <p>* A focus on low-income and fragile contexts. The recent crisis highlights challenges in designing and implementing social protection policies and programs in lower-income countries and fragile states. The proposed strategy stresses the need to include a stronger, tailored focus on low-income countries and fragile states to support building the basic elements of social protection systems and improve and integrate the programs that exist so they are relevant, sustainable and scalable.</p> <p>* A focus on “promotion” as a goal of social protection programs and systems. Growing evidence shows that social protection plays an important role in raising productivity through building human capital, assets and access to jobs. Social protection programs can build on emerging good practice to strengthen the focus on promotion.</p> <p>* Continued investment in knowledge, including sharing relevant good practice and generating results. The strategy promotes knowledge sharing across countries through South-South collaboration and building communities of practice. It also stresses the importance of results, including building an evidence base on development effectiveness and strengthening data and performance monitoring.</p> <p>For more information, please log onto <a href="http://www.worldbank.org/spstrategy">www.worldbank.org/spstrategy</a></p> <p>Questions about the consultation process should be directed to the Social Protection Strategy team at <a href="mailto:spstrategy@worldbank.org">spstrategy@worldbank.org</a>.</p>
<p><b><i>The following proposed loans were posted to the IFC website since the last update:</i></b></p>	<ol style="list-style-type: none"> <li>1. Minsk Transit Bank (Finance) - Belarus</li> <li>2. Metallurgical Commercial Bank Joint Stock Company (finance) - Russian Federation</li> <li>3. ACBA-Credit Agricole Bank (finance, agri-business) - Armenia</li> <li>4. Soufflet Finances (Agriculture) - Eastern European Region</li> <li>5. Kazpost (postal services) - Kazakhstan</li> <li>6. Medicina Joint Stock Company (health care) - Russian Federation</li> <li>7. ZAO Tinkoff Credit Systems (finance) - Russian Federation</li> <li>8. Russia Residential Energy Efficiency Program (energy) - Russian Federation</li> <li>9. Mytischki Municipal Unitary Enterprise</li> </ol>

	<p>(energy) - Russian Federation 10. Clean Energy Transition Fund (energy) - Turkey and Southern Europe Region 11. Podgorica Bypass (Transport) - Montenegro 12. Star Hydropower (electric power) - Pakistan 13. Karachi Port (construction/transportation) - Pakistan</p> <p>For more information, please search the project number in the IFC projects database (<a href="http://www.ifc.org/projects">www.ifc.org/projects</a>) or contact Global Unions' Washington Office.</p> <p>Francesca Ricciardone ITUC/Global Unions - Washington Office 888 16th Street NW, suite 400 Washington, DC 20006 Phone: 202-974-8121 Fax: 202-974-8122 E-mail: <a href="mailto:fricciardone@globalunions-us.org">fricciardone@globalunions-us.org</a></p>
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