

**LAW**  
**OF THE REPUBLIC OF ARMENIA**  
**ON EMPLOYERS' UNIONS**

*Enacted on 27 February 2007*

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**Section 1**  
**General Provisions**

***Article 1. Subject Matter of Legal Regulation***

This Law shall define the organizational-legal form of a non-commercial organization 'Employers' Union' in the Republic of Armenia, the legal grounds for the establishment, activities, restructuring and liquidation of employers' unions and shall regulate the relations in the field of their activities.

***Article 2. Employers' Right of Association***

1. Employers shall have a right to freely establish employers' unions to protect the rights of their members in their interrelations with public and local self-governance bodies, trade unions, collectives of and individual employees, as well as with a view to represent their members' lawful interests in the development of and discussions on labor legislation and other normative legal acts comprising norms of labor law as well as in labor and labor-related socio-economic relations.
2. An employers' union shall act as a non-commercial legal person uniting both employer organizations and employer citizens.
3. Those employer organizations that are members of a union shall be represented by their authorized representatives.
4. No other organization shall have a right to use the words 'employers' union' in its name or apply for state registration by that name.

***Article 3. Legislation on Employers' Unions***

1. The activities of employers' unions shall be regulated by the Constitution of the Republic of Armenia, the Civil Code of the Republic of Armenia, the Labor Code of the Republic of Armenia, this Law and other legal acts.

2. In the event that international treaties of the Republic of Armenia envisaging other norms that those envisaged by this law, those norms shall apply.

#### ***Article 4. Levels of Activity of Employers' Unions***

1. Employers' unions shall carry out their activities in three levels: republican, sectoral and territorial.

1) At the republican level, employers shall be represented by the Republican Employers' Union which shall unite more than a half of sectoral and territorial unions operating in the republic.

The charter of the Republican Employers' Union may also envisage direct membership of employers.

2) At the level of sectors, employers shall be represented by a Sectoral Employers' Union, uniting the employers in the relevant sector of economy (production, services, occupation), the territorial unions of the employers in the relevant sector, however, minimum more than a half of such territorial unions of employers operating in the republic.

The charter of a Sectoral Employers' Union may also envisage direct membership of employers.

3) At the territorial level, employers shall be represented by the Territorial Employers' Union uniting employers in a particular administrative territory (region or community). Territorial Employers' Unions may be established both on the basis of associations of employers' unions in a relevant sector of economy in a particular administrative territory and the majority of employers in a particular administrative territory or employers' unions from diverse sectors in a particular administrative territory.

The charter of the Territorial Employers' Union may also envisage direct membership of employers.

3. Employers' unions may, in conformity with the legislation of the Republic of Armenia and their charters, cooperate with international employers' unions and those in other states, as well as participate (assume membership) in international employers' unions.

#### ***Article 5. Principles of Employers' Unions Operations***

1. The principles of employers' unions operations shall be legality, openness, voluntary nature of assuming and denouncing membership as well as self-governance.

2. Cooperation between employers' unions, trade unions and public bodies in the fields of labor and labor-related socio-economic relations is promoted on the basis of the principle of social partnership.
3. Employers' unions, except for the functions defined by law, shall be independent in determining the objectives, types and directions of their activities.

***Article 6. Republican Employers' Union***

1. The Republic Employers' Union shall:

- 1) have a right to submit conclusions on draft labor legislation, as well as amendments to the current legislation;
- 2) represent employers of the state at the level of social partnership.

2. The President of the Republican Employers' Union shall have a right to participate:

In sessions of the Government of the Republic of Armenia dedicated to the discussion of labor legislation and other labor-related socio-economic issues with the right to consultative vote.

***Article 7. Independence of and Cooperation between Employers' Unions***

1. Employers' unions shall carry out their activities independently from public and local self-governance bodies, trade unions, political parties and other organizations.
2. Any interference by public and local self-governance bodies with the activities of employers' unions shall be prohibited.
3. Employers' unions shall determine the nature of their interrelations themselves in conformity with their charters and decisions of their governing bodies.

***Article 8. Rights of the Members of Employers' Unions***

1. The members of employers' unions shall have equal rights.
2. When envisaged by charters, members of employers' unions shall have a right to:
  - 1) take part in the formation of their governing bodies in the manner prescribed by the employers' union charter;
  - 2) submit issues relating to the activities of an employers' union for the discussion by the governing bodies of an employers' union, take part in such discussions, as well as in the decision-making in the manner prescribed by the charter;
  - 3) take part in drafting and compilation of agreements regulating labor and labor-related socio-economic relations;
  - 4) receive information on the activities of an employers' union, the agreements concluded by the latter, as well as their content;

- 5) receive assistance from an employers' union in the regulation of matters connected with labor legislation and other related relations, in drafting internal normative acts regulating labor relations, in concluding collective and individual labor agreements as well as in the settlement of collective and individual labor related disputes.
3. The charter of an employers' union may envisage other rights for its members.

***Article 9. Obligations of the Members of Employers' Unions***

1. The members of Employers' Unions shall be obliged to:
  - 1) observe the requirements of the employers' union charter;
  - 2) observe the terms of agreements and collective agreements concluded by the employers' union and meet the commitments arising thereof.

***Article 10. Responsibility of Members of Employers' Unions***

1. Non-compliance by a member of an employers' union with any of the commitments stipulated in agreements concluded by the employers' union shall create a responsibility in the manner prescribed by the latter.
2. Denouncement of membership of an employers' union by an employer shall not release the latter from the responsibility envisaged by the relevant agreement which he had at the time of being a member of the employers' union for non-compliance or violation of his/her commitments under the collective agreement concluded by the union.

**Section 2**  
**Establishing Employers' Unions**

***Article 11. Establishing Employers' Unions***

1. An employers' union may be established by founding or restructuring (splitting, separation, unification, and merger) of an existing employers' union.
2. With a view to establish an employers' union by founding, more than one employers and (or) employers' authorized representatives shall adopt a decision in the founding meeting on founding an employers' union, approving the charter of the employers' union, electing the bodies envisaged by the union charter and submitting the employers' union for state registration.
3. An employers' union shall be deemed established from the moment of its state registration.

***Article 12. State Registration of an Employers' Union***

1. The registration, re-registration of an employers' union, as well as registration of its charter amendments or newly edited charter or its liquidation shall be done in the manner prescribed by this law and the law on state registration of legal persons.
2. With a view to secure the state registration of an employers' union the following documents shall be submitted to the state registration body:
  - 1) the application by the person authorized by the founding meeting of the employers' union;
  - 2) an abstract from the minutes of the founding meeting of the employers' union comprising notes on the place, year, month of the founding assembly, the number of founding members (participants of the meeting), as well as statements on founding the employers' union by the founding meeting, and on the decisions on electing the president of the employers' union, the officials in its oversight bodies and the authorized person;
  - 3) Passport details of the authorized person and the founders elected to the governing bodies of the employers' union. To secure registration of either territorial, sectoral or republican employers' union, the copy of the state registration of each of the founding unions and the decision of the competent body on establishing a union and on electing authorized persons (delegates) to take part in the founders' meeting shall be submitted too;
  - 4) Minimum two copies of the charter of the employers' union as approved by the founders' assembly and sealed and signed by either the authorized person or the president of the organization;
  - 5) Receipt of the paid state fee.
4. The public registration agency, within 30 days following the making of a note on the receipt of the application for registration and the required documentation in the registration log, shall consider the application and register the employers' union or refuse to register the employers' union providing the relevant justifications for it. The state registration of an employers' union may be refused in the manner and in cases prescribed by the law.

Refusal of, as well as avoidance from state registration may be appealed in the court.

### ***Article 13. Employers' Union Charter***

1. The charter shall be the founding document of an employers' union.
2. The employers' union charter shall define:
  - 1) name of the employers' union which must include the words 'employers' union'.  
The name of the republican employers' union shall include the word 'Armenia,' the name of the sectoral employers' union shall include words characterizing a particular sector while the territorial employers' union shall include the name of a particular administrative territory.
  - 2) object and objectives of activities;

- 3) location;
  - 4) rights and obligations of its members;
  - 5) procedure for assuming and denouncing membership;
  - 6) sources of property generation;
  - 7) procedure for amending the charter;
  - 8) structure of the union, procedure for formation and activities of its governing and oversight bodies, their functions;
  - 9) procedure for granting powers to the representative of representatives of an employers' union for conducting collective negotiations, as well as participating in dispute settlement processes on matters related to the preparation, conclusion and amendments to collective agreements;
  - 10) procedure for restructuring and liquidation.
3. The employers' union charter may also envisage other provisions not conflicting with the legislation of the Republic of Armenia.

***Article 14. The Congress of an Employers' Union***

1. The supreme body of an employers' union shall be its congress which shall be convened in the manner prescribed by its charter at least once in three years.
2. The congress of an employers' union shall have a right to issue final solution to any matter related to its activities.
3. The exclusive competences of the congress shall be:
  - 1) approval and amending of the charter;
  - 2) election of its governing and oversight bodies;
  - 3) deciding on matters related to its restructuring and liquidation.
3. The resolutions of the congress shall be adopted in the manner prescribed by the charter.

A resolution on matters of exclusive competence of the congress shall be adopted if more than half of all the union delegates have voted for it.

**SECTION 3  
RIGHTS, OBLIGATIONS, RESPONSIBILITY AND OVERSIGHT OF  
ACTIVITIES OF AN EMPLOYERS' UNION**

***Article 15. Rights of an Employers' Union***

1. An employers' union shall have a right to:
  - 1) in matters of labor and labor-related socio-economic relations and jointly with the members of an employers' union, form agreed positions and protect them in relations with trade unions and public bodies;
  - 2) in matters of labor and labor-related socio-economic relations, agree its positions with other employers' unions;
  - 3) protect the rights and lawful interests of its members in relations with trade unions and public bodies;

- 4) come up with initiatives on entering into collective negotiations for drafting, concluding and amending collective agreements?;
  - 5) authorize its representatives to:
    - a. enter into collective negotiations on drafting, concluding and amending collective agreements;
    - b. take part in the establishment and activities of commissions for regulating labor relations, reconciliation commissions and commissions regulating collective labor disputes;
  - 6) enter into consultations (negotiations) with trade unions and public bodies on the main directions of socio-economic policy;
  - 7) receive information on labor-related matters from trade unions and public bodies, necessary to draft, conclude, amend collective agreements, as well as conduct collective negotiations to oversee the latter;
  - 8) take part in deliberations on and drafting of laws and other legal acts on labor and labor-related socio-economic relations;
  - 9) create economic societies and become members thereof.
2. With a view to protecting the rights and interests of its member an employer's union shall be entitled to forward petitions to the public and local self-governance bodies, as well as other persons in the manner prescribed by the law to appeal against their actions (inaction).
  3. The employers' union shall have a right to, in the manner prescribed by the law, submit and protect its and its members' rights and lawful interests before other organizations, the court, public and local self-governance bodies.
  4. The employers' union may submit a proposal to the Government of the Republic of Armenia and the deputies of the National Assembly of the Republic of Armenia on the enactment of normative legal acts aiming at the protection of employers' rights, as well as at the amendments thereto.
  5. The employers' union may have other rights as envisaged by laws and other legal acts of the Republic of Armenia, as well as its charter.

***Article 16. Obligations of an Employers' Union***

An employers' union, in line with the law and its charter, shall be obliged to:

- 1) enter into collective negotiations and in line with the agreements achieved conclude collective agreements with trade unions;
- 2) fulfill the obligations assumed under the concluded agreements;
- 3) notify its members of the agreements concluded and provide them with their texts;
- 4) provide such information to trade unions and public bodies on labor issues that is necessary for the preparation, concluding and amending the collective agreements as well as the collective negotiations related to their oversight;
- 5) exercise control over the implementation of agreements and collective agreements concluded by it;
- 6) assist the members of employers' union to fulfill the obligations envisaged in the agreements and collective agreements signed by them;
- 7) report to its members on the activities of an employers union in keeping with the terms and procedures prescribed by its charter;

8) assist its members in the implementation of both labor legislation and that on labor-related socio-economic relations, the development of internal normative acts comprising norms of labor law, the conclusion of collective agreements and agreements, as well as in the regulation of individual and collective labor disputes;

9) fulfill other obligations envisaged by the charter.

***Article 17. Responsibility of an Employers' Union***

1. An employers' union shall be responsible for non-compliance with the commitments assumed under the agreements signed by it in the manner prescribed by the legislation of the Republic of Armenia and (or) the agreement.
2. An employers' union shall not be responsible for commitments undertaken by its members, including those commitments which they assumed by collective agreements concluded by the employers' union.

***Article 18. Oversight of Activities of an Employers' Union***

1. The activities of an employers' union shall be overseen in the manner prescribed by its charter.
2. Fulfillment of the requirements of the legislation by an employers' union shall be overseen by the Ministry of Justice of the Republic of Armenia and, in cases envisaged by the law, also by other competent bodies in line with the procedures envisaged in the Law of the Republic of Armenia on Organizing and Conducting Audits in the Republic of Armenia.

**SECTION 4  
PROPERTY OF AN EMPLOYERS' UNION**

***Article 19. Property of an Employers' Union***

1. The property of an employers' union shall be generated through entry fees, membership fees, investments, donations as well as other sources not prohibited by the law.
2. An employers' union may have land, buildings, constructions, equipment, tools, monetary resources under the right of ownership or other right in the currency of the Republic of Armenia or foreign currency, securities and other property.
3. Members of an employers' union shall not, upon their leaving of the union, retain the rights in respect of its property, including membership and other fees which they have transferred to the employers' union if the charter of the employers' union does not prescribe otherwise.

***Article 20. Liquidation and Restructuring of an Employers' Union***

1. The liquidation and restructuring of an employers' union shall be based on the resolution of its supreme body.
2. An employers' union may also be liquidated on the basis of a judicial act in the manner prescribed by the Civil Code of the Republic of Armenia.



3. The restructuring of an employers' union shall not be allowed.
4. In case of liquidation of an employers' union its property shall be directed to the objectives envisaged by the union charter or, if that is impossible, to the state budget.

## **SECTION 5 FINAL PROVISIONS**

### ***Article 21. Transitional Provisions***

1. Within six months following the entry into force of this law, the Republican Employers' Union shall be established on the basis of registered employers' unions.
2. Following the end of term stipulated in this article, the public body authorized by the Government of the Republic of Armenia shall assist in the establishment of the Republican Employers' Union envisaged by this law.

### ***Article 22. Entry into Force of the Law***

This law shall enter into force on the tenth day following its official publication.

PRESIDENT OF  
THE REPUBLIC OF ARMENIA  
R. KOCHARYAN

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