

Committee on Employment and Social Affairs
The Chair

Commission Européenne Mr Jean-Claude Juncker Président CHARL 9/234 Rue de la Loi 200 1049 Bruxelles

Dear Mr President,

As I have been informed, the negotiations concerning the agreement between the Greek government on one hand and the EU-Commission, the ECB, the ESM and the IMF on the other hand have proven to be more difficult than expected. The IMF is particularly obstructing the solutions in the field of "labour market reforms "that have been reached by an independent committee founded in 2015.

In the *Memorandum of Understanding* from August 19th 2015 signed by the European Commission, the Greek government gave the assurance to "initiate a consultation process lead by an independent expert until October 2015 with the intention of examining a sequence of prevailing regulatory labour market frameworks, for example mass redundancies, industrial actions and collective wage negotiations, with regard to proven international and European processes... Upon completion of the process, the authorities will adjust the regulatory frameworks for mass redundancies and industrial actions as well as the system of collective wage negotiations to the prevailing and reliable processes of the EU ("best practice") (...)".

The expert group forwarded their recommendations to the Greek government and the European Commission at the end of September 2016. Previously, the group had been supported by the institutions and the Greek government and had been informed by management and labour, other Greek experts and the IAO. The expert group reached consensus in most of their recommendations. In eight out of twelve recommendations the whole group agreed and partially in one recommendation (?). The divergent estimations have been appended in a dissenting opinion.

The IMF is now opposing the proposition of reintroducing "standard" EU-consultudinary collective wage negotiations against the recommendations of the expert group, as I have been recently informed, and insists on a pro-business regulation of mass redundancies. The representatives of IMF refuse a contextual discussion in this point.

To my bitter disappointment, the representatives of the European institutions chose to be silent at the claims of IMF, as if they shared the opinion of the debtor having to be at the mercy of the creditor's bidding. On the contrary, the claims of IMF contradict with the common EU standards that were referred to in the expert's report, which the creditors had accepted as a foundation for Greek labour market reforms. I entertain the suspicion that this subject will be used as an additional pretext to prevent a viable agreement, as a result make an example and expel Greece from the Euro.

I am counting on your support that the EU advocates its own standards and norms against the IMF in this point. If IMF prevails in this question, it would be a bad sign for the shaping of a labour-law related EU-framework that is in accordance with decades-old valid regulations and practices. A public-minded and socially inclusive Europe cannot let itself be dictated terms from the outside - not as a whole and neither in Greece.

Sincerely,

Thomas Händel Chairman EMPL

cc: Marianne Thyssen, Commissioner Employment and Social Affairs Antonio Tajani, President of the European Parliament Roberto Gualtieri, Chair of the Financial Assistance Working Group