



TENDER SPECIFICATIONS FOR SUBCONTRACTING

2 EXTERNAL EXPERTS AND 6 COMPANY CONSULTANTS

EFBWW project Monitoring and enforcement of labour and social considerations in supply chains in the construction industry

Strengthening workers' capacities in European Works Councils

Grant agreement VS/2019/0060

Tender Specifications

1. Introduction

Within the construction industry and in particular on large or complex projects, responsibility for and performance of the work generally cascades down the supply chain. The first and second tier of the supply chain may be held accountable by strict contractual requirements, but further down the sub-contracting chain the contractual liabilities decrease until suppliers at the end of the chain are often unbound by any requirements to uphold labour standards and working conditions.

As buildings are becoming more complex, they require additional design features and the services of specialised suppliers. At the same time, there is increasing fragmentation of the industry as is evident from the growing number of specialized suppliers/contractors, the proliferation of diversified products and the fragmentation of design and supervisory activities.

The supply chain is often not transparent, which is increased by the project-based nature of the industry with defined start and end points, and a traditional separation between design phase and construction phase. Demand is created through a series of competitively tendered prototypes set up by temporary coalitions of contractors. This all has an impact on organisational relationships. Within the European construction industry there is a growing

trend to use third country companies in the supply chain for activities performed in the EU. As such, the transnational supply chain of the European construction industry is gradually transforming into a global supply chain.

Elements of the supply chain include the flow of resources to satisfy the demand for materials, labour, information, skills, and so on. It can also refer to competences and bundling of resources. It is well known that tendering within the supply chain is primarily driven by cost factors in order to cope with the extreme price pressures that the construction sector faces.

Within a structured organisational setting ‘the central management’ of the main contractor is formally the responsible authority, which directs the rules, aims, objectives and practices through its “management” using supply chain systems and procedures. The monitoring of supply chain management and practices requires a holistic perspective and a technical view of organisations as parts of interconnected processes. It requires the ability to look beyond organisational boundaries and to recognise the interdependence of organisations.

During the 2016 International Labour Conference the subject of “Decent work in global supply chains” was discussed extensively, which resulted in the adoption of a report¹. In its conclusion the report states that *“the expansion of global supply chains can also be associated with significant governance gaps, and global competitive processes that have sometimes placed downward pressures on working conditions and respect for rights at work, including freedom of association and collective bargaining and other fundamental rights”*.

The report provides eleven valuable and innovative recommendations, which should be implemented to ensure that social and labour standards can be ensured within the supply chain.

At EU level the social and labour dimension within supply chains was discussed within the framework of public procurement. A notable EU tool is the guide “Buying social”². This guide takes social considerations in public procurement into account. The new guide is also a very concrete tool to address social inclusion in supply chains. After the implementation of the EU Directives on public procurement (2014/24/EU; 2014/25/EU; 2014/23/EU), the EFBWW (with the financial support of the European Union) conducted a project aimed to strengthen the application of social considerations in practice. Supply chains can play a crucial role in this context, and the second part of the final report³ contains an overview of various best practices, which could be applied to improve the situation at national level.

Via the system of “Information and consultation” embedded in the EU Directives 2002/14/EC and 2009/38/EC, workers’ representatives in EWCs can play an active role in ensuring that social and labour standards are ensured within supply chains. The ability to access information and to share this information across national boundaries presents an excellent opportunity for workers’ representatives to influence how multinational companies organise their supply chain policies and practices.

¹ International Labour Conference, 105th Session, 2016, Report IV, Decent work in global supply chains

² A Guide to Taking Account of Social Considerations in Public Procurement”, European Commission 2010

³ <http://www.efbww.org/pdfs/Public%20procurement%20GB.pdf>

The overall objective of this project application is to strengthen the capacity of workers' representatives in European Works Council to ensure that inclusion of social considerations in complex supply chains is properly implemented and applied in line with ILO and EU standards. Among other things, it will result in a practical toolkit for EWCs to strengthen their capacity to use their right to information and consultation.

To achieve tangible and concrete results, the project will include three case studies in three companies in the construction and building materials sectors: Royal BAM, Vinci and Lafarge-Holcim. The choice of companies in the project is meant to ensure a broad geographical distribution, to cover different sectors and EWCs with various levels of experience.

Vinci

Operating on five continents with 700 companies, Vinci is an ideal choice to identify the supply-chain practices of European companies with sub-contractors from third countries. This also offers the opportunity to involve workers' representatives from candidate countries in activities that can have a real added value in improving working conditions and respect for European and International labour standards in their countries.

Royal Bam

The company has a new EWC. Targeting the company in this project will enable the members of the EWC to gain practical experience that can help build a foundation for a high level of information and consultation in this company. Royal BAM does as little as possible with regard to its legal requirements concerning workers' rights and industrial relations. By using this leading player as an example, we can experiment with a strategy of an international trade union network at group level in the construction sector.

LafargeHolcim

In a previous project with EU funding⁴ the EFBWW followed the merger between Lafarge and Holcim cement groups, together with other accompanying measures by EFBWW EWC coordinators. The result of this support was an optimal cooperation between the two EWCs during the merger. LafargeHolcim was therefore identified as a target for the current project to build on the previous foundations and involve the newly composed EWC in practical activities that are relevant to the workers' representatives of a global player in the cement industry.

The management of the three companies targeted in the project will be invited to participate in the project in order to allow them to gain a better understanding of their supply chains and to foster a culture of social dialogue. The main contractor has a crucial role to play in monitoring and enforcing social considerations in supply chains and the external experts will have to engage extensively with management in order to achieve results.

⁴ Grant Agreement VS/2014/0364 and its amendment VS/2016/0134

2. Goals of the project

The main target group of the project will consist of active EWC workers' representatives.

The project has the following objectives:

- Strengthening the technical capacity of members of the EWCs to obtain and assess data related to supply chain practices of the company/management as part of their right to information and consultation (closing the knowledge gap);
- Promoting international and European social and labour standards in the whole supply chain;
- Developing a practical EWC workers' toolbox on monitoring supply chains;
- Strengthening transnational workers' coordination and monitoring networks on supply chains;
- Promoting and enhancing an inclusive culture of transnational social dialogue as part of the existing EWC structures;
- Strengthening monitoring and enforcement tools and transnational cooperation including partnerships with European and national administration systems (procurement, company registration, VAT, ...)

The 2 external experts will draft a workers' friendly practical toolbox for monitoring and enforcement of labour and social considerations in supply chains in the construction industry. The toolbox shall aim at giving EWC representatives the means to:

- obtain the relevant data and information;
- know which data and information is relevant/useful;
- process/assess the data and information;
- engage (strategically) with management on labour and social consideration in supply chains;
- effectively cooperate with external experts for supply chain practices;
- build trade union networks for large workplaces, where supply chain practices are applied;

The toolbox will be put to a praxis test during three field visits at construction sites of the three case studies of the companies Royal BAM, Vinci and Lafarge-Holcim as part of the overall project.

3. Project activities

1. First Steering Committee

- Discussion general project outline/objectives and methodological aspects
- Discuss a strategy to establish a network with cooperation partners in the EWCs of the construction sector in all EU Member states.
- Discussion on involvement, role, data of the targeted EWCs of Royal BAM, LafargeHolcim and Vinci (two company consultants each will liaise with the EWC)
- Methodology on collection of available data and experiences
- Selection trade union EWC coordinators
- Selection of the external experts

2. External experts research data and design toolbox

- Collection of the relevant data and draft of the workers' friendly toolbox

3. Second Steering group

- Finalising toolbox
- Preparation field visits
- Preparation final Conference

4. Field Visits

These events will be tailor made for each company

- Meeting and discussions with:
 - host trade union;
 - host labour inspectorates
 - local company management
- Meeting with company workers employed at the workplace in supply chains
- Evaluation and assessment of findings

5. Discussion conference

- Overall project outcome
- Presentation and discussion of the toolbox
- Presentation of the experiences within the three companies:
 - Royal BAM
 - LafargeHolcim
 - Vinci
- Discussion overall trade union policy guidelines and strategy on supply chains in MNC
- Possible follow-up steps
- Training Workshop for EWC representatives

5. Third Steering committee

- Assessing project outcomes
- Preparing internal EFBWW discussion and decision process
- Dissemination plan

Indicative Timetable

Month	Task	Responsibility
June 2019	First Steering Committee meeting Max 16 participants, 2 languages, 1 day, Brussels Selection of external experts, identifying case studies	Project Management
July - December 2019	Experts to collect adequate information, data and experiences and design a workers' friendly toolbox	External experts
January 2020	Second Steering Committee meeting Evaluation and discussion of the draft tool box Preparation field visits	Project Management
January 2020	Adaptations of the proposed toolbox	Project Management External experts
February - April 2020	3 Practical field site visits Venue determined by the location of the case study, 1 day, max. 10 participants per visit, 2 languages	Project management
June 2020	Presentation and dissemination conference on labour and social considerations in supply chains Includes training session for EWC representatives 75 participants, 6 languages, 2 full days, Brussels	Project Management
July 2020	Third Steering Committee meeting 16 participants, 2 languages, 1 day, Brussels	Project Management
July September 2020	Dissemination Campaign	Project Management

4. Subject matter of the contract

The subject matter of the contract between the EFBWW and the 2 external experts will be for the experts to:

- 1) propose 6 company consultants (see “methods of work” below) to the steering group and work in close cooperation with them; the 6 company consultants will be part of the scope of the contract;
- 2) compile a workers’ friendly practical toolbox on “Monitoring and enforcement of labour and social considerations in supply chains in the construction industry” (cf. 2. Goals of the project above);
- 3) establish a conceptual and methodological framework for the toolbox and carry out preparatory desktop research relevant for the project with a view to the specific needs of EWCs;
- 4) conduct interviews with EWC representatives and trade union officials with the purpose of collecting practical and strategic input from practitioners in order to capture existing experiences and practices, including from other European Trade Union Federations;
- 5) conduct interviews with management, company experts, and representatives from European and national administrations as a part of the research and data collection activity;
- 6) prepare a descriptive part on labour and social aspects in supply chains (via desktop research, interviews, reports, policies ...), including legal provisions, policies, company practices, problems and challenges, and existing trade union strategies;
- 7) prepare a practical part on monitoring and enforcement of labour and social considerations in supply chains in the construction industry tailor made for the tasks of EWC representatives;
- 8) draft an introduction to challenges and drivers of monitoring and protecting workers rights in supply chains;
- 9) review the collected information and requests for changes with a view to clarifying the data, supplementing them or harmonising their presentation;
- 10) Report to the steering group and EFBWW coordinator on the progress made;
- 11) Assist in the preparation, organisation, discussions and follow-up of the foreseen steering group meetings;
- 12) Take part in the preparation, organisation, discussions and follow-up of the foreseen final conference and the training workshop for EWC representatives;

5. Guidance regarding performance of the tasks and regarding the methodology

Performance of the tasks will have to be carried out within the contract period specified in the contract European Commission-EFBWW and with due regard to the order indicated in the description of the above-mentioned tasks and the schedule of the project activities. In all phases of the project the project manager must be kept informed and will give guidance about the day-to-day issues where necessary. The steering committee is the body for the overall guidance of the project.

6. Methods of work

2 external experts:

The 2 external experts will collect adequate information, data and experiences and, on this basis, design a workers' friendly toolbox, which will help EWC workers' representatives to monitor and enforce labour and social consideration in supply chains in the construction industry. They will include, where relevant, typical examples of company policies and/or their application in reality and possible best practice examples of EWC and trade union strategies deriving from the three case studies and the research done by the six company consultants (see below). They will adapt the toolbox, taking into account all observations made during the process, until the toolbox is validated by the steering committee (see below). They will attend all the steering committee meetings (except the 1st one) as well as the final conference. They will advise the steering committee members in all project related issues.

6 company consultants:

The 6 company consultants (2 for each company) will be identified and proposed to the steering group by the two external experts. They will be primarily responsible to provide technical support to the EFBWW EWC company coordinators (conduct desktop research, assess company policies/structure/practices, consulting external data, identifying subcontracting practices and policies, identifying large building sites to visit, ...).

They will conduct the required company research in order to facilitate an adequate discussion at company level and support the field visits. The management of the three companies will be invited to actively participate.

Among other things, the 2 consultants per company will divide the tasks among each other to give 1) a thorough description of the companies policies on supply chains and 2) a critical assessment of their implementation in reality, including the reality of EWC/trade union involvement.

The company consultants will work in close cooperation with the 2 external experts (see above), the project management and the network of workers' representatives from each EU Member state (in which the EWC is represented) of its respective company. They will be actively involved in all actions of the project. Furthermore, they will ensure a support for a proper follow-up within the respective company.

Project Management:

The Project Management – consisting of the steering committee and the project coordinator from the EFBWW – will supervise, organise and guide the different meetings and conferences, as well as of the overall project. The steering committee is composed of the EFBWW project coordinator, 6 representatives of the EFBWW EWC coordination group, the EWC company coordinators, and the 2 external experts. The steering committee will have the tasks to:

- supervise the overall implementation of the project
- supervise the quality of the work
- prepare the coordination and evaluation of the project phases

- prepare all the project meetings
- validate the project outcomes
- support the dissemination of the project

The working language of the steering committee will be English and one other language (to be determined). The steering committee will meet 3 times. There can be additional meetings if the steering committee decides so.

The EWC representatives of the three target companies will ensure that the EWC (workers and management) of Royal Bam, Vinci and LafargeHolcim are properly informed and involved in the project.

Partners of the project:

The EFBWW (76 trade unions in 34 countries) will provide necessary help, support, information and advice during all the stages of the project. The project will be supported by the EFBWW EWC coordinators group.

The management of the companies will be invited to participate in the project. Their degree of involvement will depend on their policy line and willingness and thus will likely be different for each company.

7. Time schedule and reporting

The schedule of activities is laid down in the above-mentioned description, which may be modified by the steering committee.

The European coordinator shall finalise the project within a maximum period in line with Commission instructions.

8. Contract

The Contract between EFBWW and the external experts will be based on a standard contract taking into consideration the financial regulations of the European Commission and obliging the experts to respect the obligations laid down in the contract European Commission-EFBWW.

The successful experts will submit to the EFBWW a draft contract EFBWW-experts which includes “back to back” obligations from the contract European Commission-EFBWW also in the relationships consultant-subcontractors.

9. Payment

Payment shall be made on the basis of invoices, once the tasks have been performed and the results of the work have been accepted by the steering group.

10. Selection criteria

The consultant will be selected on the basis of the following criteria (as mentioned in the public procurement directive 2004/18, Articles 45, 47 and 48):

- a) personal situation of the tenderer
- b) economic and financial standing

c) technical and/or professional ability

Tenders failing to satisfy all the criteria will be excluded from the further procedure.

11. Award criteria

The contract will be awarded to the bidder whose bid represents the economically most advantageous tender taking into account the following criteria:

1. expertise on the issues focused upon in the project description (40%)
2. project management and organisational capabilities (20%)
3. previous working experiences with national trade unions (20%)
4. language and communication skills (20%)

12. Content of the tenders

All interested parties are invited to present their:

- a) comments and solutions on the proposed structure of the project;
- b) comments and solutions on the proposed conceptual and methodological framework for the collection of data;
- c) detailed offer/prices

13. Evaluation procedure

The economically most advantageous tender will be identified by the evaluation of each award criterion on a scale between 0 and 10. These results will be counted using the relative ponderation indicated in % behind the award criteria.

14. Submission of tenders

The tender must be sent or delivered in duplicate, under a sealed cover. The envelope should be marked "*appel d'offres – à ne pas ouvrir par le service du courrier*". If self-adhesive envelopes are used, they must be sealed with adhesive tape and the sender must sign across the tape.

Interested parties should send their bid :

a) either by registered mail posted no later than **21 June 2019** (date as postmark), to the following address :

EFBWW
Thilo Janssen
Rue Royale 45/1 (1st floor),
1000 Brussels
Belgium

b) or delivered by hand, i.e. by delivery in person or by an authorised representative (including private courier services) not later than 2 p.m. on 21 June 2019 to the same address.

Late delivery will lead to the exclusion of the tender from the award procedure for this contract.

For tenders submitted by private courier services and hand delivered requests, EFBWW secretariat will sign a receipt stamped on the date of reception, which will serve as proof of delivery.