

**SECTORAL COLLECTIVE
BARGAINING AGREEMENT**

**FOR WORKERS AND EMPLOYEES IN THE
BREWING INDUSTRY**

SOFIA

**This sectoral collective bargaining agreement (CBA) for the
workers and employees in the brewing industry was signed
on**

31 January 2020

SECTION ONE

Parties and representation

Article 1 The sectoral collective bargaining agreement (CBA) for the workers and employees in the brewing industry is concluded between the **Bulgarian Brewing Industry Association (SPB)**, represented jointly and severally by Vladimir Ivanov, Chairperson, and Ivana Radomirova, Executive Director and member of the Managing Board of the SPB, hereinafter Employer and the **Trade Union of Brewers and Food and Beverage Producers (SBHN)**, a member of the **Confederation of Independent Trade Unions in Bulgaria (KNSB)**, represented by Krasimir Pashtrapansky, Chairperson, and the **Federation of the Food and Beverage Industry of the Podkrepa Trade Union (FHPP)**, a member of the **Podkrepa Trade Union (KT Podkrepa)**, represented by Valya Borisova, Chairperson, hereinafter referred to as Trade Unions.

Article 2 The FHPP, in its capacity as member of KT Podkrepa, and the SBHN, in its capacity as member of the KNSB, are representative organisations which represent, uphold the principles of trade unionism and safeguard the interests of their members.

Article 3 (1) The parties recognise their legitimacy in conducting the negotiations leading to the signature of the sectoral CBA and the right of their members to conclude collective agreements in the companies operating in the brewing industry.

(2) The social partners agree that the universally recognised labour standards and workplace rights laid down in the eight fundamental conventions of the ILO are interdependent and interrelated, aim to ensure full productive employment and decent work for all and are among the main driving forces of sustainable economic growth in the sector.

Article 4 This sectoral CBA shall regulate labour and social security relations, remuneration, employment, social service provision, working conditions, social partnership and the requirements for trade union activity in companies in the sector in line with the provisions in Bulgarian law.

Scope

Article 5 (1) This sectoral CBA shall be binding on employers and members of trade unions represented by the trade unions referred to in Article 1 and on all beer and malt producers forming part of the Bulgarian Brewing Industry Association (SPB), hereinafter referred to as 'companies'.

(2) This sectoral CBA shall apply to and be binding on companies whose shares are either co-owned or fully owned by foreign persons in accordance with Article 10 of the Labour Code (KT).

(3) This sectoral CBA shall apply to workers and employees who are not members of the trade unions that are parties to it, where the requirements in Article 67, which sets out the terms and procedure for signing on to this *[lower-order]* CBA, are in place.

Article 6 (1) The parties to this sectoral CBA shall discuss amendments to its subject and content in the event of changes to the social and economic situation in Bulgaria, specifically changes impacting the relevant companies, during its term of validity.

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(2) In line with the 2019 sectoral pillar of labour and social rights in the brewing industry, the parties to this sectoral CBA shall work to ensure the continued operation of companies, social cohesion and a decent standard of living, as well as to transform corporate social responsibility (CSR) into a tool for managing change and ensure harmonisation, improve competitiveness and achieve better economic outcomes, the upward convergence of salaries and socially responsible policies, as well as to ensure care for workers, employees and their families, society at large and the environment.

Article 7 (1) The parties agree that, where a CBA is concluded at company level, the employer shall submit the following information to trade unions in accordance with Article 52 of the KT:

- data about the economic and financial situation of the company, which must be kept confidential;
- employment statistics, including the number of staff, the number of staff made redundant and the number of vacancies advertised.

(2) Where the information above is not produced and the company refuses to discuss and conclude a CBA, the company shall be considered to have infringed the KT and shall be subject to the sanctions envisaged in applicable law.

Article 8 Trade unions shall be under an obligation to:

1. actively participate in raising awareness of the possibility to settle individual or collective labour disputes in accordance with the principles of social partnership with a view to preserving public order;
2. offer reliable assistance in the implementation of all jointly prepared draft internal rules regulating labour and social security relations and the company's social policy and social partnership within the company;
3. monitor the compliance with and ensure the implementation of the provisions of this sectoral CBA;
4. ensure adherence to labour and production discipline;
5. offer full cooperation with a view to ensuring compliance with the principle of health and safety at work. The leaders of trade union chapters at companies shall serve as role models and not hinder the initiatives of employers;
6. conduct in-house trainings on key competences and health and safety at work.

SECTION TWO

Employment and professional development. Fostering a [favourable] working environment by ensuring decent sustainable employment

Article 9 The parties agree that employers at company level shall not use trade union membership as a criterion for either employing an applicant or amending a worker or employee's employment contract.

Article 10 (1) Employers at company level shall acquaint workers and employees with their rights and obligations stemming from the job descriptions for their respective positions, with the internal working regulations, the internal rules on remuneration and the health and safety at work requirements. Each worker or employee shall be provided a copy of their job description and their employment contract.

(2) The trade unions that are parties to this sectoral CBA undertake to fulfil their obligations referred to in the previous paragraph, and in this sectoral CBA and lower-order CBAs at large, with respect to their members.

(3) The remuneration at a company shall be regulated by the company's internal rules on remuneration, which are an in-house document of the company within the meaning of Article 37 of the KT and must be agreed with the trade unions that are parties to this sectoral CBA.

(4) Fair professional development shall be ensured by balancing economic effectiveness against social justice for the purpose of linking the labour remuneration system with the development of the competence, qualifications, knowledge and skills of workers or employees and with their individual abilities, their professional and work experience, responsibility, risk and other factors. The amount of remuneration shall be calculated objectively by using a work assessment system.

(5) The calculation of payments and remuneration shall not be conducted directly by line managers and shall instead involve the Human Resources Management Unit.

(6) Employers shall notify their staff attestation policies to the management of trade unions. These shall include policies relating to labour remuneration, training needs, changes in the number of staff, succession planning, optimising operational processes and planning staff's professional development.

Article 11(1) The parties agree that, where the average annual redundancy rate across sector companies stands at over 5 %, they shall hold talks on making redundancies within the framework of a Social Partnership Committee in accordance with Article 25 of the Employment Promotion Act. This shall take place after the employer has produced an analysis of the following done in writing:

- the economic and financial situation of the company, which must be kept confidential;
- the number of redundancies proposed disaggregated by production line, activity, staff category and profession.
- Employers shall assist in the retraining of reassigned workers and employees or their inclusion in alternative employment schemes.

(2) The procedure for holding talks on redundancies shall be launched within 15 days after the information referred to in paragraph 1 is formally requested.

(3) Where a member of the management of trade unions that are parties to this agreement is to be dismissed, the employer shall notify the trade unions and request that the relevant trade union provide its written consent to this in accordance with Article 333(3) of the KT.

(4) The parties agree that in the cases referred to in Article 333(4) of the KT, the parties to CBAs at company level shall agree on specific coordination mechanisms and redundancy policies.

(5) In the event of mass redundancies of workers and employees, parties to CBAs shall develop and adopt a social programme for their protection, which shall provide for retraining measures.

Article 12 (1) Where CBAs are amended or concluded under Articles 123(1) and 123a of the KT and measures for workers and employees, including the performance of the obligations referred to in Articles 123(4) and 123a(3) of the KT, are envisaged, the employer shall notify the trade unions that are parties to this sectoral CBA not later than one month before any consequences for the employment status and working conditions of workers and employees take effect.

(2) The employer and the trade unions that are parties to a CBA at company level shall develop a procedure and selection criteria, where redundancies are necessary in said company. The criteria may include:

Party Obligations

- educational attainment;
- professional qualification;
- quality of the work performed;
- financial and marital status of the person.
- The employer is entitled to use the selection criteria and may make workers or employees whose positions it plans to retain redundant to keep better qualified or more effective workers or employees in the interest of the production process or the relevant position.

Article 13 (1) The parties to this sectoral CBA agree that reaching agreement on issues relating to employment and advertising new desirable vacancies shall correlate directly with the need to improve the fitness for work and adaptiveness of labour, to implement lifelong learning and to lay emphasis on professional qualifications and retraining. Agreements shall be based on implementing the so-called 'reasonable flexibility' by using 'shared workloads', job rotation and mentorship to the satisfaction of both parties.

(2) Agreeing on flexible employment and working time, including via the reduction of working time, shall aim at fostering the competitiveness of a company and, above all, at keeping jobs.

(3) Where company operations are outsourced to enhance flexibility, the parties shall assist the relevant third party in hiring the staff previously made redundant.

Economic growth

Article 14 (1) Employers shall assist and support workers and employees wishing to attain better education in a specialised field relevant to their occupation and enhance their skills and competencies in line with the business objectives and priorities of the relevant company by allowing them to plan their professional development in the long term.

(2) At the discretion of their employer, workers and employees may take paid leave in accordance with Article 169 of the KT.

Article 15 (1) In fulfilment of the Lisbon Strategy, the social partners shall lay particular emphasis on lifelong learning programmes (to be developed and implemented by employers as necessary).

1. These shall include long-term agendas for the recruitment, preparation, training and professional assessment of staff depending on company needs and technical and economic development, taking into account the employment challenges and the specificities of Industry 4.0.
2. Professional development programmes for staff shall include the following in curricula and events:
 - initial training;
 - priority short-term on-the-job training, including in cases falling within the scope of dual education;
 - development and deployment of mentorship schemes;
 - long-term training requiring time off work;
 - retraining: where workers have to be reassigned to new positions;
 - knowledge assessment and verification;
3. practical digital skills training.
4. Bonus schemes in compliance with the established rules and policies of companies shall be implemented.

(2) The activities referred to in the previous paragraph shall be notified to the trade unions that are parties to this sectoral CBA.

Article 16 The trade unions that are parties to this sectoral CBA or their respective chapters may launch trainings to improve the so-called soft skills of workers and employees within the framework of the training programmes referred to in Article 15. Such trainings may concern: communication skills training, coaching sessions, leadership skills and corporate culture training and others organised both in Bulgaria and abroad and focusing on law in the labour and social spheres, safety at work, healthcare, etc. The trade union chapters must provide grounds for the need of such trainings. This provision may only be implemented pursuant to a dedicated agreement concluded with the relevant enterprise.

Article 17 The social partners in companies in the sector shall improve their staff attestation systems and ensure the use of clearly defined rules and criteria for offering financial incentives. This shall entail:

- a) dialogue, timely feedback and effort to apply the performance management system;
- b) promoting the innovations in managing production processes in line with the company's objectives, enhancing the adaptiveness of staff; and strengthening dialogue to recruit and keep staff in the company, while respecting the specific age-related needs of the various generations employed;
- c) diversifying in-house training methods by fostering the use of mentorship schemes as a tool for development.

Cooperation between parties to improve labour productivity

Article 18(1) To improve the productivity and quality of labour and to streamline management structure and foster worker engagement, the parties agree that companies shall introduce systems offering incentives for workers and employees who offer reasonable proposals and ideas, thereby showing initiative and spurring innovation, and that they shall focus on innovation as a source for added value for the purpose of ensuring a better *[quality of] life*.

(2) The social partners shall establish a change management team to ensure that workers and employees remain informed about the reasons behind change. The team shall develop and strengthen the two-way internal information system to offer information and *[professional] counselling*, which is of key importance if these activities are to be carried to fruition.

Article 19(1) To achieve greater productivity and competitiveness by means of enhanced flexibility, the social partners agree that rotation at work shall be introduced.

(2) The social partners shall work towards improving the conditions of employment with a view to striking a reasonable and fair balance between flexibility and social security since this ensures that long-term employment and social cohesion can be achieved and maintained.

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Working time, breaks and leave

Article 20 (1) Workers and employees falling within the scope of this sectoral CBA shall enjoy the following basic paid annual leave:

- at least 21 working days, where they have worked at the company for up to 10 years;
- at least 22 working days, where they have worked at the company for between 10 and 20 years;
- at least 23 working days, where they have worked at the company for between 20 and 25 years;
- at least 24 working days, where they have worked at the company for over 25 years;

(2) Each worker or employee shall be invited to take a minimum of 5 (five) working days of paid annual leave in the months of June, July and August in view of workload during the relevant season.

Article 21 (1) Extending working hours in accordance with Article 136a of the KT shall be permissible only subject to prior consultation with the trade unions that are party to a CBA conducted at least 7 (seven) calendar days before the first working day in which working hours are extended.

(2) Introducing part-time employment in accordance with Articles 138 and 138a of the KT shall be permissible only subject to prior consultation with the trade unions that are party to a CBA conducted at least 7 (seven) calendar days before part-time employment is introduced.

(3) In industries having technologically discontinuous production processes, where possible, production shall be organised in the form of four-day work weeks, retaining salary amounts and production output, during the last quarter of the year.

Article 22 (1) The overtime of workers and employees worked in accordance with Bulgarian law shall be documented pursuant to a dedicated instruction by the employer and shall be subject to reporting.

(2) Remuneration for overtime shall be calculated on the basis of regular remuneration and shall be:

- 55 % higher (for overtime during working days);
- 80 % higher (for overtime during non-working days);
- 110 % higher (for overtime during official holidays);
- 60 % higher (where working time is calculated as an average).

Article 23 (1). Workers and employees shall be entitled to additional paid annual leave. Where their working conditions constitute a health hazard or are part of a dedicated list, the duration of said leave shall be at least 7 days. Where experts at occupational medicine office, the Working Conditions Committee and the Social Partnership Committee find that their positions constitute a greater health hazard than all other positions in the same work regimen, the duration of said leave shall be at least 8 days.

(2) Where they enjoy open-ended working hours, specialist staff shall be entitled to additional paid annual leave whose duration is 6 (six) days in accordance with a list approved by their employer and the Social Partnership Commission.

Article 24 The employer and the Working Conditions Committee shall jointly approve the list of positions and professions entitled to additional paid annual leave, where these satisfy the conditions referred to in Article 156(1)(1) and (2) of the KT, in accordance with Article 156a of the KT.

Article 25 (1) A female worker or employee shall be entitled to additional paid leave where she has:

- 1 child under the age of 18 (2 working days);
- 2 children under the age of 18 (4 working days);
- 3 or more children under the age of 18 (6 working days).

A father who is a widower or a single parent having custody shall be entitled to leave above.

(2) The duration of the leave referred to in Article 157(1)(1) and (3) of the KT (where a person enters into matrimony, in the event of death of a parent, child, spouse, sibling or spouse's parent or of other blood relatives) shall be at least 3 working days and 100 % of the amount referred to in Article 177 of the KT payable for said duration.

(3) Where a person makes a blood donation, the duration of the leave referred to in Article 157(1)(2) of the KT shall be at least 2 working days, covering the day of their examination and making their blood donation and the day following that, and 100 % of the amount referred to in Article 177 of the KT shall be payable for said duration.

(4) Where a single mother submits a dedicated application, she shall be granted an additional one day of paid leave per quarter. For the purposes of this sectoral CBA, 'single mother' shall mean the mother of a child whose birth certificate does not state the name of their father.

(5) Where they submit a dedicated application, workers and employees who have family members whose degree of incapacity has been found to exceed 75 % by a decision of their Local Expert Medical Committee shall be granted 2 (two) days of additional paid annual leave.

Article 26 (1) The additional paid annual leave envisaged in this sectoral CBA may be taken in the cases or for the periods concerned and may not be taken at a later point. Entitlement to additional paid leave expires at the end of the year during which said leave is supposed to be taken, or where they have not been taken for the relevant period concerned.

(2) Additional paid leave under this sectoral CBA shall not be subject to compensation in the event that a worker or employee's employment contract is terminated.

Remuneration. Equal pay for equal work

Article 27 (1) The employers and trade unions that are parties to this sectoral CBA agree that the minimum amount used to calculate social security contributions shall also be the minimum amount of remuneration for workers and employees.

(2) The parties to this sectoral CBA agree that, at the discretion of the employer and based on the business indicators of the relevant company, the minimum salary and the remuneration of the various groups of professionals based on qualification shall be set out in a CBA concluded between the social partners at the company.

(3) The policy on remuneration shall be inherently fair and shall provide for competitive remuneration in line with trends on the labour market. Innovation in the organisation of work processes shall aim at achieving 'smart', inclusive growth by creating better jobs and higher added value. Salaries shall be contingent on this and correspond to the contribution of a given line of work to creating a product and marketing it successfully.

(4) The system used to manage salaries shall be based on the assessment of work performance but also on the assessment of the quality of work, of the responsibilities of the various positions for professionals and managers. The system shall use a job classifier developed in the company.

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(5) Salaries at a company shall be subject to raising, taking into account the economic and business indicators of the company, the inflation rate and the changes in tax and social security contributions.

(6) The employer shall establish links between the system for assessing and remunerating work and personal, team and corporate objectives and shall assist staff in their professional development in the company.

Article 28 Salaries in the sector shall be paid not later than the twenty-fifth day of the month following the one in which they were earned.

Additional remuneration

Article 29 The parties agree to pay the following additional remuneration:

(1) for each hour of night-time work or part of it, the remuneration paid shall stand at not less than BGN 1.20/hour;

(2) for the time during which a worker or employee remains at the disposal of the company but is not on its premises, the remuneration paid for each hour of night-time work or part of it shall stand at 30 % of the hourly remuneration set out in the relevant employment contract;

(3) for work on Easter Sunday or Monday and at Christmas (25 and 26 December), the worker or employee shall be paid remuneration standing at not less than 150 % of their regular remuneration;

(4) where the worker or employee is forced to make a stay, they shall be entitled to their gross remuneration; where a worker or employee performs other duties for operational reasons, their remuneration for the time performing said duties shall not be less than the gross remuneration for their main duties;

(5) where a worker or employee works at Christmas or Easter, the employer shall pay them not less than BGN 60;

(6) the additional remuneration of a worker or employee shall be calculated on the basis of their work experience but may not stand at less than 0.8 % of their regular one for each year of work experience. Any such additional remuneration shall be calculated for a period of not less than 1 (one) year;

(7) for newly recruited workers and employees whose work and professional experience have been acquired at companies in other sectors after 1 July 2007, employers shall take into account their full work and professional experience, where the previous position of the worker or employee is similar to their current one: education, qualification, knowledge and skills acquired and job description.

(8) To provide incentives for staff serving as role models, contributing new ideas and achieving good results.

Article 30 Workers and employees shall still be paid the salaries under their employment contracts where their have been prevented from coming to work owing to natural disasters or public turmoil.

Article 31 Employers shall pay staff who have been prevented from performing their obligations owing to breaches of health and safety at work rules beyond their control their full gross remuneration until the breaches have been eliminated.

Compensation relating to work and its termination

Article 32 Employers shall pay compensation to workers or employees retiring and due to receive old-age pension in accordance with Article 222(3) of the KT. The amount of said compensation shall depend on their work experience in the company in the run-up to their retirement:

- up to 10 years of work experience: at least 3 times the amount of their gross salary;
- between 10 and 20 years of work experience: at least 7 times the amount of their gross salary;
- over 20 years of work experience: at least 8 times the amount of their gross salary.

Article 33(1) Employers shall pay compensation to workers or employees dismissed in accordance with Article 328(1)(1) to (4), (7) and (8) of the KT. The amount of said compensation shall be at least twice that of their gross salary for the time during which they are unemployed, where the time considered is not more than one month.

(2) Where an employment contract is terminated in accordance with Article 328(1)(1) to (4), (7) and (8) of the KT, the compensation referred to in Article 222(1) of the KT shall be that set out in the CBA at the relevant company and agreed at the level of the relevant Social Partnership Committee two months prior to said contract's termination.

(3) The parties agree that workers and employees who have two years until they become entitled to an old-age pension and have worked at a company for over 20 years shall enjoy protection.

(4) Where a CBA is terminated in accordance with Article 331(1) of KT, the employer shall pay workers or employees who are members of the trade unions that are party to said CBA compensation, where said workers or employees have the following work experience at the company:

- up to 6 years: at least 4 times their gross salary;
- between 6 and 10 years: at least 5 times their gross salary;
- over 10 years: at least 6 times their gross salary.

Non-discrimination in employment relations and promotion of openness and transparency

Article 34 (1) The parties agree that the employer shall treat all staff at the company equally and shall take the measures necessary to avoid all forms of discrimination.

(2) Discrimination shall consist in the unequal treatment of staff on the basis of their: position, skin colour, nationality, race, social standing, sexual orientation, language, sex, religion, economic situation and origin, political or other conviction, age, state of health, marital status and membership in a trade union.

(3) Where a case of discrimination is found and the employer fails to take the necessary action to eliminate this, the worker or employee shall be entitled to bring a complaint before the Commission for Protection against Discrimination or the Court.

(4) The practices of openness and transparency in employment relations and the activities of the company at large (as regards (raw) material and consumables delivery, security, cleaning and catering) shall be promoted.

Health and safety at work

Article 35 Employers shall take out life insurance against the risks certain work stations entail for the life and health of staff.

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Article 36 Employers shall provide for regular health examinations of company staff in accordance with Article 287(1) of the KT at least once a year. They shall further afford the Working Conditions Committee access to all summary information provided by the occupational medicine service and health authorities at large insofar as this complies with Article 287(3) of the KT.

Article 37 The social partners shall ensure the implementation of good health and safety at work practices as well as practices geared at reducing the carbon footprint of the brewing industry applied in the EU and internationally by streamlining the work of the Sectoral Council on Health and Safety at Work at Working Conditions Committees, which may be vested with environmental protection responsibilities.

Article 38(1) The social partners shall exercise strict control over the work of occupational medicine offices and shall verify the quality of their services.

(2) Occupational medicine offices shall prepare annual risk assessments, complete with analyses of the state of health and morbidity rates among staff, with which they shall acquaint the social partners.

Article 39(1) Pursuant to Article 8(2) of the Regulation on detecting, investigating, recording and reporting accidents at work, Working Conditions Committees shall include an equal number of representatives of each trade union party to the relevant CBAs.

(2) Employers shall notify trade unions in a timely fashion where they plan to inspect a plant for irregularities in order to ensure the participation of the members of trade unions/the relevant Working Conditions Committee in the inspection.

Article 40 Pursuant to the Regulation on the communication, registration, verification, contestation and reporting of occupational diseases, each Working Conditions Committee shall include a representative of the trade union party to the relevant CBA.

Article 41 Employers shall task Working Conditions Committees, which necessarily include a trade union representative, with commissioning specialised authorities to perform regular inspections of working conditions and with drawing up a list of the positions entitled to appropriately nutritious food free of charge and additional paid leave. The Committees and the relevant occupational medicine offices shall draw up an Annual Monitoring Report on the State of Health of Staff.

Article 42 The parties agree to assist the Sectoral Working Conditions Committee in the implementation of EU and international best practices in the sphere, including the use of cutting-edge interactive tools geared at facilitating risk assessment and the assessment of health and safety at work.

Article 43 Pursuant to Article 16 of the Health and Safety at Work Act and Regulation No 5 of 11 May 1999, trade unions shall assist employers in assessing the risk to the safety and health of staff at production plants and drawing up dedicated programmes to mitigate risk factors.

Article 44 (1) Employers shall ensure health and sanitation at work in their companies, while workers and employees shall adhere strictly to the applicable rules.

(2) The trade unions that are parties to this sectoral CBA and their chapters at company level shall monitor the implementation of the employers' obligations pertaining to sanitation and hygiene, supplies of general-purpose and specialised work attire and

personal protection equipment, the provision of free-of-charge food and antidotes, the performance of regular medical examinations and the enhanced protection of persons under the age of 18, pregnant women, mothers and persons with reduced working capacity.

(3) The trade unions that are parties to this sectoral CBA and their chapters in companies shall assist employers in their efforts to raise health awareness and ensure greater professionalism in treating matters pertaining to the occupational safety of workers and employees.

(4) Employers shall ensure that prevention forms an integral part of their activities since the most ambitious health and safety at work standards go hand in hand with safe behaviour at work.

(5) The parties to this CBA shall promote the introduction of a health and safety at work management system, as proposed by the ILO, and social responsibility to achieve a more humane working environment.

(6) Members of trade unions, particularly the leaders of trade union chapters at company level, shall assist employers in introducing measures and policies aimed at ensuring health and safety at work, including measures providing for checks and controls. Employers shall keep a log of all cases in which the leaders of trade union chapters refuse to assist in the implementation of the policies and measures above, which shall be taken into account by the parties in the event that an employer intends to dismiss the leader of a trade union chapter.

(7) The social partners shall draw up a memorandum on the identification, prevention and management of psychosocial risks.

Article 45 (1) In accordance with Article 26(1) and (2) of the Health and Safety at Work Act (ZBUT), employers shall provide sufficient funding and time for the implementation of a comprehensive health and safety at work programme, which shall include the programmes developed on the proposal of trade unions.

(2) Employers shall ensure essential medicines, which may be used to offer emergency medical assistance.

(3) Employers shall ensure that training courses and other mandatory training for workers and employees on health and safety at work are conducted. The trade unions that are parties to this sectoral CBA and their chapters in companies shall assist the employer in the activity above.

Article 46 (1) Employers shall provide workers and employees with general-purpose and specialised work attire and personal protection equipment in accordance with the Regulation on *[the provision of]* free-of-charge work attire and uniforms and Regulation No 3 of 19 April 2001 on the minimum requirements for health and safety at work *[in the course of using personal protection equipment]*.

(2) Employers shall provide free-of-charge food and refreshments in accordance with a list of professions, stations and occupations entitled to these in accordance with Regulation No 11 (SG No 1/2006).

(3) The lists referred to in paragraphs 1 and 2 shall be agreed with trade unions.

(4) Trade unions shall assist employers in exercising effective control over the use of the work attire and personal protection equipment provided. Failure to use these as intended, shall be considered a serious breach of work discipline.

(5) To ensure adherence to work discipline and prevent accidents at work, employers and trade unions shall implement joint monitoring activities to prevent workers and employees under the influence of alcohol from entering the production facilities and to further prevent the use of alcohol and intoxicating substances during working time. Where a worker or employee comes to work under the influence of alcohol or having used

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intoxicating substances during working time, this shall constitute a serious breach of work discipline and may result in a disciplinary penalty being levied against them in accordance with Article 188 of the KT.

(6) On an annual basis, employers and trade unions shall draw up a list of positions suitable for reassigned staff in accordance with Article 315 of the KT. These shall be at least 9 % of the positions in the company.

(7) To increase the efforts to make the work environment more favourable, reduce accidents at work and occupational diseases and make these efforts more effective, social partners at the level of individual companies shall agree to organise and conduct a 'safety month' (in April) at companies in the brewing industry.

(8) The social partners shall promote the deployment of a health and safety at work management system, as recommended by the ILO and as envisaged in social responsibility standards. They shall further promote use of the 3Ps (planet, people, profit) platform, i.e. they shall provide for the application of the 'green' principle, to ensure the continued mitigation of the impact of brewing companies and their products on the environment by curbing the emissions of harmful substances and saving water and electricity among others.

(9) To ensure proper conditions for the effectiveness of work, employers shall provide their workers and employees with water during the summer [*working*] season and hot drinks during the winter season.

(10) A break room shall be constructed and furnished as part of working facilities.

Article 47 (1) Trade unions may submit written notifications to the employer with respect to non-conformities that they have detected in the relations pertaining to employment, social security and medical insurance, the health and safety of work and the implementation of the CBA, offering recommendations for the elimination of said non-conformities.

(2) Not later than 15 days after receiving a notification, the employer shall notify the trade unions of the measures and actions taken to eliminate the omissions or non-conformities.

(3) Where the trade unions are not satisfied with the actions taken, they are entitled to exercise their rights in accordance with Article 59 of the KT.

Article 48 To maintain a balance between cost-effectiveness and social justice and with a view to achieving an AAA social rating, the parties to this sectoral CBA agreed that:

(1) The social, cultural and utility budget lines for each upcoming year shall be agreed at company level and shall form part of a timetable drafted by the social partners. They shall be disbursed on the proposal of the social partners only for the purposes agreed in the CBA at the relevant company and may not be re-allocated and used for other purposes in accordance with Article 293 of the KT. The lines shall be approved by a decision of the General Meeting of Workers and Employees or the Meeting of Proxy Holders.

(2) The social line shall be set out in the relevant CBA, but shall constitute a form of social assistance, not additional remuneration.

(3) The employer shall provide workers and employees with money or transport to enable them to commute to and from their workplace where the production plant is outside a settlement or public transport is not available.

(4) Jointly or in partnership with other organisations, the employer shall provide canteen catering services at production sites (plants). The total monthly cost of said services [*per member of staff*] shall not be less than BGN 60 and, where possible, the social partners shall agree to the use of vouchers whose monthly amount [*per member of staff*] shall not be less than BGN 40.

(5) The employer shall provide financial support for holding the traditional sectoral sports competitions in October.

(6) The employer shall assist in organising and conducting workshops during the second half of the year in line with an established timetable and the capacity of the company to accommodate these.

(7) One-off financial assistance shall be provided to workers and employees who present a document in the following cases:

- the birth of a child: at least BGN 150;
- where a worker or employee dies, their legal heirs shall be paid at least 4 (four) gross salaries. Where the death was caused by an accident at work, they shall be paid at least 5.

(8) Where a worker or employee has a child starting grade 1, at its discretion, the employer shall provide appropriate assistance at the start of the school year;

(9) [*provision of*] appropriate assistance for the treatment of ill children (up to the age of 10), where a decision by the Local Expert Medical Committee is produced;

(10) provision of opportunities for prophylaxis, treatment and social missions [*sic*] in accordance with the Social Security Code (KSO), including opportunities for participation in supplementary voluntary health insurance schemes.

(11) On the day on which the brewer profession is celebrated in Bulgaria, where possible, employers in the brewing industry shall provide all workers and employees with products from their respective company portfolios.

Article 49 To creative incentives for each worker or employee to take their paid annual leave, employers shall provide one-off assistance whose amount shall be agreed by the social partners at company level.

Article 50 In coordination with trade unions, employers shall enshrine the conditions for the participation of workers and employees in supplementary voluntary pension and health insurance funds in CBAs at company level.

SECTION 3

FURTHER DEVELOPMENT OF THE INFORMATION AND COUNSULTATION SYSTEM TO ANTICIPATE CHANGES MORE EFFECTIVELY

Article 51 The parties to this sectoral CBA agree to exchange information at meetings, via public statements and personal talks, etc., which shall foster the development of corporate culture in the sector. Thus, the point of intersection and interplay between these three aspects (the objective, the individual and the work team) is the content exchanged via communication. Taking this as a guiding principle, the parties agree that:

(1) Employers in the sector shall provide trade unions with information in accordance with applicable law (Articles 7a, 123 and 130a of the KT among others), in compliance with the provisions of the Personal Data Protection Act (ZZLD), the Protection of Classified Information Act (ZZKI), the Commerce Act (TZ) and applicable law in the sphere of personal data protection at large.

(2) On receiving the information requested from and provided by employers, the managing bodies of trade unions shall acquaint workers and employees with it and take their positions into account when engaging in consultations.

Social Activity

(3) The information referred to in Articles 130a(2) and 130 (3) and (5) of the KT shall be produced in writing within the statutory deadlines. This may cover:

- the legal, economic and social consequences in the cases referred to in Article 123 of the KT;
- information about the economic and financial situation of the company, where this is of significance to staff, and about vacancies;
- information about any large-scale redundancies expected and selection criteria;
- information about the establishment plan of the company and the related structure;
- the periods during which workers are to be made redundant and compensations due are to be paid;
- information about health and safety at work.

(4) Where requested, trade unions shall provide information about the number of their members working at a company.

(5) The social partners shall work together to raise general awareness by increasing the amount of non-financial information provided and offering uniform documents, i.e. documents of a standard type and content (reports, accounts, analyses, extracts, etc.).

(6) Each link in the information and consultation system shall establish their own network in which they shall raise awareness.

(7) Persons who have been provided confidential information may be held liable for any damages to the employer ensuing from their breaching the confidentiality requirement.

Right to consultation

Article 52 (1) Employers in the brewing sector shall be under an obligation to consult trade unions. 'Consultation' shall mean a discussion between employers and trade unions whose objective is reaching a consensus.

(2) Information provided by the employer, the positions of workers and the spheres set out below shall be subject to consultation:

- a/ the company's performance;
- b/ the timetables setting out working time, overtime, the reporting of working time, flexible working time, etc.;
- c/ any other measure concerning a large number of workers and employees.

(3) Trade union chapters at company level shall inform workers and employees of the results of consultations as appropriate.

(4) The parties to this sectoral CBA shall work together to ensure the further deployment of the information and consultation system as a form of organisation aimed at sustainable competitiveness and industrial democracy.

SECTION FOUR

Social cooperation and partnership

Article 53(1) To ensure social cooperation in the sector, the parties shall establish and maintain a Sectoral Social Partnership Council, which shall operate nationally in line with the principles of trilateral cooperation and its own Rules of Procedure.

(2) The composition of the Sectoral Social Partnership Council shall comprise the Chair/Executive Director of the Bulgarian Brewing Industry Association or a person authorised by them, the Chair of the Trade Union of Brewers and Food and Beverage Producers (SBHN) of the Confederation of Independent Trade Unions in Bulgaria (KNSB) or

a person authorised by them, the Chair of the Federation of the Food and Beverage Industry (FHPP) of the Podkrepa Labour Confederation or a person authorised by them.

(3) The Sectoral Social Partnership Council shall negotiate, adopt and conclude a sectoral collective bargaining agreement (sectoral CBA), working with representatives of the companies forming part of the Bulgarian Brewing Industry Association.

Article 54(1) By concluding a sectoral CBA, the social partners aim at creating a working environment capable of serving as an incentive for staff to develop their skills with a view to meeting the challenges of the labour market and feel satisfied with their work.

(2) The sectoral CBA shall constitute an integral component of the economic and social order in the sector and a key tool for promoting social dialogue in the brewing industry.

(3) The social partners shall engage in dialogue at company level and cooperate, organise discussions and working meetings and otherwise exchange information.

(4) The parties agree to discuss and adopt joint measures to foster social partnership with a view to ensuring and maintaining a working environment capable of meeting the specific needs of various age groups, promoting longer employment, enhancing working capacity among those employed in the sector and achieving cooperation, thus enabling an inter-generational exchange of knowledge and experience in the sector.

(5) As part of social dialogue, the parties may draft a Memorandum of Cooperation or another document centred on the activities and tools used to promote staying active longer and the inter-generational approach above.

Article 55 (1) Trade union members and employers shall establish Social Partnership Commissions at company level.

(2) These commissions at company level shall adopt decisions by unanimity, with each party having one vote.

(3) Negotiations for the conclusion of a CBA at company level shall commence not later than 20 days after the parties are invited to commence these and shall end with the conclusion of a CBA not later than 90 days following their commencement.

Article 56 (1) The social partners working at company level shall establish a Parity Committees comprising 4 to 8 members and tasked with assisting the training and qualification efforts of staff and monitoring the implementation of CBAs.

(2) The members of the parity committees at company level shall be entitled to participate in the discussion and implementation of Company Training and Qualification Programmes, the Working Conditions and Safety at Work Improvement Programme and the internal working regulations.

Conditions for trade union activities

Article 57 (1) Entitlement to conduct trade union activities shall arise from the association of workers and employees in trade unions.

(2) The employer shall meet their obligations with respect to negotiating a CBA and engage in social partnership with trade union(s) (see the KT).

Social Activity

(3) The documents ensuing from *[the interaction referred to in]* the previous paragraph shall be supplied in the course of each calendar year and where the representatives of the parties change.

(4) Trade unions shall act within their remit to ensure cooperation with employers as part of the production process.

Article 58 (1) Where possible, employers at company level shall ensure and provide movable and immovable property, equipment, presentation rooms, communication devices and other facilities necessary for the trade union activities of trade union chapters, allowing these to be used free of charge.

(2) The parties agree that employers at company level shall provide for paid leave and the necessary allowances for posting members of the management of trade union chapters and sectoral trade union structures to allow these to participate in organising and conducting conferences, meetings, seminars, trainings and other trade union events in Bulgaria organised by national, regional and sectoral trade union structures pursuant to Article 161 of the KT.

Article 59 Workers and employers who are not staff members of central, industrial, sectoral and regional trade union structures forming part of the trade unions *[that are parties to this sectoral CBA]* and the chairs of trade union chapters at company level shall be entitled to at least 48 hours of dedicated paid annual leave in which they may conduct trade union activities (Article 159 of the KT).

Article 60 The parties agree that a worker or employee's trade union membership fee and/or payment towards solidarity funds shall be directly deducted from their remuneration where they submit a written request to this effect.

Article 61 Employers at companies in the brewing industry shall not restrict trade union activity or pressure trade union members with respect to the exercise of their rights by action or omission.

Article 62 Employers at company level shall allow trade unions to participate in the meetings of company management structures where matters pertaining to the subject-matter of CBAs and labour and social security relations are concerned.

SECTION FIVE

Corporate social responsibility (CSR)

Article 63(1) As part of their social partnership, the parties to this sectoral CBA shall foster the development of corporate social responsibility (CSR) on the basis of best practices and established international rules and standards aimed at sustainable development and strengthening social dialogue.

(2) To enable the deployment of the universal right to lifelong learning, the universal labour guarantee and universal social protection for workers and employees, the parties to this sectoral CBA agree to adopt and adhere to modes of interaction that integrate social responsibility in their relations by sharing, recognising and implementing the main principles and policies pertaining to CSR.

(3) Assessing the impact of CSR on staff and on society at large and fostering further social dialogue shall be among the foremost priorities in the sector.

(4) The main objective of the social partners shall be to improve CSR sustainably, treating it as a change management tool and a social standard to which they should adhere and which has a positive impact on

- maintaining economic growth high by promoting a dynamic, competitive high-tech [*working*] environment based on innovation, knowledge and training, professional development and a [*high*] quality professional life;
- transparency in corporate management, communication and social partnership between employers and trade unions;

the capacity of the sector to attract and keep workers and employees, taking into account the importance of human resources and their development;

- the strengthening of relations with all stakeholders;
- policies and practices aimed at the implementation of 'green initiatives' and other activities making a social contribution.

(5) Employers shall be tasked with:

- being socially responsible in their efforts to restructure and update production processes and management activities;
 - offering opportunities for training and further qualification targeting staff with a view to making full use of their potential for professional development and occupying particular positions;
 - creating a healthy social atmosphere and providing staff with social security and sustainable employment;
- offering decent remuneration based on an assessment of staff's performance at work using a system to manage objectives, said remuneration serving as a tool for attaining greater labour productivity and enhancing the effectiveness of company operations. Remuneration shall match the outcomes attained;
- ensuring greater motivation levels among staff using additional financial, social and ethical incentives;
 - strengthening the role and effectiveness of social dialogue and building bridges between planned changes and the interests of the company, on the one hand, and those of staff, on the other;
 - adopting actions to improve efforts to ensure environmental protection and energy efficiency, to prevent pollution, minimise waste and have it recycled;
 - assisting social initiatives, training scholarships, etc.

(6) For their part, trade unions shall keep a garden or walk on the company's premises in good condition and engage in other initiatives making a social contribution to the relevant settlement.

(7) The social partners agree to update the sectoral policy on CSR on a regular basis to promote the sustainable development of the sector, make a social contribution and protect the environment.

Article 64 The main principle guiding company CSR policies shall be taking care of workers and their families. The social partners shall agree on the introduction of measures to ensure a work - life balance with a view to deconstructing stereotypes by:

- a/ agreeing on flexible working time arrangements for pregnant women and mothers of children up to the age of 3;
- (b) not allowing pregnant women and mothers of children up to the age of 3 to engage in night-time work and overtime;

Social Activity

b/ organising additional training leading to a qualification degree after a member of staff returns from maternity leave, thus supporting her professional development and work life balance;

c/ assisting staff in finding a kindergarten or crèche for their child(ren) and providing assistance to staff suffering chronic illnesses.

Article 65 The social partners shall cooperate to build and promote a common vision for the sector and ensure a decent quality of life in accordance with the objectives of the 2030 Strategy [*of CSR Europe*] and the 2019 sectoral pillar of labour and social rights in the brewing industry: favourable working environment, reliable communication, fair assessment and remuneration, attention to worker or employee needs (security, professional development, participatory management).

SECTION SIX

Change management

Article 66(1) With a view to implementing the 2030 Strategy [*of CSR Europe*] and the 2019 sectoral pillar of labour and social rights in the brewing industry, the social partners shall coordinate and monitor the economic climate and working conditions by:

- working together to organise discussions, working meetings and [*engaging in*] other forms of information exchange and consultation;
- balancing flexibility and security as part of employment policy and managing human resources [*effectively*], laying emphasis on investing in them and promoting responsible leadership.

(2) Furthering the mission of companies by defining the purpose of changes and implementing strategies to achieve high competitiveness and economic growth, develop human resources, increase the share of innovation in companies, foster lifelong learning, etc.

(3) Strengthening the [*existing*] knowledge base and prioritising innovation by:

- promoting high-quality training (education), qualification initiatives and skill development;
- promoting the implementation of workable ideas as part of the idea-to-reality innovation cycle, laying emphasis on the added value of innovations;
- promoting positive thinking among staff and telling success stories about the implementation of changes;
- emphasising work — life balance, health and physical well-being;
- sharing positive national and sector-specific experience making the industry innovative and creating safe green jobs by using a range of approaches, including Lean philosophy.

(4) The staff selected to join the Change Management Team shall work towards establishing a corporate culture conducive to change management and shall further set targets and serve as a role model.

SECTION SEVEN

Signing CBAs concluded at company level

Article 67 Workers and employees who are not members of trade union chapters party to a CBA may sign the CBA under the following terms and conditions, unless other arrangements have been agreed with the relevant employer in the CBA:

1. Applications to sign a CBA shall be submitted to trade union chapters party to the CBA and to the employer, where the conditions referred to in subparagraph 2 of this provision have been satisfied. A party to a CBA that receives an application for signing the CBA [*by a natural person*] shall inform the opposite party within one week.
2. Persons who sign a CBA shall be issued a certificate in compliance with a dedicated model.
3. To cover the efforts and costs of the social partners drafting this sectoral CBA and CBAs at company level, the person signing a CBA shall pay an annual solidarity fee in the amount of BGN 84.00. This may be paid upfront or in monthly instalments after obtaining the person's consent in accordance with Article 272 of the KT.
4. The parties to a CBA shall organise the collection of fees. The amounts from fees shall be used after the management of trade union chapters at company level and employers (the parties to the relevant CBA) reach an agreement and solely for the purposes of said agreement, as well as to cover partnership and collective bargaining costs.
5. Signing a CBA after its conclusion shall not entitle the natural person to attend events organised by trade unions.
6. Each party may submit a written objection to a worker or employee's signing the CBA before the other party where the conditions for signing have not been satisfied. An objection shall suspend the effect of a CBA in respect of persons who have signed it following said objection being submitted.
7. Persons signing CBAs at company level shall bring any applications for failure to act on a CBA before the Court.
8. All applications referred to in subparagraph 1 shall be kept by the parties to a CBA at company level.

General provisions

Article 68 (1) The provisions of this sectoral CBA shall serve as the minimum requirements at the stage of opening the collective bargaining procedure between employers and trade union chapters at company level in the brewing industry and the related service activities.

(2) Where consensus is not reached at company level, the parties shall apply this sectoral CBA in case it provides for more favourable conditions for workers and employees until a CBA at company level is concluded.

Article 69 Worker and employee rights at a company shall not be deemed infringed, where trade union chapters opt to negotiate specific conditions for their members and persons signing a CBA after its conclusion.

Social Activity

Supplementary and final provisions

§1.1. Within 15 days of a party's written request to amend and supplement this sectoral CBA being submitted, negotiations to this end shall commence.

§1.2. Negotiations to conclude a sectoral CBA/CBA at company level shall commence not later than 3 (three) months before the expiry of the term of the effective sectoral CBA and shall end with the conclusion of a new sectoral CBA prior to the expiry of the term of the preceding one.

§2. The implementation of this sectoral CBA shall be reported at the Sectoral Social Partnership Council and control over the implementation of CBAs shall be conducted by parity committees at companies on an ongoing basis.

§3. For the duration of this sectoral CBA, trade unions shall refrain from actively engaging in strikes with respect to the conditions agreed in it, except where these have been infringed or not satisfied, or where the opposite party refuses to engage in negotiations to amend these in accordance with the procedure above.

§4. Where agreement is not reached within the framework of the Sectoral Social Partnership Committee in respect of any breaches of this sectoral CBA, the dispute shall be referred to the National Arbitration and Conciliation Institute (NIPA) to be settled not later than 7 days.

§5. Not later than 14 days after this sectoral CBA is concluded, the parties undertake to make a joint proposal to the Minister of Labour and Social Policy, requesting that its application be extended in accordance with Article 516(4) of the KT.

§6. The parties undertake to acquaint their respective units with the content of this sectoral CBA within one month of its conclusion.

§7. The parties agree that this sectoral CBA shall become effective as from date of its conclusion. This sectoral CBA shall be valid for two years.

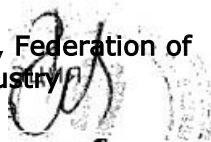
§8. This sectoral CBA was signed in 4 (four) identical copies, one for each trade union, one for employer and one for the Chief Labour Inspectorate Executive Agency.

§9. This sectoral CBA shall be entered in the register of the Chief Labour Inspectorate Executive Agency not later than seven days after it is concluded. The parties undertake to have this sectoral CBA entered in the register above.

For the Trade Unions:

For the Employers:

Valya Borisova Chairperson, Federation of
the Food and Beverage Industry



Ivana Radomirova
Executive Director,



of the Podkrepa Trade Union

Bulgarian Brewing Industry Association

Krasimir Pashtrapansky
Trade Union of Brewers and
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