



FRESHFIELDS BRUCKHAUS DERINGER

Strategies for managing employment costs – part I

Mass redundancies – Europe and Asia

in collaboration with

ROSCHIERRAIDLA

FINLAND | SWEDEN | ESTONIA | LATVIA | LITHUANIA



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Contents

Introduction	1
Contributors	2
Freshfields Bruckhaus Deringer	3
RoschierRaidla	4

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Introduction

As businesses are positioning for recovery, global employers remain confronted with the co-ordination of international headcount reduction exercises, making it necessary for them to have a basic understanding of the legal framework in major jurisdictions around the globe.

Our guide highlights some of the key legal features of implementing a mass redundancy in a number of European and Asian jurisdictions. We hope you will find it useful in giving you a sense of the differences between the jurisdictions and where the pitfalls in not understanding the obligations lie.

Collective dismissal exercises have been regulated at a European level for over 30 years, with the emphasis from Europe being on ‘employee engagement’ through a statutory information and consultation process. However, despite the common source for the laws governing mass redundancies, local differences remain significant. This partly stems from EU rules being contained in directives, which are then implemented nationally with consequent differences in scope and approach. It also stems from cultural and political differences across Europe. Think about the way the UK industrial relations landscape has developed compared with France.

The guide also includes jurisdictions such as China, Hong Kong, Japan and Russia, which all have different legal systems with no common framework at all.

This guide was prepared by Freshfields’ employment teams across Europe and Asia. Chapters on Finland, Sweden and the Baltic countries were contributed by the independent Nordic network RoschierRaidla.

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Clients enjoy using [EPB services] across the continent due to its 'excellent technical and commercial expertise'. The lawyers are described as 'responsive, pragmatic, solution-oriented and able to leverage the capability of the firm's global organisation, pulling in expertise from other offices for pan-European projects'.
Chambers Europe, 2008

Freshfields Bruckhaus Deringer

Freshfields Bruckhaus Deringer is one of the world's leading international law firms, with more than 2,500 lawyers working across 27 offices in 15 countries. We provide a comprehensive worldwide service to national and multinational corporations, financial institutions and governments.

The employment, pensions and benefits (EPB) team advises on domestic and international employment law, pensions, share plans and other employee benefits. Our team comprises 21 partners and over 100 lawyers worldwide.

We are experienced in cross-border advice and have an excellent record in delivering tailored multi-jurisdictional advice, having very strong working relationships with local lawyers in countries in which we do not have offices.

We advise on:

- all aspects of employment and industrial relations law, including: the individual and collective employment aspects of mergers and acquisitions (public and private, listed and unlisted), joint ventures, demergers and all manner of corporate reorganisations (including redundancies); executive remuneration and related regulatory and disclosure obligations; service contracts and related documents; confidentiality and restrictive covenants; works councils; individual and group severance arrangements; and contracting-out of services;
- all the legal aspects of establishing and operating pension schemes; restructuring pension arrangements, and merging and winding up schemes; and pension scheme disputes, including court proceedings; and
- designing, drafting and implementing share plans; corporate governance issues and senior executive remuneration and incentive arrangements (including the share plan and benefit aspects of senior executive terminations); age discrimination issues affecting share plans; and related tax, company and securities laws.

Clients are highly satisfied with Roschier's 'immensely supportive and user-friendly lawyers', and report that the group effectively co-ordinates assistance across a number of different jurisdictions.
Chambers Europe, 2008

RoschierRaidla

The RoschierRaidla network is an integrated cross-border operation of leading law firms in Finland, Sweden, Estonia, Latvia and Lithuania, specialising in demanding international business law assignments and large-scale transactions.

In Finland and Sweden, RoschierRaidla is represented by Roschier, Attorneys Ltd, one of the leading legal service providers in Northern Europe. The Baltic arm of RoschierRaidla, Raidla Lejins & Norcou, comprises three leading law firms in Estonia, Latvia and Lithuania. The network offers one-stop access to premier cross-border and local expertise in five capitals of the Nordic-Baltic region. Today, RoschierRaidla employs some 270 lawyers and over 420 professionals in total.

The employment and labour law team advises employers on all aspects of domestic and international employment law: from the recruitment process and the term of the employment through to the end of the employment relationship. We also represent employers in union negotiations and dispute resolution processes. Transactional support and strategic guidance on business reorganisation and outsourcing is an important part of our practice, since employment and labour law issues often play a significant role in M&A transactions. Further, we provide advice on pensions and benefits, including incentive schemes for company management and employees.

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