



EUROPEAN PARLIAMENT

2014 - 2019

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*Committee on Employment and Social Affairs*

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**2014/0124(COD)**

11.11.2014

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## **DRAFT REPORT**

on the proposal for a decision of the European Parliament and of the Council  
on establishing a European Platform to enhance cooperation in the prevention  
and deterrence of undeclared work  
(COM(2014)0221 – C7-0144/2014 – 2014/0124(COD))

Committee on Employment and Social Affairs

Rapporteur: Georgi Pirinski

### ***Symbols for procedures***

*	Consultation procedure
***	Consent procedure
***I	Ordinary legislative procedure (first reading)
***II	Ordinary legislative procedure (second reading)
***III	Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

### ***Amendments to a draft act***

#### **Amendments by Parliament set out in two columns**

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

#### **Amendments by Parliament in the form of a consolidated text**

New text is highlighted in ***bold italics***. Deletions are indicated using either the ■ symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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## **DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION**

**on the proposal for a decision of the European Parliament and of the Council on establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared work  
(COM(2014)0221 – C8-0144/2014 – 2014/0124(COD))**

**(Ordinary legislative procedure: first reading)**

*The European Parliament,*

- having regard to the Commission proposal to Parliament and the Council (COM(2014)0221),
  - having regard to Article 294(2) and Article 153 (2) (a) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0144/2014),
  - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
  - having regard to the reasoned opinion submitted, within the framework of Protocol No 2 on the application of the principles of subsidiarity and proportionality, by the House of Commons of the United Kingdom, asserting that the draft legislative act does not comply with the principle of subsidiarity,
  - having regard to the opinion of the European Economic and Social Committee of 10 September 2014<sup>1</sup>,
  - having regard to the opinion of the Committee of the Regions of 7 October 2014<sup>2</sup>,
  - having regard to Rule 59 of its Rules of Procedure,
  - having regard to the report of the Committee on Employment and Social Affairs and the opinions of the Committee on the Internal Market and Consumer Protection and the Committee on Women's Rights and Gender Equality (A8-0000/2014),
1. Adopts its position at first reading hereinafter set out;
  2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
  3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

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<sup>1</sup> OJ C 0, 0.0.0000, p. 0.

<sup>2</sup> OJ C 0, 0.0.0000, p. 0.

## Amendment 1

### Proposal for a decision Title

*Text proposed by the Commission*

on establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared work

*Amendment*

on establishing a European Platform to enhance cooperation in the prevention and deterrence of undeclared work ***and in the regularisation of jobs***

Or. en

## Amendment 2

### Proposal for a decision Recital 4

*Text proposed by the Commission*

(4) The European Parliament in its resolution on "Effective labour inspections as a strategy to improve working conditions in Europe" welcomed the Commission's initiative to create a European Platform and called for enhanced cooperation at EU level to ***fight*** undeclared work<sup>1</sup>.

*Amendment*

(4) The European Parliament in its resolution on Effective labour inspections as a strategy to improve working conditions in Europe welcomed the Commission's initiative to create a European Platform and called for enhanced cooperation at EU level to ***tackle*** undeclared work<sup>1</sup> ***leading to unfair competition which distorts the market.***

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<sup>1</sup> ***European Parliament resolution of 14 January 2014 on effective labour inspections as a strategy to improve working conditions in Europe (2013/2112/INI)***  
***[http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?lang=en&reference=2013/2112\(INI\)](http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?lang=en&reference=2013/2112(INI))***

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<sup>1</sup> ***TA (2014) 0012.***

Or. en

### **Amendment 3**

#### **Proposal for a decision Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***(4 a) The work of the Platform needs to respect in particular Articles 5, 15 and 31 of the Charter of Fundamental Rights of the European Union, as well as ILO Conventions No. 81 and ILO Recommendation No. 198.***

Or. en

### **Amendment 4**

#### **Proposal for a decision Recital 6 a (new)**

*Text proposed by the Commission*

*Amendment*

***(6 a) The size of the undeclared economy varies significantly across Member States, ranging from below 8% to over 30% of GDP. According to Eurofound's study of 2013, there is a clear north-south and east-west divide within the EU27.***

Or. en

### **Amendment 5**

#### **Proposal for a decision Recital 6 b (new)**

*Text proposed by the Commission*

*Amendment*

***(6 b) Domestic and cross-border undeclared work are two distinctive forms of undeclared work, and cross-border undeclared work can contribute to the***

*phenomenon known as social dumping.*

Or. en

## **Amendment 6**

### **Proposal for a decision**

#### **Recital 6 c (new)**

*Text proposed by the Commission*

*Amendment*

*(6 c) Undeclared work has serious implications for the workers concerned, who find themselves having to accept precarious working conditions, much lower wages and greatly reduced protection under labour and social protection legislation, thus depriving those workers of adequate social benefits, pension rights and access to healthcare, as well as skills development and life-long learning opportunities.*

Or. en

### *Justification*

*The original Commission proposal regarding Recital 7 has been split up into two recitals, respectively 6c and 7*

## **Amendment 7**

### **Proposal for a decision**

#### **Recital 7**

*Text proposed by the Commission*

*Amendment*

*(7) Undeclared work has serious budgetary implications through decreased tax and social security revenues. It has negative impacts on employment, productivity, compliance with working conditions' standards, skills development and life-long learning. It undermines the financial*

*(7) At the same time, undeclared work has serious budgetary implications through decreased tax and social security revenues thus undermining the financial sustainability of social protection systems. Furthermore, it negatively impacts employment and productivity, leading to*



sustainability of social protection systems,  
*deprives workers of adequate social  
benefits and results in lower pension  
rights and less access to healthcare.*

*unfair competition which distorts the  
market.*

Or. en

## Amendment 8

### Proposal for a decision Recital 8

#### *Text proposed by the Commission*

(8) A wide range of policy approaches and measures to tackle *undeclared work* have been introduced across the Member States. *Member States have also concluded bilateral agreements and carried out multilateral projects on certain aspects of undeclared work. The Platform will not prevent the application of bilateral agreements or arrangements concerning administrative cooperation.*

#### *Amendment*

(8) A wide range of policy approaches and measures to tackle *the problem of undeclared work* have been introduced across the Member States, *with the deterrence approach, which seeks to bring about compliance by detecting and punishing non-compliance, remaining the dominant approach across the majority of Member States.*

Or. en

#### *Justification*

*The original Commission proposal regarding Recital 8 has been split up into two recitals, respectively 8 and 8b new.].*

## Amendment 9

### Proposal for a decision Recital 8 a (new)

#### *Text proposed by the Commission*

#### *Amendment*

*(8a) However over the past several years there has been a perceptible uptake of an enabling approach that provides incentives such as income tax relief, tax reduction and subsidy schemes aiming to*

*regularise jobs so that these jobs join the formal economy. An interactive knowledge bank, as developed by Eurofound could help Member States to identify new approaches in that respect.*

Or. en

## **Amendment 10**

### **Proposal for a decision Recital 8 b (new)**

*Text proposed by the Commission*

*Amendment*

*(8b) Member States have also concluded bilateral agreements and carried out multilateral projects on certain aspects of undeclared work. The Platform should not prevent the application of bilateral agreements or arrangements concerning administrative cooperation.*

Or. en

## **Amendment 11**

### **Proposal for a decision Recital 9**

*Text proposed by the Commission*

*Amendment*

(9) EU level cooperation remains far from comprehensive, both in terms of the Member States involved and the issues covered. There is a no formal mechanism in place for cross-border cooperation between Member States' relevant authorities to address issues related to undeclared work.

(9) **Close and effective** EU level cooperation remains far from comprehensive, both in terms of the Member States involved and the issues covered. There is a no formal mechanism in place for cross-border cooperation between Member States' relevant authorities to address issues related to undeclared work.

## Amendment 12

### Proposal for a decision

#### Recital 10

##### *Text proposed by the Commission*

(10) The strengthening of cooperation among Member States at EU level is necessary to help Member States to prevent and deter undeclared work more efficiently and effectively.

##### *Amendment*

(10) The strengthening of ***active*** cooperation ***based on mutual assistance, transparency and confidentiality*** among Member States at EU level is necessary to help Member States to prevent and deter undeclared work more efficiently and effectively.

Or. en

## Amendment 13

### Proposal for a decision

#### Recital 10 a (new)

##### *Text proposed by the Commission*

##### *Amendment*

***(10 a) National labour inspectorates and enforcement authorities often need immediate access to data and information held by foreign national authorities. An efficient and rapid exchange of data is therefore essential to curb undeclared work.***

Or. en

## Amendment 14

### Proposal for a decision

#### Recital 10 b (new)

*Text proposed by the Commission*

*Amendment*

***(10 b) National labour inspection systems need to be organised in an efficient manner and have sufficient qualified staff at their disposal in order to function effectively.***

Or. en

## **Amendment 15**

### **Proposal for a decision Recital 11**

*Text proposed by the Commission*

(11) The Platform ***will*** aim to facilitate the exchange of best practices and information, provide a framework at EU level to develop expertise and analysis, and improve operational coordination of actions between the different national enforcement authorities of the Member States.

*Amendment*

(11) The Platform ***should contribute to eliminating the abuse of the free movement of workers through undeclared work, to which end it*** should aim to facilitate ***and improve*** the exchange of ***experience and*** best practices and information, provide a framework at EU level to develop expertise and analysis, and improve operational coordination of actions between the different national enforcement authorities of the Member States.

Or. en

## **Amendment 16**

### **Proposal for a decision Recital 11 a (new)**

*Text proposed by the Commission*

*Amendment*

***(11 a) The identification, analysis and solving of practical problems related to***

*the enforcement of Union legislation on working conditions and social protection at work fall mainly within the competence of national labour inspection systems, for which reason they require close and effective cooperation at Union level.*

Or. en

## Amendment 17

### Proposal for a decision Recital 12 a (new)

*Text proposed by the Commission*

*Amendment*

*(12 a) The Platform should be more than a passive mapping and assessment body. It should also actively contribute to prevent undeclared work by developing practical tools against organized forms and networks of undeclared work and by keeping concerned authorities and actors informed. To this end the Platform should propose measures and instruments which are needed at national or EU level, or at both levels, in order to better prevent, control and sanction undeclared work.*

Or. en

## Amendment 18

### Proposal for a decision Recital 13

*Text proposed by the Commission*

*Amendment*

(13) **Three** different national enforcement authorities are mainly involved with undeclared work: labour inspectorates, social security inspectorates and tax

(13) **Often several** different national enforcement authorities are mainly involved with **curbing** undeclared work: **including** labour inspectorates, social

authorities. In some cases, migration authorities and employment services as well as customs authorities, the police, the public prosecutor's office and the social partners are also involved.

security inspectorates, ***health and safety inspectorates*** and tax authorities. In some cases, migration authorities and employment services as well as customs authorities, the police, the public prosecutor's office and the social partners are also involved. ***Together with better enforcement of existing legislation, the authorities concerned should increasingly put in place incentives enabling the regularisation of jobs.***

Or. en

## Amendment 19

### Proposal for a decision Recital 14

#### *Text proposed by the Commission*

(14) In order to address undeclared work comprehensively and successfully, a policy mix is to be implemented in the Member States, that is facilitated by structured cooperation between relevant authorities. The cooperation should include all national authorities which are leading ***and/or*** active in the prevention ***and/or*** deterrence of undeclared work.

#### *Amendment*

(14) In order to address undeclared work comprehensively and successfully, a policy mix is to be implemented in the Member States, that is facilitated by structured cooperation between relevant authorities. The cooperation should include all national authorities ***and actors*** which are leading and/or active in the prevention and/or deterrence of undeclared work ***and/or in the regularisation of jobs.***

Or. en

## Amendment 20

### Proposal for a decision Recital 15

#### *Text proposed by the Commission*

(15) To achieve its objectives, the Platform

#### *Amendment*

(15) To achieve its objectives, the Platform

should be supported by a '***Single point of contact***' in each Member State who should have the necessary authority to liaise with national authorities dealing with the multifaceted aspects of undeclared work.

should be supported by a ***senior representative from*** each Member State who should have the necessary authority to liaise with national authorities ***and actors*** dealing with the multifaceted aspects of undeclared work. ***The participation in the Platform should be mandatory for all Member States.***

Or. en

## **Amendment 21**

### **Proposal for a decision Recital 16 a (new)**

*Text proposed by the Commission*

*Amendment*

***(16 a) Eurofound should play an important role in supporting the Platform in particular with regard to the establishment of an interactive knowledge bank to enhance cooperation in the prevention and deterrence of undeclared work.***

Or. en

## **Amendment 22**

### **Proposal for a decision Recital 16 b (new)**

*Text proposed by the Commission*

*Amendment*

***(16 b) The Committee of Senior Labour Inspectors (SLIC) was set up by Commission Decision 95/319/EC<sup>1a</sup> in order to work on problems relating to the enforcement by the Member States of the Union law on health and safety at work. The Platform should also involve a SLIC***

*observer in order to avoid overlaps and create synergy effects.*

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*<sup>1a</sup> Commission Decision (95/319/EC) of 12 July 1995 setting up a Committee of Senior Labour Inspectors (OJ L 188, 9.8.1995, p.11).*

Or. en

## **Amendment 23**

### **Proposal for a decision Recital 20**

#### *Text proposed by the Commission*

(20) The Platform **will** cooperate with the EU level relevant expert groups and committees whose work has links with undeclared work.

#### *Amendment*

(20) The Platform should **closely** cooperate with the EU level relevant expert groups and committees whose work has links with undeclared work.

Or. en

## **Amendment 24**

### **Proposal for a decision Article 1 – paragraph 1**

#### *Text proposed by the Commission*

(1) A Platform to enhance EU cooperation in the prevention and deterrence of undeclared work, hereinafter referred to as "the Platform", is hereby established.

#### *Amendment*

(1) A **European** Platform to enhance EU cooperation in the prevention and deterrence of undeclared work, **and in the regularisation of jobs** ("the Platform"), is hereby established.

Or. en



## Amendment 25

### Proposal for a decision

#### Article 1 – paragraph 2 – point a

*Text proposed by the Commission*

(a) national enforcement authorities *as nominated by all the Member States*,

*Amendment*

(a) *one senior representative of each Member State, representing* national enforcement authorities *and/or other actors which are involved in the prevention and/or deterrence of undeclared work and/or the regularisation of jobs, with a mandate to participate in all activities related to the Platform*,

Or. en

## Amendment 26

### Proposal for a decision

#### Article 1 – paragraph 2 – point b

*Text proposed by the Commission*

*(b) the Commission.*

*Amendment*

*deleted*

Or. en

## Amendment 27

### Proposal for a decision

#### Article 1 – paragraph 2 – point b a (new)

*Text proposed by the Commission*

*Amendment*

*(b a) A maximum of eight representatives of the cross-industry social partners at Union level, as well as a maximum of ten social partners in sectors with a high*

*incidence of undeclared work,*

Or. en

## **Amendment 28**

### **Proposal for a decision**

#### **Article 1 – paragraph 3 – point a**

*Text proposed by the Commission*

*Amendment*

*(a) representatives of the cross-industry social partners at Union level, as well as social partners in sectors with a high incidence of undeclared work,*

*deleted*

Or. en

## **Amendment 29**

### **Proposal for a decision**

#### **Article 1 – paragraph 3 – point a a (new)**

*Text proposed by the Commission*

*Amendment*

*(a a) a representative of the European Commission,*

Or. en

## **Amendment 30**

### **Proposal for a decision**

#### **Article 1 – paragraph 3 – point b a (new)**

*Text proposed by the Commission*

*Amendment*

*(b a) a representative of the Committee of Senior Labour Inspectors (SLIC),*

## **Amendment 31**

### **Proposal for a decision**

#### **Article 1 – paragraph 3 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

***(c a) a representative of the  
Administrative Commission for the  
Coordination of Social Security Systems  
established by Regulation (EC) No  
883/2004 of the European Parliament and  
of the Council<sup>1a</sup>,***

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***<sup>1a</sup> Regulation (EC) No 883/2004 of the  
European Parliament and of the Council  
of 29 April 2004 on the coordination of  
social security systems (OJ L166,  
30.4.2004, p. 1).***

Or. en

## **Amendment 32**

### **Proposal for a decision**

#### **Article 1 – paragraph 3 – point c b (new)**

*Text proposed by the Commission*

*Amendment*

***(c b) a representative of the European  
Economic and Social Committee (EESC),  
and a representative of the Committee of  
the Regions (CoR),***

Or. en

## Amendment 33

### Proposal for a decision

#### Article 1 – paragraph 3 – point d

*Text proposed by the Commission*

(d) *representatives* of EEA states.

*Amendment*

(d) *one representative of each* EEA state.

Or. en

## Amendment 34

### Proposal for a decision

#### Article 2

*Text proposed by the Commission*

The Platform, as set out in Article 1 (1), shall contribute to better enforcement of EU and national law, to the reduction of undeclared work and the emergence of formal jobs, hence avoiding the deterioration of quality of work, and to promote integration in the labour market and social inclusion by:

*Amendment*

***The overriding objective of the Platform shall be to provide value-added input at Union level to Member States' and Union institutions' efforts, together with the social partners, to successfully tackle the complex problem of undeclared work and the regularisation of jobs, and their manifold implications and consequences.***

The Platform, as set out in Article 1 (1), shall ***to that end*** contribute to better enforcement of EU and national law, to the reduction of undeclared work and the emergence of formal jobs, hence avoiding the deterioration of quality of work, and to promote integration in the labour market and social inclusion by:

Or. en

## Amendment 35

### Proposal for a decision

#### Article 2 – point a

*Text proposed by the Commission*

(a) improving cooperation between Member States' different enforcement authorities at EU level to prevent and deter undeclared work, including bogus self-employment, more efficiently and effectively,

*Amendment*

(a) improving ***effective and close*** cooperation between Member States' different enforcement authorities ***and other actors involved*** at EU level to prevent and deter undeclared work, including bogus self-employment, more efficiently and effectively ***and to regularise jobs,***

Or. en

**Amendment 36**

**Proposal for a decision**

**Article 2 – point b**

*Text proposed by the Commission*

(b) improving Member States' different enforcement authorities' ***technical*** capacity to tackle cross-border aspects of undeclared work,

*Amendment*

(b) improving Member States' different enforcement authorities' capacity to tackle ***and resolve*** cross-border aspects of undeclared work ***and the related unfair competition and market distortions,***

Or. en

**Amendment 37**

**Proposal for a decision**

**Article 2 – point c**

*Text proposed by the Commission*

(c) increasing public awareness on the urgency of action and encouraging Member States to step up their efforts in dealing with undeclared work.

*Amendment*

(c) increasing public awareness on the urgency of action and encouraging Member States to step up their efforts in dealing with undeclared work, ***including through public awareness campaigns in conjunction with social partners.***

## Amendment 38

### Proposal for a decision Article 3 – point c

*Text proposed by the Commission*

(c) **Coordinate** cross-border operational actions.

*Amendment*

(c) ***initiate, coordinate, facilitate and promote practical, effective and efficient*** cross-border operational actions.

Or. en

## Amendment 39

### Proposal for a decision Article 3 – point c a (new)

*Text proposed by the Commission*

*Amendment*

***(c a) deliver opinions on relevant policy matters related to undeclared work, and the regularisation of jobs.***

Or. en

## Amendment 40

### Proposal for a decision Article 4 – paragraph 1 – point a

*Text proposed by the Commission*

*Amendment*

(a) Improve the knowledge of undeclared work by means of common concepts, measurement tools and promotion of joint comparative analysis and related relevant

(a) Improve the knowledge of undeclared work, ***and the regularisation of jobs*** by means of common concepts, measurement tools and promotion of joint comparative

indicators,

analysis and related relevant indicators,

Or. en

## **Amendment 41**

### **Proposal for a decision**

#### **Article 4 – paragraph 1– point a a (new)**

*Text proposed by the Commission*

*Amendment*

*(a a) improve the knowledge and mutual understanding of different national labour inspection systems and practices of fighting undeclared work, and the regularisation of jobs, as well as related legal frameworks for action, and to deepen general knowledge and specific sectoral insight into the precarious working conditions and unequal terms of payment and protection endured by persons in undeclared work.*

Or. en

## **Amendment 42**

### **Proposal for a decision**

#### **Article 4 – paragraph 1– point a b (new)**

*Text proposed by the Commission*

*Amendment*

*(a b) improve the knowledge and mutual understanding of the role that cross-border undeclared work plays with regard to unfair competition and market distortion,*

Or. en

## Amendment 43

### Proposal for a decision

#### Article 4 – paragraph 1– point b

*Text proposed by the Commission*

**(b) Develop the analysis of** effectiveness of different policy measures in curbing the incidence of undeclared work, including preventive and punitive as well as deterrence measures in general,

*Amendment*

**(b) analyse the** effectiveness of different policy measures in curbing the incidence of undeclared work, including **prevention** and **deterrence** as well as **enabling** measures in general,

Or. en

## Amendment 44

### Proposal for a decision

#### Article 4 – paragraph 1– point c

*Text proposed by the Commission*

(c) Establish tools, for instance a knowledge bank of different practices/measures, including bilateral agreements used in the Member States to deter and prevent undeclared work,

*Amendment*

(c) Establish **efficient** tools, for instance **an interactive** knowledge bank of different practices/measures, including bilateral agreements used in the Member States, to deter and prevent undeclared work, **and the regularisation of jobs**,

Or. en

## Amendment 45

### Proposal for a decision

#### Article 4 – paragraph 1– point c a (new)

*Text proposed by the Commission*

*Amendment*

**(c a) establish active cooperation with the enforcement authorities of non- EU countries, where relevant, in order to resolve problems related to undeclared**



*work involving these countries,*

Or. en

#### **Amendment 46**

##### **Proposal for a decision**

##### **Article 4 – paragraph 1– point d**

*Text proposed by the Commission*

(d) Adopt ***non-binding*** guidelines for inspectors, handbooks of good practice and common principles of inspections to tackle undeclared work,

*Amendment*

(d) Adopt guidelines for inspectors, handbooks of good practice and common principles of inspections to tackle undeclared work,

Or. en

#### **Amendment 47**

##### **Proposal for a decision**

##### **Article 4 – paragraph 1 – point e**

*Text proposed by the Commission*

(e) Develop forms of cooperation increasing the ***technical*** capacity to tackle cross-border aspects of undeclared work by adopting a common framework for joint operations for inspections and exchange of staff,

*Amendment*

(e) Develop forms of ***close and effective*** cooperation increasing the capacity ***of national labour inspection systems*** to tackle cross-border aspects of undeclared work by adopting a common framework for joint operations for inspections and exchange of staff,

Or. en

#### **Amendment 48**

##### **Proposal for a decision**

##### **Article 4 – paragraph 1 – point e a (new)**

*Text proposed by the Commission*

*Amendment*

***(e a) develop a common framework for inspections, including their duration, frequency and subject-matter,***

Or. en

## **Amendment 49**

### **Proposal for a decision**

#### **Article 4 – paragraph 1 – point e b (new)**

*Text proposed by the Commission*

*Amendment*

***(e b) develop a common approach to companies which benefitted from undeclared work,***

Or. en

## **Amendment 50**

### **Proposal for a decision**

#### **Article 4 – paragraph 1 – point f**

*Text proposed by the Commission*

*Amendment*

(f) Examine ways to improve data sharing in compliance with the Union data protection rules, including exploring possibilities to use of the Internal Market Information System (IMI) and the Electronic Exchange of Social Security Information (EESSI).

(f) Examine ***and propose*** ways to ***develop a reliable and efficient system of rapid information exchange and*** improve data sharing in compliance with the Union data protection rules, including exploring possibilities to make use of the Internal Market Information System (IMI) ***established by Regulation (EU) No 1024/2012 of the European Parliament and of the Council<sup>1a</sup>*** and the Electronic Exchange of Social Security Information (EESSI),

*<sup>1a</sup> Regulation (EU) No 1024/2012 of the European Parliament and of the Council of 25 October 2012 on administrative cooperation through the Internal Market Information System and repealing Commission Decision 2008/49/EC ( ‘the IMI Regulation’ ) (OJ L 316, 14.11.2012, p.1)*

Or. en

## **Amendment 51**

### **Proposal for a decision**

#### **Article 4 – paragraph 1 – point g a (new)**

*Text proposed by the Commission*

*Amendment*

*(g a) draw up and publish information to facilitate the activities of national labour inspection systems,*

Or. en

## **Amendment 52**

### **Proposal for a decision**

#### **Article 4 – paragraph 1 – point h a (new)**

*Text proposed by the Commission*

*Amendment*

*(h a) put forward proposals to the Commission for inclusion in the country-specific recommendations of appropriate action addressing the particular aspects of undeclared work and the regularisation of jobs in the Member States concerned,*

Or. en

## **Amendment 53**

### **Proposal for a decision**

#### **Article 4 – paragraph 1 – point h b (new)**

*Text proposed by the Commission*

*Amendment*

*(h b) give opinions to the Commission, the European Parliament or the Council, either on request or at its own initiative, on issues relating to the enforcement of Union legislation on working conditions and social protection in Member States,*

Or. en

## **Amendment 54**

### **Proposal for a decision**

#### **Article 4 – paragraph 1 – point h c (new)**

*Text proposed by the Commission*

*Amendment*

*(h c) propose initiatives to the Commission which it considers appropriate to encourage the effective enforcement of Union legislation on working conditions and social protection in Member States in particular by means of closer cooperation between national labour inspection systems.*

Or. en

## **Amendment 55**

### **Proposal for a decision**

#### **Article 4 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

(2) In carrying out its tasks, the Platform

(2) In carrying out its tasks, the Platform

**will** make use of all relevant sources of information, including studies and multilateral cooperation projects and take into account relevant Union instruments and structures, as well the experience of relevant bilateral agreements. It **will** establish appropriate cooperation with Eurofound and EU-OSHA.

**shall** make use of all relevant sources of information, including studies and multilateral cooperation projects and take into account relevant Union instruments and structures, as well the experience of relevant bilateral agreements. It **shall** establish appropriate cooperation with Eurofound, ***particularly with regard to the development of an interactive knowledge bank***, and EU-OSHA.

Or. en

## Amendment 56

### Proposal for a decision Article 5 – paragraph 1

*Text proposed by the Commission*

#### ***Single point of contact***

(1) Each Member State shall appoint one ***single point of contact*** as a member of the Platform. ***They*** may also appoint ***one alternate member***.

*Amendment*

#### ***Senior representatives***

(1) Each Member State shall appoint ***a senior representative referred to in Article 1(2)(a)*** as member of the Platform. ***It*** may also ***appoint a substitute to attend the meetings of the Platform where necessary***.

Or. en

## Amendment 57

### Proposal for a decision Article 5 – paragraph 2

*Text proposed by the Commission*

(2) In appointing ***their representatives***, Member States should involve all public authorities having a role in the prevention and/or deterrence of undeclared work, such as labour inspectorates, social security authorities, tax authorities, employment

*Amendment*

(2) In appointing ***a senior representative and a substitute***, Member States should involve all public authorities having a role in the prevention and/or deterrence of undeclared work ***and the regularisation of jobs in a domestic or cross-border context***,

services and migration authorities, hereinafter referred to as "enforcement authorities". They *may* also, in accordance with national law and/or practice, involve the social partners.

such as labour inspectorates, social security authorities, tax authorities, employment services and migration authorities, hereinafter referred to as "enforcement authorities". They *shall* also, in accordance with national law and/or practice, involve the social partners *and other relevant actors*.

Or. en

## Amendment 58

### Proposal for a decision Article 5 – paragraph 3

#### *Text proposed by the Commission*

(3) Member States shall provide the Commission with the list and contact details of all enforcement authorities which are involved in the prevention and/or deterrence of undeclared work.

#### *Amendment*

(3) Member States shall provide the Commission with the list and contact details of all enforcement authorities *and in accordance with national law or practice, the social partners* which are involved in the prevention and/or deterrence of undeclared work.

Or. en

## Amendment 59

### Proposal for a decision Article 5 – paragraph 4

#### *Text proposed by the Commission*

(4) *Single points of contact* shall liaise with all enforcement authorities which are involved in the prevention *and/or* deterrence of undeclared work *regarding* the activities of the Platform and *guarantee their participation at* the meetings *and/or contribution to the*

#### *Amendment*

(4) *The senior representatives referred to in Article 1(2)(a)* shall liaise *regularly* with all *national* enforcement authorities *and in accordance with national law or practice, the social partners and other actors* which are involved in the prevention or deterrence of undeclared work *or the*

*activities of the Platform or its working groups if issues discussed involve their field of competence.*

*regularisation of jobs. Together they shall prepare, at national level, the activities and meetings related to the Platform and its working groups, thereby ensuring a broad involvement of all stakeholders.*

Or. en

#### **Amendment 60**

##### **Proposal for a decision Article 7 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

*(1) The Commission shall coordinate the work of the Platform and chair its meetings.*

*deleted*

Or. en

#### **Amendment 61**

##### **Proposal for a decision Article 7 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

*(1 a) The platform shall meet at least twice a year.*

Or. en

#### **Amendment 62**

##### **Proposal for a decision Article 7 – paragraph 2**

*Text proposed by the Commission*

(2) For the execution of its mission, the Platform shall ***adopt*** by majority decision:

*Amendment*

(2) For the execution of its mission, the Platform shall by majority decision:

Or. en

**Amendment 63**

**Proposal for a decision**

**Article 7 – paragraph 2 – point a**

*Text proposed by the Commission*

(a) the rules of procedure, containing, inter alia, the decision-making arrangements of the Platform,

*Amendment*

(a) ***adopt*** the rules of procedure, containing, inter alia, the decision-making arrangements of the Platform,

Or. en

**Amendment 64**

**Proposal for a decision**

**Article 7 – paragraph 2 – point a a (new)**

*Text proposed by the Commission*

*Amendment*

***(a a) elect its chair and two vice-chairs among the members of the Platform who shall constitute the board of the Platform,***

Or. en

**Amendment 65**

**Proposal for a decision**

**Article 7 – paragraph 2 – point b**



*Text proposed by the Commission*

(b) **a two-year** work programme of the Platform setting out, inter alia, its detailed tasks and regular reports of the Platform **in every two years**,

*Amendment*

(b) **adopt an annual as well as a multiannual** work programme of the Platform setting out, inter alia, its detailed tasks of the Platform **and taking into account the evaluation of the activities undertaken in the previous year(s)**,

Or. en

**Amendment 66**

**Proposal for a decision**

**Article 7 – paragraph 2 – point c**

*Text proposed by the Commission*

(c) the establishment of working groups to examine issues specified in work programmes of the Platform. Such working groups shall be dissolved as soon as their mandates are fulfilled.

*Amendment*

(c) **adopt** the establishment of working groups to examine issues specified in work programmes of the Platform. Such working groups shall be **chaired by a member of the Platform and shall be** dissolved as soon as their mandates are fulfilled.

Or. en

**Amendment 67**

**Proposal for a decision**

**Article 7 – paragraph 3**

*Text proposed by the Commission*

(3) Experts with specific competence in a subject under discussion may be invited on a case-by-case basis to participate in the Platform's or working group's deliberations if this is useful and/or necessary.

*Amendment*

(3) Experts with specific competence in a subject under discussion may be invited **by the board of the Platform** on a case-by-case basis to participate in the Platform's or working group's deliberations if this is **considered** useful and/or necessary.

## Amendment 68

### Proposal for a decision Article 7 – paragraph 4

#### *Text proposed by the Commission*

(4) The Platform shall be assisted by a Secretariat provided by the Commission. The Secretariat shall prepare the meetings, the work programmes of the Platform and its reports.

#### *Amendment*

(4) The Platform ***and the board of the Platform*** shall be assisted by a Secretariat provided by the Commission. The Secretariat shall prepare the meetings, the ***draft*** work programmes of the Platform and its ***draft*** reports ***in close cooperation with and under the supervision of the board of the Platform.***

Or. en

## Amendment 69

### Proposal for a decision Article 7 – paragraph 4 a (new)

#### *Text proposed by the Commission*

#### *Amendment*

***(4 a) The Platform shall submit to the Commission an annual report on its activities.***

Or. en

## Amendment 70

### Proposal for a decision Article 7 – paragraph 5

*Text proposed by the Commission*

(5) The Commission shall ***inform regularly*** the European Parliament, ***and*** the Council ***about the activities of the Platform***.

*Amendment*

(5) The Commission shall ***forward that report to*** the European Parliament, the Council, ***the European Economic and Social Committee and the Committee of the Regions***.

Or. en

**Amendment 71**

**Proposal for a decision  
Article 11 – paragraph 1**

*Text proposed by the Commission*

Four years after its entry into force, the Commission shall submit a report on the application of this Decision to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. The report shall in particular assess to what extent the Platform has contributed to the achievement of the objectives set out in Article 2 and fulfilled the tasks as set out in Article 3 and in work programmes of the Platform.

*Amendment*

Four years after its entry into force, the Commission shall submit a report, ***after consultation of the Platform***, on the application of this Decision to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. The report shall in particular assess to what extent the Platform has contributed to the achievement of the objectives set out in Article 2 and fulfilled the tasks as set out in Article 3 and in work programmes of the Platform.

Or. en

## EXPLANATORY STATEMENT

The 8th European Parliament at the very start of its mandate is called upon to take up one of the most disturbing and complex problems - that of undeclared work. The complexity of the challenge stems from its very nature, i.e. - any paid activities that by their nature are lawful, however remain undeclared before the proper public authorities, or, in the case of bogus self-employment, falsely declared.

In order to successfully tackle the manifold problem of undeclared work, the first step therefore must be to objectively consider its true nature. Such consideration in fact reveals that it is actually the avoidance of proper registration that constitutes the direct cause of the broad range of extremely negative implications and consequences associated with it.

In its proposal for a Decision of the European Parliament and of the Council on establishing a European Platform, the Commission has given precedence to the enforcement approach aimed at preventing and deterring undeclared work. This envisages enhanced cooperation for "combatting" labour law infringements, tax avoidance and breaches of social security requirements - doubtless issues of grave concern in themselves.

However, there is growing realization that enforcement must be coupled with pro-active enabling policies and measures targeted towards the regularization of jobs that remain undeclared, such as income tax relief, tax reduction and subsidy schemes. The undiminishing practices of undeclared work throughout Member States demonstrate that there is both demand and supply for the jobs involved - hence the need not to suppress, but rather to integrate them into the formal range of rules and regulations of the social market economy.

Therefore, the defining purpose and objective of the new European Platform should be to provide clear value-added at the Union level to efforts to not only prevent and deter undeclared work but, perhaps even more importantly, to regularize the jobs involved. The need for purposeful pro-active policies stems from the necessity to boost production, in order to counter persisting low growth and deflation.

Such policies become all the more necessary in light of recent findings from research by Eurofound indicating a strong correlation between the size and growth of the undeclared economy on the one hand, and austerity policies of drastic budget cuts, increasing deregulation and a minimised role of the state, on the other. The same research indicates that the alternative approach of bolstering state expenditure on the labour market and on welfare provisions is strongly correlated with significantly smaller undeclared economies.

It ought to be recognized that the Platform shall be a venue gathering and sharing trustworthy information on best practices and persisting problems and for cooperating in outlining and implementing effective enforcement and enabling measures.

There can be no complacency regarding the urgency of action that must be undertaken, given the multiple and highly negative consequences of undeclared work - severe exploitation and precarious working and living conditions for millions of workers throughout the Union, grossly unfair competition that is deeply disruptive to the single market, as well as serious losses to the budgets and social security systems of Member States. And it should also be clear that it is only the concerted effort of Member States and the social partners, together with other stakeholders, including at the regional level, interacting with the institutions and capabilities of the EU, that are able to successfully overcome this whole range of most severe

challenges and deficiencies.

Such understanding of the true nature of the problem of undeclared work and of the proposed functions of the Platform should make it possible to reach agreement on the range of issues regarding membership, participation, procedures and decision-making. It should also serve as the basis for establishing a work program that fully responds to the pressing need for purposeful action, in order to reverse the present trend of growing undeclared activities in favour of increases of regularized jobs that provide decent livelihoods and needed services to customers, while contributing to fair market competition and sustainable fiscal stabilization.