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The 29th Regime - an alternative approach to EU integration allowing less law-making

- EU integration and legal harmonisation - Overview of the options
- The decision making-processes after the reform treaty - Recommendation, directive, regulation
- Law making at the EU level – The example of Employee Financial Participation

5/6/9 ECTS / MES modules: ZB Wirtschaft, ZB Politik, ZB Recht, WPM 1, WPM 6 // IBA modules: S-Modul, E-Modul; Faculty of Law: Master of German and Polish Law (Module 3); SPB 5 (European Law) (without ECTS)

Dates / Termine: **Introduction Tue. 15.4. 2014, 11-13h, Room GD 202;** / Tuesdays 11:00 am - 1:00 pm / Venue: GD 202

In the European Reform Treaty of Lisbon, entered into force on 1 December 2009, the EU reformed its decision-making processes in particular by giving more co-decision rights to the European Parliament. Summarizing the alterations introduced by the Reform Treaty the seminar specifically addresses policy instruments and the associated decision-making processes. Using the example of employee financial participation (EFP) a new instrument for European integration, the so-called 29th Regime is introduced.

Law making at the EU level – Financial Participation, a Challenge for Legal Policy

In the context of an EU pilot project currently implemented by the Kelso-Chair the EU Commission, in particular Commissioner Michel Barnier, has committed to improving the legal framework for EFP. Best practice cases show that a stable legal framework supporting EFP ensure sustainable employee share ownership (ESO) while less successful cases clearly show that discontinuation of political support leads to a rapid decline. The “Building Block Approach” to employee financial participation presented in this context takes into consideration existing national participation models and best practice with regards to both the type of participation scheme and the incentives that may be granted based on the principle of voluntariness.

Focus: the 29th regime as an alternative tool for EU legal integration

Given the difficulties in finding a solution that balances both European and national needs, the most feasible way seems to be the so-called 29th regime. Such an optional European EFP regime would be conceived as a "2nd Regime" in each Member State, thus providing parties with an option between two regimes for EFP schemes, one originating in national legislation and one – i.e., the 29th regime – in European legislation.

The 29th regime would be defined at EU level and enacted by EU instruments, i.e., a EU regulation. At the same time, containing provisions of mandatory law it would ensure a high level of protection for employees, similar to those granted by the EU or national mandatory rules. Last but not least, a crucial point is to limit the option of the parties to a choice of the entire instrument thus avoiding the possibility of "cherry-picking" or a “race to the bottom” with regards to quality standards.

Registration until 10 April 2014 at kelso-professorship@europa-uni.de.

Participation requirements and performance test: Proficiency in English; regular attendance; presentation (5-7 min.) of the term paper concept by mid-May; first draft of the term paper by mid June; submission of the final term paper by the end of the semester.

Literature: Own-Initiative Opinion INT/499 CESE 758/2010 The 28th regime – less law-making. Lowitzsch, J., Neuausrichtung der Sozialpolitik im Europäischen Reformvertrag Umsetzungsprobleme am Beispiel der Mitarbeiterbeteiligung, ZESAR 5-6/2010.

Lowitzsch, J. et al., Financial Participation for a New Social Europe [DE / EN / FR / IT / PL / RU], Berlin/Rome 2008/09, 144 p.

Lowitzsch, J. / Hashi, I. et al., Employee Financial Participation (EFP) in Companies' Proceeds, Study for the European Parliament, Sept 2012.

<http://www.intercentar.de/de/forschung/schwerpunkt-mitarbeiterbeteiligung/>