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selected information on future plans of individual companies and, matters relating to individual suppliers or customers.

- Act with caution when exchanging information under REACH. Most of the information to be exchanged under REACH is likely to be Competition law compliant but, when involved in a SIEF, particular attention is needed.

There are options available to avoid breaching Competition law.

Protecting the Company's Confidential Business Information

Pre-registrants (including ORs) in a SIEF are free to organise themselves as they choose. A consortium can be created between SIEF participants, although different forms of cooperation can be used and the formation of a consortium is not a requirement of REACH.

Registration is likely to raise concerns for non-EU manufacturers as to how they can protect their confidential business information (CBI), including their intellectual property.

Some of the options that can be incorporated into the appointment of an OR to protect CBI include:

- Restricting access and use of documents. The OR may be required to exchange detailed technical information within the SIEF. CBI can be protected by controlling access through the use of: confidentiality agreements, limiting access to documents or information; data rooms, allowing access to certain documents; and/or assessment by an independent consultant.
- Request non-disclosure on ECHA's website. The registration dossier submitted to the ECHA may be posted on the ECHA website. A request can be made with the ECHA for this information not to appear on its website.

"The European Commission and member states are increasingly concerned that the message to pre-register is still not reaching small and medium-sized enterprises (SMEs)...The problem is not restricted to firms in the EU...awareness in China, particularly among smaller firms, is low. Recent surveys found 90% of SMEs in China had a poor understanding of REACH.

Even for those who are aware of [REACH], the flourishing market in "only representatives" has created its own set of problems...Chinese firms are finding it difficult to distinguish between good and bad representatives. Problems in China are compounded by a lack of skilled professionals and laboratories meeting the practice standards REACH requires, rendering existing data unusable." □

FRANCE

Follow-up on Labor Reforms in France

By François Vergne (Morgan, Lewis & Bockius LLP)

As announced previously, President Sarkozy, elected in May 2007, is trying to implement his social program and to reform the French labor market laws and regulations by introducing more flexibility and more "security". In this respect, on January 11, 2008, a nationwide agreement was signed with most of the national trade unions which contained a large number of proposals meant to give more flexibility and to secure the French employment market. The nationwide agreement was not immediately effective and was subject to adoption of laws and regulations.

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Months after the signature of the nationwide agreement with unions' representatives, it is now the time to review the main provisions of the law n°2008-596 of June 25, 2008 entitled "Loi de modernisation du marché du travail" (literally the "law modernizing the Labor market") which applies some of the provisions of the nationwide agreement:

Trial Period

A new section is created in the labor code governing the trial period for employees (articles L. 1221-19 and seq. of the Labor code). The maximum duration of the trial period depends upon the level and category of the employee concerned (from two months for lower-level employees to four months for executive-level employees). The trial period can be renewed once if such possibility is expressly provided for in the initial employment agreement and if such possibility is allowed by a collective agreement

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made for the sector of industry to which the company belongs. The termination of the trial period is subject to a notice period of between 48 hours and one month. While the maximum duration of the trial period provided in the French labor code is mandatory, some collective bargaining agreements, depending on the date of such collective bargaining agreement (before or after June 25, 2008), may lawfully allow for a longer period.

In order to foster the hiring of engineers and executives on certain projects for which it is not possible to predefine a term or a minimum duration, it is now possible to enter into a new fixed-term employment contract for a term that is not predetermined, but is entered into for the completion of a given task or project.

Amicable Termination of the Employment Relationship

A new type of employment termination mutually agreed between the employer and the employee is created ("rupture conventionnelle"). Following one (ore more) preliminary meetings during which both the employer and the employee may receive assistance to discuss the terms and conditions of the termination, the employer and the employee may sign an agreement which provides the conditions of the termination. After the signature of the agreement, each of the parties has a right to retract his or her consent during a 15 day period. Following this 15-day period, the draft settlement must be sent to the labor administration for ratification. The labor administration has 15 working days to ratify the agreement. The absence of a reply within the 15-day period is equal to implied authorization by the labor administration. The settlement agreement must provide for the amount of the severance indemnity paid to the employee (which cannot be less than the legal severance indemnity due in case of dismissal) and the date of the termination (at the earliest, the day following the ratification by the labor administration). The validity and the terms and conditions of the settlement agreement can be challenged before the labor court during a period of one year following the ratification date. For protected employees (i.e., staff representatives, members

of the works council, etc.), the validity of such procedure is subject to prior authorization by the labor inspector.

New Fixed-term Employment Contract

In order to foster the hiring of engineers and executives on certain projects for which it is not possible to predefine a term or a minimum duration, it is now possible to enter into a new fixed-term employment contract for a term that is not predetermined, but is entered into for the completion of a given task or project. This non-renewable contract may be entered into for a term of between 18 and 36 months. Recourse to this new contract is only available where an employer and union have agreed in their collective bargaining agreement to allow such contracts. This new type of fixed-term employment contract is implemented for a probationary period of five years following the application date of the law.

Legal Severance Indemnity

The law of June 25, 2008 reduces the seniority required to benefit from a legal severance indemnity from two years to one year. An employee with more than one year's service is entitled to a minimum severance indemnity of 1/5th of the employee's average monthly salary.

Portage Salarial

Finally, it is worth mentioning the provisions introducing a new "working relationship" known as "portage salarial"—literally, "employment piggy-backing." Under this new legal instrument (which aims at facilitating employment of senior unemployed), companies called "sociétés de portage salarial" (literally "employment piggy-backers" or "employment carriers"), can enter into a triangular relationship with employees and employers. Piggy-backers may hire employees under an employment contract to perform work on behalf of the employee's own clients. The salary paid to the employee is a part of the compensation obtained by the employment carrier from the client. This new piece of legislation introduces a variation from the temporary employment and reduces the risk of unfair loan of employees.

It should be noted that some other important reforms were adopted recently. For instance, the law for the renovation of the social democracy and modification of the legal working time was enacted July 28 and 29, 2008. This law contains some important provisions reforming the unions' representation criteria and their financing and provides for some significant changes in the legal working time schedule. Another law, adopted on August 4, 2008, seeks to modernize the French economy and make it more attractive to investors with provisions to simplify business activity and the creation of new enterprises, increase competition between businesses, and establish appropriate collection measures of financing. □