European Federation of Building and Woodworkers





Dear Ambassador,

We are writing to you on behalf of the European Federation of Building and Woodworkers (EFBWW) and the European Construction Industry Federation (FIEC), the European social partners representing the workers and employers of the EU construction sector.

We express our concern about the upcoming discussions on the long awaited revision to the coordination of social security regulations (Regulation No 883/2004 and Regulation No 987/2009) and specifically the inclusion of the exemption to *prior notification* for short posting periods and business trips for the construction sector.

As you are aware, the construction sector is a highly sensitive industry to fraud and exploitation, with a significant risk of abuse and undercutting wages and standards. It is therefore essential that the efficacy of inspections is not undermined, and proper protections are in place for workers in this sector.

We urge you to take note of the joint statement issued by ourselves in 2021, which outlines the potential risks and impacts of this exemption on workers and the industry as a whole. We believe that the exemption for short posting periods and business trips will create a loophole that can be easily exploited by unscrupulous employers, and could lead to significant abuses of workers' rights and wages.

EFBWW and FIEC therefore call on the Council of the EU to exclude the construction sector from the exemption for short posting periods and business trips, and to ensure that proper safeguards are put in place to protect workers' rights and prevent abuse in the construction sector. As the current president of the Council, we urge you to take this issue seriously and to work towards a fair and just outcome that protects workers in this industry.

Thank you for your attention to this matter, and we look forward to your response.

Sincerely,

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EFBWW and FIEC jointly against exemptions to prior notification for the construction industry

EFBWW and FIEC, the European sectoral social partners for the construction industry, jointly oppose the possibility that prior notification would not apply for postings in the construction industry, including for short-term postings.

EFBWW General Secretary Tom Deleu warns that prior notification for all postings in construction is unnegotiable: "Any exemption will lead to more social dumping and more social fraud in the construction sector. Mobile workers need a strong social security coordination. Posting without notification to the authorities decreases workers' social security protection."

"FIEC is opposed to any form of temporary exemption to the prior notification of the A1 form for the construction industry", states FIEC Vice-President Joël Schons.

Therefore, all posting assignments in the construction sector must be subject to the prior notification obligation, regardless of their duration. We will not accept any exceptions for our sectors!

EFBWW and FIEC – as social partners – alert that such an exemption provides fertile ground for fraudulent behaviour:

- Most postings in the construction industry are short and would consequently not be subject to the prior notification because of this exemption.
- Setting a first temporary exemption could lead to further time-based extensions of such an exemption in the future.
- Fraudulent companies would be tempted to split the posting periods to circumvent the prior notification.
- In practice, due to the short time period under consideration, labour inspectorates will not be able to control whether the posted worker is covered by the time-based exemption or not.
- In case of work-related accidents during the posting, and without the provision of an A1 form, both national authorities of the sending and receiving countries might declare that they are not competent to deal with this situation.
- Altogether, the risk of an increase in fraud would destabilise the socio-economic model on which the construction industry relies.

The construction industry accounts for more than 40% of all postings taking place in the EU. If we want to avoid that posting is only a business model to deliver cheap and flexible workers, then we need a revised Social Security regulation with strong obligations, enforcement tools, and prior notification. Workers expect a fair internal market.

We consider that, instead of considering short-time exemptions for "administrative simplification" purposes, Member States should further develop fraud proof digital tools and procedures for notifying postings.

Tom Deleu General Secretary EFBWW Domenico Campogrande Director General FIEC

Note: The Swedish FIEC member Byggföretagen does not support this point of view.

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