



Glossary of Terms

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Glossary of Terms

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INTRODUCTION

This glossary is intended to provide a common understanding of the terminology that is used in the European Platform tackling undeclared work web pages, documents and publications. It does not provide official Platform definitions of the terms listed therein. Where possible, references are provided to the source of the understandings provided.

To facilitate understanding, the terms in the glossary are grouped together rather than presented as an A-Z list.

In the first section, the common understandings about undeclared work and its various sub-types are provided, followed by other related concepts and terms often used for activities related to undeclared work.

In the second section, common understandings are provided of the terminology related to policy approaches and measures used when tackling undeclared work at the national-level.

The third section provides common understandings of the terminology related to policy approaches and measures used when tackling undeclared work at the cross-border level.

The fourth and final section then provides common understandings of institutional-related terminology associated with tackling undeclared work.

Many bodies involved in tackling undeclared work have wider remits than solely transforming undeclared work into declared work, such as dealing with modern slavery, forced labour and human trafficking. They also often have a mandate to tackle work performed by non-documented workers. However, given that the mandate of the Platform is to tackle undeclared work, this glossary confines itself solely to terms related to this mandate as defined in decision EU/2016/344.

This glossary is a living entity. It is not a completed and final work. The intention is to continuously update the terms included and the common understandings, as new concepts emerge and evolve over time.

FORMS OF UNDECLARED WORK

Undeclared work (UDW): any paid activities that are lawful as regards their nature but not declared to public authorities, taking account of differences in the regulatory systems of the Member States.¹ Member States have adopted a variety of different definitions focusing upon non-compliance with either labour, tax and/or social security legislation or regulations.²

If there are additional forms of non-compliance, it is not undeclared work. If the goods and services provided are unlawful (e.g., the production or trafficking of drugs, firearms, persons or money laundering forbidden by law), it is part of the wider criminal economy i.e., the *shadow economy* (often defined as including both the undeclared economy and the criminal economy), and if there is no monetary payment, it is part of the unpaid sphere.

- **Unregistered employment:** an employment relationship which is not registered with the authorities when it should be registered. Such employees often do not have written contracts or terms of employment and their remuneration is most probably undeclared in nature.
- **Under-declared employment:** when formal employers pursue the illegal practice of reducing their tax and social security payments, and therefore labour costs, by under-declaring the remuneration of employees. This occurs when employers pay their formal employees two salaries: an official declared salary and an additional undeclared ('envelope') wage which is hidden from the authorities for tax and social security purposes.³ Alternatively, an employer can under-declare the number of hours an employee works, such as to evade paying the minimum wage.
 - **Envelope wages:** often used in the context of under-declared employment, an envelope wage is a cash-in-hand wage paid by a formal employer to a formal employee in addition to their official declared salary, to reduce their tax and social security payments and therefore labour costs. It arises from an agreement between the employer and employee, and additional conditions may be attached to its payment, which are not in the formal written contract or terms of employment.⁴
- **Undeclared self-employment:** paid activity conducted by the self-employed where income is not declared for the purpose of evading either tax and/or social insurance contributions owed. The self-employed may not declare either some or all their income.
- **Bogus self-employment:** often referred to as false self-employment or dependent self-employment, this is commonly understood as involving persons/workers registered as self-employed whose conditions of employment are de facto dependent employment. National legislation and/or court decisions determine this status. This employment status is used to circumvent tax and/or social insurance liabilities, or employers' responsibilities.⁵

¹ European Commission (2007) *Stepping up the Fight against Undeclared Work*. Brussels: European Commission, p. 2.

² For the definitions used in Member States, see <http://ec.europa.eu/social/main.jsp?catId=1322&langId=en>

³ Williams, C.C. and Horodnic, I.A. (2017) Evaluating the illegal employer practice of under-reporting employees' salaries", *British Journal of Industrial Relations*, Vol. 55, No. 1, pp. 83-111

⁴ Williams, C.C. and Horodnic, I.A. (2017) Evaluating the illegal employer practice of under-reporting employees' salaries", *British Journal of Industrial Relations*, Vol. 55, No. 1, pp. 83-111

⁵ OECD (2014) *Employment Outlook 2014*. Paris: OECD.

Closely-related concepts

Forced labour⁶: all work or service which is exacted from any person whether or not under the menace of any penalty and for which the said person has not offered themselves voluntarily, according to the ILO's Forced Labour Convention 29 1930: Ar.2 (1). This definition consists of three elements: work or service refers to all types of work occurring in any activity, industry or sector including in the informal economy; menace of any penalty refers to a wide range of penalties used to compel someone to work; and the term "offered voluntarily" refers to the free and informed consent of a worker to take a job and his or her freedom to leave at any time. Article 2(2) of Convention No. 29 describes five exceptions: compulsory military service; normal civic obligations; prison labour (under certain conditions); work in emergency situations (such as war, calamity or threatened calamity e.g. fire, flood, famine, earthquake), and minor communal services (within the community).

Informal economy: a term used by the ILO mostly in relation to the developing world, which covers all economic activities by workers and economic units that are – in law or in practice – not covered or insufficiently covered by formal arrangements.⁷ This definition is very similar in its scope to the definition of undeclared work as understood in the context of the Platform, but reflecting the developing world contexts where it is used, tends to also include workers who sometimes fall outside the coverage of labour legislation (e.g. unpaid, domestic or agricultural workers).⁸

- **Informal enterprise**: Employers and own-account workers are considered informal when their economic units belong to the informal sector. The informal sector is a subset of household unincorporated enterprises (not constituted as separate legal entities independently of their owners)⁹ that produce for sale in the market, even if partly, and that do not have a complete set of accounts and/or are not registered under national legislation.
- **Informal employment**: Employees are considered to have informal jobs if their employment relationship is, in law or in practice, not subject to national labour legislation, income taxation, social protection or entitlement to certain employment benefits (advanced notice of dismissal, severance pay, paid annual or sick leave, etc.).

Shadow economy: the shadow economy includes both *undeclared work* as well as broader criminal activities. Besides undeclared work, it therefore additionally includes the provision of goods and services that are themselves unlawful (e.g., the production or trafficking of illegal drugs, human trafficking or money laundering forbidden by law).

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https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C02

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⁷ Statistical Definition of informal employment: guidelines endorsed by the Seventeenth International

Conference of Labour Statisticians (2003). Internet:

ilo.org/public/english/bureau/stat/download/papers/def.pdf

⁸ *Labour inspection and undeclared work in the EU* / International Labour Office, Labour Administration and Inspection Programme (LAB/ADMIN). - Geneva: ILO, 2013 Working document, No. 29, ISSN 2227-7560

⁹ ILO, Resolution concerning the measurement of employment in the informal sector, Fifteenth International Conference of Labour Statisticians (ICLS), Geneva, 1993.

Additional concepts

Cabotage: the national carriage of goods for hire or reward in one Member State by a vehicle registered in another Member State.¹⁰

Letterbox companies: companies which have complied only with the bare essentials (e.g., book-keeping, administration) for organisation and registration in a particular country. The actual commercial activities are often carried out in another country. This is sometimes used to enable businesses to deviate from applicable legislation, resulting in violations of labour law or collective agreements, tax and/or social security compliance, leading to undeclared or under-declared work.¹¹

Off-shoring: the practice of basing some of a company's processes or services in another Member State, to take advantage of lower costs in the new location.

Platform economy¹²: related to the collaborative, sharing or gig economy, this is a business model where activities are facilitated by creating an open and online platform for the provision of services often provided either digitally or on-the-ground by private individuals. Emerging as a new form of organizing work and employment opportunities via platforms, it involves three categories of actors: (i) the platform (often large corporations); (ii) the service provider and (iii) the user/client. The relation between the platform and service provider is often unclear in terms of their employment status. Service providers are often regarded as self-employed as a result of standard contractual arrangements established by the platform, or their employment status is unclear, affecting working conditions, and/or the services provided involve labour law violations, tax and social security evasion, and potentially therefore involves undeclared work and/or bogus self-employment.

Posted worker:¹³ an employee sent by his/her employer to carry out a cross-border service in another EU Member State on a temporary basis under the freedom of provision of services. For example, a service provider may win a contract in another country and send his employees there to carry out the contract. Posted workers are entitled by law to a set of core rights in force in the host Member State which include, for example, minimum rates of pay/remuneration, maximum work periods and minimum rest periods, minimum paid annual leave, occupational safety and health, etc.¹⁴ Businesses and posted workers who do not comply with the legislation can be considered as being involved in a type of undeclared work by the hosting and/or sending country.

Self-employment: the state of working for oneself rather than an employer. A self-employed person is 'pursuing a gainful activity for their own account, under the conditions laid down by national law'.¹⁵ As indicated by the European Commission in

¹⁰ Internet: https://ec.europa.eu/transport/modes/road/haulage/cabotage_pt

¹¹ See also 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, article 4, para 2(b)

¹² Excerpt from European Commission (2016), *A European Agenda for the Collaborative Economy*. COM (2016) 256. Final. Brussels: European Commission, p.6. See also [http://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL_STU\(2017\)614184](http://www.europarl.europa.eu/thinktank/en/document.html?reference=IPOL_STU(2017)614184)

¹³ See 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

¹⁴ In line with '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' Member States shall adopt and publish, by 30 July 2020 the laws, regulations and administrative provisions necessary to comply with this Directive.

¹⁵ Directive 2010/41/EU of the European Parliament and of the Council of 7 July 2010 on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity and repealing Council Directive 86/613/EEC

2010¹⁶, there are different understandings and definitions of the term self-employment across Member States.

Subcontracting: employing a firm or person outside one's company to do work as part of a larger project.

Temporary Work Agency (TWA): any natural or legal person who, in compliance with national law, concludes contracts of employment or employment relationships with temporary agency workers in order to assign them to user undertakings to work there temporarily under their supervision.¹⁷

Umbrella (or "payrolling") company: a company that acts as an employer to workers who work under a fixed-term contractual assignment with an external client. The worker is not employed by the external client, but by the umbrella company. The umbrella company allows workers to work as an 'employee' rather than having to register as a business/self-employed. The umbrella company provides payroll for work carried out by the worker. The umbrella company also can take on the burden of legal and administrative tasks such as employment declarations, insurance, invoicing of clients, deduction of expenses, calculation and payment of monthly social charges and payment of wage/ remuneration after deductions. An umbrella company can take different legal forms, including cooperatives or any other commercial entity. In some countries umbrella companies are not allowed to operate in certain sectors. The use of umbrella companies enables some businesses to avoid employment law and tax obligations of directly employing their workforce.

¹⁶ Opinion of the European Economic and Social Committee on 'Abuse of the status of self-employed' (own-initiative opinion)". *eur-lex.europa.eu*. June 6, 2013

¹⁷ Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work, article 3 para 1b.

POLICY APPROACHES AND MEASURES: NATIONAL-LEVEL CONCEPTS

Holistic policy approach: where national governments use a whole government approach to tackle undeclared work, by joining-up on the policy and enforcement level of both strategy and operations the fields of labour, tax and social security law, and involve and cooperate with social partners and other stakeholders. This approach involves using the full range of *direct* and *indirect* policy measures available to enhance the power of, and trust in, authorities respectively.¹⁸ The objective is to transform undeclared work into declared work in an effective manner.

Full policy operationalisation model: this is a model for implementing the holistic approach that combines the range of policy approaches and measures available. This model asserts that the most effective approach is to concurrently implement direct measures (e.g., workplace inspections) to enhance the power of authorities as well as indirect measures (e.g., awareness raising) to enhance trust in authorities.¹⁹ It is based on evidence that a high trust high power approach is the most effective in tackling undeclared work.^{20 21}

- **Responsive regulation:** an alternative approach to combining and sequencing the range of policy approaches and measures available with the purpose of promoting better compliance. This responsive regulation approach uses indirect measures first with citizens and businesses, then incentives, and deterrents only for those still failing to comply (cf. *full policy operationalisation model* which uses all measures concurrently).

Evidence-based policy design: when designing and implementing a *full policy operationalisation model*, the results of relevant ex-ante (impact assessments) and ex-post evaluation should be used as sources of information when preparing decisions and determining the effectiveness and efficiency of policy measures for tackling undeclared work. Pilot studies are also an accepted tool for evaluating the effectiveness of a policy approach and measures.

Risk assessment process: as part of the *full policy operationalisation model*, a structured process for the systematic identification, assessment, ranking, and treatment of labour, tax and social security law compliance risks (e.g., failure to register, failure to properly report tax liabilities etc.²²). This helps labour, tax and social insurance inspectorates to target their compliance activities. It acts as a management tool to target resources and can be used for targeting both inspections as well as preventative activities to tackle undeclared and under-declared work.

Direct policy measures: policy measures that enhance the power of authorities by using either a *deterrence approach* and/or *incentives*.

- **Deterrence approach:** the enforcement of compliance by increasing the perceived or actual risks of detection (through for example more effective joint workplace inspections) and/or by increasing the actual or perceived sanctions.²³
 - **Chain or direct liability:** supply (chain) liability is the liability of a company for a harm caused by its business partners extending liability to one link up

¹⁸ Williams, C.C. (2016) *Developing a Holistic Approach for Tackling Undeclared Work: background paper*, European Commission, Brussels.

¹⁹ Williams, C.C. (2016) *Developing a Holistic Approach for Tackling Undeclared Work: learning resource paper*, European Commission, Brussels.

²⁰ Prinz, A, S. Muehlbacher, E. Kirchler (2014), The slippery slope framework on tax compliance: An attempt to formalization, *Journal of Economic Psychology*, 40: 20-34.

²¹ Kirchler, E, E. Hoelzl, I. Wahl (2008), Enforced versus voluntary tax compliance: The "slippery slope" framework, *Journal of Economic Psychology* 29: 210-225.

²² www.oecd.org/tax/administration/33818656.pdf

²³ Eurofound (2013), op cit.

in the supply chain or more.²⁴ Voluntary industry-led schemes or legislation can hold companies responsible for tracing and providing oversight of their supply chains, and are put in place to ensure companies monitor their supply chains to prevent labour, tax and social security violations, and therefore undeclared work.

- **Complaint reporting tool:** a tool for reporting abuses/malpractices in the field on labour laws, social security and taxes. These can use different mediums (e.g., telephone hotlines, websites, emails of different authorities), and be targeted at different forms of violation including labour, tax and/or social insurance violations. They can be hosted by enforcement bodies or by social partners. Companies also have internal systems to handle malpractices.
- **Compliance list:** sometimes referred to as a 'white list', this is a list of businesses or individuals who have been compliant over a time period and therefore are regarded as acceptable or trustworthy, and often rewarded with benefits (e.g., they can tender for public procurement contracts).
- **Data sharing:** the process of making data available to other users.²⁵ Sharing of data both between enforcement authorities within Member States and on a cross-national level is important for tackling undeclared work. Legislative and technical constraints often prevent data sharing within and between Member States.²⁶
- **Data matching:** the large-scale comparison of records or files collected or held for different purposes, with a view to identifying matters of interest. With data matching, two or more sets of collected data are compared (comparison of records).²⁷ This process allows potentially fraudulent claims and payments to be better identified.
- **Data mining:** a set of automated techniques used to extract buried or previously unknown pieces of information from large databases.²⁸ Through the use of data mining, correlations or patterns among dozens of fields in large relational databases can be identified.²⁹ This process allows potentially fraudulent claims and payments to be better identified.
- **Joint inspections:** inspections of a workplace often led by a labour inspector with respect to the upholding of current labour regulations but carried out in conjunction with one or more public authorities, for example, tax authorities, social security institutes, the police, and/or migration authorities.³⁰ This enables a more joined-up approach to tackling undeclared work.
- **National agreement:** an instrument for cooperation between two or more national institutions, eventually also involving cooperation with relevant stakeholders such as social partners to undertake activities defined either in law or policy to tackle undeclared work. National agreements can have many

²⁴ <https://corporatefinancelab.org/2016/12/01/supply-chain-liability-a-primer/>

²⁵ De Wispelaere, F. and Pacolet, J. (2017), op. cit.

²⁶ Williams, C.C. and Puts, E. (2018) *2018 European Platform Undeclared Work Survey Report: obstacles to tackling undeclared work at the cross-border and national levels, bilateral and national agreements, and complaint reporting tools*, European Commission, Brussels

²⁷ De Wispelaere, F. and Pacolet, J. (2017), op. cit.

²⁸ De Wispelaere, F. and Pacolet, J. (2017), op. cit.

²⁹ White, J. D. (2015), Managing Information in the public sector. Internet:

https://books.google.co.uk/books?id=HWymBgAAQBAJ&dq=correlations+or+patterns+among+dozens+of+fields+in+large+relational+databases+can+be+identified&source=gbs_navlinks_s

³⁰ http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---lab_admin/documents/publication/wcms_120319.pdf

different forms such as legal prescriptions, *memorandum of understanding*, strategic documents and action plans, and executive orders.

- **Non-compliance list:** sometimes referred to as a 'black list', this is a list of businesses or individuals who have been non-compliant and therefore are regarded as unacceptable or untrustworthy, and often marked down for punishment (e.g., negative publicity) or exclusion (e.g., from tendering for public procurement contracts).
- **Enabling approach:** a term that covers all policy measures beyond the deterrence approach. It includes *incentives*, and *indirect policy measures*. It aims to encourage compliance by using either incentives or improving the commitment to compliance with labour, tax and social security law and regulations among the public.³¹
- **Incentives:** these measures make it easier to undertake, and reward, participation in declared work. Measures used include: purchaser incentives (such as service vouchers, targeted direct taxes, targeted indirect taxes), and supplier incentives (such as society-wide amnesties, voluntary disclosure and business advisory and support services).³²
- **Receipt lottery:** requesting a receipt from a business-to-consumer transaction allows the purchaser to enter a lottery, with a chance of winning a prize. The aim is to reduce the undeclared economy by limiting unreported exchanges through the greater issue of receipts.
- **Service voucher:** a means of payment, subsidised by government, which allows a private user to pay an employee for conducting tasks. By providing service vouchers to those employing labour, which pays a portion of the fee given to the worker, the intention is to encourage those employing labour to purchase services on a declared rather than undeclared basis.³³
- **Tax credit for household services:** a demand-side incentive which offers purchasers of household services a reduction in their direct taxes owed by reclaiming the costs of the help or expenses for household services as a means of reducing the cost of declared work and transforming undeclared work into declared work
- **Tax amnesty:** a limited-time offer by a government to a specified group of taxpayers to pay a defined amount, in exchange for forgiveness of a tax liability (including interest and penalties) relating to a previous tax period(s), as well as freedom from legal prosecution.³⁴

Indirect policy measures: these aim to align citizens and businesses attitudes and behaviour with the laws and regulations. This can be achieved either by changing their attitudes and behaviour, or by establishing trust in the formal institutions.

- **Awareness raising campaigns:** an organised communication activity that aims to create awareness on a topic (in this case, undeclared work), and thus behavioural change.
- **Commitment measures:** measures to improve commitment to being compliant with labour, tax and social insurance laws and regulations among the public. Measures might include promoting the benefits of declared work,

³¹ Eurofound (2013), op cit.

³² Eurofound (2013), op cit.

³³ Williams, C.C. (2018) *Elements of a preventative approach: service vouchers and awareness raising campaigns*, European Commission, Brussels.

³⁴ Baer, K. and E. LeBorgne (2008), *Tax Amnesties: theory, trends and some alternatives*, Washington DC: International Monetary Fund.

education initiatives, and promoting tax fairness, procedural justice and redistributive justice.³⁵

- **Tax morale**³⁶: the intrinsic motivation to willingly pay taxes owed. It is a measurement of a positive attitude and commitment to the payment of tax, and often measured by assessing citizens' views of the unacceptability of engaging in undeclared work.

Sector-specific approach: an approach where the direct and indirect policy measures used to tackle undeclared work are specifically designed and targeted at one sector whose characteristics in terms of undeclared work are different from other sectors and whose problems and risk factors require a specific approach.

³⁵ Eurofound (2013), op cit.

³⁶ Eurofound (2013), op cit.

POLICY APPROACHES AND MEASURES: CROSS-BORDER LEVEL CONCEPTS

A1 form: the Portable Document A1 (PD A1) certifies the social security legislation which applies to a posted worker and confirms that this person has no obligations to pay contributions in another Member State. It is used in situations where an employed or self-employed person has a connection through their employment or self-employment with more than one EU country. A person is only subject to the legislation of one country at any one time. The A1 is issued by the country to whose legislation they are subject and confirms that they are not subject to the legislation of any other country they are connected with.

Bilateral agreement (BA): concluded between Member States/EEA countries in written form and governed by European and/or international law. BAs are agreements with binding rights and obligations³⁷ between two Member States/EEA countries which describe in detail the specific responsibilities of, and actions to be taken by, each of the parties, with a view to accomplishing their goals in the area of undeclared work and related areas.

Bilateral cooperation: cooperation between authorities in two countries.

Cross-border cooperation and enforcement: voluntary cooperation between EU/EEA countries national competent authorities to enforce legal obligations and combat undeclared work, occupational health and safety, etc. of mobile workers and businesses. This can involve the exchange of information and data, investigations and inspections, and/or preventative activities.

Electronic Exchange of Social Security Information (EESSI): an IT system that helps social security institutions across the EU exchange information more rapidly and securely, as required by the EU rules on social security coordination.³⁸

Enforcement Directive³⁹: adopted in 2014 with the aim of strengthening the practical application of, and complementing, the 1996 [Posting of Workers Directive](#) by addressing issues related to fraud, circumvention of rules, and exchange of information between the Member States. This Directive also facilitates enforcement of administrative sanctions across borders.

Free movement of workers: is a fundamental right of workers in the EU allowing to look for a job in another EU country, to work there without needing a work permit, reside there for that purpose, stay there even after employment has finished and enjoy equal treatment with nationals in access to employment, working conditions and all other social and tax advantages. It entails the abolition of any discrimination based on nationality between workers of the Member States.

Internal Market Information system (IMI): an IT-based information electronic platform that links up national, regional and local authorities across borders to facilitate administrative cooperation. It can be used to ask questions about regulations and posting of workers and companies, help to collect fines cross border, and facilitates the sending of information and alerts about irregularities to another country.

Joint inspections (cross-border): inspections undertaken by the competent authority of one Member State on its territory, with participation of the competent authorities of one or more other Member State(s) concerned. Concerted inspections in the cross-border context are inspections undertaken by the competent authorities of

³⁷ Wickramasekara, P. (2015). *Bilateral Agreements and Memoranda of Understanding on Migration of Low Skilled Workers: A Review*. Geneva: International Labour Office

³⁸ <http://ec.europa.eu/social/main.jsp?catId=869>

³⁹ <http://ec.europa.eu/social/main.jsp?catId=471>

two or more Member States simultaneously and related to the same case, with authorities in Member States operating in its own territory and with its own staff.

Memorandum of understanding (MoU): Less formal instrument than *bilateral agreements*, often setting out operational arrangements under a framework agreement on an international level. MoUs entail general principles of cooperation describing broad concepts of mutual understanding, goals and plans shared by the parties. They are usually non-binding⁴⁰. MoUs can cover agreements between enforcement bodies of different MS/EEA countries.

Multilateral cooperation: cooperation between three or more countries.

⁴⁰ Wickramasekara, P. (2015). *Bilateral Agreements and Memoranda of Understanding on Migration of Low Skilled Workers: A Review*. Geneva: International Labour Office.

INSTITUTIONAL-RELATED TERMS

Compliance: the act of obeying an order, rule, regulation or request. Compliance with a law means doing what is required to operate in the declared economy.

Enforcement authority: A body designated by a national government to ensure that there is compliance with specific bodies of law (e.g., labour, tax and/or social security law).

Key performance indicators: a measurable value that demonstrates how effectively an organisation is achieving its strategic objectives in relation to tackling undeclared work.

Labour inspection: The functions of the system of labour inspection shall be: (a) to secure the enforcement of the legal provisions relating to conditions of work and the protection of workers while engaged in their work, such as provisions relating to hours, wages, safety, health and welfare, the employment of children and young persons, and other connected matters, in so far as such provisions are enforceable by labour inspectors; (b) to supply technical information and advice to employers and workers concerning the most effective means of complying with the legal provisions; and (c) to bring to the notice of the competent authority defects or abuses not specifically covered by existing legal provisions.⁴¹

⁴¹ ILO Labour Inspection Convention 1947 (no. 81), article 3.

KEY GOVERNANCE TERMS

Alternate member of the Platform: each Member State appoints a senior representative (see below) and an alternate member of the Platform. The alternate member replaces their senior representative where necessary, with a right to vote in such cases.

Composition of the Platform: As per decision EU/2016/344, the Platform is composed of the senior representatives appointed by each Member State, the representative of the Commission and maximum four representatives of cross-industry social partners at union level, equally representing both sides of industry. The senior representatives and the representative of the Commission have voting rights. Observers to the Platform, fully participating in all Platform activities are a maximum of 14 representatives of the social partners in sectors with a high incidence of undeclared work, equally representing both sides of industry; a representative each of Eurofound, EU-OSHA and ILO; a representative of each country in the European Economic Area.

Cooperation and joint action: actions that assist the Platform members/observers to better cooperate across borders, to benefit from being part of an EU-wide network, and to develop tools that facilitate the work and support capacity building. Staff exchanges and mutual assistance projects are the tools at the disposal of the Platform.

Good practice: an effective practice used for tackling undeclared work by a state institution that might be potentially transferable to other contexts and countries.

Knowledge production within the Platform: the development of new understanding and/or the synthesis of existing understandings, usually in relation to either a type of undeclared work, undeclared work in a sector, or a specific policy approach or measure for tackling undeclared work. The intention of deepening knowledge is to enable effective action to be taken. Such knowledge is sought with the aim of facilitating structural reforms towards tackling undeclared work by better understanding the causal relationship between policy measures and the extent of undeclared work and developing an evidence-based evaluation culture thereby improving the evidence for Platform activities through new policy approaches.

Mutual assistance project (MAP): a peer-to-peer learning event whereby, at the request of a government, a team of Platform members are invited to visit an enforcement authority with the objective of helping that enforcement authority to improve its effectiveness in tackling undeclared work. Such an event has the objective of implementation support, capacity building, change management to introduce a new practice, methodological development, organisational analysis and assessment, strategic planning and target setting, development of an action plan to improve performance etc.

Mutual Learning: the opportunity to identify and learn from good practices in different Member States. It is a key component of the [Open Method of Coordination](#). Mutual learning activities include, for example, peer learning activities, conferences and seminars, high level forums or expert groups, as well as studies, analyses, and web-based networks with the involvement of relevant stakeholders.⁴² It is part of the process of developing the Platform members/observers to become learning organisations that constantly improve their organisational models, tools and interventions. Peer learning and peer reviews are organised in different formats such as thematic reviews, seminars or mutual assistance. A particular focus is on developing evidence-based learning. Thematic reviews and seminars focusing on specific measures such as data mining or sector-wide approaches produce tangible outputs such as toolkits.

⁴² See for example the Youth area of the Commission's web pages, which discuss the use of mutual learning in relation to youth: http://ec.europa.eu/youth/policy/implementation/peer-learning_en

Platform Bureau: a team composed of the Commission representative chairing the Platform and two co-chairs (elected by Platform members from among the senior representatives). The Bureau prepares and organises the work of the Platform in conjunction with the Platform Secretariat provided by the Commission.

Seminar: a mutual learning event enabling members and observers to network and share insights/practices on a subject that furthers their capacity. The topic might involve tackling undeclared work in a specific sector (e.g., road transport, construction) or be on a thematic topic (e.g., letterbox companies). The format of a seminar is chosen to get insights into a new topic, other learning formats such thematic reviews can then deepen the learning process.

Senior representative: senior representatives appointed by Member States and representing their Member States in the Platform play a key role. They participate in the plenary meetings of the Platform and, where appropriate, in other activities and working groups. They liaise with all relevant national authorities and, where applicable, the social partners and other relevant actors, regarding the activities of the Platform and coordinate their participation at the meetings of the Platform and/or their contribution to the activities of the Platform or of its working groups.

Social partner: representatives of management and labour (employers' organisations and trade unions). The term 'European social partners' specifically refers to those organisations at EU level which are engaged in the European social dialogue, as provided for under Article 154 and 155 of the Treaty on the functioning of the European Union (TEFU).⁴³ The Platform has up to 18 social partners.

Staff exchange: a scheme allowing Platform members/observers to facilitate learning and information exchange, establish mutual trust and kick-start future joint activities. Such exchanges have the objective of providing added value to the Platform and the involved organisations. Such activities can involve staff learning visits, joint activities and joint inspections or joint training.

Success story: in the understanding of the Platform, an effective practice used for tackling undeclared work by a social partner either on their own initiative or in collaboration with a state institution.

Thematic review workshop: a structured learning format on a well-defined theme such as data mining, risk assessment, information tools or bilateral agreements, that involves a series of steps ranging from a per-event questionnaire, a 1½ day learning event with presentations and groups, a learning resource paper as first output, a follow-up visit to investigate an interesting practice in a Member State through to the production of a practitioner's toolkit to help Member States implement the knowledge acquired on the theme. The intention is to enable effective learning and capacity building of Platform members.

⁴³ <https://www.eurofound.europa.eu/observatories/eurwork/industrial-relations-dictionary/european-social-partners>