



# European Platform to enhance EU cooperation in the prevention and deterrence of undeclared work

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# Policy context 1

- *Europe 2020 strategy, employment target*
- *Employment Package April 2012*
- *Concrete measures to boost jobs*
- *EU-level Platform between labour inspectorates and other enforcement bodies to combat undeclared work*
- *Aim is to improve cooperation, share best practices and identify common principles for inspections*

*CWP 2013: legislative initiative to establish an European Platform*

## Policy context 2

- *Employment guideline No 7 states that measures should be taken to address undeclared work*
- *Importance of the fight against undeclared work is stressed in the Annual Growth Surveys in 2012 and 2013*
- *In 2012 and 2013 several Member States have received recommendations concerning undeclared work, shadow economy, tax evasion and/or tax compliance*

# Implications of undeclared work

- *Definition – undeclared work can be defined as "any paid activities that are lawful regards their nature but not declared to the public authorities, taking account differences in the regulatory systems of the Member States"*
- *Budgetary implications, quality of work, productivity, skills development, life-long learning, pension and social security rights, access to healthcare*

# What has been done 1

- *2006 Green Paper on "Modernising labour law to meet the challenges of the 21st century"*
- *2007 COM Communication "Outcome of the Public Consultation on Commission's Green Paper "Modernising labour law to meet the challenges of the 21st century"*
- *2007 Eurobarometer survey (Will be renewed in 2013)*
- *2007 COM Communication "Stepping up the fight against undeclared work"*

## What has been done 2

- *2010 study on "Feasibility of establishing a European platform of cooperation between labour inspectorates and other relevant monitoring and enforcement bodies with the aim of preventing and fighting undeclared work"*
- *2010 study on "Indirect measurements methods for undeclared work in EU"*
- *2010 ICENUW "Implementing Cooperation in a European Network against undeclared work" study*
- *2012 Peer review "Combatting undeclared work as a growing challenge in the context of high unemployment"*
- *2012 joint management project between COM and ILO "Labour Inspection strategies for combatting undeclared work in Europe"*

## What has been done 3

- *Eurofound activities*
  - 2008 Report "Tackling undeclared work in the EU"
  - 2009 database of policy measures to combat undeclared work (will be updated in Spring 2013)

# Fighting UDW at national level

- *Preventing and deterring undeclared work are primarily tasks of the Member States*
- *Three pillars: Labour inspectorates, Social Security inspectorates, Tax authorities*
- *Also involved: Migration authorities, Police, Public prosecutor/judiciary, Public Employment agencies*



# Causes for EU-level action

- *Transforming undeclared work to declared work can contribute in terms of job creation and inclusion of people to the labour market, to the achievement of the Europe 2020 employment targets*
- *Challenges caused by undeclared work are largely common to all MS*
- *Learning from others could improve the cost efficiency of national operational interventions*
- *Fighting UDW contributes to better enforcement of EU law*
- *Cross-border nature*

## Plans for EU-level action

- *Enhance cooperation on EU level between different enforcement bodies in order to have a more effective and coherent approach to fight against undeclared work.*
- *Establishment of a European Platform to enhance EU cooperation in the prevention and deterrence of undeclared work*

# Possible outcomes of EU-level action

- *Improve the knowledge and measurement of undeclared work*
- *Sharing of best practices*
- *Identify common principles for inspections*
- *Promote exchanges of staff and joint training*
- *Facilitate joint control actions*



*Thank you for your attention!*

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