

Mr. Jean-Claude Juncker  
President of the European Commission

Mrs. Elżbieta Bieńkowska, EU Commissioner Internal  
Market, Industry, Entrepreneurship and SMEs

Copy only by email:

Mrs. Marianne Thyssen, EU Commissioner Employment,  
Social Affairs, Skills and Labour Mobility

Mr. Jurgen Tiedje, Head of Unit, DG GROW, Unit E1

Mr. Valdis Dombrovskis  
Vice-President of the European Commission

Mr. Jyrki Katainen  
Vice-President of the European Commission

Brussels, 7<sup>th</sup> July 2016

**Subject: Rejection of the proposed “Services Passport” by the European representative of construction SMEs**

Dear President,

Dear Madam Commissioner,

As the representative of the micro, small and medium-sized enterprises of the construction sector in Europe, the European Builders Confederation (EBC) writes to you about the proposed “Services Passport”, for which the Commission aims to make a legislative proposal in 2016 and which would be applicable to the construction industry.

EBC has taken stock of the proposed Internal Market Package (COM (2015)550), presented on 28<sup>th</sup> October 2015 and included in the 2016 Work Programme of the European Commission.

EBC acknowledges 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.

EBC participated in various meetings with the concerned services of the European Commission (DG GROW), the European construction social partners and other relevant stakeholders (including UEAPME) in order to clarify the possible content, objectives and added value of such a “Services Passport”.

On the basis of the information collected and of the thorough assessment by our national member organisations, EBC decided to join the position of the other European construction social partners asking for the rejection of a “Services Passport”. EBC believes 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.

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) 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 member organisations, EBC does 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 share the view that the proposed “Services Passport” would not provide any useful added value, while at the same time it may generate additional problems, facilitate cross-border frauds and disrupt the effectiveness of controls undertaken by labour inspectorates.

Last but not least, we believe it becomes self-evident that this initiative is intrinsically uncalled for as far as our sector is concerned. Indeed, the relevant construction stakeholder organisations at European level have not only refrained from expressing its need, but are actively calling for its rejection. We warmly call on you to respect your own principles of smart legislation, by taking relevant EU initiatives with a bottom-up approach and in consultation with the EU stakeholders, most of all if they are social partners.

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

We remain at your complete disposal for further clarifications and look forward to maintaining an open dialogue about this.

Yours sincerely,



Riccardo VIAGGI  
EBC Secretary General



Patrick LIÉBUS  
EBC President