

# OPPORTUNITIES AND CHALLENGES IN INTERNATIONAL FRAMEWORK AGREEMENTS, AS NEW LEGAL INSTITUTIONS TO THE EMERGING INTERNATIONAL COLLECTIVE BARGAINING

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**ABSTRACT:** *International Framework Agreements are contracts in which (mostly multinational) companies and international employee interest protection organizations settles down the main principals of their future behavior. Since there is no national or international regulation about the content and the form of these documents, the parties have the freedom to set up the frame and the topics of their agreements. As a starting point, their main goal is to persuade the companies to follow more employee-friendly approach and put more efforts into corporate social responsibility. According to the hypothesis of this article, these agreements can be much more than simple declaration of the common values and the responsibility of the employer. They can fill the gap between hard law and soft law, and become a remarkable source for the employment relationships too.*

**KEYWORDS:** *labour law, collective agreement, collective bargaining, International Framework Agreements*

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## 1. INTRODUCTION

After the economic crisis, academic debates surrounding the role of labour law have been intensified, and to this date there is not a consensus in how the labour law of the modern 21st century can adapt to the transforming transnational economy while maintaining the hard-fought achievements of the past centuries.

Therefore, labour law today has an urgent need for intense disputes, creative thinking and regulatory experimentations, that can result in new ways to help the classical labour law values to prevail within the constantly changing economic conditions of the 21st century. The classical labour law toolbox has become exhausted, the renewal and refreshment of the regulations that provide less protection to the employee interests is essential both at the domestic and at the international level. Thus, labour law scholars has been looking for both old and new regulatory methods in the past one to two decades, that could ensure the human labour not to be just a subordinate tool of economy in a globalized, competitive world.

In this paper, I would like to present and analyze a currently existing and innovative legal institution that tries to offer traditional labour law values differently from the

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traditional labour law approach, which at the same time is able to demand labour law values on market participants without being excessively interfering with economic processes. The purpose of this legal institution is not to transform or dismantle classical regulatory techniques but to supplement them. At the same time, it can provide an opportunity to encourage to act in compliance with the labour law regulations and to create and strengthen a decent employment culture.

## **2. HYPOTHESIS AND METHODS APPLIED**

My hypothesis is that International Framework Agreements are suitable for enforcing fundamental values of labour law, especially among employees of multinational corporations, but also – in terms of the company's commitment – to the employers of the suppliers and subcontractors. The impact of this legal institution may be of a particular importance regarding workers of developing countries where the fair labour standards (eg prohibition of child labour) can be harmed because of the lower level of national labour law frameworks. In addition to protection of fundamental labour rights, the transnational agreement can be an appropriate instrument to strengthen collective rights both at national and international level.

In order to support my assumptions, I collected, filtered, systematized and analyzed statistical data on International Framework Agreements, and I also compared their content. For this I have used the Database on Transnational Company Agreements that have been available since 2002 with the cooperation of the European Union and the International Labour Organization. It contains data for all the agreements that have been concluded, also most of the text of the agreements are available.<sup>1</sup> I compared the data of my own analysis with the data of other empirical researches in the literature<sup>2</sup>, that typically focuses on the actual impact and weaknesses of the International Framework Agreements based on the content of the agreements, the data of the databases and the experiences of the interviews with the signatory parties.

## **3. DEFINITION AND LEGAL NATURE OF INTERNATIONAL FRAMEWORK AGREEMENTS**

International Framework Agreements (IFAs) are labour law related settlements, global labour law framework agreements, concluded between multinational corporations and international employee interest protection organizations, global labour union federations, covering all employees within their scope, regardless of their country of work (Kun, IFA, 2017, p 72). Their aim is to influence the behavior of large corporations: to encourage a more regulation-abiding, socially responsible corporate policy with regard to labour law values (Kun, 2017, pp. 31-32). In the global labour law sphere, they serve as an instrument for a more uniformized protection of labour law values and employee rights, as they also affect workers in countries where labour law protection is at a lower level. According to the 2009 Eurofound report entitled "European and international framework agreements: practical experience and strategic approaches", International Framework

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<sup>1</sup> <http://ec.europa.eu/social/main.jsp?catId=978&langId=en>

<sup>2</sup> For example: Cesar F. Rosardo Marzán, Aalt G. Colenbrander

Agreements provide new instruments and opportunities for industrial relations to strengthen social partnership cooperation and create a new form of regulation across national borders.<sup>3</sup> There is not any national or international regulation for the time being, that would cover the International Framework Agreements, so their content, implementation and execution mechanism, also their signatories could be characterized as a diverse community, that also result in significant differences in their impact and actual effectiveness. It is therefore doubtful and generates a number of debates how the agreement could be interpreted legally. There are two distinctive opinions: one interprets the framework agreements as a kind of collective agreement, which is the result of international collective bargaining and can have a significant impact on the enforcement of national collective rights. Others interpret them as binding contracts of private law, as obligations, recognizing their obligatory effects on collective bargaining. (Borque, 2008., p. 40)

According to ILO Recommendation No. 91 (1951), collective agreements means all agreements in writing regarding working conditions and terms of employment concluded between an employer, a group of employers or one or more employers' organizations, on the one hand, and one or more representative workers' organizations, or, in the absence of such organizations, the representatives of the workers duly elected and authorized by them in accordance with national laws and regulations, on the other. The definition in the ILO Recommendation covers the notion of International Framework Agreements, which means that if we recognize the broader interpretation of collective agreements as being an agreement on a transnational level, we come into the conclusion that IFAs are actually transnational collective agreements. However, even if these can have a real effect at national level and undoubtedly the results of collective bargaining, an agreement concluded between the board of a multinational corporation and an international interest representation body is not recognized as a collective agreement at national level. The enforceability of the framework agreements is, therefore, limited, depending on the commitments contained in the agreement and the effective operation of monitoring systems.

#### **4. MOTIVATIONS AND RELATIONSHIP WITH CORPORATE SOCIAL RESPONSIBILITY**

Over the past few decades, the pressure of social organizations, conscious buyers and shareholders on the companies has increased the need for them to demonstrate legitimate and ethical behavior not only towards its own employees, but the production of certain products with the loss of these values for profit maximization shall also not be tolerated. At the same time, it is also shall not be accepted that due to the labour law regulations that are present or not present in developing countries, the product could be the result of child labour, forced labour, or heavy overtimes that requires an inhuman work performance. Therefore, some companies have been paying more attention to developing a CSR policy that, inter alia, creates the conditions for a fair employment and ethical economy in the full spectrum of its operation, "from land to table", i. e. at all stages of

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<sup>3</sup><https://www.eurofound.europa.eu/observatories/eurwork/industrial-relations-dictionary/international-framework-agreement>

production, covering the activities of suppliers and subcontractors. Based on the CSR policies, on the grounds of the CSR background ideology, these commitments became more and more elaborate and employment-type commitments appeared in the form of International Framework Agreements. (Borque, 2008., p. 40)

The framework agreement represents a step forward in relation to CSR policies in a way that, while social responsibility is a one-sided declaration of a corporation, the IFA is the result of a negotiation of the management and an interest representative organization in the form of a bilateral agreement signed by the parties. Thus, its content is determined by the parties, the result of which is the outcome, the rights, the extent to which its scope extends, and its effectiveness depends on the parties' intentions, which can be ensured by the precise recording of the procedural rules and monitoring mechanisms contained in the agreement.

What are the reasons, however, that encourage a company to conclude a transnational agreement? During the process of the preparation, the negotiation and the signing of an agreement with EuroCorp, Niklas Egels-Zandén made interviews and fieldwork in order to answer this question in 2006-2007. By summing up his own experience and other empirical research results, he came to the conclusion that five circumstances may incite a company to conclude a transnational agreement. (Egels-Zandén, 2009., p.532) First, such an agreement might be capable of strengthen and restore the corporate legitimacy, reputation, the confidence of consumers, and serving the brand. As society's attention is increasingly focused on examining the behavior of companies from an ethical, socially responsible behavior, and making the decision whether or not to use the company's services, it can become a means of profitable growth in the long run. In addition, this demand is increasingly expressed not only by consumers or NGOs, but also by shareholders and financial investors.

Second, these practices can avoid certain state interventions, as voluntary commitments lead to the protection of workers without the need for state measures to be enforced. Furthermore, the agreements may have the advantage of increasing the company's competitiveness vis-à-vis competitors who, in their activities, do not attach importance to these aspects.

The fourth supporting argument to conclude international framework agreements is based on ethical reasons. In corporate decision-making, not only the aspects of gaining profits can play a role, but it can also be based on other values. Management and shareholders assume for ethical reasons obligations that do not primarily serve their economic interests. (Egels-Zandén, 2009., p.538)

It should be emphasized that the arguments so far presented can be identified not only as a motivation for the conclusion of an IFA agreement, but also as an incentive to develop CSR policy. However, the last and non-negligible argument specifically related to IFA agreements shows that companies intend to restore or improve their relationship with their opposing interest protection organizations, and thus a means of interpreting them as a new level of cooperation. A permanent model of collaboration can thus be established between employees and the employer, which can lay down the foundations of a long-term relationship.

Konstantinos Papakis concludes that framework agreements can serve as a means of risk management and can help rebuild the cooperation with the workers. (Papakis, 2011 p. 17) Risk management, as a basic motivation, also appears in the assessment of Attila

Kun, when he evaluates the fact that the IFA phenomenon becomes part of the brand at the same time, so it is capable of pacifying the employee interest protection bodies, enforcing core labour law standards – particularly in terms of freedom of association and exercise of collective bargaining rights – at all locations of the large companies or at a global level, expanded to the members of the supply chain.(Kun, 2015, p.265) With the framework agreements, the campaigns could be avoided that show the violation of fundamental human rights (such as the breach of the international prohibition of child labour) in the course of the activities of large corporations, or at least they would mitigate their negative effects if occurred.

Not only can they contribute to improving the general reputation of the company, but can also assist to gain recognition from competitors. Framework agreements can be used to increase the confidence of consumers and investors and, last but not least, a structured communication mechanism and problem solving and solution system can be set up with the involvement of the collective partners within the company, both locally and internationally. At the same time, several corporations do not wish to conclude a transnational agreement, despite the advantages described above, because they do not want to carry the financial burden of operating the system, they do not want to set up legal obligations voluntarily, also there is some kind of mistrust towards trade unions due to that the corporations neither want to share “sensitive company information”, nor want to help them to strengthen their international relations, that can turn around, for example, at a coordinated strike. (Gergely-Kun, 2015, p.119)

The motivations of trade unions for concluding an agreement are far more self-explanatory. Their main aim is to set up a minimum standard for the protection of workers' rights (with special regards to the ILO standards), that applies worldwide to the supply chain as well. It is a convenient tool for them to establish a permanent and regular contact with management at local, national and international levels. It can be used to improve the information supply of organizations and to develop cooperation between different levels of trade unions. (Gergely-Kun, 2015, p. 120)

## 5. TRANSITIONAL ARRANGEMENTS IN NUMBERS

The first transnational agreement was signed by Danone in 1988, but its followers were only in later years. Until 1999, only exiguous numbers of agreements were reached (Accor, Vivendi, Suez, Solvay, Hartmann Group). Multinational companies that have concluded agreements were engaged in activities in various sectors (food industry, chemicals, electronics, water, gas, electricity), but typically were companies established in France or had their headquarters in France. In the 2000s, the willingness to conclude agreements increased, so between 2001-2005, 78, between 2006 and 2010, 97, and between 2011-2015, 78 new agreements were concluded. It appears from the data that the enthusiasm for the conclusion of framework agreements has not significantly increased since the 2000s, so that it can not be seen as an explosive international trend, but the number is increasing steadily. Today, there are 262 such agreements, which are concluded by nearly 110 multinational companies (thus, typically a company concludes several agreements), and applies to nearly 9 million workers, not including the workers of the suppliers in the supply chain. (Marzán 2013, p. 1762) Therefore, the IFA phenomenon is no longer negligible, and means more than academic reasoning, empirical

studies have shown a measurable impact on labour law values, and it aids the labour law, that is often inflexible because of national regulations, to play a real role in the global economy. (Marzán 2013, p. 1761) The growing number and the increasing impact of the agreements has more and more directed the attention of legal scholars towards the research of this legal institution, and the need to regulate the legal institution at European Union level is becoming more and more required as there are not any statutory laws, directives and/or recommendations that would regulate this field.

The IFA is currently considered as an European phenomenon. Europe-based corporations concluded such agreements first, and it appeared outside Europe only after 2000. To this date, 84% of all framework agreements have been concluded by a multinational corporation that is based in Europe, 11% of them are US-registered. There are only a small number of framework agreements have been concluded in Asia, Africa and Australia, however, this can be explained by the different culture of employment, labour rights and standards, including that ethical economic and social responsibility has a smaller level importance. Within Europe, the institution of transnational framework agreements is used and applied mostly by French and German-based companies, 37% of all agreements were concluded by French corporations, 18% of which were registered in Germany, but there are still significant numbers of agreements in Italy, Spain and Sweden.

Based on the number of employees it can be concluded that most of the agreements were concluded by corporations with 100,000-300,000 employees (34%), and the least with those with over 10,000 employees (12%).

The spreading of the agreements by sector shows that their presence is the most significant in the metal industry (25%). The dominant appearance in this sector is by no means coincidental. This is an industry with traditionally strong industrial collective relationship (Marzán 2013, p. 1763), thanks to the International Metalworkers' Federation (IMF), founded in 1893, which embraced 200 unions in nearly 100 countries. It encloses industries such as steel, iron, car, ship, aviation and electronics. The IMF is committed to changing wages and working conditions both nationally and internationally, while at the same time strengthening cross-border cooperation. As far as IFAs are concerned, it the IMF considered them as instruments for these purposes, and in 2002, a number of IFAs were concluded based on the pattern developed, thanks to the activity of the organization, which primarily sought and desired to provide fundamental rights for the employees of multinational corporations and their supply chains. (Marzán 2013, p. 1763)

The number of IFAs is significant in construction (12%), in water, gas and electricity sector (12%), banking and insurance sector (10%), but it is also characteristically to the corporations that operate in the chemical industry, food industry, or at the field of information technology entering into a framework agreement. However, international framework agreements are not present at all in the health, education and sports sectors, but these sectors are typically related to the provision of state functions and/or related to non-profit-making multinational companies.

## 6. CONTENT OF THE AGREEMENTS

The content of the agreements is extremely diverse, partly because there is not any regulation regarding their content, so it depends on the mutual consent, the true intention and commitment of the concluding parties, what kind of obligations appear in the agreement, but it can also be influenced by the various activities, different economic situations and different structures of the corporations.

Reynald Borque analyzed the contents of 42 agreements, and based on his analysis and the experiences of the interviews with the signatories, he distinguishes two types of IFAs: one is regarded as the declaration of fundamental rights, and the other group is rather regarded as collective bargaining agreements. The first type of agreements can only be interpreted as the proclamation of fundamental social and human rights where the parties obligate themselves to respect and propagate them. The other types of agreements are much more similar to collective bargaining agreements, on the one hand, since they are not merely declarations of fundamental rights, but they include a wider range of rights, and on the other hand, they constitute obligations from the perspective of the employers as well. The scope of these obligations extends to, in particular, subcontractors and the members of the supply chain, it also contains guidelines for dealing with disputes concerning the interpretation of the agreement. (Borque, 2008., p. 38)

The significant majority of the agreements are based on the ILO Conventions. Primarily, they refer to the ILO Declaration on Fundamental Principles and Rights at Work (Borque, 2008., p. 36), which, as a minimum standard, emphasizes the requirement of respecting four principles, namely freedom of association and the effective recognition of the right to collective bargaining, elimination of all forms of forced labour and compulsory labour, effective abolition of child labour and the elimination of discrimination in respect of employment and occupation.<sup>4</sup> Typically, the ILO Convention No. 47 (Forty-hour Week Convention), Convention No. 87 (freedom of Association and Protection of the Right to Organize Convention), Convention No. 98 (Right to Organize and Collective Bargaining), Convention No. 135 (on Employee Representatives) and Convention No. 156 (Workers with Family Responsibilities Convention). (Borque, 2008., p. 38)

In addition to the fundamental rights enshrined in international conventions, the agreements also include rights that respect and protect the social rights of workers. For example, the right to a healthy and safe working environment, right to pension and health insurance, regulations on medical screening tests, right to decent wages, working time limitations, voluntary overtime regulations, training, and employment security laws. (Colenbrander, 2007, p. 114)

From the experiences of the empirical researches on the contents of the agreements it can be deduced that, although there is no uniformity in the scope and the extent of the rights covered, homogeneity is typical regarding the four basic ILO minimum standards. Over the course of the years, the complexity and the elaboration of the agreements has

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<sup>4</sup> A Nemzetközi Munkaügyi Szervezet Nyilatkozata a Munka világára vonatkozó alapvető elvekről és jogokról, 2. a-d), <http://2010-2014.kormany.hu/download/d/59/01000/ilodekl%20FRPW%20080325.pdf>, (Letöltve 2017.04.21.)

changed with regard to both the "strength" and the scope of rights and commitments. The range of rights is widening, and it covers, on the one hand, more sensitive areas as cross-border reorganization and restructuring of a corporation, collective and individual issues regarding job security and occupational health and safety. (Kun, 2015., p. 267) On the other hand, the declarative character is increasingly taken over by interpretative provisions. Thirdly, the content of the agreements used to be – and often in terms of the content of the rights, it is as well nowadays – less detailed as the unions sought to reach as many agreements as possible. Years later, they turned their attention from the quantitative point of view to the quality aspects and began to focus on the exact and uniformized interpretation of the content of the commitments, also to establish a process in order to monitor their implementation. (Colenbrander, 2007, p. 113)

## **7. THE IMPACT AND THE EFFECTIVENESS OF FRAMEWORK AGREEMENTS**

Exaggerative positions can be found in the literature regarding the actual impact of IFAs. Some believe that their impact on labour rights is severely limited (Williams 2015), others justify their influence primarily regarding collective labour rights (Cotton and Royle 2014, Borque and Hennebert 2011, Miller 2004, Papadakis 2011, Robinson 2011). (Lévesque- Hennebert- Murray- Borque, 2016. p. 1.)

Stephen Lerner points out among his concerns that there is no enforceable mechanism to implement the IFA, and it is only a soft law instrument, so means no more to multinational corporations as a tactical tool, a showcase phenomenon. (Marzán, 2013, p. 1761) Others regard it as an insignificant legal institution, as nearly 80,000 multinationals operate worldwide, of which only 110 have signed agreements.

However, despite all these reservations, several results of researches have emerged to justify the opposite, that the actual pressure on employers exercised by the framework agreements can be used for employers to protect workers' rights. (Marzán, 2013, p. 1762) The final conclusion of these - largely empirical - researches that the IFA can be a suitable instrument of protecting collective and individual labour rights, can fulfill the desired goals of the stakeholders, may have an actual impact, but the fragile points in the conclusion and implementation of agreements that could prevent their actual emergence shall be identified, also, the methods of substantive and procedural rules that can contribute to the elimination of negative impacts shall be worked out. Based on the literature and the results of the researches I have analyzed, four areas can be identified that pose a significant risk to the effectiveness and actual emergence of the agreements: the issues of interpretation, implementation, control, scope and the actual resources of the signatories. Separately, I present the potential problem of lack of enforceability as I consider IFAs as a soft law instruments, that are classically legal norms that do not have a binding legal power. With this statement I would not like to characterize their effect as negligible, but to express that they require different attitudes, approaches regarding their role and application

### **7.1. Interpretation**

The texts of the agreements, as I have already explained above, differ regarding their accuracy, elaboration and content, and the content of the rights it encompasses often not expressed in details or merely refers to certain conventions without clarifying the aims



and justifications, thus making it difficult to interpret the text in a uniformized and correct manner.

The lack of a uniformized and accurate interpretation in the application generates two issues that affects efficiency of the application of the agreements. On the one hand, as a result of the inaccurate wording, the employee and employer pages interpret differently the scope of the rights contained therein: corporations consider it narrower, with content close to the hard law norms, at the level of minimum standards, but the employee's side interpret it more broadly and extensively (Marzo, 2011, p. 481). Therefore, the application of the agreement is necessarily not free of conflicts. On the other hand, inaccurate wording also means that at different places, countries with different working cultures, attribute different meanings for the same provision, so the same agreement has different impacts in two different countries, typically on two different continents (Marzán, 2013, p. 1766). Much more attention is paid to the coherence of the agreements nowadays by the parties than before, when the number and quality of agreements played a decisive role in the aims of employee advocacy bodies (Borque, 2008., p. 36), which is particularly important because the exact content of the agreements is a requirement that can fundamentally affect their effect.

### **7.2. Implementation**

Colenbrander in his research, where he analyzed the texts of concrete agreements and combined them with the actual interviews with stakeholders, concluded that the effectiveness of the IFA was closely linked to the mechanism of implementation and control. Without them, the agreement is no more than a mere declaration. During the implementation, taking into consideration the local customs and features cannot be skipped, that is aided if the process of conclusion, execution and control of agreements does not exclude representatives of local management or interest representation bodies.

A practice that significantly increase the impact of framework agreements is such, when published on a website or in internal reports, so their content is easy to get acquainted with people outside the organization.

For example, if they are published in internal reports on the website, they can make their content easy to get acquainted with people outside of the organization. It is also required to distribute them electronically and in printed form at local level, for at the local language of the employees. This can be done through the distribution of the full text of the agreement, its abstract or with the promotion of guidelines among workers, local and regional trade unions and other stakeholders. To increase efficiency, trainings can be organized in the management and involving supply chain at a local, national, or at international level. Furthermore, framework agreements can be promoted and publicized to society e.g. by means of press coverage (Colenbrander, 2007. pp. 119-120).

### **7.3. Control**

Typically, the agreements themselves contain provisions for monitoring and backtracking the implementation of the agreement. These mechanisms are carried out through some internal or external forums, but as I mentioned above, the elaboration and effectiveness of these mechanisms are one of the assurances of the actual impact of the IFAs. Internal forums are bodies with representatives of the management and employee interest representation bodies, but in the case of external audits, the body may consist of representatives of NGOs and labour organizations (Colenbrander, 2007. pp. 119-120). During the monitoring period, the parties discuss the problems encountered in the

application of the agreement on a yearly and semi-annual basis to prepare the necessary changes.

According to Colenbrander's research, the effective functioning of the monitoring mechanism is indispensable without the activity of the external and / or internal body. The effectiveness of the agreement can be improved by developing a complaint system through which direct personal experiences of the individuals concerned can also be reached. Local and national protocols that extend the scope of the monitoring activity to the lowest level can be developed to meet the local characteristics (Colenbrander, 2007. pp. 119-120).

#### **7.4. Scope**

One of the most significant value of the framework agreements would be, if they scope could be extended to the members of the supply chain, however, results can be found in this regard at the narrowest. The extension is problematic for several reasons: on the one hand, on what legal basis can an obligation be imposed on external actors who have not signed the agreement, on the other hand, how can they be verified and by which means they can the compliance be enforced. However, special attention needs to be devoted to this issue since the real impact of the agreements would be fundamental and significant exactly if they were able to protect those workers at least at the minimum standards that are working in a country whose national law neglects the international standards that originally ensure them.

The issue requires an urgent solution, so Colenbrander suggests that one of the ways is to incorporate the content of IFAs into the supply chain code of conduct issued by multinational corporations.

#### **7.5. Resources of the signatories**

In the preparation and signing of International Framework Agreements, employee-side is typically represented by global sectoral union federations, European works councils and national trade union federations (Gergely, 2011, pp.62-66). There are basically two factors influencing the implementation of agreements at local level: the extent of the activity of the organizations involved in the actual implementation and the availability of the necessary resources.

The activity of local organizations, according to Colenbrander's research experiences, depends in part on how much they can participate in the preparation of the agreements and in the formulation of their content, and partly on how efficiently the information flows to the at the local levels for a more effective implementation. From another perspective, the existence of resources would be a key issue, however, at the same time interest representation bodies typically lack both the financial and human resources. Trade union activities significantly improve the effectiveness of the agreements, where, by the visits to the workplace, the recognition of the agreements, implementation of the agreements can be backtracked, also guidelines for a unified interpretation of the agreement can be spread and distributed at local level. However, for these activities, money is required, and the existence or absence of resources therefore has a fundamental influence on efficiency.

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## 8. THE ENFORCEABILITY OF THE AGREEMENTS

The legal status and enforceability of the agreements is a question open for the time being as the obligations contained cannot be enforced by judicial means. It is a soft law tool, and soft laws are classically norms that do not have a mandatory power, do not impose legal obligations on recipients.

As regards the possible role of soft law, Senden's "Soft Law in European Community Law" describes three functions. The first is the "para-law", which means that soft law norms can take over, deprive the function of traditional norms and replace them. In addition, they can pave the way for "classroom legal norms" as pre-law, they can be precursors, hard-hardened. Finally, as a "post-law", it may appear as a complement to traditional norms in order to promote their interpretation and application (Senden, 2004).

A soft law instrument, in my understanding, is not a panacea, that results in an efficient and quick solution to a specific problem, but its main role is to open ways to the emergence of labour law that would lead to a voluntary compliance monitoring based on the will of the parties. In case of their effectiveness, the need to apply hard law norms would not come up, since the rights and obligations contained are fulfilled, even with expanded content. It is true, that they have merely a moral binding force, and their sanction is just a compulsion to non-compliance, but a multinational company often does not have the fear of a violation of the rule of law; rather, it is influenced by economic interests, branding goals, and the fear publicity are more decisive. Therefore, these interests may, instead of the law, stand in the background of the rights conferred by the agreement, meaning a guarantee at the same time. In this view, protection can not necessarily mean law, but rather the fear of alertness of social organizations, potential workers and consumers, whose level of protection grows with the increase of their activity.

## 9. SUMMARY: POSSIBLE ROLE OF THE AGREEMENTS

The need to change the labour law instruments to ensure the future of labour law cannot be questioned. The protection of workers in the future is likely to be provided by a complex, spider web-like protection system that has a certain line of national and supra-national hard law regulations, but is complemented by an autonomous, bottom-up insurance institutions that are not based on the classical command and control regulations. On the ground of self-regulation and social responsibility policies of the corporations, institutions are emerging and dynamically evolving, showing the vitality, the desire to live, and the self-regulatory features of labour law, and their effect on the protection of workers' rights is directly or indirectly recognizable. One of these instruments is the phenomenon of International Framework Agreements.

Recognizing the controversy and the need to develop this legal instrument, I think, it occupies a honorary position in the line of innovative soft law labour law solutions that are capable of promoting the appreciation of labour law values in a way that is different from mainstream thinking or networking. As a new level of collective labour law institutions, it can be a strategic direction for national collective communities, and may give new impulses to the activities of sometimes tired national partners.

The IFA phenomenon is primarily a European phenomenon nowadays, but its impact can be multifaceted: it is present as a best practice and can spread in corporate culture, inspire national trade union activities, show new behavioral norms that may spread, it may induce voluntary follow ups, may become a forerunner or a complement of hard law rules (Kun, 2015, p.269), also it could open new bridges of communication between employers and employees. All this may still just mean an opportunity today that can be exploited by the successful cooperation of companies, collective partners and states.

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