

# European Union (EU)



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| N<br>a<br>m<br>e<br>o<br>f<br>R<br>e<br>s<br>o<br>u<br>r<br>c<br>e                               | Liability in subcontracting processes in the European construction sector  |
| T<br>y<br>p<br>e   | Report / analysis  |
| C<br>o<br>u<br>n<br>t<br>r<br>y<br>/<br>j<br>u<br>r<br>i<br>s<br>d<br>i<br>c<br>t<br>i<br>o<br>n | European Union   |
| O<br>r<br>g<br>a<br>n<br>i<br>z<br>a<br>t<br>i<br>o<br>n   | European Foundation for the Improvement of Living and Working Conditions   |
| I<br>n<br>i<br>t<br>i<br>a<br>t<br>i<br>v<br>e<br>l<br>a<br>u<br>n<br>c<br>h<br>d<br>a<br>t<br>e | 12 November 2008   |
| D<br>e<br>s<br>c<br>r<br>i<br>p<br>t<br>i<br>o<br>n  | <p>Against a backdrop of increased European and national policy attention regarding the issue of subcontracting, Eurofound has conducted the research by analysing existing national legislation on liability in subcontracting processes in the construction sector. The report underlines the significant differences that exist between the various national liability regulations in place in the eight Member States under consideration (Austria, Belgium, Finland, France, Germany, Italy, the Netherlands and Spain). The varying legal tradition and industrial relations cultures in the countries covered mean that research results are highly specific to each national situation and that few elements are transferable.</p> <p>This comparative report is divided into four chapters. Chapter 1 introduces the subject of liability in subcontracting processes. Chapter 2 provides a detailed overview of the national laws and actors involved in the eight Member States in respect of liability arrangements and largely concerning wages, social security and financial matters. Chapter 3 examines the practical implementation of the liability arrangements and the effectiveness of the instruments as regards the centre of responsibility for discharging employees' entitlements and also in combating bogus subcontracting practices. Chapter 4 makes some concluding remarks and gives an assessment of the recommendations and options for policymakers and social partners, based on the findings reported in chapters 2 and 3.</p> |

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| Availability | ENG: <a href="https://www.eurofound.europa.eu/publications/report/2008/labour-market/liability-in-subcontracting-processes-in-the-european-construction-sector">https://www.eurofound.europa.eu/publications/report/2008/labour-market/liability-in-subcontracting-processes-in-the-european-construction-sector</a> |
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| Name of Resource       | Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC  |
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| Type                   | Legislation  |
| Country / jurisdiction | European Union   |
| Organization           | European Parliament  |
| Initiative launch date | 17 April 2014  |
| Description            | The directive sets out rules on the use of public contracts for the provision of works, supplies or services by companies or individuals and the exemptions which can be applied. According to article 57 (Exclusion grounds), contracting authorities shall exclude an economic operator from participation in a procurement procedure where they have established or are otherwise aware that that economic operator has been the subject of a conviction by final judgment for child labour and other forms of trafficking in human beings. |
| Availability           | BUL, ELL, ENG, EST, CES, DAN, DEU, FIN, FRA, HRV, HUN, ITA, LAV, LIT, MLT, NLD, POL, POT, RON, SLK, SLV, SPA, SWE: <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32014L0024">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32014L0024</a>   |

| Name of Resource       | Corporate Social Responsibility. National Public Policies in the European Union – Compendium 2014 |
|------------------------|---|
| Type                   | Report / analysis   |
| Country / jurisdiction | European Union  |
| Organization           | European Commission   |

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| Initiative launch date | September 2014  |
| Description            | This compendium is one of the outcomes of the Peer Reviews on Corporate Social Responsibility that took place throughout 2013. The compendium brings together the most up to date information arising from country presentations and discussions at the Peer Reviews, as well as from existing National Action Plans on Corporate Social Responsibility and on Business and Human Rights (including those under preparation). The supply chains aspects are being discussed especially in chapter 5 "Human Rights and Responsible Supply Chain Management" and chapter 11 "Sustainable Public Procurement". |
| Availability           | ENG: <a href="https://ec.europa.eu/digital-single-market/en/news/corporate-social-responsibility-national-public-policies-european-union-compendium-2014">https://ec.europa.eu/digital-single-market/en/news/corporate-social-responsibility-national-public-policies-european-union-compendium-2014</a>  |

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| Name of Resource       | <b>Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups</b>  |
| Type                   | Legislation   |
| Country / jurisdiction | European Union  |
| Organization           | European Parliament   |
| Initiative launch date | 5 December 2014   |
| Description            | <p>The directive requires certain large companies to disclose relevant non-financial information to provide investors and other stakeholders with a more complete picture of their development, performance, position and their activity impact. The directive applies to certain large companies and groups with more than 500 employees. Such companies are required to give a review of policies, principal risks and outcomes.</p> <p>If companies do not have a policy on one of these areas, the non-financial statement should explain why not. On the topic of supply chains, the directive mentions that "The non-financial statement should also include information on the due diligence processes implemented by the undertaking, also regarding, where relevant and proportionate, its supply and subcontracting chains, in order to identify, prevent and mitigate existing and potential adverse impacts".</p> |
| Availability           | BUL, ELL, ENG, EST, CES, DAN, DEU, FIN, FRA, HRV, HUN, ITA, LAV, LIT, MLT, NLD, POL, POT, RON, SLK, SLV, SPA, SWE: <a href="http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0095">http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014L0095</a>  |

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| Name of Resource | <b>Regulation of the European Parliament and of the Council setting up a Union system for supply chain due diligence self-certification of responsible importers of tin, tantalum and tungsten, their ores, and gold originating in conflict-affected and high-risk areas</b> |
| Type             | Legislation   |

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| Cou<br>ntry<br>/<br>juris<br>dicti<br>on | European Parliament  |
| Org<br>aniz<br>ation                     | European Parliament, European Council  |
| Initi<br>ativ<br>e<br>lau<br>nch<br>date | 20 May 2015  |
| Des<br>crip<br>tion                      | <p>The main objective of the regulation is to help reduce the financing of armed groups and security forces through mineral proceeds in conflict-affected and high-risk areas by supporting and further promoting responsible sourcing practices of EU companies in relation to tin, tantalum, tungsten and gold originating from such areas. The regulation builds on existing international due diligence frameworks and principles.</p> <p>The regulation sets up a Union system for supply chain due diligence self-certification in order to curtail opportunities for armed groups and security forces to trade in tin, tantalum and tungsten, their ores, and gold. It is designed to provide transparency and certainty as regards to the supply practices of importers, smelters and refiners sourcing from conflict-affected and high-risk areas.</p> <p>The regulation also lays out the supply chain due diligence obligations of the EU importers who choose to be self-certified as responsible importers of minerals or metals containing or consisting tin, tantalum, tungsten and gold.</p> |
| Avai<br>lability                         | BUL, ELL, ENG, EST, CES, DAN, DEU, FIN, FRA, HRV, HUN, ITA, LAV, LIT, MLT, NLD, POL, POT, RON, SLK, SPA, SLV, SWE: <a href="http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2017-0090+0+DOC+XML+V0//EN">http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2017-0090+0+DOC+XML+V0//EN</a>   |

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| Nam<br>e of<br>Res<br>ource              | European Parliament resolution of 12 May 2016 on implementation of the Directive 2011/36/EU of 5 April 2011 on preventing and combating trafficking in human beings and protecting its victims from a gender perspective   |
| Type                                     | Legislation  |
| Cou<br>ntry<br>/<br>juris<br>dicti<br>on | European Union   |
| Orga<br>nizat<br>ion                     | European Parliament  |
| Initia<br>tive<br>laun<br>ch<br>date     | 12 May 2016  |
| Desc<br>ription                          | <p>The EU Directive 2011/36/EU lays out minimum common rules for determining offences of trafficking in human beings and punishing offenders. It also provides for measures to better prevent this phenomenon and to strengthen the protection of victims.</p> <p>The European Parliament, at point 57 of the resolution, highlights the effectiveness of awareness-raising schemes in educating consumers to select products from corporations that ensure a slavery-free supply chain, but notes that this in itself is not enough to reduce demand for THB.</p> |
| Avail<br>ability                         | SWE: <a href="http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+TA+P8-TA-2016-0227+0+DOC+PDF+V0//EN">http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+TA+P8-TA-2016-0227+0+DOC+PDF+V0//EN</a>   |

| Name of Resource       | Council Conclusions on Business and Human Rights  |
|------------------------|---|
| Type                   | Policy  |
| Country / jurisdiction | European Union  |
| Organization           | Council of the European Union   |
| Initiative launch date | 20 June 2016  |
| Description            | <p>The Council adopted conclusions on business and human rights on the fifth anniversary of the adoption of the UN Guiding Principles on Business and Human Rights (UNGPs), the main comprehensive framework providing the international community with the tools to address human rights violations by businesses. Through the Conclusions, the Council reaffirmed the EU's strong and active engagement to prevent abuses and ensure remedy worldwide, and to ensure the UNGPs' implementation.</p> <p>The Council encouraged EU Institutions and Member States to address their responsibilities as commercial actors (e.g. in public procurement) and when supporting or partnering with businesses (e.g. through export credit, trade promotion, or subsidies for the private sector). The Council called on the Commission to consider what support can be provided to public authorities covered by the revised EU Procurement Directives, through tools and guidance for the implementation of the UN Guiding Principles, the OECD Guidelines and the ILO Tripartite Declaration.</p> |
| Availability           | ENG: <a href="https://ec.europa.eu/anti-trafficking/sites/antitrafficking/files/council_conclusions_on_business_and_human_rights_foreign_affairs_council.pdf">https://ec.europa.eu/anti-trafficking/sites/antitrafficking/files/council_conclusions_on_business_and_human_rights_foreign_affairs_council.pdf</a>  |

| Name of Resource       | Communication from the European Commission. Guidelines on non-financial reporting (methodology for reporting non-financial information) (2017/C 215/01) |
|------------------------|---|
| Type                   | Guidance on policy / legislation implementation   |
| Country / jurisdiction | European Union  |
| Organization           | European Commission   |

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| Initiative launch date | 5 July 2017   |
| Description            | <p>The guidelines are supporting companies in fulfilling their reporting obligations under the EU non-financial disclosure requirements and will promote smart company reporting. The adoption of the guidelines supplements the already existing EU rules on non-financial reporting (Directive 2014/95/EU). Companies falling within its scope have to disclose relevant information on policies, risks and results in to regards environmental matters, social and employee-related aspects, as well as respect for human rights, anti-corruption and bribery issues, and diversity on the boards of directors.</p> <p>The guidelines reflect current best practices and the most recent developments, including lessons from the UN Sustainable Development Goals, the Paris Climate Agreement, the industry-led Task Force on climate-related financial disclosures set up by the Financial Stability Board, and the on-going work of the High-Level Group on Sustainable Finance established by the European Commission in the context of the Capital Markets Union initiative. The guidelines are voluntary and do not extend the scope of current rules in any way.</p> |
| Availability           | BUL, ELL, ENG, EST, CES, DAN, DEU, FIN, FRA, HRV, HUN, ITA, LAV, LIT, MLT, NLD, POL, POT, RON, SLK, SLV, SPA, SWE: <a href="https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52017XC0705(01)">https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52017XC0705(01)</a>  |

| Name of Resource       | Shadow EU Action Plan on Business and Human Rights  |
|------------------------|---|
| Type                   | Policy  |
| Country / jurisdiction | European Union  |
| Organization           | European Parliament Working Group on Responsible Business Conduct   |
| Initiative launch date | March 2019  |
| Description            | <p>The purpose of this Action Plan is the creation of a systematic and coherent approach on the implementation of the United Nations Guiding Principles on Business and Human Rights (UNGPs) in all relevant policy areas while maintaining sufficient flexibility so as to respond to new challenges as they arise. The plan covers a period of 6 years (2019 – 2024).</p> <p>This EU Action Plan is based on the expectation that all business enterprises domiciled or conducting business within the EU and/or member state (MS) jurisdiction respect human rights throughout their operations. The EU is committed to provide the necessary structures for businesses to fulfil their responsibilities for human rights and to ensure access to remedy in cases where harm has occurred.</p> <p>On the topic of supply chains, Objective 4 of the Action Plan sets to strengthen public communication on the possible risks and impacts of business operations on human rights and environment within and outside of the EU through supply chains, as well as reviewing the EU's Custom Code with the aim to allow full supply chain disclosure.</p> |
| Availability           | ENG: <a href="https://responsiblebusinessconduct.eu/wp/2019/03/19/shadow-eu-action-plan-on-business-and-human-rights/">https://responsiblebusinessconduct.eu/wp/2019/03/19/shadow-eu-action-plan-on-business-and-human-rights/</a>  |