



Social Dialogue facing Just Transition

WP3 – Country report: Italy

January 2024

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With the financial support
of the European Union



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General overview of the current state of industrial relations and social dialogue in Italy

The industrial relations system in Italy

One of the main features of the Italian industrial relations system is the high degree of voluntarism, at least in the private sector, across all pillars of the system: representativeness, the effects of national contracts, minimum wage, the right to strike, and participation.

As of today, the same confederations born in the post-World War I era, namely CGIL (General Confederation of Italian Labor), CISL (Italian Confederation of Workers' Trade Unions), and UIL (Italian Labor Union), remain the most representative; on the employer side, there are over ten associations of businesses.

It is also important to highlight the close cooperation between trade unions and other social movements, particularly in support of migrant integration or to ensure a just transition towards a green and decarbonized economy (Rugiero, 2019). This is an additional distinctive element of the Italian system, which has seen the union invest heavily in multistakeholder social dialogue.

Compared to the 1990s, tripartite social dialogue is now weaker, consisting mainly of bilateral consultations or unilateral actions by the government. Some counter-trend signals were observed during the pandemic crisis when unions were involved in managing the socio-economic impact. The attempt to involve the union in defining the National Recovery and Resilience Plan (PNRR) was not respected by the governments, and to this day, the union requests greater inclusion in the implementation and monitoring phases of investments.

According to Eurofound's findings, intersectoral social dialogue intensified in 2021 in the context of preparing and implementing the PNRR, including the establishment of the Permanent Table on Social Partnership, despite unions expressing dissatisfaction with actual participation opportunities (Molina, 2022).

Collective bargaining is organized centrally and structured in two levels: the first national sectoral level, which prevails over territorial and company bargaining. Furthermore, the

coverage of bargaining is high and very stable, exceeding 80%, as is the ratio between the minimum and median wage, which is one of the highest among the most industrialized countries (Leonardi & Pedersini, 2023).

At the same time, there is a growing number of unrepresented jobs, such as some self-employed workers, and an increasing threat posed by so-called "pirate contracts," agreements signed by actors with unrecognized or nonexistent representativeness.

In Italy, national and sectoral collective bargaining also addresses setting minimum wages (Italy is among the EU member states without a legal minimum wage). Additionally, like in other EU countries, Italy lacks the administrative extension mechanism of bargaining, although this gap is now filled by judicial initiatives. Judges have established the practice that sectoral agreements signed by the most representative social parties must meet the requirements of Article 36 of the Constitution, which stipulates that remuneration must always be "proportionate" to the work performed and, in any case, "sufficient" to ensure a dignified existence for workers and their families.

Despite this mechanism, many workplaces still do not apply the wages and protections of collective agreements, and the so-called "working poor" are also on the rise (Leonardi & Pedersini, 2023).

Finally, the Constitution recognizes two other important pillars of the industrial relations system: worker participation and the right to strike, enshrined in Articles 46 and 40 of the Charter. The rights of information and consultation also have legal support in our country, thanks to EU demands, while there is still no worker representation in boardrooms, even in state-owned companies.

Italian trade unions are complex organizations structured both at the confederal level and horizontally/territorially, as well as at the vertical/sectoral level. The main territorial levels include local, regional, and national, while sectoral definitions have become diverse since the 1990s, leading to reorganizations and mergers. Since 1946, retired workers have been represented in a separate union federation, holding significant weight within the confederations. In fact, the three confederal unions for retirees together constitute 42% of the total union membership. Another exception within Italian unionism is represented by unions for atypical workers, a type of union born in response to labor market reforms and its ongoing precarization.

The national confederal level is the most crucial, providing political direction and organizing operational coordination between federations and territorial structures. This work is carried out through the collection and processing of contributions from industries and regions. The federations themselves enjoy a certain degree of independence, especially regarding internal organization and collective bargaining. Finally, the company-level completes the framework of the relations system, primarily based on the relationship with workers and workplaces. It is important to note that, concerning leadership and governance bodies, all major confederations and federations have adopted specific measures for gender equality and the inclusion of young people and migrants.

In addition to union representation, confederations provide a wide range of services that aim to meet people's needs throughout their lives, even beyond the workplace (referring particularly to individual protections through pension services, legal consultation for disputes, and tax assistance). This system, in fact, helps maintain levels of membership and recruit new members, with the perspective of *"embracing the increasing individualization in work and society, giving unions a semi-public role, in line with the logic of functional differentiation and social democracy"* (Leonardi & Pedersini, 2023).

Decentralized bargaining, or second-level bargaining at the company or territorial level, covers 20% of businesses and 35% of workers, mainly focusing on medium and large enterprises in the central-northern regions. Company-level bargaining is closely linked to workplace representation; the actor negotiating and signing agreements on behalf of workers and the union is the Unified Union Representation (RSU), a union structure elected by all workers, regardless of membership status.

Regarding **union membership**, the latest data from the three main confederations show a total of 11.7 million members in 2019, with approximately 6.5 million active workers and around 5 million retirees. In the same year, net union density was 32.5%, with a progressive increase in the total number of members over the last five years.

Despite the Italian industrial relations system being solid and structured, there are still some relevant issues. Leonardi, Ambra, and Ciarini (2016) note that the national bargaining system was described as "unclear and nonspecific" by the 2016 European Commission Country Report, with uncertain and limited impacts on the labor market, still lacking automatic extension erga omnes. The main aspects that emerge from the comparison with other European countries are:

- Rules regarding negotiation and contract structure are not established by specific legislation but by framework agreements valid only for signatory parties.
- Collective bargaining is more centralized compared to most countries, with sectoral coordination occurring only informally.
- The scope of company-level bargaining is limited and can only address issues delegated by the national sectoral contract, lacking the vertical coordination guaranteed by the "favorability principle," where lower levels of bargaining can only improve conditions set at a higher level.
- Private sector unions lack criteria for measuring union representativeness (while they exist in the public sector).
- The duration of collective contracts and rules establishing the conditions of their validity is relatively long.

The representativeness issue is a significant concern for the industrial relations system, not only for the union side but also for employer associations, whose fragmentation remains one of the most serious weaknesses. The result is that so-called "pirate agreements," signed by unknown or ambiguous associations, undermine the entire collective bargaining system, favoring fraudulent strategies and downward contractual dumping. According to the same authors, *"the cost gap between a national agreement signed by the most representative unions and one signed by others - in the same contractual unit - can be several thousand euros per year with lower wages (up to 20%), representing dumping in every respect."*

Given the structural characteristics and challenges of the Italian industrial relations system, it is essential to highlight:

- The value of sectoral bargaining as a fundamental and indispensable tool against ruthless competition between companies.
- The importance of articulation or vertical and horizontal coordination of collective bargaining as a fundamental condition for effective industrial relations.
- The need to identify new possible units of collective bargaining at an intermediate level between national sectors and companies, at the territorial level or along new value chains (an example being intersectoral site agreements).

The usefulness of broader and stronger decentralized collective bargaining is confirmed by the **special attention that the union dedicates to major transition processes**, digitalization, Industry 4.0, decarbonization, and reshaping the welfare state. The main political goals involve improving worker involvement in work organization to encourage a

consensual approach to innovation, protecting workers' needs regarding work-life balance, individual and collective services, and well-being at work.

Industrial relations and environmental sustainability, the trade unions' positioning

The Italian industrial relations system presents itself as a significant space for **integration and convergence between labor sustainability and environmental sustainability**, filling the void that exists both in labor law and environmental legislation. The tension between these two elements, the **environment-labor conflict**, has accompanied the history of Italian industrial relations and the country's development since the post-World War II era, oscillating between the protection of incomes, employment, and the environment on one side, and the promotion of integration paths between environmental protection and labor protection on the other. Only from the 1970s, some union disputes shifted attention to environmental protection, despite the continued prevalence of interests related to economic and employment development.

Today, we can observe more explicit forms of integration between labor and the environment through collective bargaining and social dialogue, no longer based on the economic development-environmental degradation link, but utilizing new approaches such as technology, Industry 4.0, and the circular economy. National and company-level bargaining is already working on promoting paths that integrate work and the environment, both in terms of work organization, health and safety regulations, and through *"the promotion of transitional paths that, through a mix of active and passive policies, anticipate and reduce the social effects of the ecological conversion of production and work environments"* (Cialdino, 2020).

Globally, the labor movement has proposed the **"Just Transition"** approach to "ensure that social conditions are an integral part of climate policy, planning, and implementation, well before the epochal shift marked in 2015 by the adoption of the UN Agenda 2030 and the COP 21 Climate Conference" (Rugiero, 2021). The Just Transition emphasizes the risk of creating a gap between winners and losers concerning various professions, labor markets, sectors, and territories impacted by the transition. European unions have geared up to ensure an industrial relations approach to managing these issues.

Rugiero emphasizes an important aspect regarding the emergence of the Just Transition principle: *The fact that the principle of a just transition originally arose within the trade union sphere demonstrates the labor representation's ability to address the challenges posed by the environmental issue to the economic and social model on which the union identity is based. This approach could be described as innovative learning, a "reflective" approach that,*

emerging in response to the global challenges of combating climate change, appears more relevant than ever to harness [...]. (Rugiero, 2021, p. 66)

Consistently with the principles of the Just Transition, **environmental issues have gained importance in the Italian industrial relations system, both in regulatory and bargaining terms**. Collective bargaining has proposed a wide range of conflictual and non-conflictual tools on topics related to environmental protection and territorial enhancement, especially in certain productive sectors, with an awareness of the need to define joint objectives and strategies and implement coordinated actions.

One of the main innovations from a contractual perspective is the assignment of specific consultative, informative, and **training prerogatives to representatives of workers for health, safety, and the environment (RLSA)** in matters related to environmental policies and investments, sustainable transformation of workplaces, products, and production processes, relationships with the territory, citizenship, and local authorities. The RLSA coordinates their actions with other institutions in the industrial relations system, such as RSUs and sectoral bilateral committees.

Looking at collective bargaining, it is crucial to highlight measures aimed at anticipating and managing the social and employment effects of the energy transition, included in the renewal of the Electricity and Energy and Oil contract (Alessandrini, Bormioli, & Rugiero, 2023). Furthermore, concerning second-level bargaining in the energy sector, there is a broad maneuvering space, beyond the expressed mandates of the National Collective Labor Agreement (CCNL), allowing parties to more easily address the challenges of ecological and digital transition significantly impacting the sector (ADAPT, 2022).

In general, there is a particular vitality in terms of tools, agreements, and practices adopted by the union and its sectoral federations, to the extent that the Social Green Deal project partnership committed to establishing and nourishing an Observatory for collecting best practices in collective bargaining within the framework of Just Transition agreements.

At the confederal level, CGIL, CISL, and UIL drafted a "**Programmatic Document for a New Industrial Relations System**" (2016), emphasizing that participation in governance should be seen as *"a strategic area for economically and socially responsible choices and related investments, to be directed towards sustainable development through the necessary ecological conversion of products and production systems, inclusion, and employment of new generations also in close relation to institutional training."*

Another document demonstrating union awareness of the urgency to effectively act against the effects of climate change, also from a social and economic perspective, is the collection of guidelines for industrial relations policy "**For a Sustainable Development Model**," dated September 26, 2019.

As part of union initiatives for decarbonization, it is worth noting CGIL's proposal to legislate the establishment of a "**National Agency for Industrial Development**," tasked with defining the strategic lines of a new industrial policy and coordinating investments for the reconfiguration of the industrial system in Italy. The proposal also envisions the Agency heading a "Special Fund for Industrial Transition" to finance interventions related to the transition in active and passive labor policies, unifying and integrating negotiated planning measures, such as program and area contracts and development pacts at the territorial and regional levels (Rugiero, 2022).

The union also acts through **territorial social bargaining** by signing agreements between union confederations and local authorities, enhancing interests connected to the local dimension of sustainable development, especially in areas characterized by particular fragility in the productive and social fabric.

As evidence of the practicality of proposals arising from social dialogue, it is worth highlighting that the programming objectives of the joint **notice on energy efficiency** by Confindustria, Cgil, Cisl, and Uil in 2011 are now an integral part of national collective labor agreements (extension of competencies assigned to RLSA, training policies, information, and awareness-raising of workers on ecological issues).

In addition to sectoral bargaining, some **supplementary agreements** include provisions regarding training on environmental issues for union representatives and workers. Programs are aimed at raising awareness of sustainable production, emission reduction, waste reduction, and awareness-raising incentives. These agreements may also include performance-related bonuses tied to savings and energy efficiency goals, plans for sustainable commuting between home and work, and social and environmental clauses that commit the company to have a supply chain, commercial transactions, and contracts that comply with labor and environmental regulations (with audit mechanisms).

Analysis of the case study researches

The case studies identified to delve into the system of industrial relations and social dialogue in the field of ecological transition are the cases of Renexia, a project for the construction of an offshore wind farm off the coast of Sicily, and Sibeg S.p.a, a beverage industry company aiming to achieve carbon neutrality by 2035.

These two case studies are distinct but emblematic of the pervasiveness of ecological transition processes on the island. What unites the two analyzed cases is the significant involvement of the trade union, both in terms of broad social dialogue and the engagement of workers and their representatives in discussions on strategic plans for environmental and social sustainability.

As we will see, the trade union has been and continues to be a crucial interlocutor for companies investing in the sustainability of production processes, as well as for the revitalization of the renewable energy sector and its supply chain. Additionally, the trade union has played a vital role in recognizing and bringing forth the concerns of the local territory, more vulnerable groups, and workers affected by these processes. What still appears lacking is the involvement of the public sector and local authorities, both in terms of investment planning and the protection of the interests of local communities.

This absence, mainly manifested in a weak regional industrial policy and the lack of infrastructure commensurate with the ambitious goals to be achieved (in terms of network and transportation), risks slowing down private investments and leading to sporadic and uncoordinated interventions in the region. This situation leaves Sicily in a secondary position compared to the potential role it could play as a Euro-Mediterranean energy hub across the entire Mediterranean basin.

Renexia, an opportunity for the development of offshore wind industry

General framework, Sicily at the centre of the Mediterranean

To better understand the centrality of the case study in the Sicilian context, it is important to provide some background elements on the energy transition in Sicily. In the first part of the work, we primarily described the risks that the ecological transition can bring at the socio-economic level, while in this case, we will focus mainly (but not exclusively) on the opportunities of the transition.

From an energy perspective, Sicily's strategic framework and its geographical positioning can represent a significant advantage for achieving greater energy security at the national level, both concerning traditional energy sources like oil and gas and renewables.

In Sicily, 11.9% of the national total crude oil and 8.7% of natural gas (second only to Basilicata) are produced. Exploiting its central position in the Mediterranean basin, 36.1% of the country's gas imports enter Sicily through two pipelines from North Africa, Trans-Mediterranean and Greenstream, with a total capacity of about 41 billion cubic meters (The European House Ambrosetti, 2022).

Regarding renewables, Sicily hosts 17.9% of the nationally installed wind power capacity (912 plants with a total capacity of 2,122.68 MW) and 7% of the photovoltaic capacity.

The region is also a key player in the development of other energy infrastructures aiming to ensure energy security and strengthen the development of non-programmable renewables. In particular, the "Tun-Ita," a submarine DC power link with a capacity of 600 MW between Tunisia and Sicily, and the "Tyrrhenian Link," connecting Sicily with Sardinia and the Italian peninsula through a double submarine cable about 970 kilometers long and 1000 MW in capacity.

Considering the significant potential in the region, Sicily can aspire to become a major production hub for renewable technologies, not just an energy hub, within the framework of the national ecological transition strategy and the development of industrial policies in line with territorial cohesion objectives.

The Med Wind project and its main impacts (real and potential)

The Med Wind project is based on the use of offshore floating technology and involves the construction of a floating wind farm off the coast of Mazara Del Vallo, consisting of 190 turbines (2.85 GW of installed capacity and an estimated annual production of 9 TWh). The floating technology allows the turbines to be built far from the coast in the deep waters of the Sicily Channel, reducing the risk of environmental-landscape impact and potentially enabling significant economies of scale.

The socioeconomic impacts of the project, in addition to the environmental ones, have been preliminarily analyzed to mitigate their extent and propose compensation mechanisms. According to the study by Deloitte and LUISS, the effects on the Sicilian territory include an investment of 3.4 billion euros and annual operating costs of 91 million for the 25 years of wind farm operation. The impacts on employment involve the use of 6,600 full-time jobs over the 6 years of park construction (starting from 2024) and about 680 full-time positions over the 25 years of operation. Overall, the investment would lead to an increase in industrial production of 7.9 billion euros, employment by 47,000 full-time equivalent positions (50% direct workers, 30% indirect, and 20% in the supply chain), and added value of 2.6 billion euros.

The impact estimate mainly focused on four sectors representing the main strategic assets for Sicilian territory and the western coast: fishing, tourism, the energy sector, and the environmental heritage (especially the maritime one). Of the four sectors considered, only fishing recorded a negative impact due to the interference of wind turbine installation in the fishing areas. The impact estimate on the value of the catch predicts a decrease between 1.4 and 4.4 million euros compared to the current market. For tourism, there is no significant impact as the wind farm will be located in a portion of the sea far from the coasts and smaller islands and will not affect passenger traffic. From the energy sector perspective, savings in energy costs for Sicilian consumers are estimated: a saving of 94 million euros in 2030 and 231 million in the cumulative period 2025-30. The study also proceeds to estimate the savings in environmental costs: estimating the reduction of emissions equivalent to the realization of the Park, the project would allow a saving of 528 million euros at a national level in the period 2025-30.

Considering the impacts on supply chains, it must be taken into account that in Italy there is no dedicated supply chain for offshore wind installations, which, from a technological point of view, are different from fixed installations. Combining this element with the size of the park,

there is the possibility of aggregating a national supply chain that operates in this market niche starting from Sicilian territory.

The start of the supply chain could therefore lead, thanks to the proximity to other industrial sectors, to the conversion of the supply chain towards the production of this type of technology and its components, facilitating the opening of a new market for local companies, with indirect effects on the electric and logistics sectors.

A strong impact on the industrial supply chain also brings considerations about the need to act on worker training on two fronts: 1. strengthen existing skills through skills upgrading and reinforcement interventions, 2. train new professionals who already have green and digital skills (especially young people). From this perspective, universities play a very important role in providing specific skills on new technologies and renewable technologies to young people undertaking certain training paths.

The issue of skills and training is crucial for the development of the territory, as it represents an opportunity to leverage and enhance specific existing skills but also create new skills that would ensure a productive specialization of the supply chain and look at energy assets as strategic for sustainable development.

The role of social dialogue

A central element in the development of the Med Wind project has been the extensive involvement of local stakeholders, with the perspective of adopting, from the design phase, an approach to extended and multistakeholder social dialogue for continuous engagement with interested parties and making necessary modifications to the project design. Renexia's objective is to engage stakeholders at all stages, from design to operation. Since the project's initiation and presentation, environmental associations, local communities, local economic and entrepreneurial activities, direct and indirect suppliers, and government entities at local, regional, and national levels have been involved in consultation sessions. The intensive dialogue with the diversity of stakeholders has allowed the company to consider various concerns and propose, in some cases, tools to mitigate and improve the project's impact.

This aspect holds particular importance in the context of the case study, as the company's approach to the local territory and stakeholders is considered a best practice by other companies, some associations, and the union. It is well-known that the development of certain renewable projects (especially wind and solar) is often characterized by obstacles

posed by local communities seeking to defend the territory and the existing social and economic status quo from the entry of a previously unknown entity. The adopted approach of proactive and continuous dialogue in this case has instead enabled the establishment of relationships of mutual trust and the development of a vision for territorial development, if not directly participated in, at least accepted and shared by the communities.

From the perspective of dialogue with social partners, this path of mutual understanding and sharing culminated in the "Framework Agreement: shared guidelines for the ethical entrepreneurship 'Med Wind' project " in 2022, signed between the company and the main regional trade union organizations (Cgil, Cisl, Uil, and Ugl).

Med Wind framework agreement: a good practice for social dialogue

The document shared by the company and the social partners holds strategic importance as it outlines guidelines for the project's development while respecting the interests of workers and local economies.

The project places particular emphasis on safeguarding the fishing sector, which, as previously discussed, will experience negative impacts as the construction of the offshore wind park affects the fishing grounds of fleets from four municipalities (Trapani, Marsala, Mazara del Vallo, and San Vito lo Capo). The project aims not only to ensure the coexistence of the two economies but also to preserve the traditions and professions within the fishing sector. Therefore, the Agreement aims to *"establish a procedure aimed at defining the numerical consistency of the fleet operating in the area where the offshore wind park will be installed, as well as the number of affected workers, the business volume of companies, and any impact on fishermen's income."* This will lead to a specific Framework Agreement for the sector and the establishment of a regional Technical Table to discuss the impacts.

Additionally, the company aims to transform the offshore park area into a restocking area for fish and later create a marine protected area. This planning, serving as a compensation tool, could benefit the fishing economy by ensuring the restocking of fishing grounds.

Engaging with representatives from the fishing sector represents one of the project's most significant challenges. In this context, the union, particularly the Cgil, has intervened to protect the interests of workers impacted by the change in the local economy, advocating the need to plan additional tools for supporting and reactivating the fishing industry. Studies

conducted by the union and embraced by the company have estimated an impact on the activities of the fleets of around 6 million euros per year, totaling 180 million euros over 30 years of park operation. The company's proposal then was to create a public foundation, managed by local public administrations, with the allocation of the total estimated impact amount. The Foundation's goal should be to support the maritime economy through various broader sustainability projects, such as the upgrading of naval activities (with more efficient and fuel-efficient engines or electric engines), electrification of port infrastructures, support for sea plastic collection projects (with recognition of income for deposited plastic), and involving fishermen in park management. This way, the park can bring indirect benefits to the community that is most significantly impacted in the long run.

Furthermore, the agreement defines some priority elements for union negotiations:

1. Continuous adoption of legality, transparency, respect for National Collective Labor Agreements (CCNL), and participation as indispensable tools for territorial development.
2. Initiation of a quarterly consultation procedure to define good management practices for a balanced implementation of the entrepreneurial project (e.g., protocol for monitoring contracts for legality, coordination of joint monitoring).
3. Assurance of high levels of work safety (presence of trained RLS), application of correct social clauses, and negotiation at the second or territorial level, commitment to supply chain negotiation on safety and productivity, promotion of gender equality and youth employment, also concerning the training of new skills, and respect for part-time arrangements to ensure a proper work-life balance.
4. Creation of discussion tables and suitable information flows to monitor perspectives on employment trends, types of accidents, activity development, and changes in contracts.

Identified Strengths and critical issues

As we have seen, good practices in social dialogue have been crucial for the development of the project. The company is aware of the constructive role that dialogue with the local community, associations, and social partners plays and recognizes this aspect as the key to overcoming difficulties related to the acceptance of renewable energy infrastructure by the local community. Continuous engagement has ensured that the project represents an

opportunity for the region, not just a challenge. Following this approach, it is possible to scale projects for larger dimensions to leverage the benefits of economies of scale.

Moreover, the availability of larger projects is not only positively correlated with increased local employment but would also allow structuring a technology production supply chain across the entire national territory. In this sense, Sicily has the opportunity not only to be an energy hub (thanks to numerous assets mentioned earlier) but to play a central role in the national and European industrial landscape related to renewable energy technologies. This is a fundamental opportunity for the energy sector (leveraging local production supply chains) and for the entire industrial and manufacturing sector.

Let's not forget that among the issues identified in the report on the challenges of the energy transition in Sicily (see the WP2 report), considering it a fragile territory, there was one related to the future of highly specialized workers employed in the supply chains of the fossil fuel sector. In particular, indirect and downstream workers are those who may be more difficult to relocate, despite bringing highly specialized professional skills and technical expertise to the labor market.

Another potential effect to consider is the stimulus that the development of large-scale renewable projects can provide to the ecological transition of existing production systems. It is possible that connected industrial sectors are encouraged to innovate their productions to respond to increased demand for more sustainable products and services, making the transition economically more sustainable. For a company, it will be easier to undertake a transformation of its production processes if stimulated by the possibility of entering a new supply chain.

Regarding social dialogue, while it ensured the creation of a process of direct participation of the community, what is still missing and could represent a great opportunity is institutional protagonism by public bodies and administrations. In other words, despite this case being considered a model for dialogue practices, the project essentially features the protagonism of the company, which strategically decided to act on the territory adopting a "precautionary" approach. It is clear, therefore, that the adoption of this type of intervention largely depends on the strategic vision of the company and not on a consolidated and established institutional practice. This lack risks penalizing both the sphere of influence of institutions and communities, which can only respond and decide whether to participate in the dialogue, and the companies that, when deciding to invest in the territory, must commit their resources to building a network and spaces for discussion. Not all companies may be willing to commit

their resources to this type of approach unless stimulated and guided by territorial governance rules and tools.

Regarding the critical issues affecting the analyzed case, one of the main challenges concerns the authorization issue: while environmental impact authorizations are expedited, access to the single authorization resulting from a confrontation with the territorial branches of the administrations remains problematic. In this case, the participation of local administrations in dialogue and confrontation tables could represent a favorable element for bureaucratic simplification.

Clearly, regarding the authorization issue, the criticality does not only concern local administrations but the authorization system at the national level as well. In the case of the Med Wind farm, for example, the authorization competence for the installation of wind turbines lies with the State, while the adaptation of network infrastructures, a fundamental element for the development of plants, is the prerogative of the Sicilian Region. Obviously, the authorization problem, which decisively impacts renewable energy development, falls within a broader discourse concerning the merging of environmental and energy competencies between the State and the Regions. In general, the complexity of authorization procedures and the lack of uniformity among Italian regions have led to a certain uncertainty and delays in the implementation of renewable energy production plants.

Sibeg S.r.l., committing towards carbon neutrality

Sibeg S.r.l. is one of the largest companies in the agri-food industry in the Sicilian territory, focusing mainly on bottling Coca Cola and other beverages. Production follows seasonal rhythms, with a significant increase in employment during the summer when the demand for carbonated and chilled drinks rises. On average, the company has around 380 employees.

Sibeg has an extensive supply chain in the region due to its supply relationships with companies involved in the maintenance of electrical systems and mechanical parts, as well as the construction and installation of steel pipelines.

Since the post-pandemic period, the company has experienced significant growth both in terms of employment and the implementation of production lines to respond adequately to a

growing market after a period of stagnation. One of the pillars of Sibeg's development is the dialogue with workers and the union, both at the company level through union representatives and at the territorial level with industry federations.

It is noteworthy that, when the company decided to expand and increase its workforce, it acted in agreement with the union. The union was involved in monitoring this process, and initiatives were taken to stabilize employment contracts, evolving part-time fixed-term contracts into indefinite ones.

Of particular interest for the Social Green Deal project is Sibeg's strategic goal to achieve carbon neutrality, becoming the first company in Italy to transition to "zero emissions" in the food and beverage sector. In 2021, the company developed an initial decarbonization strategic plan, indicating possible actions to address both direct and indirect emissions. The subsequent updates to these projections reflect the importance of the planned investments and various strategic priorities that will require significant efforts from the company in terms of technological, production, and employment resources, focusing on developing dedicated skills.

Actions and investments for carbon neutrality mainly include:

- Installation of a 2.3 MW photovoltaic system since 2015, covering the entire energy needs of the company. Another 2 MW photovoltaic system is planned for the automated logistics warehouse platform to achieve complete self-consumption, aided by the installation of a battery storage system.
- Implementation of a trigeneration plant since 2018, producing electricity, heat, and refrigeration, allowing self-production of the required energy. The future goal is to modify the existing plant to run on green hydrogen or biomethane to further reduce carbon dioxide emissions.
- Fleet renewal with electric cars since 2015, along with the installation of charging stations for targeted stops by the entire commercial department in the region. The project for electrifying the company's fleet was conducted in collaboration with Enel.
- Reduction of indirect emissions through the use of a circular economy system employing R-PET in all produced bottles, using completely recycled plastic materials by 2024.

When proposing these strategic lines, the company has been transparent with both workers and union representatives, involving them in informational meetings about the strategies.

Informing workers about future changes and innovations in the process is motivated by the need to promote a **cultural shift toward sustainability**. This **informative approach** has materialized through training courses on recycling materials and reducing energy and resource consumption at the workplace. The union and workers have perceived themselves as active agents in the change processes from the beginning, gaining awareness of how such innovations can optimize work quality. This improvement has been seen as enhancing the workplace environment and reducing the risk of exposure to pollutants harmful to human health. Additionally, the company recognizes the economic contribution to workers committed to reducing environmental impact through virtuous behaviors. In this sense, the union has sought to translate the company's strategic positioning into concrete benefits for female workers.

For those working in the operational area, target-related bonuses are linked to productivity, quality, safety, and the environment, objectively verified through quality and safety checks by observing how workers operate at their workstations. The bonus composition for the validity years of the second-level contract is as follows:

- 70% for achieving productivity goals
- 10% for achieving workplace safety goals
- 10% for achieving environmental goals
- 10% for achieving quality goals

Environmental goals are calculated using two parameters: the first relates to the number of liters of water used per liter of bottled product (5% of the bonus), while the second indicates electricity consumption per liter of bottled product (5% of the bonus). Reference goals for both parameters were agreed upon by the parties based on the best result of the previous four years before the bonus calculation. The agreement also establishes that in cases where technological innovations are introduced to increase production capacity, the parties will meet to verify a possible redefinition of the bonus.

Regarding negotiations, at the national level, discussions are ongoing for the renewal of the first-level collective contract, focusing on salary increases and reduced working hours. The second-level supplementary contract has expired, and the company and union are working on renewal through negotiations. Central themes of the discussion include increasing meal voucher amounts, raising shift presence fees, and overall issues related to internal work organization, as raised by the workers themselves. Second-level bargaining will be particularly important for restoring the purchasing power lost by workers in recent years, complementing national bargaining.

In general, the union is very satisfied with the level of dialogue with the company, and the recommendations it proposes include the desire to maintain and improve these dialogue paths. Additionally, the union recommends facilitating, in terms of proximity, the development of plant engineering supply chains to achieve carbon neutrality goals. This could lead to increased entrepreneurship in green technologies, fostering the development of specialized production in the region and stimulating the job market with quality positions.

In addition, another recommendation of the union, which generally concerns not only the agribusiness supply chain, is to facilitate, also in terms of proximity, the development of plant supply chains to achieve carbon neutrality goals. This could lead to an increase in entrepreneurship related to green technologies and thus the development of production specialization in the area, stimulating the market with quality jobs.

Analysis of the focus group research

On December 21, 2023, CGIL Sicilia, as part of the activities outlined in the project, organized a focus group in Catania titled "Ecological Transition: An Inescapable Challenge for Sicily."

Representatives from regional trade union organizations and sector federations (Cgil Sicilia and FILCTEM Sicilia), representatives from companies involved in case studies (Renexia and Sibeg S.r.l.), and experts from the fields of education and research (Fondazione Di Vittorio and Associazione Civita) participated in the discussion.

The focus group topics included the description of some experiences of social dialogue in the region, the role of energy transition in transforming the entire Sicilian industrial sector, the risks and opportunities associated with it, the tools adopted in territorial and company social bargaining, the participation and involvement of workers in corporate strategic decisions regarding environmental sustainability, and the role of education in labor market and skills transformation.

One of the first points highlighted by union representatives is the growing importance of social dialogue in energy transition processes. This dialogue is seen not only as a good practice for information but also as a strategy to expedite and enhance transformation processes. Positive effects have been noted both at the territorial and company levels, attributed to the ongoing efforts by the union to renew its bargaining tools.

The union has already incorporated, at both the political and organizational levels, the issues of just transition into its relations with companies and institutions, and this updating is also perceptible in the Sicilian union context. In fact, as we have already seen also at the national level, the union has incorporated in advance of the other parties the criteria for a just transition, which guarantees benefits to workers and local communities from the environmental, economic and social points of view. In Sicily, too, precisely, there is a political maturity in the union on the necessity and inescapability of the ecological transition, which has led to the production of numerous strategic documents and initiatives on the ground.

Despite this, the initiative in the field of transition seems to primarily lie with the companies. The union and workers play a significant but reflective role. They are called to participate in consultation meetings, usually initiated by companies deciding, for various reasons, to embark on a path of change or adopt a different economic strategy.

In the relationship with the company, the union, unable to intervene in strategic corporate decisions, may try to translate the company's strategic positioning into advantages for workers. This is exemplified in the case of Sibeg S.p.a, where, as mentioned earlier, the supplementary employment contract includes a productivity bonus linked to the achievement of environmental goals (energy and water savings). This is a crucial element in supplementary bargaining and has been suggested by the national CGIL in its "Integrated Platform for Sustainable Development" (2016), a central document outlining the key characteristics that multi-level bargaining should have for greater effectiveness in various dimensions of sustainability.

The relationship with local authorities and administrations remains problematic. It is evident that the just transition is a common ground for dialogue between the union and the company, but there is a lack of clear intervention by government entities, both from a regulatory and governance perspective.

This absence is particularly felt in certain territories, especially those that have been dedicated to fossil fuel-based industrial production for decades, with the presence of major state players in oil and chemicals. These areas now face the challenge of decarbonizing their production against a fragmented economic backdrop, mainly composed of multinational companies, often of non-European origin or funded by large investment funds.

The lack of an industrial policy and a strategy for the development and modernization of industrial infrastructure in Sicily, considering both economic and landscape aspects (such as

the prominent petrochemicals along the coasts), forces the union to compensate for the void created in dialogue processes. This significantly impacts its bargaining power.

This issue is central to the broader Southern Italian question. With the dismantling of the fossil economy, which received substantial post-war investments to pave the way for capitalist development, the State is not addressing the problem, leaving a gap that neither companies nor social partners can fill. This void generates insecurity, particularly affecting labor, welfare, demographics, and territorial abandonment.

The union also raises a concern about the geography of energy transition, specifically the transformations it will bring about. The change in the industrial model will result in an overall transformation of labor geography, away from a few large production centers, with the supply chain becoming more fragmented and distributed across the territory. This aspect should be strongly considered by public policies of local authorities to facilitate and encourage worker mobility within the region.

The issue of territorial abandonment is a significant risk for the union, which draws an interesting connection between industrial vitality and the survival of communities. Industries not only guarantee the existence of a labor market but also the economic sustainability of local administrations and the welfare services they provide. These services depend on the funds that companies transfer to municipalities in exchange for resource exploitation (e.g., natural gas extraction).

As mentioned earlier, the institutional vacuum is largely filled by corporate initiatives. In Sicily, private investments in multiple sectors, particularly renewables and hydrogen, are bringing innovation to the region's industrial sectors. For example, in the development of the offshore wind industry, the region could serve as an attraction center for the entire Mediterranean basin. Only those countries that can establish specialized supply chains are expected to fully exploit this market niche, considered non-residual by industry experts. In the case of Renexia, for instance, the components of Med Wind were entrusted to significant international players. However, the company's goal is to create new growth opportunities locally for Sicilian and Italian companies, promoting the development of the economic fabric (known as "local-content requirement"). To achieve this, the company has initiated contacts with local businesses to establish a supply chain. In this way, the park can act as a catalyst for the transition of connected businesses.

The change in the supply chain also necessitates intervention in worker training. Although workers are highly specialized, and some of their skills can be utilized, there is a need for

both updating the skills of workers already in the labor market and training young individuals entering the sector. Universities, technical institutes, and the public training system play a crucial role in preparing students not only in technical and operational skills but also in acquiring competencies that facilitate learning processes and continuous learning.

For workers already in the labor market needing to update their skills, the regional continuous training system is of great importance. The expert who participated in the working group emphasized the significance of training offered by interprofessional funds, entities whose resources are jointly owned by workers and companies. In recent years, some of these funds have started offering specific training on competitiveness, innovation, and ecological transition. This is vital as such proposals can act as a driving force for businesses and workers to update their internal training plans and, consequently, operational strategies on these issues.

In Sicily, numerous and noteworthy training projects have been presented on the themes of the circular economy and the transformation of food waste into new energy resources, demonstrating the great potential (also linked to the agro-industrial sector) and the commitment that Sicilian companies are putting into circular economy systems.

Regarding public funds allocated at the regional level for training, the expert, in agreement with the union, insists that the region must strategically allocate resources to guide the training of skills and professions toward sectors crucial for the development of the local economy and its strategic assets (energy, tourism, and agri-food). Training should arise from the needs and peculiarities of the territory, providing specialized competencies that consider both the traditional nature of productions and technological innovations.

Other critical issues have emerged regarding the role of local administrations:

- Delays in adapting energy infrastructures (networks and storage) despite Terna's investments, the electrical and gas pipeline connections with Africa and the European continent.
- Inadequacy of port infrastructures: ports are essential for aggregating larger industrial supply chains, requiring additional investments for the adaptation of such infrastructures.
- Delays in the management of authorization processes (particularly the single authorization required for wind power, under the responsibility of the Regions).

- Weak coordination between public investment programs (special economic zones and areas of complex crisis) and private investments.

Regarding negotiations:

- Lack of negotiation in the supply chain among companies committed to creating supply contracts or service contracts on the territory.
- Inability to engage in dialogue and intervene in the strategic plans of state players in the energy sector (owners of refineries and power plants) to ensure the permanence of these companies in the territory.
- Weakening and downsizing of the bargaining relationship in dialogue with investment funds owning certain energy assets.
- Worker training must be guaranteed and monitored even in service contracts, especially in facilities using new technologies that expose workers to entirely new risks.

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