



EUROPEAN COMMISSION

*Brussels, 24.01.2019
C (2018) 85 final*

Dear President,

The Commission would like to thank the Senato della Repubblica for its Opinion on the proposal for a Regulation of the European Parliament and of the Council establishing a European Labour Authority {COM(2018) 131 final}.

This proposal, presented within the Social Fairness Package, forms part of a series of initiatives of the European Commission to deliver on the European Pillar of Social Rights and to support fair and well-functioning labour markets. It aims at contributing to the overall strengthening of the Internal Market, which has been one of the priorities of this Commission.

Over the last decade, the number of mobile citizens almost doubled, reaching 17 million in 2017. The Commission submitted several proposals to ensure that the EU legislative framework on free movement of workers, freedom to provide services and social security coordination is fit to respond to the social and economic reality in the Member States and to the challenges of the growing phenomenon of mobility across Europe. However, concerns remained regarding the effective application and enforcement of these rules.

The proposal to create a European Labour Authority aims at addressing this aspect, by ensuring that the Authority can provide relevant information and services to individuals and employers, as well as support Member States in cooperation, information exchange, concerted and joint inspections, risk assessment, capacity building, mediation, and cooperation in the event of cross-border labour market disruptions.

The Commission welcomes the Senato della Repubblica's support for the objectives of the proposal on fostering fair mobility, and takes note of its doubts relating to the establishment of a new body to fulfil this task. The Commission is pleased to have this opportunity to provide a number of clarifications regarding its proposal in the attached Annex, and trusts that these will allay the Senato della Repubblica's concerns.

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Discussions between the Commission and the co-legislators, the European Parliament and the Council, concerning the proposal are now underway and the Commission remains hopeful that an agreement will be reached in the near future. The Senato della Repubblica's Opinion has been made available to the Commission's representatives in these negotiations.

In parallel, an Advisory Group on the European Labour Authority has been established, bringing together representatives of Member States, the European Parliament, European level social partners and other stakeholders. While not interfering in any way with the legislative process, the task of the Group is to advise the Commission on how to build the future Authority, taking into account good practices, and anticipate and address possible challenges.

The Commission hopes that the clarifications provided in this reply address the issues raised by the Senato della Repubblica and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Marianne Thyssen
Member of the Commission*

Annex

The Commission has carefully considered the issues raised by the Senato della Repubblica in its Opinion and would like to offer the following observations grouped by topic.

The European Union's rules on social security coordination do not intend to replace national systems with a single European one. All countries are free to decide who is to be insured under their legislation, which benefits are granted and under what conditions. In this light, the Commission proposal for the setting up of a European Labour Authority aims at contributing to ensuring fair labour mobility by ensuring that Union rules on cross-border labour mobility and social security coordination are enforced in a fair, simple and effective way and by supporting the mobility of individuals and businesses through practical information and assistance.

The Commission drafted its proposal on the understanding that it is for the Member States to decide on the Authority's seat by the end of the legislative process. The 2012 Joint Statement on Decentralised Agencies, also known as the Common Approach, designed to make agencies more coherent, effective and accountable, stipulates certain criteria to be taken into account by Member States when making an offer to host an agency.

It is proposed that the Authority will have National Liaison Officers, seconded by Member States to the European Labour Authority. They will be responsible for facilitating cooperation and information exchange between national authorities. They will act as contact points on matters relating to their Member State, either by answering country-specific queries or by liaising with their national administrations, including in the framework of joint inspections. National Liaison Officers will mostly support the exchange of information and cooperation between Member States. In this framework, they will be part of, and benefit from, the wider team made up also of permanent staff in order to duly perform their duty. The EU already disposes of IT tools for administrative information exchange, but they are currently separated between policy domains. The European Labour Authority would promote the integration of information exchanges across domains.

With this proposal, the Commission aims to promote operational synergies between bodies working on interlinked areas. None of the existing European Agencies in the employment domain (Eurofound, Cedefop, EU-OSHA, ETF) has either a cross-border or operational focus, with the exception of European Training Foundation, which is however active in third-countries. There is little to no overlap between the mandate of the existing Agencies and the tasks envisaged for the Authority. The identification of areas for cooperation between decentralised European Agencies and their contribution towards the establishment and good functioning of the European Labour Authority are amongst the Authorities Advisory Group's key objectives. Synergies between relevant

European Agencies, including Europol and Eurojust, are already being exploited in the discussion held in the Advisory Group.

The Court of Justice of the European Union remains the only Institution with the competence to interpret Union's law, to make sure it is applied in the same way in all Member States, and settles legal disputes between national governments and European institutions. It is foreseen that the Authority will set up a Mediation Board to handle cases of disputes between Member States regarding all aspects of labour mobility. The Authority will thus make a speedy and effective resolution of disputes possible through the Mediation Board and ensure that Member States report to the Authority on measures taken to follow up on a mediation decision.