


Procedure file

Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure completed
Protection of employees: insolvency of employer, transnational situations (repeal. Directive 80/987/EEC). Codification Amended by 2013/0390(COD)	
Subject 4.15.12 Workers protection and rights, labour law	
2006/0220(COD)	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	JURI Legal Affairs	ALDE WALLIS Diana	12/06/2006
Council of the European Union	Council configuration	Meeting	Date
	Competitiveness (Internal Market, Industry, Research and Space)	2891	25/09/2008
European Commission	Commission DG	Commissioner	
	Legal Service	BARROSO José Manuel	

Key events			
06/11/2006	Legislative proposal published	COM(2006)0657	Summary
14/11/2006	Committee referral announced in Parliament, 1st reading		
30/01/2007	Vote in committee, 1st reading		Summary
02/03/2007	Committee report tabled for plenary, 1st reading	A6-0042/2007	
19/06/2007	Results of vote in Parliament		
19/06/2007	Decision by Parliament, 1st reading	T6-0238/2007	Summary
25/09/2008	Act adopted by Council after Parliament's 1st reading		
22/10/2008	Final act signed		
22/10/2008	End of procedure in Parliament		
28/10/2008	Final act published in Official Journal		

Technical information	
Procedure reference	2006/0220(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Codification
Legislative instrument	Directive
	Amended by 2013/0390(COD)
Legal basis	EC Treaty (after Amsterdam) EC 137-p2
Stage reached in procedure	Procedure completed
Committee dossier	JURI/6/42338

Documentation gateway					
Legislative proposal		COM(2006)0657	06/11/2006	EC	Summary
Committee report tabled for plenary, 1st reading/single reading		A6-0042/2007	02/03/2007	EP	
Economic and Social Committee: opinion, report		CES0424/2007	14/03/2007	ESC	
Text adopted by Parliament, 1st reading/single reading		T6-0238/2007	19/06/2007	EP	Summary
Draft final act		03630/2008/LEX	22/10/2008	CSL	
Follow-up document		COM(2011)0084	28/02/2011	EC	Summary

Additional information	
National parliaments	IPEX
European Commission	EUR-Lex

Final act
Directive 2008/94 OJ L 283 28.10.2008, p. 0036 Summary

Protection of employees: insolvency of employer, transnational situations (repeal. Directive 80/987/EEC). Codification

PURPOSE: to codify legislation concerning the protection of employees in the event of the insolvency of their employer.

PROPOSED ACT: Directive of the European Parliament and of the Council.

CONTENT: the purpose of this proposal is to undertake a codification of Council Directive 80/987/EEC of 20 October 1980 on the protection of employees in the event of the insolvency of their employer. The new Directive will supersede the various acts incorporated in it; this proposal fully preserves the content of the acts being codified and hence does no more than bring them together with only such formal amendments as are required by the codification exercise itself.

Protection of employees: insolvency of employer, transnational situations (repeal. Directive 80/987/EEC). Codification

The committee adopted the report by Diana WALLIS (ALDE, UK) approving unamended - under the 1st reading of the codecision procedure - the proposed directive on the protection of employees in the event of the insolvency of their employer (codified version).

Protection of employees: insolvency of employer, transnational situations (repeal. Directive 80/987/EEC). Codification

The European Parliament adopted the resolution drafted by Diana WALLIS (ALDE, UK) and approved the proposed directive on the protection of employees in the event of the insolvency of their employer (codified version).

Protection of employees: insolvency of employer, transnational situations (repeal. Directive 80/987/EEC). Codification

PURPOSE: to codify legislation concerning the protection of employees in the event of the insolvency of their employer.

LEGISLATIVE ACT: Directive 2008/94/EC of the European Parliament and of the Council on the protection of employees in the event of the insolvency of their employer (codified version).

CONTENT: the purpose of this Directive is to undertake a codification of Council Directive 80/987/EEC of 20 October 1980 on the protection of employees in the event of the insolvency of their employer. The new Directive supersedes the various acts incorporated in it. It fully preserves the content of the acts being codified and hence does no more than bring them together with only such formal amendments as are required by the codification exercise itself.

ENTRY INTO FORCE: 17/11/2008.

Protection of employees: insolvency of employer, transnational situations (repeal. Directive 80/987/EEC). Codification

This report from the Commission to the European Parliament and the Council concerns the implementation and application of certain provisions of Directive 2008/94/EC on the protection of employees in the event of the insolvency of their employer.

To recall, Directive 2008/94/EC codifies Council Directive 80/987/EEC as last amended by Directive 2002/74/EC aims at protecting employees in the event of the insolvency of their employer in particular in order to guarantee payment of their outstanding claims. To this end Member States have to establish a body which guarantees the payment of these claims.

Article 15 of the Directive requires the Commission to submit to the European Parliament and to the Council a report on the implementation and application in the Member States of Articles 1 to 4, 9 and 10, Article 11, second paragraph, Article 12, point (c), and Articles 13 and 14.

In preparation for this report, the Commission commissioned a study by independent experts, addressed a questionnaire to the Member States and to the European social partners and invited them to comment on the findings of the study.

The main conclusions of the report are the following:

(1) Overview of the cases: at the beginning of 2010 the Commission addressed a questionnaire to the Member States in order to collect data on the number of insolvencies treated by the national guarantee institutions, as well as the number of workers concerned and the sums paid out to them. In the period 2006-2009, the national guarantee institutions intervened in more than 420 000 cases of insolvency. In the same period, 3.4 million workers benefited from payments of the guarantee institutions on account of the insolvency of their employers. Moreover, EUR 17.7 billion have been paid out by the guarantee institutions to those workers. The average number of workers per case in the period 2006-2009 was eight, while the average amount paid to each worker by the national guarantee institutions was EUR 5 187.

The Commission notes the significant increase in the number of cases between 2008 and 2009 (+19 %) and, above all, the number of workers (+ 61%) and the money spent (+ 72 %), which can be attributed to the economic crisis. The average size of the companies becoming insolvent in 2009 also increased (from 7.4 workers per case in 2008 to 10.0 workers per case in 2009, i.e. an increase of 35 %) as well as the amount of unpaid remuneration (from EUR 5 059 per worker in 2008 to EUR 5 409 per worker in 2009, i.e. an increase of 7%).

While Germany is the Member State with the highest number of cases (146 673 in the period 2006-2009), France accounts for the highest number of workers (953 887 in the period 2006-2009) and the most money paid out (EUR 6.4 billion).

(2) Role and effectiveness of the Directive: more than 30 years after the adoption of the original Directive in 1980, the Commission considers that it continues to play a key role in providing a minimum degree of protection of workers' rights in the internal market. Member States have been obliged to set up guarantee institutions that intervene in insolvency situations to cover employees' outstanding claims. The 3.4 million workers who have benefited from the safety net provided by the intervention of the guarantee institutions in the last four years, mostly in times of economic crisis, prove its usefulness. The revision carried out in 2002 clarified the legal consequences of transnational situations and adapted the provisions to take into account changes in the insolvency laws in the Member States, thus enhancing legal certainty.

The above analysis shows that, in general, the provisions subject to the reporting obligation have been correctly implemented and applied. There are still, however, some areas of concern that the Commission intends to tackle with the appropriate means, including infringement proceedings where necessary. The Commission will continue to monitor the functioning of the Directive, taking into account further developments in the fields of labour law and insolvency law so as to ensure that its aim is adequately achieved.