

The White Book of the SED (Social and Economic Database)

If you would like to know more:

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The SED :

In 8 Questions...

1. What is the SED?
2. What are the objectives of the SED?
3. What is the content of the SED?
4. How accurate are the informations in the SED?
5. At what level should the SED be implemented?
6. Who is the SED for?
7. How to organise access to the SED?
8. What are the sanctions for an incomplete or absent SED?

In undertakings with at least 50 employees, the SED gathers all the information, which the employer must make available to the members of the SEC (Social and Economic Committee) and the union representative, and which is necessary for the three recurring consultations in the undertaking (see question 2).

The provision of this updated information in the SED is equivalent to its communication to the SEC, when two cumulative conditions are met:

1. What is the SED?

- The information is regularly updated, in accordance with the periodicities provided for in the Labour Code;
- The employer shall make available to the members of the SEC the elements of analysis or explanation where they are provided for in the Labour Code.

When the provisions of the Labour Code provide the transmission to the administrative authority of the reports and information made available to the members of the SEC, the information contained there, is made available to the administrative authority from the database.

2. What are the objectives of the SED?

The aim of the SED is to provide the SEC and the union representative with the information needed for the three recurring consultations in the company:

- Consultation on the company's strategic orientations ;
- Consultation on the economic and financial situation of the company ;
- Consultation on company social policy, working conditions and employment.

The SED contributes to giving a clear and global vision of training and the distribution of the value created by the company's activity.

The organisation, architecture, content and operating procedures of the SED must enable the SEC and the union representative to exercise their competences in a useful way.

3. What is the content of the SED?

In the absence of agreement, 7 themes must be covered in the SED:

- Social investment and tangible and intangible investment ;
- Professional equality between women and men within the company;
- Shareholders' equity and indebtedness ;
- All elements of employee and management remuneration;
- Social and cultural activities ;
- Remuneration of funders ;
- Financial flows to companies.

The content of the SED may be modified by company or branch agreement (some indicators remain mandatory):

- In all companies, it must include an index dedicated to professional equality between women and men;
- In companies with 300 or more employees, it must contain a social balance sheet.

4. How accurate are the informations contained in the SED?

- The information contained in the SED cover the previous 2 years, the current year and the following 3 years.
- This information are presented in the form of figures or, failing that, for the following 3 years, in the form of major trends.
- The employer shall indicate, for these 3 years, the information which, given its nature or circumstances, cannot be the subject of figures or major trends, for reasons which it shall specify.
- The employer shall inform the members of the SEC and the union representative of the updating of the SED in the manner determined by the employer.

5. At what level should the SED be implemented?

- **The reference level: the Company :**

The SED is set up at company level. In companies with a central SEC, the SED contains the information that the employer makes available to this committee and the works councils.

There is no obligation to set up a specific SED at the level of each institution.

- **The Economic and Social Unit :**

Circular DGT 2014/1 of 18 March 2014 states that the ESU is treated as a fully-fledged company in terms of employee representation. The SED must therefore be set up at ESU level, once an ESU has been set up.

- **The merger of two companies:**

The Court of Cassation ruled that in the event of a merger of two companies, the elements of the SED relating to the 2 previous years must, in principle, relate to the merged entities.

- **The Group :**

A Group convention or agreement may provide for the constitution of a SED at Group level, which does not exempt the Group from the obligation to constitute a SED at the level of each of its constituent companies.

6. Who is the SED for?

- Members of the staff delegation of the SEC, and the central SEC if it exists, as well as union representative, have a permanent right of access to the SED.
- SEC experts and labour inspection supervisory officers have access to documents relevant to their work. They benefit from a punctual right of access to the SED.
- The recipients of this information have an obligation of discretion with regard to the information contained in the SED which is objectively confidential and which is presented as such by the employer. They must justify the confidential nature of this information and indicate the duration of its confidential nature.
- Certain information is confidential by law, such as forecasting management documents or information communicated to the SEC as part of an economic warning right.

7. How to organise access to the SED?

In the absence of an agreement within the company, the SED is made available to employee representatives on :

- IT support for companies with at least 300 employees;
- A computer or paper medium for companies with fewer than 300 employees.

A company agreement or, where there are no union representative in the company, an agreement between the employer and the SEC can set out, among other things, how the SED is to operate, including :

- Access rights ;
- The level of establishment of the base in enterprises with separate establishments ;
- The support of the SED ;
- Its terms of consultation and use.

8. What are the sanctions for an incomplete or absent SED?

- The members of the staff delegation to the SEC may apply to the Judicial Court for summary proceedings in order to put an end to the manifestly unlawful disturbance resulting from the lack of communication of the SED or the social balance sheet, or incomplete information documents.
- This request may be accompanied by a penalty payment to ensure that a complete SED is sent to the SEC members and union representative within a very short time.
- The absence of an SED or an incomplete SED may hinder the triggering of SEC consultation deadlines.
- The employer is liable to prosecution for the offence of obstructing the regular functioning of the SEC (a fine of 7 500€).