

Italian agreement on WBO between trade unions and main cooperatives associations

Summary done by [Diesis Network](#)

On the 21st of January 2021, an important agreement was signed between [AGCI](#) (Associazione Generale Cooperative Italiane), [Confcooperative](#) (Confederazione cooperative italiane), [Legacoop](#) - the three main national-level associations representing cooperatives - and [CGIL](#) (Confederazione Generale Italiana del Lavoro), [CISL](#) (Confederazione Italiana Sindacati Lavoratori), [UIL](#) (Unione Italiana del Lavoro) - the three main trade unions of the country - for the promotion and development of worker buyouts (WBO). WBO is considered to be a solution to solve company crises, encouraging generational changeovers, and guaranteeing the preservation of company assets and technical and production know-how. All actors agreed on the need to develop new innovative paths and to enhance a common action.

In Italy, the experiences of WBOs are positive stories to in opposition to the numerous cases of crisis and company closures that are increasingly recurring in the country. They are often the solution that guarantees the maintenance of employment levels (or significantly limiting the number of redundancies). Plus, WBO allows the preservation of the company's assets, and of technical and production know-how.

Behind the Italian WBOs, in many cases, there is already the support of Confcooperative, Legacoop, AGCI, CGIL, CISL and UIL. Nevertheless, there is the need of a further common management of this topic by the stakeholders involved. This is why this agreement has been developed and signed.

This new agreement wishes to:

- Promote a joint action to disseminate and raise awareness about WBOs and contributing to its success;
- More awareness-raising on what is a cooperative and which are the ICP rights;
- Cooperative WBO must become one of the examples to underline that the cooperative business model, based on the principles of worker participation and economic democracy, could be one of the possible answers to labour needs;
- Promote closer cooperation with those dealing with pre-bankruptcy and insolvency procedures.

The concrete solutions proposed by the agreement are:

- Create a Permanent national discussion table on WBO to monitor the phenomenon in Italy (news WBO cases, evolutions at local/national level, dialogue with interested stakeholders, etc.);
- Raise awareness and promote WBO at the local and national level. Plus, develop information materials for all potentially interested parties, including workers. Through "pilot cases" and direct testimonies, can be explained the characteristics and methods of a workers' buyout, while also highlighting the value of this solution in preserving knowledge, employment and the economic, social and cultural heritage of the area;
- Promote information and training initiatives, possibly jointly, between trade union operators and managers of cooperative associations at different sectoral and territorial levels;

- Activate training opportunities on WBOs targeting potential interested parties, among which and especially employees. This will disseminate knowledge on entrepreneurial, managerial and technical-specialist skills
- Evaluate individual business cases in a common location by activating of consultants, service centers, branches and analysis tools. This will allow to jointly verify the feasibility and sustainability of the business recovery. Moreover, once launched, this process must be jointly monitored and mentored;
- Promote a common awareness-raising activity towards all institutions and institutions and bodies (regions, municipalities, chambers of commerce, INPS/INAIL, INL, business associations, etc.) to promote, the development and multiplication of WBO experiences;
- Encourage the further development of financial support instruments, while at the same time helping to remove interpretative or procedural problems that slow down the delicate start-up phases of these new realities.

A Vademecum has been published with the agreement. This document provides information about the evolution of the phenomenon in Italy and a legal framework of it. Moreover, it highlights financing opportunities and the procedural steps to follow to carry a WBO. Finally, it exposes the support actions developed by the cooperatives' association and the trade unions.