FIEC is the European Construction Industry Federation, representing via its 29 National Member Federations in 26 countries (23 EU & EFTA and Turkey) construction enterprises of all sizes, i.e. small and medium-sized enterprises as well as "global players", carrying out all forms of building and civil engineering activities. Recognised "Sectoral Social Partner" (employers)

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## **FIEC Press Release**

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## FIEC asks the European legislators to exclude construction from the European services e-card

FIEC has fundamental criticisms about the legislative proposal for a European services e-card and doubts about its real added value, in terms of strengthening the Internal Market for construction companies", stresses FIEC President Jean-Louis Marchand. "This is why we are urging the European Parliament and the Council to exclude construction from the scope of the European services e-card proposal."

In particular, FIEC points out that:

- There is a risk that the e-card could become de facto obligatory;
- The principle of tacit approval by the host Member State is likely to introduce, in practice, elements of the principle of country of origin;
- The validity of the e-card for an indefinite period of time, without any guarantees that it will be updated when necessary, creates the risk of unfair competition in the Internal Market;
- The complex procedures proposed to administer the e-card which are based on the Internal Market Information (IMI) system which will require an upgrade - seem to be unrealistic. The differences in the administrative capacities of the various Member States could also prove to be problematic;
- The numerous delegated and implementing acts are already creating uncertainty because the industry simply has no idea what to expect from these acts. They also grant a disproportionate level of power to the European Commission;
- The proposed system as it stands risks ultimately facilitating the establishment of letterbox companies, bogus self-employees and illegal practices.

"While FIEC supports the principle of a well-functioning Internal Market, it seems that the European Commission's proposal is based on a misunderstanding of the specific nature of the construction industry and its cross-border activity within the Internal Market", concludes Marchand.