

REASONED OPINION

OF THE NATIONAL ASSEMBLY OF THE REPUBLIC OF BULGARIA ON THE PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AMENDING 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 OF SERVICES

On a regular session held on 20 April 2016, the Committee on European Affairs and Oversight of the European Funds (CEAOEF) within the National Assembly of the Republic of Bulgaria discussed the above-mentioned Proposal for a Directive.

Following the discussion on the Proposal for a Directive of the European Parliament and of the Council amending 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 of services, CEAOEF expresses the following <u>reasoned opinion</u>, which is to be sent to the European institutions:

- 1. CEAOEF considers that the proposal for a Directive does not comply with the principle of subsidiarity, as set out in Article 5, Paragraph 3 of the Treaty on European Union (TEU). The provided amendment in Article 3, Paragraph 1 of Directive 96/71/EC introduces mandatory extension of the scope of the collective labor agreements, so as to include the posted workers in all sectors of the economy. It should be taken into consideration that the existing provisions give the Member States the right of choice in this matter and, according to the EC assessment, the majority of them have already exercised it. In regard to this we consider that the Commission has not provided convincing evidence that the purpose of its action cannot be sufficiently achieved by the Member States.
- 2. CEAOEF notes that the provisions of Article 5 of the Protocol № 2 of the TFEU have not been observed. According to this article any draft legislative act should contain a detailed justification for compliance with the principle of subsidiarity. In the explanatory memorandum to the proposal for a Directive there are neither qualitative and quantitative indicators to support it, nor financial analysis of its impact. This hinders the national parliaments to adequately assess the draft act, as provided by Article 6 of the Protocol № 2 of the TFEU.
- 3. CEAOEF believes that the proposal for a Directive does not comply with the principle of proportionality, as set out in Article 5, Paragraph 4 of the TEU, since it introduces an additional administrative burden, without clarifying what the actual benefit for the posted workers would be. A quantitative reasoning of the expected by the Commission positive effect is needed.
- 4. CEAOEF welcomes the effort of the EC to introduce equal payment for performing the same work at the same place. However, in our opinion this objective cannot be achieved in an administrative way, but should be based on economic logic.
- 5. Last but not least, CEAOEF is concerned that the EC intention to equalize payments between the seconded and the local workers will remove the existing competitive advantages of certain service providers. This would lead to restriction of the access to the Single Market for businesses from the less developed economies within the European Union.