EU Project "Make twin transition"
How to enhance social dialogue on the twin transition in the commerce sector

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Overview Report

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1. Introduction

The EU funded project "Make twin transition", with UNI Europa as sole applicant, aims to enhance social dialogue on the twin transition – green and digital – in the commerce sector. The main objectives of the project, which was launched in August 2022 and will run for two years, are to:

- ensure that the twin transition brings clear benefits for employers and workers in terms of new job opportunities, increased productivity, improvements in working conditions and new ways of organising work;

- raise awareness and improve understanding of employers, workers and their representatives of the risks, opportunities and challenges in the world of work resulting from the green and digital transition;

- provide support materials in the form of a toolkit to encourage, guide and assist employers, workers and their representatives;

- make social dialogue an integral part of the future policy-making process;

- facilitate the exchange of good practices.

This Overview Report is part of the project Work Package 2 (deliverable 2.2). It was drafted by the Project coordinator in English and it was shared with the project Steering Group before being finalized. It has been translated into Swedish, Italian, Hungarian and Dutch and used as a base for four one-day national workshops planned in spring 2023 in Sweden, Italy, Hungary and the Netherlands (the project's four target countries).

This report includes:

- the results of in-house desk research;
- the presentation of the main results of an online survey;
- a summary of experts' input;
- final reflections.

2. In-house desk research

The in-house desk research focuses on two areas which are not covered by the online survey and are relevant for the further development of the project, in particular for the organization of the national workshops:

- an overview of national social partners in the project's target countries (Hungary, Italy, the Netherlands and Sweden), as well as the state of play of collective bargaining and social dialogue, in the commerce sector;
- the results of desk research of available publications and best practices referring to the green and/or digital transition and the (potential) role of trade unions;

In terms of national overviews in the commerce sector, the key information is the following:

- in Italy: the main social partners on the employees' side are the Federations belonging to the three largest Confederations: CGIL – Filcams, CISL – Fisascat, UIL – Uiltucs. On the employers' side, the biggest organizations are Confcommercio, Federdistribuzione and Confesercenti, each of them representing different companies' categories. These social partners sign the main national collective agreements in the commerce sub-sectors, providing coverage to the entire workforce in the sector concerned (*erga omnes* principle). Employees in the most unionized companies can also benefit from company-level agreements signed by management and workers' representatives;
- in Hungary: there are neither sectoral nor multi-employer collective agreements in the commerce sector. Working conditions can be improved at company level through negotiations between recognized unions and the company management. The main trade union representing employees in this sector is KASZ. Company-level collective agreements apply to the entire workforce, regardless of the fact of being unionized. The unionization rate is relatively low;
- in Sweden: the two unions representing workers in the commerce sector are Unionen for white-collar workers and Handels for blue-collar workers. Collective agreements at sectoral level are negotiated periodically with the employers' organization Svensk Handel and are applied to the entire workforce. In addition to the sectoral agreement, company-level negotiations can be conducted to further improve working conditions. The unionization rate is considerably high;
- in the Netherlands: the main union representing workers in the commerce sector is FNV. A series of national sectoral-level agreements are signed with the respective business organizations, depending on the sub sector, and are applied to the entire workforce. In addition, company-level agreements are negotiated[1].

As far as the desk research is concerned, we searched for publications and material available online, mainly in English, issued in recent years. There's a wealth of documents in terms of geographical coverage (global, European, national), sector (cross-sectoral, sector-specific), area of interest (digital transition, green transition, twin transition) and target group (policymakers, trade unionists). This is not intended to be a literature review or a mapping: it's rather a sample of publications which can stimulate further reflection throughout the project implementation.

We found that there are more publications covering the digital transition (which is part of the wider topic of "technological innovation") and fewer focused on the green transition (also called "just transition" in a later stage). We also observed that the two transitions are usually considered separately, while the "twin transition" narrative has been a later development.

Some examples of relevant publications covering the **digital transition** and unions' role:

- "**Responding to the challenges of digitalisation – A toolkit for trade union**": this is an outcome of the EU funded project "Collective bargaining and digitalisation" run by EPSU (European Public Services Union) in 2019–2020. The information in this toolkit, published in 2020, is based on discussions and material presented in a series of five seminars organized during the project. The toolkit sets out some of the main issues that trade unions in sectors covered by EPSU have to address in reaping the benefits of

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[1] A database with the existing agreements is available here: https://www.fnv.nl/cao-sector/handel/cao-overzicht

digitalization while preventing or reducing any negative outcomes. It also includes examples from European and national levels of how trade unions have used social dialogue and collective bargaining to regulate the transformation of work and working conditions;[2]

- "**Kompass Digitalisierung – Eine Gestaltungshilfe für gute digitale Arbeit**"[3]: as part of the project STEPS[4], IG Metall (Metal workers union, Germany) created a software program to record, assess, design and control operational digitalization. Using this program, works councils and company planners can record the current status of digitalization in their company, detect potential digitalization and develop goals;

- "**Draft new technology agreement**": Unite the Union (UK) introduced a series of templates and guides to help trade union officers, shop stewards and representatives in future negotiations with their employer. This template, updated in 2022, is a draft agreement referring to newly introduced technology;[5]

- "**Digital technology – Guide for union representatives**": issued in 2021 by Prospect (UK), this guide helps address the following questions: what can and should unions ask of management about its use of data-collecting or automated technologies to manage its workforce? What arguments and legal frameworks are available to help check that employers are being open and fulfilling their responsibilities? What can and should we demand in collective agreements around new data-collecting or automated technologies at work? How can workers use data as an organizing issue to build power and influence employers?[6]

- **First digitalization agreement at H&M**: Ver.di (Services union, Germany) signed in October 2022 the first ever digitalization agreement in the retail sector that promotes and protects the rights of 14,300 H&M workers in Germany over the next three years. The breakthrough deal, which was hammered out over six months, means that workers will have a greater say in how new technology is deployed at the fashion giant, while also offering job security and bonuses. The agreement establishes a digitalization advisory board (with Ver.di and H&M reps) which will collect feedback from the workers and make its own proposals on the future world of work at H&M. It also extends the participation rights of the Central Works Council for H&M on the issues related with digitalization;[7]

- "**Constant Surveillance at Work**": published in 2022 by Handels (the Swedish Commercial Workers union), this report presented the results of a member survey to retail sales and warehouse workers, where they investigate how common monitoring is within the commerce sector, how monitoring is carried out and how it is perceived by the employees. It includes reflections on the role of employers and employees.[8]

Examples of key publications on the **green transition** and unions are:

- "**Green Workplaces: a guide for union representatives**": the Guide was produced in 2012 with the support of funds from the European Commission for the Green Workplaces Network set up by ETUC – the

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[2] https://www.epsu.org/sites/default/files/article/files/Toolkit%20January%202021.pdf

[3] "Compass for digitalization – A design tool for good digital work"

[4] http://www.steps-projekt.de/kompass-digitalisierung/

[5] https://www.unitetheunion.org/media/4964/new-tech-agreement-pdf-version.pdf

[6] https://prospect.org.uk/about/digital-technology-guide-for-union-reps/

[7] https://handel.verdi.de/unternehmen/g-i/hennes-mauritz/++co++07754fd4-4bbb-11ed-ba6a-001a4a160100

[8] https://uniglobalunion.org/wp-content/uploads/Handels-rapport-2022-1-Constant-Surveillance-at-Work-english.pdf

European Trade Union Confederation. It provides advice on good practice from trade union activists across the EU. It shows how union representatives and Works Councillors have tackled saving energy for heating and light, travel to work, recycling and other initiatives;[9]

- "**Guidelines for a just transition towards environmentally sustainable economies and societies for all**": published in 2016, this ILO brochure is both a policy framework and a practical tool to help countries at all levels of development manage the transition to low-carbon economies and can also help them achieve their Intended Nationally Determined Contributions (INDC) and the 2030 Sustainable Development Goals. Designed to promote decent work on a large scale and ensure that social protection exists where needed, these guidelines also include mechanisms for social dialogue among governments, workers and employers' organizations throughout policy-making processes at all levels;[10]

- "**What is Green Collective Bargaining**?": in this web article, published in 2017, EPSU elaborates on the new idea of "green collective bargaining", saying that it believes that public service organizations should actively integrate green provisions into their collective bargaining. The article describe a series of concrete initiatives to assist local trade union representatives in addressing some of the issues, with guidance being developed at both European and national levels;[11]

- "**A guide for trade unions: Involving trade unions in climate action to build a just transition**": as a result of an EU funded project, ETUC published this guide in 2018. The guide is made of five building blocks covering: Economic diversification and industrial policy; Governance and trade union participation; Education, training and skills; Social protection; Preparing trade union organizations;[12]

- "**A just transition for workers: a trade union guide**": issued in 2019, this short guide by IndustriAll Global presents concepts and examples on the just transition, which is a concept originated by IndustriAll and its predecessors. Since then, it has spread through the global labour movement;[13]

- "**Go green at work: the union effect**": this is a chapter from the TUC (UK) "Workplace Manual" published in 2021. It is intended to support employee representatives playing a key role in securing consultation and the active participation of their members in climate change initiatives at work;[14]

- "**Aborder l'environnement dans l'enterprise – Fiches pour guider l'action syndicale**"[15]: the Belgian trade union network RISE has worked since 1997 on environmental issues. Through its website, it publishes and regularly updates a collection of fact sheets aimed at union officers and workers representatives to support them in their trade union action at company level;[16]

- **"Environment and climate as a trade union issue":** issued in 2022 by Handels, the Swedish Commercial Workers' Union, this report answers some key questions, such as: what does a trade union perspective on

[9] https://www.etuc.org/en/publication/green-workplaces-guide-union-representatives

[10] https://www.ilo.org/global/topics/green-jobs/publications/WCMS_432859/lang--en/index.htm

[11] https://www.epsu.org/article/what-green-collective-bargaining

[12] https://www.etuc.org/en/publication/involving-trade-unions-climate-action-build-just-transition-guide-video

[13] https://www.industriall-union.org/sites/default/files/uploads/documents/Just_Transition/a_just_transition_-_english.pdf

[14] https://www.tuc.org.uk/resource/go-green-work-union-effect

[15] "Addressing environmental issues at the workplace – Tools to guide trade union action"

[16] http://www.rise.be/ressources/aborder-l-environnement-dans-l-entreprise-fiches-pour-guider-l-action-syndicale.htm

environmental and climate issues include? What opportunities and challenges can the climate transition mean for workers? What might the trade unions need to work on to protect members' interests in the environmental and climate transition?[17]

The two transitions began recently to be considered jointly, as **twins**, which has resulted in a new narrative when it comes to the role of unions. Some examples:

- "**Unionisation and the twin transition: good practices in collective action and employee involvement**": published in August 2022 at the request of the European Parliament EMPL committee, this study "overviews the impacts of the twin (digital and green) transition on the labour market and the workplace. It explores the role and presents good practice examples of employee involvement, both via social dialogue and collective bargaining and direct co-decision making, in shaping the transition at the macro and micro levels. Finally, the study summarizes the main legislative and policy measures adopted at the EU level to foster employee involvement."[18]
- "**Moving with the times: emerging practices and provisions in collective bargaining**": in the introduction of this research report by Eurofound, published in 2022, it's stated that: "The flexibility of collective bargaining in comparison to statutory regulation suggests in principle a strong capacity to be proactive in facing the challenges stemming from the twin (green and digital) transition and other structural changes in the EU. However, the extent to which it is able to adapt to these challenges relates to the priorities of the negotiating agenda and to the structural and contextual factors affecting capacity to innovate." In addition, the report proposes the following policy pointer: "To contribute to fair and inclusive implementation of the twin (green and digital) transition and other structural reforms that the EU is facing, public policies should be developed to strengthen collective bargaining capacity at all levels so that it can contribute to dealing with these challenges in the coming years and decades."[19]

As a conclusion of this in-house desk research, we can state that:

- There's a general **recognition** of the role unions could play to help face the challenges deriving from the green and digital transition. At the same time, unions are increasingly aware of their role;
- The **nature** of unions' actions in terms of the green and digital transition depends on the scope of the organizations involved: global, European, national, company-level. We observed a variety of possibilities: research and analysis, policy documents, guidelines, toolkits, collective agreements;
- The **impact** of unions' actions depends on the strength they have in terms of membership, recognition and collective bargaining power at national and company level. The stronger the union, the greater the impact of its actions on the green and digital transition.

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[17] https://uniglobalunion.org/wp-content/uploads/HA17094-Environment-and-climate-as-a-trade-union-issue-Handels-2022.pdf

[18] https://www.europarl.europa.eu/thinktank/en/document/IPOL_STU(2022)733972

[19] https://www.eurofound.europa.eu/publications/report/2022/moving-with-the-times-emerging-practices-and-provisions-in-collective-bargaining

3. Survey results

Between November 2022 and March 2023, UNI Europa commerce affiliates were asked to respond to an online survey designed to:

- Track existing practices of social dialogue collective agreements relating to the green and digital transition;
- Identify and collect challenges and obstacles for the development of social dialogue collective agreements relating to the green and digital transition;
- Identity and collect existing strategies to counter these challenges and obstacles;
- Identify and collect potential opportunities for further development.

12 responses were collected, which were submitted by national affiliates working in the following countries: Austria, Belgium, Finland, Hungary, Iceland, Italy, the Netherlands, Norway, Spain, Sweden and Switzerland. Out of 11 countries, three are not members of the European Union, while together they represent four regions (North, South, Central-Western, Eastern), each of them with different industrial relation systems, collective bargaining coverage and trade union membership rate. This means that the outcomes of the survey reflect the differing realities across Europe.

In addition to a first question about the respondent, the survey was structured in two parts, focusing namely on the "Digital transition" and the "Green transition", with the same questions repeated.

Below are the four questions referring to the "**digital transition**" and the highlights from the responses:

1. **Could you please mention and briefly describe max three examples of collective agreements (sectoral or company) and/or social dialogue covering the issue of "digital transition"?**

   - In countries where the dialogue between unions and employers is more <u>developed</u> and structured, the list of agreements including "digitalization" (in its different aspects) is richer;
   - "Digitalization" is a big <u>label</u> which entails a variety of sub-topics, such as: automation of tasks (i.e. self-service checkouts), surveillance of workers, new skills, omnichannel approach, etc.;
   - At <u>sectoral national level</u>, in Finland social partners in the commerce sector agreed to set up a joint working group to "study the effects of digitalization, automation and multi-channelization of commerce, as well as sustainable development, on employees' skills requirements and to make proposals on procedures for assessing and developing employees' skills";
   - At <u>sectoral regional level</u>, the collective agreement for miscellaneous trade of the Community of Madrid (Chapter 13 – Organization of work and new technologies) regulates: teleworking; the right to privacy in relation to the use of geolocation; the use of video surveillance and sound recording devices in the workplace; the right to privacy and data processing in the workplace; the right to privacy in the use of digital devices;
   - At <u>company level</u>, the agreement signed in Switzerland with one of the two main retailers (Coop, 37,000 employees) foresees: improving the training of cash register staff responsible for monitoring

self-checkout registers; the company will define and apply some minimum standards (length of service, number of checkouts to be monitored, staffing, etc.).

2. **Could you please identify the 3 main obstacles/challenges for the development of collective agreements/social dialogue covering "digital transition"?**

   o The <u>time frame</u> of a collective agreement (at sectoral or company level) is relatively short, which makes it challenging to use it as an arena to tackle long-term processes such as the digital transition;

   o The <u>focus</u> of a collective agreement is on working conditions and, quite often, the main priority is to increase wages (in particular in times of higher inflation and unaffordable cost of living). This becomes the main priority employees are keen to fight for;

   o Long-term transitions require <u>training</u>, with skilling, upskilling and reskilling of adult workers. But, as reported in Finland, "competence development in an employment relationship has been considered to fall within the scope of the employer's management powers. For this reason, employers didn't want to include competence development obligations in collective agreements";

   o Even when training is mentioned in a collective agreement, there are challenges in the application because, as mentioned by Norway, workers are mainly part-time and flexible and scheduling <u>time</u> for competence development is not an easy task;

   o The fact that many companies in the retail sector are <u>SMEs</u>, usually with a low level of innovation, is according to the Spain respondent, "an objective obstacle to including digitalization on the negotiation agenda";

   o An issue reported by both highly and less structured unions, is the lack of technical <u>knowledge</u> on digitalization (and its sub-topics) for workers, shop stewards, trade union officers and negotiators, as well as for their partners around the negotiating table;

   o Digitalization changes the nature of processes, with an extreme focus on the use of time and job <u>performance</u>. As noted by the Switzerland respondent "this puts pressure on workers, pushes to increase productivity by densifying work and reduces staffing. But it is difficult to alleviate this pressure through provisions in collective agreements. How to regulate the densification of work?"

3. **Does your organization have any strategy to overcome the obstacles you have identified? Please describe.**

   o Not all respondents have a defined strategy. In the case of the Netherlands, <u>other</u> union branches who are more advanced can become a reference (the "Strategic agenda on digitalization 2022–2027" in the metal industry);

   o On the opposite side, during its last <u>congress</u>, the Spanish respondent has "established an objective to guarantee a just digital transition in companies and strategic sectors, intervening in the governance of change, promoting a more proactive role of labour relations in governance and restructuring imposed by digitalization, so as not to be forced to passively negotiate the

most negative consequences of these processes. It is a question of adapting the traditional schemes of trade union action to the new realities of work." One of the many actions set to achieve this goal, is to "sign sectoral and company-level <u>protocols</u> for a just digital transition that include negotiation commitments in case of organizational restructuring processes";

o There are various examples of union actions aimed at thinking <u>strategically</u>, developing arguments and becoming proactive. The Iceland respondent has established a "future committee" focusing, among other topics, on digital transition. In Switzerland, they backed their demands for a "social digital transition" with scientific research and the encouraging of public debate to promote a new narrative;

o A concrete, ongoing action is, for instance, providing basic and advanced <u>education</u> on technology-related issues which are relevant for the sector, as mentioned by Denmark;

o Where <u>dialogue</u> with Employers' Associations already includes discussions on digitalization, this should continue (Finland, Sweden) and, if this is still not the case or it's not structural, it should be strengthened and deliver formal commitments (Spain);

o Focusing on a <u>specific</u> area of digitalization, such as surveillance, training union reps and feeding a continuous dialogue with employers' organizations, as is the case in Sweden, is a way to actively tackle the negative impact the imposed technological innovation can have.

4. **Taking into account the developments in the socio-economic context, does your organization see any opportunity to further develop collective agreements/social dialogue covering "digital transition"?**

o Respondents shared the view that there is not only the opportunity, but rather the <u>need</u> to further develop trade union achievements on digital transition; as stated by the Spanish respondent, "digital change is not going to stop while unions reflect, so we have to be <u>proactive</u> to participate in it";

o Where there's <u>no collective agreement</u> at sectoral level, as in Hungary, proposals and solid arguments, also resulting from projects on digitalization, are ready to be used in discussions with businesses and decision-makers;

o Where there's a sectoral collective agreement, this might require some <u>changes</u> in order to better accommodate social dialogue on the future of retail and digitalization trends (Austria, Belgium), requiring genuine commitment on the employer's side;

o Where the existing sectoral collective agreement establishes a <u>process</u> to discuss digitalization, this tool has to be fully exploited (Finland, Sweden);

o The need to further develop unions' achievements through collective agreements and social dialogue goes hand in hand with increased union investments in <u>training</u> on digital skills (Denmark, Norway);

o As explained by the Swedish respondent, a higher level of digital maturity in society might facilitate union efforts to improve competence development and increase <u>awareness</u> among workers about, for instance, the consequences of digital surveillance.

Below are the four questions referring to the "**green transition**" and the highlights from the responses:

1. **Could you please mention and briefly describe max three examples of collective agreements (sectoral or company) and/or social dialogue covering the issue of the "green transition"?**

   o   Examples are mentioned <u>only</u> for countries where dialogue between social partners is more mature and structured;
   o   A common way to approach the green transition in sectoral collective agreements is through the development of workers' <u>skills</u> (Denmark, Sweden);
   o   At sectoral level, social partners might be involved in <u>research</u> projects on green transition related issues (Sweden);
   o   In the regional sectoral collective agreement of Catalunya (Spain) there's an <u>environmental management clause</u>, which establishes that protecting the environment is one of the basic principles. The union has the right to participate in the evaluation of environmental management plans. The appointment of a union responsible for the environment and sustainability is envisaged, with access to information and documentation, and ability to propose specific training policies;
   o   Another local sectoral collective agreement in the city of Jaen (Spain) introduces the novelty that the workers' delegate for the prevention of occupational risks will also be the "<u>environment delegate</u>". The delegate will fulfill the functions of surveillance and control, and will have information on the plans that the company will develop, with special attention paid to workers' health and safety.

2. **Could you please identify the 3 main obstacles/challenges for the development of collective agreements/social dialogue covering the "green transition"?**

   o   Challenges are identified both on the workers' side (employees and unions) and the employers' side;
   o   The absence or weakness of a <u>framework</u> – agreed by social partners – makes it hard to discuss, anticipate and manage changes linked to the green transition (Denmark, Spain);
   o   The reluctance on the companies' side to recognize the need for a major transition for the retail sector hinders serious and structural <u>discussion</u> on how to become more dependent on circular business <u>models</u> and less dependent on mass consumption and sales volume (Sweden, Switzerland);
   o   The green transition is reportedly not a priority for <u>workers</u> (Hungary, Iceland, the Netherlands), and, as a consequence, efforts are underway to make it a priority also for unions (Spain);
   o   Even when employee representatives are willing to do more at company level, they face difficulties in accessing environmental <u>information</u> related to company activities and workplaces; this info is vital for proposals, monitoring, decision-making and union intervention (Spain);
   o   Moving from theory to practice when it comes to identifying new <u>competences</u> supporting the green transition is also difficult: there's a limited understanding within companies on what workers need to learn in order to support a more sustainable business model (Sweden).

3. **Does your organization have any strategy to overcome the obstacles you have identified? Please describe**

- o There are many respondents who for the time being do not have specific strategies (Austria, Belgium, Hungary, the Netherlands);
- o Analysis and research are conducted to then formulate proposals and demands (Spain, Sweden);
- o Support is provided to upskill employees so that they possess the relevant competences in the near future (Sweden, Denmark), as well as increasing their awareness and decision-making power (Switzerland);
- o Green clauses are developed to be integrated into collective agreements and the possibility of introducing a new role representing workers at company level when it comes to environmental aspects is being explored (Sweden);
- o Active cooperation with other unions is promoted at national and transnational level (Sweden), as well as with NGOs fighting not only against climate change but also for equality (Switzerland).

4. **Taking into account the developments in the socio-economic context, does your organization see any opportunity to further develop collective agreements/social dialogue covering the "green transition"? Please describe**

- o The increasing social preoccupation with climate change is strongly contributing to a shift in the world of work: environmental issues are becoming increasingly pressing in the workplace (Spain);
- o Although there's an overall awareness of the need for unions to develop further plans, intensity levels and scope of commitments vary;
- o For some respondents, in the short term there are no further developments planned (Austria, Belgium, the Netherlands);
- o For others, efforts are focused on developing digital learning tools – basic and advanced – which can be an important means of promoting positive socio-economic development (Denmark);
- o A structured approach for the mid term, such as that described by the Swedish respondent, includes multiple roles for unions: dialogue with employers; alliances with other organizations; counterbalancing the positions of the right-wing government; strengthening workers' commitment to green-related issues and considering the green transition as a driver for change.

In general, we observe that union action is more advanced for digital transition than for the green transition, which requires a more systemic approach and needs union work well beyond the workplace. In addition, the green and digital transitions are usually considered separately, running in parallel and not necessarily connected. What they have in common, in our case, is that the unions are addressing both of them, and from a worker-centred perspective.

4. Expert policy papers

This chapter summarizes the paper "Facts and recommendations on the Twin transition (climate and digitalisation)" written by Syndex, the external expert identified by UNI Europa. The document produced by the experts is structured in three-page papers for each of the five following topics:

I. The State of Play: how commerce jobs and the industry are changing due to the green and digital transition;
II. The driver of change: factors which bring change in the commerce sector;
III. Risks and opportunities: for companies and workers;
IV. Anticipating/mitigating change: evaluating and anticipating future needs linked to the transition;
V. The role of the social partners and social dialogue.

I. The State of Play: how commerce jobs and the industry are changing due to the green and digital transition

While in recent years many voices have used the concept of "twin transition" to describe these two major transformations at work in the first half of the 21st century, we must not lose sight of the fact that, while in some places they may coincide, one may also hinder the other at its very foundations. The digital revolution is not an ecological revolution: exponential consumption of data, unbridled uses, the revival of throwaway consumption – with the proliferation of connected devices of all kinds – as well as the impressive data centres that consume vast amounts of energy, are there to remind us. In this sense, the embodiment and pace of these two transitions in the European retail sector are often at odds with each other. Digital has disrupted the retail sector in a major way and will undoubtedly continue to do so in the years to come, while the ecological transition is moving at a slower pace because the very foundations of mass consumption are being challenged by the ecological emergency.

a) Digital technology is profoundly changing the retail industry and the pandemic is having an accelerating effect

Some examples are e-commerce with deliveries or click and collect, automation of cash registers and stock management, equipping terminals and "optimization" of management based on algorithms. If these changes are still in progress, the deleterious impacts on working conditions and employment volumes are already visible.

• The objectives of the increasing use of digital technology in the retail sector are multiple: to improve staff working conditions, improve customer service, contain costs;
• The pandemic has, of course, been a catalyst for this transformation;
• Automation in the retail sector is clearly leading to a decrease in employment levels, particularly in the cashiering sector, but also in support functions;
• E-commerce is having the same effect: the growth of this segment is providing fewer jobs than physical distribution;
• Jobs are being fundamentally transformed with the development of warehouses: while the number of cashiers and salespeople is falling sharply, the number of logistics employees in warehouses is increasing;
• Algorithmic management is making its appearance in physical commerce, disrupting the organization of work and eliminating a large part of the consideration of reality and human relations.

b)   Large-scale retail and consumerism are still barely affected by the ecological emergency

The ecological transition contradicts the very foundations and raison d'être of large-scale retail based on the ever-increasing growth of consumption: its impact on the sector is at present very limited, and we are witnessing a "greening" of a certain number of activities rather than a profound evolution. The ecological transition refers to the evolution towards a new economic and social model, responding to environmental issues (climate, biodiversity) through new ways of producing and consuming, promoting rational usage and a reduction of CO_2 emissions. The development of large-retail distribution is one of the pillars of a society structure encouraging overconsumption, with "everything under the same roof", an increase in consumption thanks to prices pulled down by volumes and the concentration of the economic actors, the development of intensive agriculture, the use of cars and the artificialization of land.

Changes in the market during the pandemic in favour of short circuits was quickly challenged by inflation, with the majority of consumers searching for low prices and a small, higher-income section of the population wanting to consume more environmentally friendly products. At present, we are only witnessing a greening of speeches rather than real actions. Indeed, the only concrete measures taken are those that are also related to regulatory or financial issues: optimizing logistics routes, saving energy in buildings, fighting against waste, second-hand space and repair of objects (textiles, furniture). Basically, the question is that of rational usage in a model based on volumes: how can mass market retail challenge the logic of selling more and more?

c)   What's the ecological impact of e-commerce?

The challenges of the ecological transformation of the sector do not concern its distribution mode (e-commerce or physical) but the decarbonization of manufacturing processes, rational consumption, the reduction of distances between production and consumption. The continuation of the e-logistics revolution would lead to an increase in deliveries of around 9% per year, with a huge cost in terms of CO_2 emissions related to transport. It should be noted, however, that the related environmental audit depends on the modes of production and on the length of circuits. In addition, the increase in the number of warehouses would only be responsible for 1% of land artificialization, while according to several studies, by reducing the number of journeys between customers and stores, delivery would actually have a positive impact on GHG emissions. However, we must not forget the health consequences, particularly urban pollution, associated with the explosion in the number of parcels, noise pollution and GHG emissions in the vicinity of the warehouses generated by the incessant flow of trucks and vans, as well as the underlying logic of always encouraging the rapid overconsumption of throwaway goods.

II.   Driving change: factors which can bring change in the commerce sector

In the retail sector in the broad sense, the digital transition appears to be much more advanced than the ecological transition: the drivers of the digital transition are much more powerful, as they involve major competitiveness issues. Digitalization can be observed in various places and is based primarily on technological innovations and new tools. It is also an evolution of demand underpinned by these digital tools, and finally a profound change in the market, with new "pure players" entering the market, which are shaking up competitiveness and the existing business models. As far as the ecological transition is concerned, for a long time economic players have been

allowed to take the lead in this area, which his delayed action. The first regulatory initiatives are cautiously emerging. Finally, it is the financial stakes, with the rise in the cost of energy and transport, that are beginning to cause sector changes.

a)   The technological factors of change

The digital revolution is first and foremost based on the emergence of new technologies that economic actors and the public are using and which allow the establishment of new modes of production, consumption and communication: the possibilities are numerous in the retail sector, from the automation of stock management, to the personalization of customer management based on big data, to algorithmic management of human resources.

A Eurofound report identifies three factors of change: the automation of work, the digitalization of processes on a large scale with big data and artificial intelligence, and electronic platforms[20]. These transition vectors have led to changes in distribution. The e-logistics revolution ins underway, with increasingly automated management of stocks and restricted flows, voice picking, real-time monitoring of orders and stock levels in stores and warehouses, and automated restocking. New uses have taken off to such an extent that investment in digital technology is now essential to the very survival of the company. The pandemic was particularly revealing of the fact that the most digitalized companies were much less vulnerable.

b)   Sociological and economic factors

The new technologies have disrupted the retail ecosystems with the entry of pure players on the market leading to market concentration, but also to the development of direct sales strategies of a certain number of manufacturers, shortening the traditional networks. In terms of ecological transition, the transformation is still in its infancy, although new markets are emerging (second hand, short supply chain, etc.).

- New digital entrants: the access to the Internet and then to smartphones has literally changed the game in the world of retail, allowing pure players to enter the field and forcing traditional players to reinvent themselves;
- The development of "D to C": we are witnessing the development of strategies known as "Direct to Consumer", the direct access of brands to consumers, without having to go through a distributor;
- The phenomenon of market concentration: the most powerful players are also those who have the most resources to invest and have the means to digitally develop even further;
- Emerging markets for ecological issues: demand is emerging for ecological and (more) locally produced goods. This movement is now weakened by the proliferation of labels and greenwashing that blurs the message. New markets are opening up, such as second hand, but they are still limited, even if the outlook for growth is strong;
- Cost-reduction objectives as the main driver of the environmental transition: the main driver of environmental issues is the need to save money. With the increase in global transport costs and the desire to shorten production times, we are witnessing the reshoring of a certain number of manufactured products from Asia to regions closer to Europe.

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[20] https://www.eurofound.europa.eu/publications/report/2018/automation-digitisation-and-platforms-implications-for-work-and-employment

c)   Regulatory factors

The regulatory factors concern exclusively the ecological transition. When considering regulations at all levels, from international commitments to national legislation, their scope is still limited, even though certain obligations (recycling, product durability, plastics) will undoubtedly be put in place.

The European Union aims to be carbon-neutral by 2050. However, few binding texts are currently in force. Adopted at the end of 2022, the corporate sustainability due diligence associated with the Green Deal will require all companies with a turnover of more than 150 million euros in sales to report on their environmental impact, with the aim of reducing it in line with the European Green Deal. Member States have 18 months to transpose and apply this directive. The issue will then be the sanctions in case of non-compliance with climate commitments by companies.

At the same time, we are witnessing the troubled development of the circular economy, plastics and waste with Waste Framework Directive (2018) and the European Circular Economy Package (2019). In addition, at the national level, States have enacted some legislation on these topics, such as the duty of care in France and Belgium, the law on business transparency in Norway, and the law on the responsibility of companies over their supply chain in Germany.

Thus, for the time being, the regulatory framework remains very limited and it will undoubtedly take many more years to see the effect of these measures.

III.   Risks and opportunities: for companies and workers

Digital technology has dramatically changed the market and could change it further in the next decade. However, these changes are taking place in a climate of weakening power relations to the detriment of workers. The new entrants, pure players, advocate models that are often not very unionized and come with a risk of outsourcing. Moreover, these new entrants are giants with huge resources, which could weaken traditional distribution companies with low margins. However, certain opportunities may exist in terms of business development, even if they are marginal. The supposedly twin transitions collide head-on here: while ecology could give meaning to work and create jobs locally, its slow pace of deployment is out of all proportion to the speed of digitalization which, by automating tasks, takes away the meaning of work and leads to huge job loss.

a)   Major market changes: risks and opportunities for employment in Europe

The rapid changes in the market driven by new digital tools and the penetration of digital technology entail risks for companies, as they are forced to adapt in order to be omnichannel and respond to consumers' desire for "ever faster". However, once again it is the workers who are the most vulnerable, with risks to employment (in volume) and working conditions.

•   **The arrival of digital giants could weaken the players in the retail sector... and employment**: Generally speaking, online commerce is less intensive in terms of employment than physical commerce. Thus, as some sectors have become digital, there has been a decline in employment: this is the case, for example,

with toy and clothing retail, as opposed to food retail, which is still less digitalized. However, grocery is undoubtedly the major sector in which pure players will invest in the future for faster delivery. The Covid era has enabled a leap in this segment of online food sales, with or without delivery. This could lead to even greater market concentration. Indeed, in order to respond to competition, the traditional players in the grocery sector have major investment needs. However, without investment in digital to counter the new competition from the digital giants, the very survival of these companies is at stake. Obviously, such a restructuring of the market represents a threat to employment. In the same way, the DtoC strategies of international brands pose a significant risk at national level. There is also a risk to employment in customer support services. Customers are serving themselves thanks to digital tools and the Internet, according to the principles of self-care. Customer service only intervenes directly when tasks are more complex (discounts, disputes, returns, special orders, financing, etc.);

- **The reshoring of production could provide jobs, but at a much slower pace**: We are witnessing the first stirrings of production relocation, driven by both financial issues and by consumers' environmental awareness. However, these initiatives remain marginal, despite being potential sources of job creation.

b) **Risks and opportunities in terms of working conditions and job content**

In terms of working conditions, the two transitions are also far from being twins. While one can lead to a renewed sense of meaning in work as well as to an improvement in qualifications, the second puts pressure on employees and increases job insecurity for the section of the workforce that is excluded from standard employment contracts.

- **Digitalization and the spectre of the uberization of e-commerce professions**: the transformation of jobs in the sector, with a decrease in the number of cashiers, for example, and the creation of jobs in warehouses (50% of logistics platforms now work for the retail sector) is often accompanied by a deterioration in working conditions. Heavy supervision via an ultra-developed IT infrastructure, artificial intelligence imposes unrealistic objectives, with schedules that impact negatively on physical and mental health. In terms of employment contracts, employees may also find themselves weakened by collective agreements that are less generous in logistics than in retail. Finally, the spectre of outsourcing is also looming, with the use of bogus contracts to make deliveries;

- **A return to meaning and a potential increase in skills... but only for specific niches**: in stores, automation can go hand in hand with a refocusing on the customer function. Unfortunately, the job cuts that accompany this shift prevent the realization of this promise often formulated by employers, and digitalization results in multi-skilling and work intensification, continuously required to carry out tasks. In addition, specific training on tools is not automatically implemented, and workplace stress due to poorly – or sometimes incorrectly – mastered tools may occur; when such training is provided, it does not lead to the recognition of additional qualifications. However, in very specific niches, notably involving local or regional products, and therefore reserved for more affluent customers, knowledge of the products, their life cycle, and their place of manufacture will be a determining factor. This could give meaning to the work of salespeople;

- **In the same way, their training in environmental standards and values**, in the fight against waste or over-packaging, etc., could be a way of giving employees a sense of meaning and increasing their qualifications and recognition. In addition, new jobs could be identified, but only marginally: for example, in the areas of waste management, reuse, the circular economy, and repair. The loss of meaning in the

work of employees caught between more "green" speeches and the reality of daily practices (over-packaging, globalized transport, fast fashion, etc.) is not to be taken lightly, and there is the risk of mistrust of the employer and disengagement in the workplace. In the same way, many employees are critical of CSR (Corporate Social Responsibility) reports, which claim to be making progress when the reality is that working conditions are deteriorating. For many, the environmental issue can only be seen as secondary, once working conditions have been addressed, and many regret the lack of interest in the social dimension of sustainable development;

- **Climate change and working conditions**: a risk to be taken into account for employees: Extreme climatic conditions are increasing with climate disruption: physical work in hot weather or, on the contrary, in the cold because of energy savings, risks of flooding, etc. These risks, which are still not sufficiently addressed by employers, must nevertheless be taken into account and prevention tools must be put in place.

IV. Anticipating/mitigating change: evaluating and anticipating future needs linked to the transition

Because the two transitions are happening at different speeds, change cannot be anticipated on a similar timeframe. As far as the digital transition is concerned, the transformation is already happening on a large scale and the future will undoubtedly be marked by its reinforcement. Anticipating change therefore consists more in observing the deterioration of working conditions at work in order to tackle this issue. As far as the ecological transition is concerned, it is still being observed to a very limited extent today, and its impact on jobs and employment is still being strongly felt. The impact on jobs and employment is likely to remain low in the medium term. However, the Earth's finite reserves of energy and rare metals could lead to radical upheavals in the more distant future. So why not develop today the skills for the jobs of tomorrow?

a)   In the short term, the ecological transition could open the way to new skills requirements

The ecological transition suggests the emergence of new skills that will focus around the development of products (second hand, local, handmade...) and processes (short supply chain, repair, reuse...) related to the ecological transition, over a relatively short period of time:

- Evolution of products sold with the ecological transition: products are expected to evolve in these new segments: local, second-hand, reduced packaging and over-packaging, more sustainable products, do-it-yourself products, up-cycling of products, etc.;
- Evolution of distribution processes with the ecological transition: New ways of selling should be deployed: short supply chains, more environmentally friendly logistics, waste management, reporting and communication on these issues, development of new services (rental, repair, etc.);
- Whether it is a question of products or processes, these are not radically new skills but rather new knowledge linked to these developments, awareness-raising and consciousness-raising.

b)   The new needs of digital technology and the anticipation of risks to working conditions

As far as digital technology is concerned, we note a significant need for training on the tools but also on new jobs; the rapid deterioration of working conditions calls for a coordinated response from workers to combat the destruction of jobs and increasing pressure.

• Better training of employees on digital tools: even before talking about new jobs in the retail sector, we need to talk about the need to improve skills for all sales staff and cashiers. However, this type of training is often lacking;
• Digital professions in development: the increase in e-commerce and the demand for ever-faster deliveries will undoubtedly increase the need for last-mile delivery personnel. Other areas are: big data, artificial intelligence and automation, sales animation, cybersecurity;
• Combatting job losses and calling out the distortion of competition between digital giants and "physical" commerce: digital players are often organized in such a way as to pay the least amount of taxes possible, with European headquarters located in tax havens;
• Algorithmic management, coming from the world of service platforms, must not become the new way of working: it is therefore necessary to campaign at least for greater transparency of the rules (a European directive is currently being drafted by the Parliament on this subject), to fight against (discriminatory) bias and to strengthen workers' communities;
• The need to organize in the face of the deterioration of working conditions due to digital technology: risk of uberization, weakness of social dialogue in the company, fictitious self-employed status of delivery drivers, weakening of workers' rights in logistics platforms.

c)   Anticipating long-term changes today: a necessity

A long-term perspective must be integrated into the social dialogue in order to envisage future crises that will result from climate disruption and to prevent workers from paying too high a price.

• The long term must not be excluded from social dialogue: medium- to long-term constraints, these sources of potential instability, must be included in the discussions and in the process of change. This is a necessary condition if the adjustment efforts are not to be carried out at the expense of employees and efforts are to be shared (just transition);
• The importance of training elected representatives to anticipate long-term changes: employee representatives should have their own analysis and opinion and be able to rely on sources and experts from outside the company.

V.   The role of the social partners and social dialogue

Commerce is one of the sectors described by our various contacts (managers of Syndex European subsidiaries) where social dialogue is the most problematic. Thus, the social partners are often excluded from the decision-making processes around digital and ecological transformations. Beyond this observation, initiatives are being taken by trade unions and civil society to take up the challenges of these transitions. The European Works Councils appear to be helpful for investigating these fields.

a)   The observation that social dialogue is very difficult in the European retail sector, but that there are concerns about the digital transition

In Europe, trade unionism in commerce could be presented as weak and fractured; there are often no negotiations at sectoral level (UK, Poland, etc.); these are referred back to the company, to the detriment of the unions. Representative unions may not be recognized by management: the employer may then refuse to open negotiations. If the stakes and concerns are high regarding the impact of digital transformations and call for an of dialogue, the environmental issue is still poorly covered.

• Some explanations for the challenges of social dialogue: Firstly, a high proportion of the working population works part-time and, for some of them, atypical working hours, which makes it difficult to organize into unions. Secondly, the high turnover of sector personnel means that new candidates have to be found regularly for trade union elections, which means rebuilding seniority and knowledge of the company. Thirdly, the organization of the large retail chains into a network of stores and an economy comprised of very small companies create a fragmented sector in terms of work. Finally, a fourth obstacle to the construction of a strong employees' representation in the sector is the low wages – with little salary progression – and therefore, for the unions, lower membership dues than in many other sectors;

• Major concerns about digital issues: Employees' representatives are very concerned about the digital and ecological transitions. Here again, the impacts of digitalization and automation are almost unanimously perceived negatively by workers, in terms of both employment and working conditions. On the other hand, the topic of ecological transition and its urgency are generally less topical within retail companies.

b)   In some political contexts, trade union initiatives are emerging concerning ecological and digital transitions

In some countries, obligations are emerging to integrate environmental issues into social dialogue, while some initiatives are emerging in trade unions (Green Rep in the UK, Green Sentinels in France) but remain limited at present.

• More or less structured and binding national political and regulatory tools: In France, the means of employees' representatives have theoretically been extended in the Labour Code since the summer of 2021 and the promulgation of the Climate and Resilience Act. The social and economic committee has new competences in environmental matters. If these are theoretically acquired by law, it will be necessary to gauge in a few years' time the effectiveness of the measures and how elected representatives choose to use them in practice. In other European countries, existing regulatory instruments – the European Works Council Directive, the Framework Directive on information and consultation, etc. – transposed into their legislation, have so far had a limited effect because their application is often partial or even hindered. It is therefore doubtful whether, for the purpose of discussing the "twin transition" between social partners, these tools are at this stage the easiest to mobilize;

• A few notable initiatives are cautiously emerging to integrate workers' representatives into debate around the ecological transition and the risks of digitalization of commerce: campaigns are sometimes initiated by trade unions. In the United Kingdom, for example, USDAW has launched a media campaign ("Save our Shops", still in progress). In the United Kingdom, within the BFAWU union, the function of

Green Rep was recently created. In France, the network of Green sentinels has been in place since 2020 within the Federation "Culture conseil communication" CFDT.

c)   Recommendations

European youth are strongly committed to the environmental issue and are beginning to organize themselves in civil society. The alliance with these initiatives appears to be a good opportunity for trade unionism and its revival. The development of social dialogue will necessarily require the upskilling of elected representatives and ownership of the issues at the level of European Works Councils.

- **Necessary training** for elected representatives in environmental issues: As a prerequisite for a balanced social dialogue on the subject, training should cover:
  - o   the mechanism of climate change and its impact on the environment;
  - o   the notion of environmental risk for a company and the various strategies for adaptation;
  - o   the notion of the company's impact on the environment and how to reduce this impact;
  - o   the regulatory framework, particularly concerning non-financial reporting;
  - o   finally, what resistance to change looks like, and how to manage it.
- **The European Works Councils and the European level** as relevant forums to conduct this dialogue: Environmental and climate change policies are generally decided and steered by the group's management. It is then up to the various companies/divisions of these groups to find the means to achieve the objectives set at the top. Due to their central position, the European Works Councils have an overview of the entire process, from the setting of objectives to the implementation of the measures;
- **Alliance with civil society partners**: some civil society groups can exert external pressure to force retail actors (among others) to accept their responsibility in environmental matters. The objective is to make the public opinion react, and in particular to cause distributors to change their practices. The elected representatives of the staff of these companies could therefore support media campaign, get behind these demands and continue to exert pressure to obtain progress and commitments. We are also seeing the emergence of a desire on the part of employees and the creation of "green" unions. The environmental issue can thus be a source of renewal and reinvention for traditional trade unions by meeting with increasingly strong support, particularly from young people, in favour of these subjects.

5. Conclusions

Through the findings of the in-house desk research, the results of the survey and the recommendations of the policy briefs, we see that the variety of actions unions can undertake as regards the green and digital transitions (separately or jointly) is significant. Depending on factors such as the strength of the union, the industrial relations systems and the quality of social dialogue, the scope and impact of these initiatives changes from one country to the next. During the four national workshops to be organized in the target countries – Hungary, Italy, Sweden and the Netherlands – it will be possible to answer the following questions:

1. "Where are we now?": have a more granular mapping of ongoing trade union initiatives and assess how successful they are;

2. "Where do we want to go?": reflect on what unions would like to be able to do in order to have a stronger impact on the twin transition;

3. "What do we need to get there?": identify what is needed to achieve the desired goals. These needs will be later translated into guidelines and recommendations to be presented in the Project Toolkit.

More specifically, when it comes to the question "Where are we now?", one way to map ongoing initiatives is by using a classification – applicable to the green and digital transitions (separately and jointly) – inspired by the publication "Algorithmic transparency and accountability in the world of work – A mapping study into the activities of trade unions", conducted by Algorithm Watch on behalf of the International trade union confederation[21]. The contributions that trade unions achieve could be grouped into the following categories:

- Awareness / Scenario Sketching
- Analysis / Diagnosis / Knowledge-gathering
- Strategy / Roadmap / Principles
- Policy position / Recommendations / Regulatory Demands
- Union organizing / Campaigning / Collective action / Call to action
- Empowerment / Training / Capacity-building

We could argue that a high level of engagement and "maturity" is achieved when a union has a plan including parallel initiatives under each of the above-mentioned categories.

The results of the workshops will be further discussed by the Project Steering Group in a dedicated meeting. This step will pave the way to the drafting of the toolkit, which is the key project deliverable. We imagine that at that stage the Project Steering Group might also discuss issues such as: should the toolkit deal with the green and the digital transitions separately or jointly? Or should there be a shared element (about the unions' role in shaping transitions), followed by transition-specific components? To what extent should the toolkit inform decision-makers in defining strategies or support workers representatives in their work?

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[21] https://www.ituc-csi.org/Algorithmic-transparency-and-accountability