

UEAPME Construction Forum

Re: Proposal for a Directive of the European Parliament and of the Council on single-member private limited liability companies (COM (2014) 212 final).

Dear Member of the IMCO Committee,

The UEAPME construction shares the views and supports the position paper of UEAPME on the proposal for a Directive on single-member private limited liability companies, which you can find as an annex to this letter. Nevertheless, the UEAPME Construction Forum would like to raise **concerns specific to the construction sector.**

The small and medium-sized enterprises represented by the UEAPME Construction Forum are deeply concerned by the possibility to register companies as SUP.

Indeed, the construction sector is well known for abuse of legislation by people not playing by the rules, notably regarding social fraud. The proposed Directive would make it much easier for fraudulent companies to set up letterbox companies in any Member State as it would simplify so much the registration of a SUP that no control would be anymore possible.

As a consequence, it would facilitate the use of bogus self-employed workers and facilitate the bypassing of the posting of workers legislation. This would come as an additional perverse element adding to the already existing distortion of competition that SMEs of the construction sector are suffering in several Member States.

As a consequence, for the construction sector, the potential damages far outweigh the potential benefits. A closer attention should be put to the provisions in order to ensure a level playing field for all construction companies.

With our best regards,

Daan STUIT,
Chairman of the UEAPME Construction Forum