

# THE CROATIAN PARLIAMENT

1874

Pursuant to Article 89 of the Constitution of the Republic of Croatia, I hereby issue the

## DECISION

### PROMULGATING THE EUROPEAN WORKS COUNCILS ACT

I hereby promulgate the European Works Councils Act, passed by the Croatian Parliament at its session on 15 July 2014.

Class: 011-01/14 to 01/111

Ref. No: 71-05-03/1-14-2

Zagreb, 18 July 2014

President of the Republic of Croatia

**Ivo Josipovic**, m.p.

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## EUROPEAN WORKS COUNCILS ACT

### I. GENERAL PROVISIONS

#### *Objective*

#### Article 1

(1) This Act regulates the establishment of the European works councils or the establishment of one or more information and consultation procedures in undertakings operating in the European Union and groups of undertakings operating in the European Union.

(2) The information and consultation procedures referred to in paragraph 1 of this Article, on matters relating to the operations of an undertaking or a group of undertakings, or a minimum of two undertakings or their establishments or groups established in two Member States, shall be laid down and

implemented in a manner ensuring the effectiveness of information, consultation and decision-making.

(3) For the purposes of this Act, 'the Member States' shall mean the Member States of the European Union and the states parties to the Agreement on the European Economic Area (hereinafter referred to as 'the Member States').

(4) Economic activities in the EU Member States are conducted by an undertaking or a group of undertakings that complies with the provisions of Article 5 of this Act.

(5) Notwithstanding their grammatical gender, the terms used in this Act are gender-neutral and shall apply equally to male and female gender.

## Article 2

By virtue of this Act, Directive 2009/38/EC of 6 May 2009 on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (Recast) (OJ L 122 16.5.2009), is hereby transposed into the legal system of the Republic of Croatia.

### *Workers' participation in decision-making*

## Article 3

(1) The participation of workers in decision-making in relation to their economic and social rights and interests, as stipulated by this Act, shall include information and consultation procedures.

(2) 'Information procedure' referred to in paragraph 1 of this Article shall mean the information that the central management or any other appropriate management level provides to the workers' representatives, and whose scope, time and manner of conveyance allow the workers' representatives to make an impact assessment, and prepare for consultation with the management of the undertaking or group undertaking.

(3) 'Consultation procedure' referred to in paragraph 1 of this Article shall include the exchange of views and establishment of dialogue between workers' representatives and the central management or any other appropriate level of management. The content, time and manner in which the information is conveyed shall allow the workers' representatives to state their opinion on

the matter at hand , which shall be considered by the undertaking or a group undertaking operating in the Member States, without prejudice to the powers of the management.

(4) Workers participate in the decision making through the European Works Council established by an agreement or through one or more information and consultation procedure(s) regulated by the agreement, or through the European Works Councils established under this Act.

#### *Application of the Act*

#### Article 4

(1) The provisions of this Act shall apply to workers who are employed by an undertaking operating in the European Union and established in the Republic of Croatia, and by a group of undertakings operating in the European Union, provided the controlling undertaking is established in the Republic of Croatia.

(2) If the undertaking or the controlling undertaking referred to in paragraph 1 of this Article is not established in a Member State, the provisions of this Act shall apply under the following conditions:

1) if the undertaking or the controlling undertaking has designated as its representative agent its establishment or a controlled undertaking that is established in the Republic of Croatia, or

2) if the undertaking or the controlling undertaking has not designated its representative agent, and its establishment or the controlled undertaking employing the greatest number of workers, in comparison to the other group undertakings, is established in the Republic of Croatia.

(3) The provisions of Articles 7, 9, 12, 23, 30 and 32 of this Act shall apply even if the central management is situated in another Member State, and also if the conditions set out in paragraph 2 of this Article have not been fulfilled.

#### *Undertakings and group of undertakings operating in the EU Member States*

#### Article 5

(1) For the purposes of this Act, 'undertaking operating in the European Union' shall mean a company that employs at least a thousand workers in at least two Member States, with at least 150 workers employed in each Member State.

(2) For the purposes of this Act, 'group of undertakings' shall mean the controlling undertaking and its controlled undertakings.

(3) For the purposes of this Act, 'group of undertakings operating in the European Union' shall mean no less than two affiliated companies established in different Member States, employing at least 150 workers in each Member State, and at least a thousand workers in the EU in total.

### *Controlling undertaking*

#### Article 6

(1) For the purposes of this Act, 'controlling undertaking' shall mean a legally independent company that is affiliated to another legally independent company or companies in which it may, directly or indirectly, have a controlling interest.

(2) For the purposes of this Act, the company shall be deemed to have a direct or indirect controlling interest in another company if it:

- 1) may appoint more than half the members of the management, supervisory board or board of directors of the controlled undertaking, or
- 2) holds the majority voting rights in the controlled undertaking, or
- 3) has a majority equity interest in the controlled undertaking.

(3) If more than one undertaking complies with the requirements of paragraph 2 of this Article, the undertaking that meets the requirements referred to in paragraph 2, subparagraph 1 of this Article shall be deemed the controlling undertaking.

(4) In addition to the appointment and voting rights referred to in paragraph 2, subparagraphs 1 and 2 of this Article, the corresponding rights of all controlled undertakings and the rights of all natural and legal persons acting in their own name and on behalf of the controlling or controlled undertakings shall be taken into account when determining the controlling undertaking.

(5) Controlling interest shall not be deemed true if the relations between two undertakings are not considered a concentration of undertakings under the competition law.

(6) The law applicable in determining whether an undertaking is a 'controlling undertaking' shall be the law of the Member State wherein that undertaking is

established. Where the law governing that undertaking is not that of a Member State, the law applicable shall be the law of the Member State wherein the representative of the controlling undertaking is established or, in the absence of such a representative, where the central management of the group undertaking that employs the greatest number of workers is situated.

*Determining the number of workers*

Article 7

The number of workers employed by an undertaking shall be determined on the basis of the average number of workers it employed in the previous two years.

*Obligation to obtain and provide information*

Article 8

(1) The central management or the management of any group undertakings shall obtain and provide the information required to initiate negotiations for the establishment of a European Works Council or the information and consultation procedures.

(2) The information referred to in paragraph 1 of this Article relates particularly to the total number of workers and the number of workers per Member State, the undertakings and their establishments, and the structure of an undertaking referred to in Article 5, paragraphs 1 and 3 of this Act.

*Responsibility of an undertaking in the Republic of Croatia*

Article 9

(1) Group undertakings in the Republic of Croatia which are establishments of an undertaking operating in the European Union or which are controlled undertakings of a controlling undertaking operating in the European Union are required to provide the conditions and resources necessary so as to enable the workers to exercise their right to participation in the decision-making process in accordance with Article 2 and Article 4, paragraph 3 of this Act.

(2) The undertakings referred to in paragraph 1 of this Article shall ensure that the information on the number of workers referred to in Article 7 of this Act is made available at the request of the central management.

II. NEGOTIATING COMMITTEE

## Establishment of the Negotiating Committee

### Article 10

(1) For the purposes of this Act, 'Negotiating Committee' shall mean the committee established in order to negotiate with the central management on the establishment of a European Works Council or the information and consultation procedures so that workers may exercise their rights in accordance with Article 2 and Article 4, paragraph 3 of this Act.

(2) The workers employed by an undertaking or a group undertaking may initiate the establishment of the committee referred to in paragraph 1 of this Article.

(3) The committee referred to in paragraph 1 of this Article shall be established on the initiative of the central management or at the written request addressed to the central management on behalf of at least 100 workers or their representatives in at least two group undertakings or establishments in at least two different Member States.

(4) If multiple requests have been submitted pursuant to paragraph 2 of this Article, the total number of petitioners shall be determined by adding up the number of petitioners for each request.

(5) If the request is submitted to the undertaking referred to in Article 9 of this Act, the undertaking shall forward such request to the central management within eight days upon receipt thereof and notify the petitioners accordingly.

### *Members of the Negotiating Committee*

### Article 11

The Negotiating Committee comprises the representatives of workers from a Member State, and they shall be elected or appointed in proportion to the number of employees employed in each Member State by the undertaking or group undertaking, by allocating in respect of each Member State one seat per portion of workers employed in that Member State amounting to ten percent, or a fraction thereof, of the number of workers employed in the undertakings referred to in Article 5, paragraphs 1 and 3 of this Act in all the Member States taken together.

### *Croatian workers' representative on the Negotiating Committee*

## Article 12

(1) The Croatian workers' representative on the Negotiating Committee is elected by the workers in all undertakings, their establishments or group undertaking, by secret ballot in free and direct elections.

(2) The works council, trade unions whose members are employed by a particular undertaking, establishment or group undertaking, or a group of workers which is supported by at least twenty percent of workers in a particular undertaking, establishment or group undertaking shall have the right to nominate candidates for the workers' representative referred to in paragraph 1 of this Article

(3) The Minister of Labour shall, by ordinance, regulate the election of the Croatian workers' representative onto the Negotiating Committee and its dismissal therefrom.

### *Cooperation between the central management and the Negotiating Committee*

## Article 13

(1) The central management shall initiate the procedure for the establishment of the committee referred to in Article 10 of this Act.

(2) Cooperation between the central administration and the bargaining committee is based on mutual trust.

(3) The Negotiating Committee shall, no later than eight days after their appointment, inform the central management of the names of its members, their place of residence, and of the undertaking or the establishment that employs them.

(4) The central management shall deliver the information referred to in paragraph 3 of this Article to the relevant employers' associations and trade unions operating in the European Union and to the management of the undertaking or establishment, which shall thereof inform its works council or trade union representatives.

(5) The central management shall, within 30 days upon receipt of the notification referred to in paragraph 3 of this Article, convene the inaugural meeting of the Negotiating Committee wherein the president is elected and the Committee Rules of Procedure adopted, and with the Negotiating Committee it shall agree on the time, course and completion of negotiations.

(6) The central management shall in a timely manner make available to the negotiating committee all information necessary to make the decision.

*Working conditions of the Negotiating Committee*

Article 14

(1) The costs of establishment and the operating expenses of the Negotiating Committee shall be borne by the central management.

(2) The central management shall provide the necessary space, staff, resources and other conditions for the operation of the Negotiating Committee, including the payment of wages, travel expenses, accommodation and translation.

(3) Before and after any meeting with the central management, the Negotiating Committee shall be entitled to meet without the presence of representatives of the central management, for which the central management shall provide the necessary resources and the means for communication.

(4) The Negotiating Committee may on the matters within its competence request an opinion or assistance from an expert, who may be chosen among the rank of representatives of competent recognised Community-level trade union organisations. Such experts may be present at negotiation meetings in an advisory capacity at the request of the Negotiating Committee.

(5) The central management shall bear the expenses of one expert referred to in paragraph 4 of this Article.

(6) The central management and the undertaking under Article 9 of this Act are jointly and severally liable for the responsibilities set out in Article 9 of this Act.

*Negotiating Committee's representatives from non-EU Member States*

Article 15

If the central management and the Negotiating Committee agree that the agreement referred to in Article 17 of this Act applies to workers employed by undertakings and establishments outside the territory of the Member States, the agreement must provide for the inclusion in the Negotiating Committee of representatives of workers employed by the undertakings, their

establishments or group undertakings outside the territory of the Member States, and on their number and legal status.

*Termination of negotiations*

Article 16

(1) The Negotiating Committee may by a two-thirds vote decide not to open negotiations or to terminate the negotiations already opened.

(2) The decision and the vote referred to in paragraph 1 of this Article shall be recorded, signed by the president, and one copy shall be delivered to the central management.

(3) A new request for the establishment of the negotiating committee may only be made at the earliest two years from the decision referred to in paragraph 1 of this Article, unless the negotiating committee and the central management have agreed otherwise in writing.

III. AGREEMENT ESTABLISHING THE EUROPEAN WORKS COUNCIL

Freedom of contract and participation of workers in the decision-making process

Article 17

(1) The central management and the Negotiating Committee shall negotiate in good faith and in accordance with the principle of freedom of contract.

(2) The central management and the negotiating committee may agree on the modalities of participation of workers in decision-making, or may by majority vote decide on the establishment of the European Works Council or one or more information and consultation procedures.

(3) If the agreement referred to in paragraph 2 of this Article has been concluded, the provisions of Title IV of this Act do not apply, unless otherwise stipulated by such agreement.

(4) The agreement referred to in paragraph 2 of this Article shall apply to all workers employed by undertakings and establishments, or group undertakings in the Member States, if it does not have a wider scope of implementation in accordance with Article 15 of this Act.

*European Works Council established by agreement*

## Article 18

(1) The central management and the Negotiating Committee shall establish the European Works Council by virtue of a written agreement on the establishment, powers and operation of the European Works Council.

(2) In the case of group undertakings under Article 5, paragraph 2 of this Act, the European Works Council is established at the level of all group undertakings, unless the agreement referred to in paragraph 1 of this Article stipulates otherwise.

The agreement establishing the European Works Council must contain information on:

1) the implementation of the agreement, or the undertakings, establishments and group undertakings the Agreement applies to and whether it applies to undertakings and establishments referred to in Article 15 of this Act

2) the composition and the number of members of the European Works Council, the term of office and allocation of seats that will, when possible, ensure balanced representation of workers with regard to their organizational unit, category and gender.

3) the powers and duties of the European Works Council, information and consultation procedures with the European Works Council and workers' representatives at the national level

4) the venue, frequency and duration of meetings of the European Works Council

5) the composition, the appointment procedures, the functions and the procedural rules of the Committee, if established within the European Works Council

6) the financial and material resources to be allocated to the European Works Council

7) the date the agreement enters into force, the duration of the Agreement, the procedure for amending or terminating the Agreement, and the conditions and procedure for renegotiating the Agreement, including, where necessary, the case of structural changes in the undertaking or undertakings referred to in Article 5 paragraphs 1 and 3 of this Act

8) amendments to the Agreement in the event of exceptional circumstances that significantly affect the interests of workers.

(4) The election of the members of the European Works Council from the Republic of Croatia is governed by the provision of Article 12 of this Act.

#### *Structural changes of undertaking*

#### Article 19

(1) Where the structure of the undertaking referred to in Article 5, paragraphs 1 and 3 of this Act changes significantly, for example due to a merger, acquisition or division, the central management shall under Article 10 of this Act instigate negotiations on its own initiative or at the written request of at least one hundred employees or their representatives in at least two undertakings or establishments in at least two Member States, if the existing agreement does not provide for the adaptation of the European Works Council to the change or if there are conflicts between relevant provisions of two or more applicable agreements.

(2) In addition to the members appointed or elected pursuant to Article 11 of this Act, at least three members of the existing European Works Council or of each of the existing European Works Councils shall be members of the Negotiating Committee.

(3) During the negotiations, the existing European Works Council will continue its operation in accordance with the agreement between the European Works Council and the central management until a new agreement is concluded or the office term of the European Works Council expires.

(4) Once a new agreement on European Works Council or agreements on information and consultation procedures are concluded, the previous agreement shall cease to have effect, and the term of office of the members of the European Works Council referred to in paragraph 3 of this Article shall expire.

#### *Agreement on the information and consultation procedures*

#### Article 20

(1) The central management and the bargaining committee shall conclude a written agreement governing one or more information and consultation procedure(s).

(2) The agreement referred to in paragraph 1 of this Article shall determine the conditions for workers' representatives' meetings and consultations with the central management on issues affecting the interests of workers in all undertakings, establishments or group undertakings under the agreement.

#### IV. LEGAL ESTABLISHMENT OF EUROPEAN WORKS COUNCIL

##### Conditions for the establishment of the European Works Council

###### Article 21

(1) The provisions of this Act govern the establishment, composition, mode of operation and powers of the European Works Council if:

- 1) it is so decided by the central management and the Negotiating Committee
- 2) the central management does not commence negotiations within six months from the date of the request referred to in Article 10, paragraph 2 of this Act
- 3) the agreement under Articles 19 or 20 of this Act is not concluded within three years from the date of application referred to in Article 10, paragraph 2 of this Act.

(2) Notwithstanding paragraph 1 of this Article, the European Works Council shall not be established if the negotiating committee acts upon Article 16, paragraph 1 of this Act.

##### *Composition of the European Works Council*

###### Article 22

(1) The European Works Council shall consist of the representatives of the workers in an undertaking, establishment or group undertaking operating in the European Union.

(2) The members of the European Works Council are elected or appointed in proportion to the number of workers in the undertaking or undertakings referred to in Article 5 paragraphs 1 and 3 of this Act in each Member State, by allocating in respect of each Member State one seat per portion of workers employed in that Member State amounting to ten percent, or a fraction thereof, of the total number of workers employed in those undertakings in all the Member States taken together at the moment the

information on the number of workers referred to in Article 7 of this Act was provided.

*Election of a Croatian member to the European Works Council*

Article 23

(1) The provisions of Article 12 of this Act shall apply to the workers' representatives from the Republic of Croatia serving on the European Works Council.

(2) The Minister of Labour and the Ordinance referred to in Article 12 paragraph 3 of this Act shall regulate the election and dismissal of Croatian workers' representatives from the European Works Council.

*Notification to the members of the European Works Council*

Article 24

(1) The European Works Council shall inform the central management of the names of its members, their residence, and the undertaking or the establishment that employs them, no later than eight days after they were appointed or elected, and the central management shall then forward that information to the works council.

(2) The central management shall deliver the information referred to in paragraph 1 of this Article to the undertaking, establishment or group undertakings.

*Operation of the European Works Council*

Article 25

(1) The central management shall convene the inaugural meeting of the European Works Council where the members shall, by majority vote, elect the president and vice president, and adopt the Rules of Procedure of the European Works Council.

(2) The European Works Council is represented by the President, or in his absence the Vice President.

*Select Committee*

Article 26

(1) To coordinate its activities, the European Works Council shall elect a select committee from among its members comprising no more than five members who must be provided with all the necessities for performing their duties.

(2) The committee referred to in paragraph 1 of this Article shall substitute for the European Works Council in the cases referred to in this Act, and its mode of operation shall be regulated by the rules of procedure.

(3) The costs of establishment and operation of the European Works Council and its committee are governed by the provisions of Article 14 of this Act.

#### *Composition of the European Works Council*

#### Article 27

(1) The European Works Council shall be entitled to a meeting with the central management once a year for information and consultation on matters pertaining to the undertaking establishment or group undertakings as a whole or to at least two undertakings or establishments located in different Member States.

(2) The central management shall, at least once in a calendar year, inform the European Works Council of the business results and plans of the undertaking or group undertaking operating in the European Union and consult thereon, and then submit to the Council a timely report with appropriate documentation and notify the undertaking, establishment or group undertakings of the meeting.

(3) The business results and plans referred to in paragraph 2 of this Article shall apply to:

1) the state of business and financial position of the undertaking or group undertaking

2) the introduction of new technologies, development plans and their impact on the economic and social position of workers

3) the number and structure of workers by the type of the employment contract, and the employment plan

4) redundancy support plan

5) organizational and statutory changes in the undertaking, establishment or group undertaking

6) a change of the registered seat of the undertaking, establishment or group undertaking, a transfer of undertakings or businesses or parts thereof.

(4) Consultation referred to in paragraph 2 of this Article shall be carried out so as to enable workers' representatives' meeting with the central management in order to obtain elaboration on the response or explanation to each question or opinion presented.

(5) The European Works Council shall inform the representatives of the workers in the undertaking, establishment or group undertakings, and if such representatives have not been elected or appointed, all workers in the undertaking, establishment or group undertaking. on the content and outcome of the information and consultation procedures

*Information and consultation in special cases*

Article 28

(1) The central management shall inform in a timely manner the Select Committee referred to in Article 26 of this Act, or the European Works Council if the committee has not been established, of special circumstances that significantly affect the workers' interests, present proper documentation and consult with it on the matter.

(2) In the case referred to in paragraph 1 of this Article, the Select Committee or the European Works Council shall be entitled to a meeting with the central management.

(3) Special cases, as referred to in paragraph 1 of this Article, shall include::

1) a change of the registered seat of the undertaking, establishment or group undertaking, a transfer of undertakings or businesses or parts thereof.

2) organizational and statutory changes in the undertaking, establishment or group undertaking

3) redundancy support

(4) The members of the European Works Council who represent the workers in an undertaking where special case conditions, referred to in paragraph 2 of this Article, have developed shall be entitled to participate in the work of the

Select Committee referred to in Article 26 of this Act, and also in the meeting referred to in paragraph 2 of this Article.

(5) Prior to the meeting referred to in paragraph 2 of this Article, the European Works Council or the committee referred to in paragraph 4 of this Article, shall be entitled to a preliminary meeting with the central management without the presence of the management of the undertaking where the special case developed.

(6) Information and consultation procedures in the special case shall not discharge the management of an undertaking where the special case developed from the obligation of implementing the information and consultation procedure in accordance with the regulations of the Member State.

#### *Term of office of the European Works Council*

#### Article 29

(1) The European Works Council shall be appointed or elected for a term of four years.

(2) A member of the European Works Council may be dismissed.

(3) Two years following the inaugural meeting of the European Works Council, the central management shall deliver to the European Works Council the information on changes in the number of workers in the EU Member States and in the undertakings, establishments or group undertakings.

(4) If the data referred to in paragraph 3 of this Article indicate the need for changes in the number of members and composition of the European Works Council, the number of members and composition of workers' representatives in the European Works Council will be reconfigured for the representatives of the Member State in which a change in the number of workers took place.

(5) The European Works Council, which was established in accordance with Article 21, paragraph 1 of this Act, no longer than six months before its term of office expires shall by majority vote decide whether to start negotiations on the agreement referred to in Article 17, paragraph 2 of this Act.

(6) If the European Works Council decides to start negotiations referred to in paragraph 5 of this Article, it shall have the same rights and obligations as the negotiating committee.

(7) If an agreement on information and consultation is concluded, pursuant to Article 20 of this Act the term European Works Council shall thereby expire.

*Cooperation between the central management and the European Works Council*

Article 30

(1) Cooperation between the central management and the negotiating committee is based on mutual trust.

(2) The provisions of paragraph 1 of this Article shall apply to the cooperation between the central management and workers' representatives within the limits of the information and consultation procedures.

(3) The members of the European Works Council shall not after the expiry of the term disclose any confidential business information that they learn while performing the duties under this Act.

(4) The duty of confidentiality referred to in paragraph 3 of this Article shall apply to:

1) members of the negotiating committee

2) workers' representatives within the limits of the information and consultation procedures

3) experts and translators

4) representatives of workers in the European Works Council employed in undertakings and establishments in the Republic of Croatia.

(5) The duty of confidentiality referred to in paragraph 3 of this Article shall not apply to:

1) information and consultation procedures conducted with other members of the European Works Council and with workers' representatives in the undertaking, establishments or group undertakings

2) relations with the workers' representatives in the bodies of the undertaking

3) the translators or experts who assist the European Works Council.

(6) The duty of confidentiality referred to in paragraph 4 of this Article shall not apply to:

1) The members of the negotiating committee with respect to the experts and translators

2) The workers' representatives within the limits of the information and consultation procedures in respect of the translators and experts who assist them, as well as the workers' representatives employed in the undertakings, establishments or group undertakings in the Republic of Croatia.

*Working conditions of the European Works Council*

Article 31

(1) The members of the European Works Council must be provided with the conditions in which they can exercise the rights they are entitled to under this Act, in order to collectively represent the interests of workers employed in the undertaking or undertakings referred to in Article 5, paragraphs 1 and 3 of this Act.

(2) The members of the negotiating committee and of the European Works Council shall have the right to education and salary compensation if it is necessary for the fulfillment of their representative duties at international level.

*Protection of workers' representatives in the Republic of Croatia*

Article 32

Members of the European Works Council under Articles 18 and 21 of this Act, who are employed in the Republic of Croatia, are, with regard to their rights and protection, subject to the provisions of the labour laws on the protection of the members of the works council from unequal treatment.

V. IMPLEMENTATION SUPERVISION

*Administrative supervision*

Article 33

Administrative supervision of the implementation of this Act and the regulations made thereunder is performed by the central state office responsible for labour affairs, if not otherwise stipulated by other laws.

### *Inspection*

#### Article 34

(1) Inspection of the implementation of this Act and the regulations made thereunder shall be conducted by the central state office responsible for labour affairs, if not otherwise stipulated by other laws.

(2) The labour inspector conducting the inspection has powers under the law or the regulations made thereunder.

## VI. PENAL PROVISIONS

#### Article 35

(1) An undertaking as a legal person shall receive a misdemeanor fine from HRK 7,000.00 to 15,000.00 in the following cases:

1) if it, upon the request of the workers' representatives, fails to provide information on the total number of workers, the number of workers in individual Member States and in particular undertakings, or the structure of the undertakings (Article 8, paragraph 2)

2) if it fails to convene the inaugural meeting of the negotiating committee, or if the negotiating committee fails to provide timely information relevant to the decision (Article 13, paragraphs 5 and 6)

3) if it fails to provide the negotiating committee, European Works Council or the Select Committee with the necessary space, staff, resources and other working conditions, including the payment of wages, travel expenses, accommodation and translation (Article 14, paragraph 2)

4) if it fails to convene the inaugural meeting of the European Works Council (Article 25, paragraph 1)

(5) if it fails to inform, at least once in a calendar year, the European Works Council of the business results and plans of an undertaking or group undertaking operating in the European Union, or fails to submit to the Council a timely report with appropriate documentation, or fails to notify the

undertaking, establishment or group undertakings of the meeting. (Article 27, paragraph 2)

(6) if it fails to inform in a timely manner the Select Committee, or the European Works Council if the committee has not been established, of special circumstances that significantly affect the workers' interests, or fails to present proper documentation and consult with it on the matter (Article 28, paragraph 1)

(7) if, within two years of the inaugural meeting of the European Works Council, it fails to deliver information on changes in the number of workers in the EU Member States and in the undertakings, establishments or group undertakings (Article 29, paragraph 3)

(2) The employer as a natural person and the responsible person of the legal person shall receive a HRK 2.000,00 fine for the misdemeanour laid down in paragraph 1 of this Article.

## VII. TRANSITIONAL AND FINAL PROVISIONS

### Article 36

(1) The procedure for the election of workers' representatives to a body where workers participate in the decision-making, which was initiated before this Act entered into force, shall be conducted and completed in accordance with the provisions of the Labour Law (Official Gazette 149/09, 61/11, 82/12 and 73/13), and the members of such a body shall be retained in office until their term expires.

(2) The Minister of Labour shall, within three months of the date of entry into force of this Act, issue the Ordinance referred to in Article 12 Paragraph 13 of this Act.

(3) Pending the entry into force of the ordinance referred to in paragraph 2 of this Article, the Ordinance on electing representatives of workers from the Republic of Croatia to bodies for implementing workers' participation in the decision-making at the transnational level (Official Gazette 122/13) shall apply.

### Article 37

This Act shall enter into force on the eighth day after its publication in the Official Gazette.

Class: 022-03 / 14 to 01/11

Zagreb, 15 July 2014

THE CROATIAN PARLIAMENT

President

of the Croatian Parliament

Josip Leko m.p.