### **European Parliament**

2019-2024



Committee on Employment and Social Affairs

2021/2620(RSP)

12.5.2021

# DRAFT MOTION FOR A RESOLUTION

further to Questions for Oral Answer B9-0000X

pursuant to Rule 136(5) of the Rules of Procedure

on the introduction of an European Social Security number with a personal labour card (2021/2620(RSP))

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on behalf of the Committee on Employment and Social Affairs

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#### B9-0000/2021

## European Parliament resolution on the introduction of a European Social Security number with a personal labour card (2021/2620(RSP))

The European Parliament,

- having regard to Article 3 of the Treaty of the European Union,
- having regard to Article 153 of the Treaty on the Functioning of the European Union,
- having regard to its resolution of 14 January 2014 on effective labour inspections as a strategy to improve working conditions in Europe<sup>1</sup>,
- having regard to its resolution of 19 January 2017 on a European Pillar of Social Rights<sup>2</sup>,
- having regard to its resolution of 17 December 2020 on a strong social Europe for Just Transitions<sup>3</sup>.
- having regard to its resolution of 22 October 2020 on the employment and social policies of the euro area 2020<sup>4</sup>,
- having regard to its resolution of 20 January 2021 on strengthening the single market: the future of free movement of services<sup>5</sup>,
- having regard to its resolution of 19 June 2020 on European protection of cross-border and seasonal workers in the context of the COVID-19 crisis<sup>6</sup>,
- having regard to Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work,
- having regard to Regulation (EU) 2019/1149 of the European Parliament and of the Council of 20 June 2019 establishing a European Labour Authority,
- having regard to Regulation (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems,
- having regard to Regulation (EC) No 987/2009 of the European Parliament and of the Council of 16 September 2009 laying down the procedure for implementing Regulation (EC) No 883/2004 on the coordination of social security systems,
- having regard to Directive 96/71/EC of the European Parliament and of the Council of
  16 December 1996 concerning the posting of workers in the framework of the provision

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<sup>&</sup>lt;sup>1</sup> Texts adopted, P7\_TA(2014)0012.

<sup>&</sup>lt;sup>2</sup> Texts adopted, P8\_TA(2017)0010.

<sup>&</sup>lt;sup>3</sup> Texts adopted, P9\_TA(2020)0371.

<sup>&</sup>lt;sup>4</sup> Texts adopted, P9 TA(2020)0284.

<sup>&</sup>lt;sup>5</sup> Texts adopted, P9 TA(2021)0007.

<sup>&</sup>lt;sup>6</sup> Texts adopted, P9\_TA(2020)0176.

of services,

- having regard to Directive (EU) 2018/957 of the European Parliament and of the Council of 28 June 2018 amending Directive 96/71/EC concerning the posting of workers in the framework of the provision of services,
- having regard to Directive 2014/67/EU of the European Parliament and of the Council of 15 May 2014 on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services and amending Regulation (EU) No 1024/2012 on administrative cooperation through the Internal Market Information System ('the IMI Regulation'),
- having regard to Directive (EU) 2020/1057 of the European Parliament and of the Council of 15 July 2020 laying down specific rules with respect to Directive 96/71/EC and Directive 2014/67/EU for posting drivers in the road transport sector and amending Directive 2006/22/EC as regards enforcement requirements and Regulation (EU) No 1024/2012,
- having regard to Regulation (EU) 2020/1054 of the European Parliament and of the Council of 15 July 2020 amending Regulation (EC) No 561/2006 as regards minimum requirements on maximum daily and weekly driving times, minimum breaks and daily and weekly rest periods and Regulation (EU) No 165/2014 as regards positioning by means of tachographs,
- having regard to Regulation (EU) 2020/1055 of the European Parliament and of the Council of 15 July 2020 amending Regulations (EC) No 1071/2009, (EC) No 1072/2009 and (EU) No 1024/2012 with a view to adapting them to developments in the road transport sector,
- having regard to Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union,
- having regard to CJEU judgment in case C-55/18, according to which Member States must require employers to set up a system enabling the duration of daily working time to be measured.
- having regard to the Commission Communication of 4 March 2021 on the European Pillar of Social Rights Action Plan (COM(2021) 102 final),
- having regard to the question to the Commission on the introduction of a European Social Security number with a personal labour card (O-xxx/2021 – B9-xxxx/2021),
- having regard to Rules 136(5) and 132(2) of its Rules of Procedure,
- having regard to the motion for a resolution of the Committee on Employment and Social Affairs,
- A. whereas there were 12.4 million EU-28 movers of working age in 2017 from which 76% were employed; whereas there were 1.4 million cross-border workers in the Union in 2017; whereas the active movers represent 4.2% of the total labour force in the EU-

- 28 Member States in 2019;
- B. whereas the challenges concerning unfair competition based on labour exploitation and wage dumping remains significant across many Members States; whereas one of the causes is the lack of effective enforcement of applicable Union law as regards the principles of equal treatment and equal pay for equal work at the same place;
- C. whereas the European Parliament resolution of 14 January 2014 on effective labour inspections calls on the Commission to investigate the benefits of introducing a European social security card; whereas the European Parliament resolution of 19 January 2017 on a European Pillar of Social Rights points to potential of accessible egovernment solutions, possibly including a European social security card;
- D. whereas the Commission's work programme for 2018, dated 24 October 2017, announced the intention to introduce a European Social Security Number (ESSN); whereas the Commission consulted stakeholders and citizens on the introduction of a ESSN between 27 November 2017 and 7 January 2018; whereas the European Commission confirmed in its 2019 Annual Burden Survey to be working on an initiative on a ESSN; whereas Commission President Ursula von der Leyen announced in the State of the European Union speech on 16 September 2020 that the Commission would soon propose a secure European e-identity; whereas the European Commission announced in The European Pillar of Social Rights Action Plan that it would explore launching a European Social Security Pass (ESSP) building on the initiative for a European e-ID;
- E. whereas the European Trade Union Confederation considers the ESSN a valuable instrument to fight fraud and social security abuses; whereas Business Europe published on 12 January 2018 a note stressing the potential of the ESSN to improve the coordination of social security in the EU;
- F. whereas the European Labour Authority (ELA) was established on 3 April 2018; whereas the ESSN was not included in the ELA Regulation;
- 1. Recalls that the European Parliament has called on the Commission on several occasions since 2014 to present a legislative proposal for a ESSN; regrets that the Commission has not yet presented a proposal for a ESSN despite several commitments; reiterates its call on the Commission to present a proposal without undue delay;
- 2. Welcomes the commitment by the Commission in the Action Plan on the European Pillar of Social Rights to present at digital ESSP; calls on the Commission to move forward the launch of the ESSP from 2023 to 2022;
- 3. Calls on the Commission to ensure that any initiative on a digital ESSP or a ESSN includes a legislative proposal for a European Personal Labour Card (EPLC) with a view to provide national authorities and trade unions with an instrument to effectively enforce Union law; recalls that a ESSN initiative must be without prejudice to national social security systems, national labour market models and the autonomy of social partners;
- 4. Believes that the ESSN initiative with a EPLC must cover all European <u>mobile</u> citizens including self-employed, as well as third country nationals, working in the EU;

- 5. Considers that a ESSN initiative with a EPLC should aim to: ensure effective identification, traceability, aggregation and portability of rights; improve enforcement of EU rules on decent working conditions, labour mobility and social security coordination in the labour market in a fair and effective way to ensure a level playing field for EU companies; enable quick verification of insurance status and contributions; combat exploitation, wage dumping, fraud and abuse of social security benefits; enable labour inspectorates and social partners, where they are carrying out or are involved in labour and social security inspections, to verify compliance, via cross-referencing between databases, and better prevent social fraud in relation to issues such as abusive subcontracting, false self-employment, bogus posting, letterbox companies, undeclared work and non-payment of social security contributions; enable immediate checks of workers' place of work, place of employment, identity, working time, education and training, social security, insurance and payment of taxes;
- 6. Believes that workers, their trade union representatives and national labour and social security inspectorates should have up-to-date access to information about their employment relation, their wage entitlements and labour and social rights, in accordance with the applicable collective agreement or national legislation where applicable; considers that a ESSN initiative with a EPLC with real time data-access would allow for national competent authorities to verify social security coverage for workers at any given point in time and thereby strengthen labour inspections; underlines that a ESSN would also make it easier for workers to track their social security coverage contributions and entitlements, such as pension rights;
- 7. Stresses that the Union's data protection rules must be strictly applied and that the social security data is only made available to the worker and the competent national authorities concerned; considers that in Member States where social partners are carrying out or are involved in labour inspections, the access to social security data of workers from other Member States must be ensured for social partners without jeopardizing the data protection provisions;
- 8. Underlines that a proposal for a ESSN initiative with a EPLC should be complementary to existing practices in those Member States where social ID card schemes are operated by the social partners at national level; stresses that a legislative act at EU level should not replace national practices but should be built on, and be complementary to, such existing practices;
- 9. Notes that there is currently no alternative to PD A1 forms as regards the verification of social security coverage of posted workers; acknowledges the limitations and challenges related to the PD A1 procedure in particular with regard to the application of PD A1 forms by companies as well as their verification by the competent national authorities in the context of the provision of services in another Member State; and welcomes that the pilot project of the European Social Security Pass will focus on this issue as a first use case.
- 10. Considers that the ESSN should complement the Electronic Exchange of Social Security Information, which must become fully functional as soon as possible, to facilitate exchanges between social security institutions, speed up the handling of individual cases and improve the enforcement capacity of ELA;

- 11. Calls on the Commission to closely cooperate with <u>national social security institutions</u> and social partners when it comes to the development and introduction of a ESSNat EU level of any digital tool touching upon social security;
- 12. Instructs its President to forward this resolution to the Council and the Commission, the European Economic and Social Committee and the governments and parliaments of the Member States.

