



## COMMISSION PROPOSAL TO ESTABLISH A EUROPEAN PLATFORM ON UNDECLARED WORK: STATE OF PLAY OF THE LEGISLATIVE PROCEDURE IN JUNE 2015

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On 7 May 2015, the EMPL-Committee of the European Parliament adopted the final report of the Bulgarian Rapporteur Georgi Pirinski (S&D) on the Commission proposal to establish an EU Platform to fight against undeclared work. The text was approved with 44 votes in favour, 5 against and 2 abstentions. The English version of the report was published on 22 May 2015.

### Background

After the two Commission consultations in 2013 and 2014 (the EFCI submitted an answer to both consultations by demonstrating the great interest of the industry on this important subject), the Commission presented its legislative proposal to establish a European platform on undeclared work on 9 April 2014 (see the Secretariat note of 25<sup>th</sup> April 2014). After its publication, the proposal was forwarded to the Parliament and the Council to start the co-legislative procedure (see the Secretariat note of 8<sup>th</sup> October 2014).

### State of play within the European Parliament

In September 2014, the Employment and Social Affairs (EMPL) Committee was designed as the leading Committee within the Parliament with the task to examine the Commission proposal. On 11 November 2014, the Rapporteur presented his draft report (see the Secretariat note of 15<sup>th</sup> December 2014). A total of 395 amendments to modify the draft report were tabled by the members of the EMPL-Committee in December 2014. Between January and April 2015, these amendments were discussed and considered with the final vote in the EMPL-Committee on 7 May 2015.

### State of play within the EU Council

At Council level, a first debate took place on 19 June 2014 within the Employment and Social Policy Council (EPSCO). On 16 October 2014, during a second debate within the EPSCO Council, a common approach on the file was reached. This approach is founded on two main principles. The participation of the 28 Member States to the future EU platform will be mandatory with a non-exhaustive list of initiatives that the platform could carry out in its future activities. However, the engagement of concerned actors in the upcoming initiatives will be made on a voluntary basis.

### Summary of last EFCI lobbying activities

In autumn 2014, the EFCI Secretariat discussed the Rapporteur's draft report with its trade union partner UNI Europa, and the decision was taken to have a sectoral approach aiming to receive the observer status within the future EU Platform. On 28 November 2014, a joint EFCI and UNI Europa position was therefore sent to the EMPL- and IMCO-Committee members in order to stress the interest of the cleaning sector to obtain the observer status in order to actively participate in the EU Platform activities.

On 4 December 2014, the Director met the Rapporteur Pirinski to discuss his draft report and to influence his legislative work for the final version of the report. During the meeting, the Director stressed the EFCI's interest in obtaining an observer status, thus to be able to attend the Platform meetings. He informed the Rapporteur on the different joint declarations and tools elaborated by the cleaning industry' social partners over the last 15 years and proposed to reduce the number of cross-industry social partners to a maximum of 4 and to consequently increase the number of sectoral social partners. The Rapporteur appreciated the information received and showed his openness to the suggestions made.

Finally, the constant discussions between the EFCI and other sectoral social partners that also wish to obtain an observer status have resulted in a joint letter sent to the relevant Parliamentary Committees. Indeed, on 20 April 2015, the European social partners of five sectors (Agriculture, Cleaning, Construction, Horeca and Security services) submitted a joint letter with the strong demand to obtain the observer status in order to actively participate in the EU platform's activities (see the joint letter attached to this Secretariat note).

### Overview of the EMPL-Committee final report

Since the Commission proposal in April 2014, the main EFCI concern was the question of the selection of sectoral social partners to be given an observer status within the future EU Platform on undeclared work. The problematic is twofold. Firstly, the EFCI wishes to ensure the involvement of the cleaning industry in the Platform and to thus increase the number of sectoral social partners obtaining an observer status. Secondly, it is important to have clear procedures in place on how the selection of the interested sectors is carried out.

#### 1.) Increase of the number of sectoral social partners

Compared to the Commission proposal and the draft report of the EMPL-Committee, the final report provides for a higher number of sectors to be represented in the Platform (from 10 to 14 sectoral representatives).

Indeed, amendment 47 states that *“a maximum of 14 representatives of social partners in sectors with a high incidence of undeclared work (...) equally representing both sides of industry”* may attend the meetings of the Platform as observers (pages 26 - 27). As a consequence, the final report foresees that **seven sectors** will obtain the observer status within the EU Platform.

In parallel, amendment 45 states that the Platform shall be composed of *“a maximum of 4 representatives of cross-industry social partners organised at Union level (...) equally representing both sides of industry”* (page 26). As a consequence, the final report foresees that **only four representatives of the existing cross-industry social partners** will be involved in the works of the EU Platform.

This is a successful outcome for the EFCI, as the Secretariat repeatedly requested to reduce the number of cross-industry social partners to a maximum of 4 and to consequently increase the number of sectoral social partners that will obtain the observer status.

#### 2.) Clear procedures in place on how the different sectors are chosen

However, compared to the Commission proposal and the draft report of the EMPL-Committee, the final report still does not foresee a clear procedure on how the selection of the concerned sectors is made. Indeed, amendments 45 and 47 only state that the representatives of cross-industry and sectoral social partners will be *“nominated by the social partners themselves”*. This provision is much too vague and unclear. It will be therefore important to closely follow the future discussions between the Commission, the Parliament and the Council in order to ensure a participation of the cleaning industry in the EU Platform.

### Upcoming trilogue negotiations between the three main EU Institutions

Since June 2015, the trilogue negotiations between the European Commission, Parliament and Council have started with the aim to find a compromise, which will then be adopted by the plenary of the European Parliament in first reading.

#### Next steps

The indicative time-table of the legislative procedure is currently as follows:

- June to September 2015: Trilogue negotiations between the three main EU-Institutions with the first trilogue meeting foreseen for the 15<sup>th</sup> June
- 5 October 2015: Current indicative date for the vote of adoption in first reading at the plenary session in Strasbourg

Members will find attached the final EMPL-Committee report as well as the joint letter of the European social partners sent to MEP's on 20 April 2015 (both only available in English language). For more details, please visit the dedicated website of the EMPL-Committee through this link:

[http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2014/0124\(COD\)&l=EN](http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2014/0124(COD)&l=EN)

Andreas Lill  
Director