



European Construction Industry Federation

Building Solutions together: our mission, your future

POSITION PAPER

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Fair Labour Mobility

The construction industry is a fundamental component of Europe's economic growth and a major source of employment. It generates about 7.9% of EU GDP and provides more than 12 million jobs – that is, 6.4% of EU total employment. Among its 3.8 million enterprises, 95% are SMEs with less than 20 workers.

Whereas the construction industry is first and foremost a local-based industry, there is also a tradition of posting workers abroad when activity developments require it. According to figures from the 2024 European Commission's annual report on intra-EU labour mobility, posted workers accounted for approximately 2 million people in 2023 and, among them, construction workers represent a high share¹.

1. Better enforcement and simplification to fight against unfair competition, namely through digitalisation (of procedures and control tools)

Fighting against unfair competition, as well as frauds and abuses against workers, in the construction sector is a key priority for FIEC. As the EU legislative framework in place is already significant, the immediate next step to improve the situation is to ensure a good implementation of the rules and their strong enforcement. For that purpose, the industry is playing its part and in many EU Member States, sectoral social partners have set up social ID cards, which aim at improving transparency, occupational health and safety, fight against undeclared work and ensure compliance with labour and social rules. In addition, FIEC welcomes that several initiatives proposed by the European Commission also aim at both reinforcing and simplifying enforcement.

ESSPASS:

Cooperation between Member States in social security matters should be facilitated through better use of digitalised processes, including the use of the Electronic Exchange of Social

¹ While available data does not allow us to know the exact share of construction workers in the total number of posted workers, estimations indicate that they represent a very large share of them: see [ELA Strategic Analysis of 2023 on the construction sector](#)

Security Information (EESSI) system and the further development of the European Social Security Pass (ESSPASS). It is now time for the ESSPASS to move beyond a pilot and to a fully-fledged proposal.

Back in 2021, [FIEC and its EU social partner for construction EFBWW published a joint declaration](#) supporting the ESSPASS pilot project and calling for the implementation of effective digital tools to ensure the enforcement of the applicable legislation, to protect worker's rights and at the same time to facilitate administrative procedures for the fair and free movement of companies and workers in the internal market.

Social Security Coordination:

Digitalisation can also support efforts to facilitate the processes outlined in Regulation 883/04 on the coordination of social security. In this respect, the discussion around the Fair Labour Mobility package can support the case for concluding the revision of this Regulation.

In this framework, [FIEC and EFBWW have jointly advocated](#) in favour of maintaining a mandatory prior notification for the posting of construction workers, whatever the duration of the posting is, in order to avoid frauds and abuses in our sensitive sector.

E-Declaration for posting workers:

In a [joint position adopted in November 2025](#), FIEC and EFBWW supported the digitalisation of declaration systems as a way to strengthen compliance and reduce administrative burdens, but expressed major reservations about the restrictive approach of the original Commission proposal, which fails to provide legal certainty for existing and well-functioning national systems. Given the sensitivity of the construction sector to fraud and abuse, FIEC and EFBWW emphasised that the e-Declaration must be a tool to strengthen enforcement and not to weaken national enforcement mechanisms.

In particular, FIEC and EFBWW jointly called for:

- A voluntary, multilingual, user-friendly digital interface that supports enforcement in sensitive sectors like construction;
- A standard form which provides flexibility for Member States to add information requirements for their specific national and sectoral contexts;
- Full respect and legal certainty for existing national systems, including those using social ID cards and other enforcement tools in construction;
- Formal involvement of sectoral social partners in defining information needs particular to their sectors;
- An assessment of the tool's effectiveness and impact on national enforcement mechanisms.

Sectoral social ID cards:

As said above, social ID cards are already used in many Member States in the construction industry to increase transparency, verify employment relationships, support inspections and combat undeclared work and/or improve occupational health and safety standards. Coverage of posted workers is frequent. Where they exist, social partner involvement has been critical to the success of these cards.



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In the [EU-funded social dialogue project SIDE-CIC](#), FIEC and EFBWW mapped the landscape of social ID cards in construction in Europe and examined whether these different tools could be interoperable across borders from both a legal and a technical perspective. The broader aims were to promote the use and adoption of social ID cards schemes as a tool to strengthen enforcement, improve transparency on construction sites and support fair labour mobility.

Among the joint recommendations drafted at the end of the project, FIEC and EFBWW namely call for, where possible, and in close cooperation with national social partners, interconnection with ESSPASS and PDA1.

2. Better information to employers

Fair Labour Mobility and fair competition shall also be sustained by qualitative and easy to access information to companies when sending workers abroad and/or receiving them. Again, the existing EU legislative framework is significant and also complex. Companies need to be well informed to make sure that they apply the rules.

Mandate of the European Labour Authority (ELA):

In its [response to the recent call for evidence on the revision of the ELA mandate](#), FIEC acknowledged the good work done by ELA since its creation, in spite of the challenging context of the COVID-19 crisis and the start of its work, and made clear that ELA's work shall be further improved in the framework of its current mandate.

Indeed, according to the recent evaluation undertaken by the European Commission, there is room to improve ELA's performance based on its current mandate and objectives. The staff working document accompanying the evaluation notes that "*despite call for the strengthening of ELA's mandate, the evaluation does not point to a pressing need for the revision of the mandate*".

Responding to the demand for better information, a key priority for employers is the creation of an ELA helpdesk, following on from the feasibility study that has been undertaken. Such a helpdesk should provide practical, trusted and on-demand advice and support to employers and mobile workers via written and web-based information and through direct exchange online and/or by phone.

In the same vein, FIEC is following with great interest the pilot project for a "remuneration tool", which should help employers applying the correct remuneration to posted workers.

3. Addressing the shortage of (skilled) workers in construction

In a [joint declaration adopted in March 2025](#), FIEC and EFBWW acknowledged that the construction sector has been struggling with strong and persistent labour shortages and skills gaps for many years. The labour force and the skills needed for the sector are impacted by demographic changes, economic crisis, difficult working conditions, the lack of attractiveness of the sector, the green and digital transitions.



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FIEC and EFBWW further go with calling for a strong sectoral social dialogue, awareness-raising, good working conditions, closer cooperation with Vocational and Education Training centres, more apprenticeships, the recognition of formal and informal qualifications, as well as seizing the opportunity of the twin transition in our sector.

In a [later separate position paper on the shortage of labour in the construction industry](#), FIEC estimated that around 2 million additional construction workers will be needed by 2030 in the EU.

In addition to the solutions already expressed above, FIEC advocated for facilitating the intra-EU mobility of construction workers – namely through better mutual recognition of their professional qualifications² – and for opening the EU labour market to skilled workers from Third Countries.

Third Country National workers in construction:

Considering this latter point, [FIEC supports the initiative for an EU Talent Pool](#) proposed by the European Commission.

In the EU-funded social dialogue project [FELM \(better Functioning of the European Labour Market\)](#), FIEC and EFBWW already assessed that the EU construction market was a significant and growing destination for Third Country National workers. Although the availability and quality of data about these workers was often lacking, it came out of the study that they were more at risk of being confronted to social dumping than EU workers. FIEC and EFBWW therefore made a number of recommendations in favour of fair labour and fair competition for these workers who will be more and more present/needed in the years to come.

However, when it comes to further regulating posted Third Country National workers, FIEC advocates that the current Posting and Enforcement Directives already cover these workers. Adding another layer of legislation specifically for them would only complicate the situation and make it more difficult to implement and enforce.

4. Subcontracting in cross-border context

In its [position on subcontracting in construction](#), adopted in September 2025, FIEC stressed that the freedom to provide services (article 56 TFEU) is essential for the competitiveness, efficiency and innovation of the European construction industry. Moreover, article 16 of the Charter of Fundamental Rights of the EU and the internal market rules recognise companies' freedom to conduct a business, which implies that they are free to choose their business partners as well as the form of the partnership (i.e. through subcontracting).

Depending on the projects and tasks to be performed, different companies need to intervene on the same worksite, and an effective and flexible co-operation is required. This is also due to the high fragmentation of the construction industry, which is composed of a vast majority of SMEs.

² This point will be developed in detail in the FIEC answer to the parallel call for evidence on skills portability.



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Hence, in construction, cooperation between different companies on a worksite is common and may take many different forms, including joint ventures and cooperating with subcontractors, suppliers as well as other service providers. Subcontracting as such can be used for different purposes and take different forms. **The possible cross-border nature of subcontracting is only one specific aspect and certainly not the most common one.**

Against this background, FIEC is strongly opposed to restrictions imposed at the EU level and aimed at limiting subcontracting to a maximum number of tiers.

This is without prejudice to the fact that limitations to subcontracting already exist in some Member States, or the application of extended liability rules. Most of the time, these national rules have been proposed by and/or negotiated in close cooperation with the national (sectoral) social partners, taking into account their specific national context. This means that what has been decided and implemented at national level cannot be seen as a solution for the 27 EU Member States.

In a cross-border context, the Enforcement Directive already provides for rules on subcontracting liability³ and Member States are allowed to implement even stricter rules. This latter aspect is the object of an ongoing study by the European Labour Authority and FIEC advocates that any potential initiative proposed in the framework of the Fair Labour Mobility package shall not anticipate the final outcomes of this study. It is also important to recall that, in its recent evaluation of the implementation of the new Posting Directive, the European Commission stressed that “*Subcontracting is not a harmful practice in itself. It can be useful when a specific project needs several capabilities which cannot be provided by a single contractor*”⁴. And although the Commission reports about some enforcement challenges, it concludes saying it “*does not currently see the need to amend the Directive regarding subcontracting specifically*”⁵.

Whereas there are frauds and abuses that can occur in subcontracting situations in the construction sector, FIEC believes that solutions can better be found by better implementing and enforcing the existing rules (see point 1), improving transparency – with those sectoral social ID cards aimed at ensuring labour and social compliance, as well as other documentation like on-site subcontracting registration books or online business registries – increasing the technical and human capacity of labour inspectorates, improving data sharing across borders and between national administrations, etc.

In any case, what construction companies need, in particular in cross-border situation, is to have the appropriate tools to assess who they are doing business with and undergo a proper risk analysis. This entails access to verified data across borders (e.g. tax records, insurances, company structure...), reliable PDA1, development of AI and big data analysis, integration of these systems into public procurement, etc.

³ Directive 2014/67/EU on the enforcement of the “posting” directive, article 12

⁴ Staff Working Document accompanying the EC report on the implementation of Directive (EU)2018/957 – SWD(2024)320 final, dated 30/04/2024 (p. 29)

⁵ Report on the implementation of Directive (EU)2018/957 – COM(2024)320 final, dated 30/04/2024 (p. 10)



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