

ITALY¹

Description of the context

The reform of the sugar sector has caused a deep restructuring process in quantitative terms (divestment of 67% of production's quota and closing of 15 factories on 19 operating in 2005) and a massive jobs' loss is evident: the sector employed 6,500 direct workers in 2005 (2,250 stable workers and 4,300 seasonal), but at present only 1,550 workers are employed (750 stable and 800 seasonal) with a 77% jobs' loss in 3 years.

One of the most positive and concrete effect of the ongoing restructuring process is the increased efficiency of sugar refining and beet farming, with the average production for hectare increased from 7,8 t to 9,3 t in Northern Italy in only 3 years.

Social dialogue and agreements

Social dialogue in the sugar sector is characterised by a positive and well-grounded relationship among social partners. The bargaining activities on employers' side have always been led and coordinated by Unionzucchero (the national association representing sugar companies); the counterparty on employees' side is trade-union Federations in food and drink sector, namely FLAI-Cgil, FAI-Cisl and UILA-Uil.

Innumerable agreements have been regularly signed with trade unions, involving a strict collaboration with public authorities, namely Ministries, Regions, Provinces and Municipalities. The first national collective agreement reached in 2006 and updated in 2007 is the most important, defining common guidelines and incentives to lead the reconversions; this agreement also emphasizes opportunities for new activities in the *agro-energy and green activities*. Other fundamental agreements have been signed in 2007 between Regions, local authorities, trade unions, sugar companies, employers' associations and agricultural associations.

Ongoing reconversion's processes

As far as a national law (l.n.81/2006) obliged Industry to present new activity projects wherever a sugar factory would be closed, sugar companies developed 15 different projects to start such new activities.

Employability

In Sugar Sector inside productive factories

Underlining the absence of a specific own definition of employability in the Italian sugar sector, Unionzucchero stresses the importance of employee's skills recognition, certification and improvement and puts the focus on the individual capabilities, cultural, social and environmental aspects (like the social capital and the individual attitude to flexibility and adaptability).

Different attempts in Italy have been dedicated to enhance personal attitudes (appreciating the individual experiences and skills) and promote teamwork, collaboration and flexibility at the same time. The final objective of this strategy was to develop a "*polifunctional and multipurpose role of each employee*", a crucial question considering the activities in a sugar factory.

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A polifunctional role means not only the sum of different jobs, but a flexible mind approach in order to adapt to an evolving situation and a personal capability to manage anomalies.

In Sugar Sector inside restructuring process

Even if this system should be considered as not efficient from a “workfare” perspective, it seems to be appropriate in this context, considering the average high seniority of employees and the suitability of the agreements for the economic assistance reached at the national level, which effectively limited and amortized the negative consequences of the reform.

Conclusions – the Italian distinctiveness

- combination of national and local approaches is fundamental in the Italian context. Also the collaboration of social partners and public authorities is a prerequisite for the positive outcomes of the reconversion’s projects.
- agreements are partially effective without a good local implementation, actively involving the company and all the partners. At the same time, single local projects can’t be set up without a recognised and shared pattern established at the national level, leading the action of social partners in a collaborative and institutionally defined scheme.
- considering the characteristics of the Italian context and the fast divestment from the sector, this approach is a suitable solution:
 - 15 sugar factories have been closed at the same time and for the same reason, involving a limited number of industries (only three) but many different regions.
 - the territories involved are characterised by completely different backgrounds: employment rates, economic and industrial potentials, and the degree of collaboration of local authorities significantly change from area to area.
 - as a consequence, it has been necessary to previously define a common national path, flexible enough to be implemented in each different local context. The objective is to realise new activities capable to preserve the employment level: a great part of this strategy is at present in the hands of the local authorities who manage the administrative procedures, which can considerably quicken or slow down the process.
- The consequences of the jobs’ loss in the sugar sector have been widely amortized with a composite system of monetary transfer and incentives. In the next future, with the implementation of all the reconversions projects, new skills and abilities will be necessary, especially in the agro-energy sector. A growing number of jobs will be available in this field, with the most opportunities for engineers, technicians and industrial workers.

Annexe 1 – Reconversion's projects in Italy

Factory	Reconversion's agreement date	New activity	Info / details
Celano (AQ) Abruzzo	19 Sep 2007	○ Biomass power plant	30 MWe cellulose biomass
		○ Vegetable processing	Potatoes and carrots processing
Russi (RA) Emilia Romagna	8 Nov 2007	○ Biomass power plant	30 MWe cellulose biomass
		○ Biogas power plant	1 MWe Biogas
		○ Packaging activities	
Fermo (AP) Marche	27 Jul 2007	○ Power plant	22 MWe Vegetable oils
		○ Biogas power plant	2,1 MWe Biogas
		○ Silicon production	
Castiglion fiorentino (AR) Tuscany	10 Dec 2007	○ Power plant	➤ 11 MWe Vegetable oils ➤ 7 MWe Biomass ➤ 17MWt district heating
		○ Realization of a technologic-energetic district	
Villasor (CA) Sardinia	15 Oct 2007	○ Power plant	47,1 MWe Biomass and vegetable oils
		○ Oils and biogas extraction ○ Biodiesel production	➤ 2,1 MW biogas ➤ 50'000 t/year biodiesel
Jesi (AN) Marche		○ Biodiesel production	250'000 t/year
		○ Power plant	➤ 18 MWe Vegetable oils
		○ Photovoltaic plant	➤ 800 KWp
		○ Packaging ○ Corporate activities	
Ostellato (FE)		○ Power plant	90 MWe Vegetable oils

Factory	Reconversion's agreement date	New activity	Info / details
Emilia Romagna			
Porto Viro (RO) Veneto	26 Jun 2007	<ul style="list-style-type: none"> ○ Reconversion to industrial, commercial, residential, crafts activities + sugar packaging and storage 	
Loreo (RO) Veneto		<ul style="list-style-type: none"> ○ Bio-ethanol 	2,000,000 hl/year Cereal
Finale Emilia (MO) Emilia Romagna	7 Nov 2007	<ul style="list-style-type: none"> ○ Reconversion to industrial, commercial, residential, crafts activities + sugar packaging and storage 	
		<ul style="list-style-type: none"> ○ Energetic plant 	Biomass
San Pietro (BO) Emilia Romagna	25 Jul 2007	<ul style="list-style-type: none"> ○ Production of food cases 	
Pontelagoscuro (FE) Emilia Romagna	10 Dec 2007	<ul style="list-style-type: none"> ○ Ferrara Food ○ Food processing 	Tomatoes, fruits and spices by-products.
Foggia Puglia	28 Dec 2007	<ul style="list-style-type: none"> ○ Requalification: logistic services 	
Forlimpopoli (FC) Emilia Romagna	10 Dec 2007	<ul style="list-style-type: none"> ○ Forlimpopoli Food 	Food production for HO.RE.CA.; packaging and distribution services.