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2016/WB/57/TM

Mr. Jean-Claude Juncker President of the European Commission

Mr. Valdis Dombrovskis Vice-President of the European Commission

Mr. Jyrki Katainen Vice-President of the European Commission

Dear President, Dear Vice-Presidents,

Rejection of the proposed "Services Passport" by the European social partners of the construction industry.

The European Social partners of the Construction Industry, the EFBWW and FIEC, have taken stock of the proposed Internal Market Package (COM (2015)550), presented on 28.10.2015 and included in the Work Programme 2016 of the European Commission.

We acknowledge that the regulatory framework for the free movement of services within the construction industry should be further developed, in order to create a level playing field which promotes fair competition and fair working conditions, as well as in order to reduce unnecessary administrative burdens and obstacles for companies.

The European social partners of the construction industry have thoroughly assessed and discussed in particular the proposed "Services Passport", for which the Commission aims to make a legislative proposal in 2016, which would be applicable for the construction industry.

Several meetings took place with the concerned services of the European Commission (DG GROW) and between the Social Partners with the aim of clarifying the possible content, objectives and added value of such a "Services Passport".

On the basis of the information provided and of the assessment of our respective national member organisations, the European Social Partners jointly concluded that the foreseen "Services Passport" is based on a wrong understanding of the specificities and of the functioning of the construction industry and it is unclear how the European Commission intends to proceed further in this matter.

First of all, contrary to the "traditional" industries, which are based on fixed production units and mobile final products, in construction it is exactly the opposite, namely a production unit (i.e. the company with its workers) that has to move where the final product is produced. Therefore, benchmarking construction with other sectors and taking the differences as a reason for having to propose measures to increase its cross-border mobility is an incorrect approach. Consequently, the idea to propose such a "Services Passport" for the construction industry is based on an erroneous assumption. The vast majority of construction companies operate and will continue to operate mainly at a local/ regional level, not necessarily because of administrative obstacles, but because of other barriers such as, for example, the language, technical requirements, cultural differences, customer relations etc.

For these reasons and on the feedback received by our respective member organisations we would like to confirm that the Social Partners of the European Construction industry do not see any need for nor usefulness in such a "Services Passport" in order to increase the provision of cross-border services and would like to ask the Commission to drop this initiative for the construction industry.

In addition to this, on the basis of the information gathered so far we jointly share the view that the proposed "Services Passport" would not provide any useful added value whilst at the same time generating additional problems, facilitating cross-border frauds and disrupt the effectiveness of controls undertaken by labour inspectorates.

Taking into account these fundamental concerns, we would like to urge the European Commission to refrain from introducing a legislative proposal on the matter.

Sincerely yours,

Dietmar Schäfers President EFBWW Johan Willemen FIEC President

## Copy:

Mrs. Marianne Thyssen, EU Commissioner Employment, Social Affairs, Skills and Labour Mobility Mrs. Elżbieta Bieńkowska, EU Commissioner Internal Market, Industry, Entrepreneurship and SMEs Mr. Jurgen Tiedje, Head of Unit, DG GROW, Unit E1