Inter-institutional cooperation within Member States to tackle undeclared work

Learning resource paper from thematic review workshop

12-13 March 2025

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1.0   Introduction

[Decision 2016/344 of 9 March 2016](#), issued by the European Parliament and the Council, regarding the establishment of a European Platform to Enhance Cooperation in Tackling Undeclared Work, explicitly states that 'A wide range of policy approaches and measures to tackle undeclared work have been introduced across the Member States. […] Tackling the complex problem of undeclared work still needs to be developed and requires a holistic approach'.

Since its establishment, the European platform tackling undeclared work (the 'Platform') has applied a **holistic approach as its core conceptual framework to address undeclared work**. When deconstructing the definition of the holistic approach[1], there are three key components: first, shifting the objective from 'reducing undeclared work' to 'transforming undeclared work into declared work'; second, developing a whole-of-government coordinated approach; and third, implementing the full range of direct and indirect policy tools.

To assess enforcement authorities' progress in adopting a holistic approach, a survey was sent in 2022 to 32 labour, tax, and social security authorities in the Platform across 27 EU Member States, Norway, and Iceland. Responses were received from 23 labour authorities and 1 tax authority (Williams and Horodnic, 2022). Self-reported progress revealed that the least progress was made in **developing a cross-government coordinated approach** compared to the other two components, namely transforming undeclared work into declared work and using the full range of policy measures. This highlights the rationale for a Thematic Review Workshop (the 'workshop') focused on inter-institutional cooperation within Member States to tackle undeclared work, aimed at **filling this gap** by sharing successful practices in inter-institutional cooperation at both national and cross-border levels.

This learning resource paper builds on discussions from the workshop, which was held in Rome, on 12-13 March 2025. The event gathered 54 participants, including representatives of labour inspectorates, tax and social security institutions, national social partners, and governmental organisations from 19 Member States, as well as representatives from labour inspectorates and tax authorities from the Western Balkan Six (i.e. Albania, Bosnia and Herzegovina, Kosovo[*], Montenegro, North Macedonia and Serbia). Representatives of the European Labour Authority (ELA), representatives of the Regional Cooperation Council from the Employment and Social Affairs Platform (ESAP 3 project[2]), thematic experts, and members of the Platform support team also attended the event. This marked the first instance of cooperation between the European Platform tackling undeclared work and the Western Balkans Network Tackling Undeclared Work.

The learning resource paper examines the role of inter-institutional cooperation in addressing undeclared work. The report begins with an introduction to the topic, followed by Chapters 2 and 3, which highlight the importance and benefits of cooperation, as well as the challenges institutions face when working together. These chapters explore practical responses to these challenges, drawing on information from both the presentations during the workshop and insights from the parallel working groups. Chapter 4 presents successful practices showcased during the workshop, at both the national and cross-border levels. The paper concludes with Chapter 5, which outlines key success factors and lessons learnt to further strengthen inter-institutional collaboration in the future. These conclusions are based on the insights shared by participants during the workshop, including presentations, Q&A sessions, and discussions in the parallel working groups.

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[1] As defined in the [Glossary of Terms of the European Platform tackling undeclared work](#)

[*] This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

[2] More information about ESAP3 project is available at: www.esap.online

2.0 The importance and the benefits of inter-institutional cooperation in addressing undeclared work

Good coordination among enforcement authorities, particularly through joint operations and communication efforts, brings significant benefits for businesses, enforcement authorities, and citizens. It reduces unnecessary burdens on businesses, improves the efficiency and impact of enforcement efforts, and helps to create a fairer labour market where legitimate competition can prosper, and citizens feel protected.

Indeed, a **wide range of benefits of inter-institutional cooperation were identified during the workshop**, both through presentations by representatives from Belgium, Denmark, Italy, Latvia, Lithuania, Spain, and the Netherlands, as well as through the discussions held in two parallel working groups. These benefits are summarised below.

2.1 Benefits for businesses

When institutions work together, businesses benefit from a more coherent and less burdensome regulatory environment. Cooperation leads to fewer disruptions and clearer expectations. The main benefits for businesses are as follows:

- ▶ **Reduced disruption through joint inspections**: Instead of facing separate inspections from labour, tax, and health and safety authorities, businesses can benefit from coordinated, joint operations. This reduces the number of visits and minimises operational disruption.

- ▶ **Streamlined processes and improved guidance**: Inter-institutional cooperation helps align procedures and messaging, reducing bureaucratic complexity. Businesses receive clearer, more consistent information about their obligations, which simplifies compliance.

- ▶ **A fairer business environment**: By tackling undeclared work more effectively, authorities create conditions where compliant businesses are not weakened by those operating outside the law. This supports fair competition and rewards responsible employers.

- ▶ **Enhanced communication with regulators**: A unified approach fosters better channels of communication between businesses and enforcement bodies, allowing for greater mutual understanding and responsiveness to business concerns.

2.2 Benefits for enforcement authorities

For enforcement authorities, inter-institutional cooperation offers a range of practical and strategic advantages that enhance their capacity to detect, address, and prevent undeclared work. These benefits include the following:

- ▶ **A whole-government approach**: Inter-institutional cooperation brings together the expertise of various institutions under a single strategic framework, ensuring more consistent enforcement and clearer national direction.

- ▶ **Broader operational scope**: When agencies join forces, they can cover a wider range of scenarios, including complex or cross-cutting cases that no single institution could address alone.

- **More efficient use of available resources**: Coordinating actions between agencies reduces duplication of effort and enables better allocation of personnel, tools, and time. Each institution brings its strengths, which can be strategically organised based on shared priorities.

- **Stronger and more unified enforcement**: Joint operations allow for more comprehensive planning and coordinated execution of anti-fraud strategies. This leads to a greater impact during inspections and enhances overall enforcement visibility.

- **Improved information exchange and decision-making**: Sharing data between institutions, leads to quicker, evidence-based decisions. With a fuller picture of potential violations, enforcement becomes more precise and faster.

- **Faster resolution of cases**: Regular communication and structured coordination allow for the rapid handling of cases, especially those involving multiple regulatory areas.

- **Continuous control pressure across regulatory areas**: Cooperation helps maintain consistent oversight across labour, tax, health and safety, and other areas relevant to the labour market. This sustained and coordinated approach strengthens deterrence and reinforces the visibility and effectiveness of regulatory enforcement.

2.3   Benefits for citizens and society

Stronger cooperation between institutions does not only support enforcement authorities and businesses, but ultimately serves the public good. It promotes fairness, improves the delivery of public services, and strengthens trust in institutions. The main benefits for citizens and society are the following:

- **Fairer and more effective regulation**: Coordinated actions send a strong public message that no one is above the law. Citizens see a system where fraud is taken seriously.

- **More just outcomes through better enforcement**: Institutions working together are more likely to identify and penalise fraudulent behaviour, ensuring that those who violate the rules are held accountable while compliant actors are protected.

- **Better protection of workers' rights**: Cooperation enables quicker detection of undeclared work and improves enforcement of labour standards, contributing to safer, fairer working conditions for all.

- **Stronger prevention strategies**: A unified message supports the development of more impactful public awareness and communication campaigns, discouraging undeclared work and encouraging formal employment.

- **Improved use of public resources**: By eliminating overlaps and inefficiencies, governments can achieve more with the same resources, delivering better enforcement, prevention, and support systems.

- **Increased social trust and compliance**: When people see institutions collaborating effectively and fairly, trust in the system increases. This helps foster a culture of voluntary compliance and civic responsibility.

2.4   Cross-border cooperation: additional benefits

In addition to the benefits provided by national-level cooperation, cross-border collaboration brings a set of unique advantages that are essential for addressing the international dimension of undeclared work and fraud. When authorities across countries work together, they are better equipped to respond to cross-border challenges that no single country can address alone. These additional benefits include the following:

► **Faster resolution of cross-border cases**: Direct contact between labour inspectorates in different countries allows for quicker coordination and more efficient handling of transnational cases.

► **Improved enforcement through joint inspections and coordinated action**: Joint operations and aligned control efforts enhance the monitoring of cross-border labour activities and ensure more consistent application of labour laws.

► **Better protection of posted and vulnerable workers**: Cooperation strengthens the ability to safeguard workers employed across borders, particularly those in temporary, mobile, or high-risk situations.

► **Prevention of social dumping**: Cross-border efforts help address unfair practices that undercut wages and working conditions, supporting fair competition and decent work standards.

► **Exchange of intelligence and best practices**: Sharing operational insights and data improves enforcement strategies and fosters more coordinated and informed approaches.

► **Greater alignment of legal and institutional frameworks**: Ongoing collaboration supports the convergence of enforcement approaches and helps close gaps in regulation and oversight between countries.

In several Member States, the benefits of coordinated enforcement are increasingly acknowledged. According to a 2022 survey (Williams and Horodnic, 2022), **67% of enforcement authorities have fully adopted joint or concerted operations as a strategic objective**, while 12% are either running pilot initiatives or have committed to implementation, and 17% are still in discussions. Additionally, **38% have set clear targets for the share of operations that should be joint or concerted**, with 8% piloting initiatives, 25% in discussions, and 29% yet to take action. These figures show a growing commitment to more coordinated enforcement approaches.

Turning to **data sharing**, **88% of enforcement authorities have electronic access to some data from other government departments**, while 8% report only limited access. However**, only 4% have full electronic access** to all relevant data, indicating significant room for improvement in data-sharing mechanisms.

When it comes to **data analysis,** the same survey reveals that **no country has a central unit responsible for analysing data across all authorities, nor does any enforcement body have direct access to analyse all relevant databases**. Currently, 29% of authorities can only analyse their own data, while 50% receive data from other agencies that can be imported into their systems, and 21% have direct access to analyse some relevant databases from other authorities. Therefore, strengthening data-sharing and analytical capabilities would greatly enhance coordination and enforcement efficiency.

However, these results are not surprising given the challenges of working together across different agencies, briefly discussed in the next section.

3.0 Challenges of inter-institutional cooperation and potential practical responses

While inter-institutional cooperation brings clear advantages, it also presents a number of practical, legal, and operational challenges. The most common challenges identified during the presentations by representatives from Albania, Belgium, Italy, Latvia, Lithuania, and the Netherlands, as well as during the parallel working group discussions, are described below.

3.1 Challenges on inter-institutional cooperation at national level

The challenges of inter-institutional cooperation at national level, along with examples and possible solutions, are outlined below:

> ► **Limited institutional capacity and resources**

Staff shortages, outdated systems, and limited budgets often hinder some institutions from actively contributing to joint initiatives. A potential solution could be to concentrate efforts on high-risk sectors where cooperation is most critical, while also pursuing external funding such as EU support to strengthen institutional resources and build long term capacity.

> ► **Differences in institutional priorities**

Not all agencies focus on the same areas. For instance, tax authorities may prioritise issues in the digital economy, while labour inspectorates may focus on sectors such as construction, agriculture or Hotel, Restaurant, and Café/Catering ('HoReCa'). This misalignment can complicate joint operations. A constructive way forward could involve conducting joint risk assessments and planning sessions to identify common priorities and better coordinate enforcement strategies.

> ► **Uneven commitment to tackling undeclared work**

While undeclared work is a strategic priority for some institutions, it remains a marginal issue for others. This imbalance can reduce the willingness to cooperate. A useful approach could be to promote national strategies, such as the **National Plan to Combat Undeclared Work** presented by Italy's representatives, which clearly defines the role of each institution and strengthens operational commitment across the board.

> ► **Incompatible technology systems**

Agencies often use different digital systems that are not interoperable, making it difficult to share information or coordinate on joint cases. This shows that investing in standardised digital platforms or shared tools can enable real-time access to information and facilitate smoother coordination.

> ► **Fragmented access to data and lack of analytical capacity**

While tax authorities typically have access to the most complete datasets, other institutions often have only limited access. Additionally, some authorities lack the skills, tools, or mandate to analyse complex datasets, which limits their ability to detect patterns or focus on high-risk cases. One way to address this could be by establishing central units dedicated to data management and analysis, or by supporting joint training programmes that strengthen analytical capacity across institutions. Supporting data analysis through technologies like artificial intelligence can further enhance informed decision-making and help institutions make better use of the information available to them. In Albania, for example, such an approach has been adopted through the implementation of MIRA (Matrix of Intelligence & Risk Assessment), a system that combines data management with advanced risk assessment tools to support more targeted and efficient labour inspections.

> ► **Data protection and privacy concerns**

Strict data privacy regulations can make it difficult to share information between agencies. Concerns over data leaks, confidentiality, and legal compliance often limit the scope and speed of inter-institutional data exchange. In some cases, sensitive information is shared through unprotected channels such as email, raising concerns about data security and integrity. A practical solution could be to develop and implement secure data sharing systems that include role-based access, encryption, and clear protocols for exchanging information safely. To overcome

this, in Italy, access to databases is restricted based on clearly defined roles, with only authorised personnel allowed to view sensitive information. Access is also tracked, helping to reduce the risk of data misuse or leaks. Norway has taken a more comprehensive approach by developing the *National Guidelines for Information Sharing Between Enforcement Agencies, Police, and Private Entities to Combat Criminality*. These guidelines provide caseworkers with clear instructions on what types of information can be shared, under what conditions, and with whom. The document includes dedicated sections for ten different institutions, outlining data ownership, confidentiality rules, legal exceptions for sharing, and the formal requirements involved. This structured framework supports secure, transparent, and legally compliant information exchange across national institutions.

▶ **Difficulties in coordinating joint communication and awareness raising efforts**

While communication and awareness campaigns offer clear advantages such as promoting compliance, building public trust, improving detection and reporting, encouraging long term behavioural change, and enhancing engagement with stakeholders like trade unions and employers, developing and implementing them jointly remains challenging. Key difficulties include aligning messaging, securing funding, and maintaining sustained engagement over time. A possible way forward includes designing shared strategies, using digital tools and social media, and engaging in joint workshops or public private partnerships to improve consistency, reach, and impact.

3.2   Cross-border cooperation: additional challenges

Cross-border cooperation introduces an extra layer of complexity, as legal, administrative, and linguistic differences make coordination between countries more demanding than within a national system. The most common challenges, identified during presentations by representatives from Belgium, Latvia, Lithuania, and the Netherlands as well as during the parallel working group discussions, are described below and include the following::

▶ **Differences in national legislation and definitions**

Countries operate under different legal frameworks, including varying definitions of undeclared work (for example, bogus self-employment), which complicates joint enforcement efforts. A possible solution, as demonstrated by Lithuania and Latvia, is to establish bilateral agreements and conduct joint training sessions to help harmonise approaches.

▶ **Differences in national priorities**

Varying national priorities can lead countries to focus on different areas or allocate differing levels of resources to tackle undeclared work and social fraud, resulting in uneven commitment and effectiveness. To help mitigate this, regular dialogue and coordination meetings can be organised to identify common objectives.

▶ **Varying mandates and competences of inspectors**

Labour inspectors in one country may not have the same authority as those in another, creating inconsistencies during joint inspections. One way to address this challenge is to define clear roles in advance of joint operations and explore mechanisms for mutual recognition of inspector mandates.

▶ **Challenges in communication and language barriers**

Language differences and bureaucratic procedures can slow down coordination and reduce precision. To overcome this, Latvia and Lithuania have adopted the use of a common working language, such as English or Russian, and have introduced joint workshops and staff exchanges to improve mutual understanding and streamline cooperation. Furthermore, the established rapport between inspectors from Latvia and Lithuania facilitate prompt clarification of basic facts via phone, prior to initiating the more time-consuming IMI-based

procedures. This practice enhances the efficiency of cross-border cooperation and optimizes the use of time and resources.

▶ **Resource constraints affecting cross-border engagement**

Limited financial and human resources restrict the frequency and depth of joint actions. One approach to mitigate this, as seen in some country experiences, is to prioritise key high-risk areas of cooperation and seek external funding, such as through EU programmes (e.g., concerted joint inspection supported by ELA), to support and sustain joint initiatives.

▶ **Data protection rules slowing cross-border exchange**

Cross-border data sharing must comply with GDPR and national laws, often leading to delays or refusals. This underscores the need for clear protocols, such as national guidelines for information sharing, as seen in Norway's model, which clearly defines what can be shared, by whom, and under what conditions. Extending tools such as the IMI system and strengthening the role of national liaison officers can also facilitate compliant and efficient data exchange.

▶ **Lack of standardised digital platforms**

The absence of common digital tools or platforms can prevent continuous cooperation between countries. A potential way forward is to develop or adopt standardised systems, such as the internal market information ('IMI') system, to facilitate data sharing and case management on undeclared work and social fraud beyond the specific context of posted workers. Representatives from Belgium and the Netherlands, for example, shared their difficulties in matching data to identify cases of social fraud. One key obstacle is the challenge of accurately identifying individuals due to the absence of a unique identifier, such as a shared national register number. A proposed solution to this issue is the adoption of a European identification number to enable more precise cross border matching.

▶ **Restricted mandate during joint inspections**

In some cases, visiting inspectors from another country may only be allowed to observe and not actively participate, such as by asking questions or checking specific issues. To address this, updating legal agreements to expand the scope of involvement during joint actions can help ensure more effective and balanced cooperation.

▶ **Difficulties enforcing cross-border penalties or recovering funds**

Without legal agreements, it can be difficult to follow through on sanctions issued in one country from another. This highlights the importance of establishing mutual enforcement protocols and legal cooperation frameworks to ensure that sanctions are recognised and effectively implemented across borders.

Nevertheless, **overcoming these challenges is key to making joint enforcement efforts more effective**. The next two sections of the paper will present existing examples of good practices in cooperation, both at national level and across borders, highlighting practical solutions and lessons that can support more effective approach to tackle undeclared work.

4.0 Inter-institutional cooperation on operations, data collection, data sharing and analysis

4.1 Good practices of inter-institutional cooperation at national level

During the workshop, participants shared examples of successful inter-institutional cooperation at national level, demonstrating that challenges related to coordination and collaboration between institutions can be effectively addressed.

Italy has introduced the **National Plan to Combat Undeclared Work 2023-2025**, adopted by the Ministry of Labour and Social Policies through Ministerial Decree No. 221 on December 19, 2022. This plan, funded by the European Commission, marks Italy's first comprehensive strategy to strengthen cooperation among stakeholders involved in tackling undeclared work, including various government agencies, trade unions, and employers. The institutions involved in this initiative include the National Labour Inspectorate ('INL'), the Ministry of Labour and Social Policies ('MLPS'), the Tax Authority, and the National Social Insurance Agency ('INPS'). The plan introduces a holistic approach in addressing undeclared work and focuses on three main areas, namely: enhancing data sharing, increasing the number of inspections by hiring additional labour inspectors, and transforming the modalities through which inspections are carried out by involving multiple institutions such as INPS, INL, and the police, who are encouraged to share their experiences in order to identify new goals and improved practices. As part of the plan, a database was created to centralise information accessible to institutions such as the Carabinieri (Police), INL, INPS and so on, with the aim of avoiding duplication of inspections, improving coordination, and more effectively identifying irregularities in companies. Over the past three years, approximately 1,000 labour inspectors have been recruited through public competition. However, the hiring and training process remains challenging, as the role requires a combination of theoretical knowledge and practical skills, including the capacity to manage and respond appropriately to resistance or negative attitudes from employers during unannounced inspections.

While the plan seeks to increase the number of inspections and hire additional inspectors, it also aims to encourage employers to shift their attitudes and behaviours through effective compliance mechanisms and the use of whitelists. This approach combines stronger enforcement measures, such as stricter sanctions and more effective inspections, with supportive tools that help employers comply with regulations. For example, the plan facilitates data sharing between INL and INPS, allowing INL to contact proactively employers who have failed to pay contributions, offering them an opportunity to clarify the situation before sanctions are applied. Additionally, the plan emphasises the importance of enhancing social dialogue and improving communication as it recognises that workers are often unaware of the risks associated with undeclared work such as the lack of social security support and economic vulnerability. For the period 2023-2025, the plan sets out two main goals: increasing the number of inspections by 20 percent compared to the 2019-2021 period and reducing the impact of undeclared work on the economic system by 2% These targets are considered achievable, with a particular focus on high-risk sectors such as agriculture, construction, HoReCa, and domestic work.

The example of the National Plan to Combat Undeclared Work 2023-2025 highlights how **integrating inter-institutional cooperation at the core of a national strategy** not only enhances operational effectiveness, but also ensures a more coordinated, data-driven, and effective approach to tackling undeclared work.

Building on the example of Italy's National Plan to Combat Undeclared Work 2023-2025, which integrates inter-institutional cooperation at the level of national strategy, other practices presented during the workshop reflect how such **cooperation is also being implemented at the operational and institutional level**. These practices fall broadly into two categories: **coordinated operations and systems for data sharing and management**.

Covering both operational activities and systems for data sharing and management, **Denmark's project focused on social dumping** demonstrates how inter-agency collaboration can be applied to address specific labour market challenges (Box 1). Similarly, **Spain**'s '**Campaign against Undeclared Work'**, implemented under the Labour and Social Security Inspectorate ('ITSS') Strategic Plan 2021-2023, adopts a multi-agency approach to enforcement activities (Box 2).
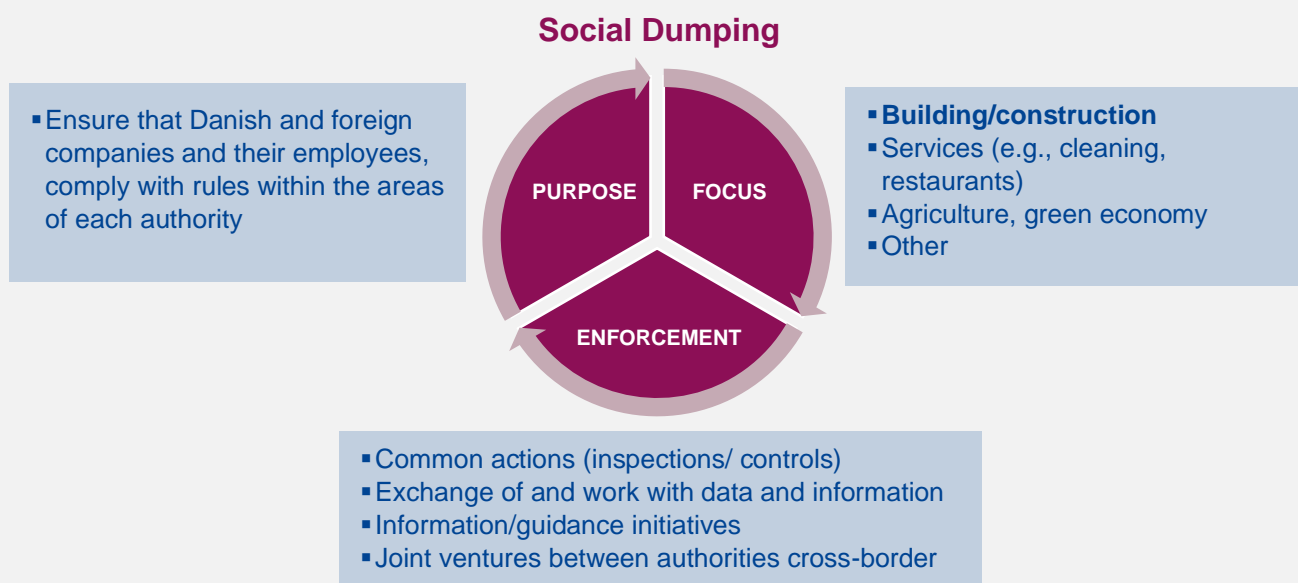
Box 1. Inter-institutional cooperation against undeclared work (social dumping) and work-related crime in Denmark

Background

The Danish project targeting social dumping is a politically mandated initiative that has been a high priority since its inception. It is defined and coordinated at the political level and receives direct funding from the annual state budget. Since 2012, the project has brought together the **Danish Working Environment Authority, the Tax Agency, and the police in close inter-agency cooperation**. Its primary focus is on Danish and foreign businesses that hire labour from abroad, with the overarching aim of ensuring orderly conditions in the labour market. The initiative is driven by labour market dynamics in Denmark, where there is a strong demand for foreign labour due to shortages on both the employer and employee sides.

The main framework of the initiative is presented in Figure 1. It shows that the primary focus is on specific sectors such as construction, services, agriculture, and green economy. The enforcement efforts extend beyond joint inspections and controls to include data and information exchange, guidance and awareness-raising initiatives, as well as joint ventures with authorities from other countries.

Figure 1. Social dumping framework

Social Dumping

PURPOSE — FOCUS — ENFORCEMENT

- Ensure that Danish and foreign companies and their employees, comply with rules within the areas of each authority

- **Building/construction**
- Services (e.g., cleaning, restaurants)
- Agriculture, green economy
- Other

- Common actions (inspections/ controls)
- Exchange of and work with data and information
- Information/guidance initiatives
- Joint ventures between authorities cross-border

Source: based on the presentation by the Danish Working Environment Authority, Danish Police and Danish Tax Agency

Enforcement approach

As illustrated in the strategic triangle in Figure 2 below, the type of enforcement applied varies depending on the level of risk. At the upper levels of the triangle, where risk is higher, authorities primarily rely on inspections, controls, and sanctions. In contrast, at the lower levels, where risks are less severe, the focus shifts to preventive measures such as information and guidance tools.

Figure 2. The strategic triangle

Source: based on the presentation by the Danish Working Environment Authority, Danish Police and Danish Tax Agency

Joint operations

The cooperation between the Danish Working Environment Authority, the Tax Agency, and the police involves a range of tasks carried out jointly. These include meetings at all levels from the participating organisations, control activities, case management, evaluation, and coordination of resources. Staff from all three authorities are allocated to the social dumping project on a daily basis. The meetings take place frequently, often weekly, and information is shared both between the authorities and across different organisational levels. As part of the cooperation, eight nationwide and forty regional joint action days are carried out each year.

The **Cross-functional Task Force Team**, inspired by the Norway model[3], was established to strengthen cooperation between authorities in identifying new targets for control and inspection. The team focuses on companies and individuals, both Danish and foreign, who repeatedly and severely violate labour market regulations, particularly in relation to work life crime, social dumping, and the use of illegal labour. Its work is based on systematic and coordinated identification methods using existing data and knowledge. Leads from each authority meet weekly to coordinate case handling and may form smaller ad hoc working groups for joint follow-up on specific cases. The team works across three tracks: a data track focused on improving data exchange, an operational track for audits and case handling, and a legal track aimed at identifying gaps in existing legislation. The involvement of the police in these operations, particularly for issues falling under their responsibilities, helps reduce the risk of harassment. As a measure to support inspectors in managing the high-stress nature of their enforcement activities, inspections are followed by debriefings and discussions.

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[3] https://www.regjeringen.no/en/dokumenter/status-for-oppfolging-av-strategi-mot-arbeidslivskriminalitet/id2435363/

Innovative approaches have been introduced to improve the identification of companies for inspection. One method involves using **network analysis** to shift the focus from companies to owners. By linking data from the Danish Working Environment Authority, the Tax Agency, and the Business Authority, this analysis can uncover patterns of repeated violations by the same individuals across different companies, geographic areas, and sectors. In parallel, authorities have worked on developing data-based indicators to identify companies at risk of engaging in social dumping or work-related crime. These indicators draw on information from the Tax Agency and the Working Environment Authority, complemented by data from other relevant bodies such as the Agency for International Recruitment and Integration, the Agency for Labour Market and Recruitment, and the Business Authority. Examples of risk indicators include owners operating in unrelated and distant industries or showing signs of economic failure in connection with previous decisions by authorities.

Information and guidance tools

As for information activities, guidance is provided through various websites and platforms, made available in many languages. These efforts include individual and targeted communication, cross-border initiatives in collaboration with ELA, and the use of partnerships, with selected actors serving as ambassadors. For example, a targeted information and guidance approach was applied in a large construction project involving multiple companies and workers from various countries with different backgrounds, education levels, and needs. The project was characterised by high financial value, a large and diverse workforce, complex legal and practical challenges, and frequent changes over a long implementation period. Authorities, led by the Tax Agency, established contact as early as possible through management boards, main contractors, and relevant organisations. This was followed by targeted on-site information and guidance events, as well as a permanent on-site presence by the Tax Agency and the Danish Working Environment Authority.

Visibility is a key part of the strategy and complements the use of information and guidance tools. Authorities work together to ensure a common approach to communication, particularly when addressing the public, the press, and political stakeholders. Joint visibility sends a strong and unified message, especially when results are presented after common actions or in response to media inquiries. Local and regional press are often the first point of contact, followed by national coverage, which helps raise awareness across different levels. Regular reporting, including semi-annual updates to Parliament, helps maintain political interest. Storytelling is a central element in this approach, focusing on real-life observations, frequent violations, and the most affected sectors. This supports transparency and strengthens public understanding of ongoing efforts of the authorities.

* Box 1 is based on the presentation by the Danish Working Environment Authority, Danish Police and Danish Tax Agency at the Thematic Review Workshop on 12 March 2025.

Box 2. The 'Campaign against undeclared work': A collaborative effort between different agencies in Spain

Background

The 'Campaign against Undeclared Work' represents a strategic initiative aimed at combating employment relationships that are not registered with the social security system. It combines targeted inspection campaigns with the use of data and information analysis, including artificial intelligence, to identify and plan control actions. The campaign focuses on sectors and geographic areas with higher risk profiles and is closely aligned with the broader goal of ensuring the sustainability of the social security system. A central feature of the campaign is the cooperation between the Labour and Social Security Inspectorate and other public bodies, including the State

Tax Administration Agency, the Police, the Civil Guard, and the Social Security Administration. This inter-agency collaboration enhances the efficiency of resource use, enables more coordinated actions to address fraud, broadens the range of operational contexts, and facilitates effective information exchange and access.

Conventions for inter-institutional cooperation

The Labour and Social Security Inspectorate has established several cooperation agreements, including a specific convention with the police focused on undeclared work, as well as broader agreements with other agencies focusing on specific aspects of undeclared work, as outlined below:

- ▶ **Agreement between the Secretariat of State for Labour and the Labour and Social Security Inspectorate and the State Security Forces and Bodies on combating irregular employment and social security fraud**: Establishes a framework for functional and operational coordination in combating irregular employment and social security fraud. The agreement aims to support joint investigation of emerging forms of fraud through coordinated actions, including the creation of mixed operational groups, joint inspections, and exchange of information both before and during proceedings.

- ▶ **Agreement between the Social Security Administration and the Labour and Social Security Inspectorate**: Establishes a framework to intensify and enhance mutual collaboration, particularly in the management of shared issues and joint handling of cases. Key actions include the joint development of an annual Plan of Objectives to combat fraud in the field of Social Security and granting the Labour Inspectorate access to relevant Social Security data.

- ▶ **Agreement between the State Agency for Tax Administration and the Labour and Social Security Inspectorate**: Provides a general framework for cooperation in the fight against tax fraud and fraud related to the contribution and collection of Social Security system funds. Key actions include the exchange of information and the development of collaborative efforts between both agencies to improve prevention and correction of fraudulent practices.

Examples of operations undertaken under the cooperation conventions and their results

Examples of cooperation with the **Police and Civil Guard** include joint actions through operational groups, with focus on the agricultural sector. Mixed operational teams have also carried out inspections at night and on public holidays. In addition, coordinated actions have been undertaken in other sectors such as hospitality and transport. In 2024, a total of 92,689 undeclared workers were identified through inspection activities. The controls conducted in cooperation with the Police and Civil Guard resulted in the detection of 10,864 undeclared workers. This means that approximately 12 percent of all undeclared workers identified in 2024 were uncovered through joint operations with the Police and Civil Guard.

Cooperation with the **Social Security Agency** is reflected in several operational activities that support the identification and correction of irregularities. These include joint work on cases related to liability derivation for both general social security obligations and company administrators, as well as the detection of late discharges and out-of-term variations. Collaboration also covers the reduction of fees in specific situations and participation in broader initiatives such as the Comprehensive Fraud Campaign. The actions carried out in cooperation with the Social Security Agency have shown varied success rates across different campaigns, with some exceeding 95 percent. These operations resulted in the detection of 6,485 infractions, involved 335 workers, and led to the recovery of substantial financial amounts, including over 100 million euros in contributions and over 9 million euros in sanctions.

An example of cooperation between the Labour and Social Security Inspectorate and the **Tax Agency** involves joint and coordinated actions targeting self-employed individuals. These operations focus on identifying

taxpayers who may be carrying out economic activities on their own account without registering in the Special Scheme for Self-Employed Workers. The analysis is based on personal income tax data, specifically for individuals under the age of 65 who declare income from economic activities exceeding the annual minimum wage but have not deducted Social Security contributions or contributions to social security funds in lieu. The authorities automatically identify such cases and proceed to the next step, which involves verifying whether the income is work-related and therefore subject to social security contributions, or if it originates from other sources, such as rental income, for which such contributions are not required. Between January and December 2024, a total of 1,557 actions were carried out in cooperation with the Tax Agency, resulting in the identification of 142 infractions and 565 affected workers. These actions led to sanctions amounting to 417,456 euros and the recovery of over 3.5 million euros in Social Security contributions, with an overall success rate of 36 percent.

The identification of new cases is facilitated by algorithms that integrate data from various enforcement authorities and are updated on a monthly basis.

* Box 2 is based on the presentation by the Spanish Labour Inspectorate at the Thematic Review Workshop on 12 March 2025.

Focusing specifically on **cooperation in data sharing and management**, representatives from **Italy** introduced the **VIGAGRI (Vigilanza Agricoltura) platform**, a comprehensive digital tool designed to support institutional efforts in monitoring and enforcing compliance within the agricultural sector (Box 3). Representatives from **Slovakia** presented a dual interface system developed to facilitate information exchange between National Labour Inspectorate and the Social Insurance Agency (Box 4). Additionally, **Albanian** representative highlighted the **Matrix of Inspections and Risk Assessment (MIRA)** as a tool that structures and guides inspection priorities through a data driven approach (Box 5).

Box 3. Inter-institutional cooperation in the agricultural sector in Italy

Background

The National Institute for Social Security (INPS) is currently the main institution managing mandatory pensions in Italy. It also provides income support, social assistance, and family services, funded through mandatory contributions from employers and self-employed workers.

Enforcement authorities addressing undeclared work in Italy focus particularly on the agricultural sector, given its relevance to the national economy and its exposure to irregular labour practices. In 2022, the total value of agricultural production in the European Union was €537.4 billion. Italy accounted for approximately 8% of this value, ranking among the top four contributors alongside France, Germany, and Spain. Together, these four countries generated nearly 60% of the EU's total agricultural output. The size and significance of the sector make it a priority area for institutional efforts to combat undeclared work.

To better align enforcement and regulatory efforts with the evolving needs of the sector, the legal definition of agricultural activity in Italy has been updated. The reform of Article 2135 of the Civil Code in 2001 expanded the scope of the term "agricultural entrepreneur" to include land cultivation, forestry, and animal breeding, with an emphasis on activities linked to biological production cycles. It also clarified the inclusion of related activities such as processing, marketing, and services connected to core agricultural operations. Further provisions, such as those introduced by Legislative Decree no. 173/1998, extended social security coverage to workers involved in agricultural support services, even when employed by non-agricultural enterprises, provided the work remains closely connected to primary agricultural activities.

The assessment of manpower needs in the agricultural sector is based on legal parameters that define the labour requirements of each company. When requesting to hire workers, agricultural enterprises must specify the expected working times for each activity. The standard reference used is the Annual Work Unit (AWU), which helps quantify labour demand. Additionally, regional hectare cultivation tables are applied to calculate labour needs, reflecting both technological developments and the specific characteristics of local agricultural contexts. The agricultural sector benefits from specific tax and social security advantages. In particular, agricultural companies are entitled to contribution reliefs, which reduce the percentage of social security contributions they are required to pay. These reliefs vary depending on the company's geographical location within the national territory.

However, the sector shows a higher incidence of undeclared work compared to others. For example, out of 899,000,000 inspections carried out by INPS inspectors in 2024, agriculture accounted for 18,762 cases of undeclared work and 'fictitious' employment relationships, nearly double the 9,466 cases identified across all other sectors combined.

Inter-institutional cooperation

To enhance enforcement efforts in the sector, INPS collaborates with the Ministry of Labour and Social Policies, the National Labour Inspectorate (INL)), the National Institute for Insurance against Accidents at Work (INAIL), and the Agency for Agricultural Disbursements (AGEA).

A key step toward more coordinated enforcement was the signing of a **data exchange agreement** on 12 January 2018 by the Ministry of Labour and Social Policies, INPS, INL, and INAIL. The agreement sets out the responsibilities and procedures for sharing information necessary to support each institution's mandate and to improve the coordination of inspection activities across the country. It covers data on inspection activities initiated from 1 January 2017, with the main objective of preventing overlapping interventions and ensuring that no two bodies carry out inspections on the same company simultaneously.

Institutional collaboration in tackling undeclared work has been further reinforced through the implementation of the **National Plan to Combat Undeclared Work**, that set in motion a comprehensive reorganization of procedures across all involved institutions. To further enhance coordination, Ministerial Decree No. 50 of 28 March 2024 established a new **institutional task force called 'Undeclared Work'**, based at the INL. This task force will work in synergy with the **National Committee for the prevention and fight against undeclared work**. The Committee is chaired by the Minister of Labour (or a delegate) and includes representatives from the Ministry of Labour and Social Policies, the Ministry of the Interior, the Ministry of Infrastructure and Transport, INL, INPS, INAIL, ANPAL, the Bank of Italy, ISTAT, the Revenue Agency, the Guardia di Finanza, the Carabinieri, and the Conference of the Regions, with technical support from INAPP, experts appointed by the Minister, and ten representatives from the most representative trade union and employer organisations.

Initial activities of the National Committee include the establishment of a working group to monitor interoperability between the information systems of the involved entities, the training of newly hired inspectors and creation of a ministerial task force for supervision, the launch of the INPS Platform for compliance interventions and development of a Synthetic Indicator of Contribution Reliability (ISAC), and the rollout of a national information campaign to tackle undeclared work.

The VIGAGRI platform for the control of the agricultural sector

The **VIGAGRI (Vigilanza Agricoltura)** platform is a comprehensive digital tool designed to support institutional efforts in monitoring and enforcing compliance within the agricultural sector. It enables enforcement authorities to analyse the agricultural economic fabric and territorial distribution, monitor company behaviour, and detect

risks such as undeclared work, contribution evasion, and fictitious employment relationships. Data is updated in real time and enhanced through the use of big data analytics and machine learning techniques.

At its core, the platform offers multiple search and analysis functions. Users can conduct targeted or broad searches on both companies and workers through modules such as *Ricerca Puntuale Azienda* (Targeted Company Search)*: Ricerca Lavoratori* (Search Workers), and *Aziende a Rischio* (High-Risk Companies). These tools allow for detailed inquiries into specific entities or filtered overviews across regions and time periods. Visualizations, such as the *Distribuzione Geografica Aziende a* Rischio (Geographic Distribution of High-Risk Companies), highlight the territorial concentration of high-risk companies, with data segmented by Italy's macro-areas (North, Centre, South) and by individual regions or provinces. This territorial insight is particularly relevant given that agriculture in southern Italy is generally less mechanised compared to the northern regions. As a result, companies in the south tend to rely more heavily on third-country nationals (TCNs), a workforce often vulnerable to exploitation and undeclared work.

The platform offers a wide range of filters, including company types, category associations, activity and contract codes, as well as workforce-related indicators such as the number of workers, workforce growth, and the percentage of female or foreign workers. It also allows analysis of DMAG declarations (Dichiarazione di manodopera Agricola / Declaration of Agricultural Workforce), including late submissions and specific trimesters, and identifies potential risk factors such as exclusive use of fixed-term workers, absence of land ownership, and workers exceeding 26 days of activity per month. By comparing the days declared in the DMAG with the company's declared annual labour needs, the platform calculates a ratio used to assess the reliability of the reported data. When this ratio is low it may indicate underreporting of labour and result in the company being flagged as high risk.

In sum, VIGAGRI provides a robust digital environment for cross-referencing data, identifying inconsistencies, and prioritizing enforcement efforts. Its structure supports data-driven decision-making and coordinated supervision, particularly in high-risk areas of the agricultural sector.

* Box 3 is based on the presentation by the Italian National Social Security Institute at the Thematic Review Workshop on 12 March 2025.

Box 4. Data sharing collaboration between the National Labour Inspectorate and the Social Insurance Agency in Slovakia

Background: legislative framework

Illegal employment regarding the obligation to declare work to the competent institutions is defined in Act 82/2005 Coll. (Section 2 par. 2b): This provision of the legal regulation establishes the obligation of the employer to register his employee in the Social Insurance Register before the employee starts working. At the same time, this provision provides a period of 7 days for registration in this register from the start of work, which applies only if the inspection of the labour inspectorate does not begin within this period. The significance of this additional period is therefore only in the retrospective assessment of this type of illegal employment.

In 2024, more than 40% of identified cases of illegal employment (564 out of 1,392) were due to employers failing to meet their obligation to register with the Social Insurance Institution. This highlights the critical role of cooperation between the Labour Inspectorate and the Social Insurance Agency. Such collaboration is essential not only for identifying and addressing undeclared work but also for ensuring that sanctions are applied fairly and in line with the *ne bis in idem* principle, which prevents multiple penalties for the same offence. According to the Labour Inspection Act (No 125/2006 Coll.), state bodies are required to coordinate their efforts, and this

is further supported by the Supreme Court's decision 1Vs/6/2020 stating that once a fine is imposed by the Social Insurance Office, the Labour Inspectorate must refrain from penalising the same violation again.

Framework for inter-institutional cooperation

Inter-institutional collaboration in addressing undeclared work has been strengthened through formal cooperation between the Social Insurance Agency (SIA), the Ministry of Labour, Social Affairs and Family of the Slovak Republic (MLSAF), the National Labour Inspectorate (NLI), and the regional labour inspectorates (LI). A new cooperation agreement was signed in May 2024, reaffirming the joint efforts of all involved authorities. This collaboration is based on a mutual exchange of data, with the SIA providing important information to the NLI and LI, and the labour inspectorates sharing relevant data in return. A key element of this cooperation is the use of information from the Register of insured persons and savers of old age pension savings, managed by the SIA, which serves as the main source of data for detecting and tackling undeclared work.

Operational cooperation in practice

Labour inspectors and other employees of the labour inspection system access key data through the web service provided by the SIA, which serves as a central source of information for their activities. Access to this web service is secured through the use of a unique social security number (SSN), a password, and an additional layer of security using an authentication service, typically a mobile application. Inspectors can access the system directly from their work mobile phones, allowing them to retrieve data instantly while conducting inspections in the field. General access rights to the social security system are granted by the SIA, based on approval from the NLI, and are assigned according to the inspector's department, either labour law relations or occupational safety and health (OSH). The NLI also manages and regularly updates the list of active labour inspectors with access, considering staff changes such as new hires or leaves of absence. The SIA web service consists of three modules as described below.

1. The Illegal Work module, which allows one-way transfer of data**,** provides labour inspectors with essential tools to detect and assess potential cases of illegal employment. It allows access to registration data in the social insurance system, enabling searches by birth identification number, name, surname, date of birth, or by company identifier (IČO). Inspectors can identify the place of work through a numerical code, view declared working hours and determine the type of legal relationship between the employer and the worker, such as whether the person is an employee with regular or irregular income or working under a specific agreement. The module also includes the ability to view the history of records, displaying all submitted Registration Lists of Natural Persons for a given employer and employee. Additionally, it enables inspectors to verify employers based on the number of registered employees and the types of legal relationships associated with them, making it a valuable resource for targeting inspections and identifying irregularities.

2. The SIA-LI module is a secure data exchange platform that enables mutual communication between the SIA and the NLI or LI, and which enables mutual exchange of data. The exchange of information takes place through a secured channel and is governed by a mutual contract, which defines specific situations and topics that are of interest to each contracting party. Within this framework, SIA, NLI, and LI can either send relevant information for the other party's awareness or request a response or further investigation on a case they have forwarded. This module has replaced the use of email for data exchange, mitigating concerns related to data security and protection.**3. The *Ne bis in idem* module** functions through a one-way transfer of data from the LI to the SIA and serves as an early warning mechanism. Its main purpose is to inform the SIA that a particular case is already being handled by the labour inspectorate, preventing the SIA from initiating separate administrative proceedings for the same violation. This coordination is crucial because both institutions have the authority to impose sanctions for comparable breaches of duty. However, sanctions imposed by the SIA are generally

milder, which has led subjects to voluntarily report violations to the SIA in order to avoid more severe penalties from the labour inspectorate.

To strengthen further the existing cooperation and streamline the flow of information, the involved institutions aim to enhance the current system by developing a unified platform or central hub. This future solution would support more efficient and integrated two-way data exchange between the SIA, NLI, and LI, improving coordination and responsiveness in tackling undeclared work.

* Box 4 is based on the presentation by the Ministry of Labour, Social Affairs and Family of the Slovak Republic and the National Labour Inspectorate at the Thematic Review Workshop on 12 March 2025.

Box 5. MIRA – Matrix of Intelligence and Risk Assessment: Digital Transformation of Labour Inspection in Albania

Background

Traditional inspection methods, which often depend on manual procedures, physical site visits, paper-based documentation, and limited data sharing, present serious challenges. These include inefficiencies, limited accuracy, insufficient workplace coverage, weak risk assessment capabilities, and resource-intensive operations. To address these limitations, there is a growing need to modernise inspection systems and adopt digital solutions that enhance effectiveness and responsiveness. The Matrix of Intelligence and Risk Assessment (MIRA) represents a shift toward digitalisation in labour inspection, introducing a data-driven approach to labour inspection aimed at enhancing transparency, accountability, and operational effectiveness The use of data mining and machine learning driven tool improved the accuracy of predicting undeclared and underdeclared work by 30% compared to the red-flag risk assessment previously used by the Labour Inspectorate (Huibregtse and Alogogianni, 2023).

The development of a tool such as MIRA relies on the availability of reliable and comprehensive data.. The development process began four years ago with a targeted effort to collect and organise data from multiple sources. A **key aspect of this effort has been close cooperation with other institutions, such as the Tax Administration and the National Centers of Businesses,** which provide essential information.

Description of MIRA – the Matrix of Intelligence and Risk Assessment

MIRA is a digital tool that supports the modernisation of labour inspection by integrating two core components: **a case and data management system**, and an **advanced risk assessment tool. The data management system** is designed to support labour inspectors in making unified and consistent decisions. It provides access to up-to-date legislation and regulations, ensures standardized workflow processes, and promotes high-quality inspections. It also enables structured data collection and uses violation history and legal provisions to guide data-driven decision-making. The advanced **risk assessment tool** complements this. MIRA leverages **data mining** to process large datasets, uncovering \hidden trends, correlations, and patterns that would otherwise remain undetected. Combined with **machine learning algorithms**, it enables advanced analysis of complex factors, drawing on historical data to predict potential violators. This approach enhances risk assessment and provides inspectors with data-driven insights through intuitive reporting dashboards.

Key results of implementing MIRA in Albania

MIRA has brought clear improvements in three areas:

1. Compliance and decision-making. One of the most significant outcomes is greater legal consistency, as the system processes data from 3,200 legal provisions and takes into account the subject's violation history to support proportionate and uniform penalties. Data-driven recommendations help reduce human bias and promote fair enforcement, while comprehensive data reports enable informed, evidence-based decisions. These advancements have translated into tangible results. The **rate of appeals against fines dropped from 64 percent in 2020 to 30 percent in 2023**, reflecting increased trust in the inspection process. Moreover, **only 30 percent of the Appeal Commission's decisions were contested in court, and all were upheld**, confirming the legal soundness and reliability of decisions made through MIRA.

2. **Automated risk-based planning**. MIRA has transformed the way inspections are planned by introducing a fully automated, top-down approach based on risk coefficients assigned to each subject. This shift enables labour inspectors to focus efforts where they are most needed, improving both efficiency and impact. Machine learning algorithms analyse historical data to predict potential risks and violations, allowing high-risk workplaces to be automatically prioritised. The system continuously learns and adapts, refining its accuracy over time. These advancements have produced strong results. Detection of informality has increased significantly, with **63% of planned inspections now revealing cases of informality or various forms of undeclared and underdeclared work**. **In 2019, inspectors needed to carry out 12 planned inspections to identify one informal/ unregistered employee, whereas in 2024, the same result was achieved with only 3.5 inspections on average**. Currently, 60% of inspections are planned to use MIRA's risk assessment and data-driven insights, while the remaining 40% are selected randomly by inspectors at the regional level.

3. Efficiency and resource optimisation. MIRA is designed to accommodate changing requirements and can scale to manage increasing data volumes without requiring additional resources. It automates processes such as data collection, report generation, and inspection scheduling, which helps decrease administrative tasks and supports real-time monitoring and reporting. Inspectors are able to concentrate on high priority cases, which helps reduce travel and operational costs. The impact is strong, as **the time required for collecting, processing, and analysing inspection data has decreased from 10 to 15 days to just a few hours**. Even with an annual volume of 10,000 inspections and more than 100 variables collected per inspection, MIRA continues to operate efficiently.

However, despite its many advantages, adopting AI-driven tools like MIRA also brings **important challenges** that must be addressed. The transition from traditional methods to a data-driven approach requires not only technological adaptation but also a shift in mindset for labour inspectors. The accuracy of AI-generated insights is a concern, as inspectors need assurance that the information provided is both reliable and actionable. Key challenges identified include:

- ▶ **Resistance to change**: Inspectors may initially be reluctant to move away from familiar, traditional inspection methods.

- ▶ **Digital skills gap**: Effective use of AI-powered tools requires targeted training and capacity building for inspectors.

- ▶ **Data interpretation**: Understanding how to read and apply analytics and risk assessment results is essential for informed decision-making.

- ▶ **Trust in technology**: Some inspectors may be hesitant to rely on automated insights and need reassurance that the system's recommendations are accurate, transparent, and aligned with legal standards.

▶ **System integration issues**: Aligning AI-driven tools with existing systems and **enhancing inter-agency data sharing** can present technical and operational difficulties.

In the future, the aim is to expand MIRA by developing a dedicated module for occupational safety and health, further strengthening the digital capabilities of labour inspection.

The success of MIRA highlights the importance of comprehensive data in developing digital inspection systems, which **relies on strong inter-institutional cooperation to provide access to diverse datasets**.

* Box 5 is based on the presentation by the Albanian Labour Inspectorate at the Thematic Review Workshop on 12 March 2025.

4.2 Good practices of cross-border inter-institutional cooperation

The right to free movement is one of the EU's most significant achievements, enabling individuals to relocate within Member States in search of better opportunities and an improved standard of living. However, the rising mobility of workers within the EU, coupled with ongoing economic and social disparities, has led to an increase in cross-border undeclared work. This trend highlights the growing need for coordinated and joint inspections, particularly in areas of increasing concern across both European and national contexts, including issues such as bogus self-employment, fraudulent temporary work agencies, seasonal undeclared labour, misuse of worker posting, and the proliferation of letterbox companies (Stefanov et al., 2019).

However, cross-border cooperation is even more challenging due to varying national laws and definitions of different types of undeclared work (such as bogus self-employment). There are also challenges in enforcing cross-border sanctions, which could be supported by tools such as a knowledge platform that provides information on applicable legislation, types of sanctions, and the relevant authorities in each Member State, along with guidance on the evidence accepted by courts and templates for information exchange (Stefanov et al., 2021).

Furthermore, there are sectors, such as the HoReCa sector, where cross-country collaboration is essential not only within the EU but also with countries outside of the Union, as a significant proportion of the workforce in these industries comes from third countries. Indeed, cross-border cooperation, including joint inspections, information-sharing, and awareness-raising, is key to addressing challenges in the HoReCa sector and ensuring compliance with labour and social security regulations (ELA, 2024).

In several Member States, the importance of cross-border cooperation, including joint and concerted inspections and awareness campaigns, in tackling undeclared work has been gaining recognition. According to a 2022 survey, 46% of enforcement authorities have fully adopted cross-border cooperation as a strategic objective. Additionally, 21% are in the process of implementing or piloting such initiatives, 29% are still in discussions about adopting it as a strategic objective, and 4% have made no progress (Williams and Horodnic, 2022).

The **Western Balkan Six currently have limited cross-border cooperation**, despite sharing common languages and having relatively similar legal frameworks. However**, interest in strengthening such cooperation is growing**. As part of the ESAP project[4], all six Western Balkan economies took part in a study tour where they observed good practices and learned how inspections are carried out in other institutions.

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[4] More information about ESAP3 project is available at: www.esap.online

Two good practices were showcased during the workshop. **Lithuania,** conducts **cross-border joint inspections with Latvian authorities** within a legal framework, supported by formal cooperation agreements that facilitate joint actions (Box 6). Meanwhile, **Belgium and the Netherlands, under the Benelux framework**, have established strong collaboration, including joint inspections, data exchange, coordination and planning, and education and training activities, building on cooperation that began informally in the 1990s in the border regions (Box 7).

Box 6. Cross-border cooperation on operations between Lithuania and Latvia

Framework for inter-institutional cooperation

Cooperation between the Lithuanian, Latvian, and Estonian labour inspectorates was established with the goal of improving occupational safety and health in the context of labour inspection activities across the Baltic countries. The first trilateral agreement was signed on 30 October 2007 in Lisbon, marking the beginning of formal collaboration among the three inspectorates. Building on this foundation, a second trilateral agreement was signed on 8 May 2018 in Vilnius. This renewed commitment aimed not only to strengthen efforts in occupational safety and health and labour legal relations, but also to facilitate the exchange of information and best practices related to the working environment and inspection activities.

The scope and forms of inter-Institutional cooperation

The following forms of cooperation have been agreed upon by the parties to strengthen collaboration and promote the exchange of data and experience:

- ► To hold annual meetings between the parties, hosted each year in one of the participating states.
- ► To organise meetings or visits of specialists from various fields in one of the participating States and to promote cooperation among experts in different areas.
- ► To exchange information electronically on working environment matters and inspection activities.
- ► To share information and cooperate on issues related to the posting of workers within the framework of service provision.
- ► To collaborate and exchange information on matters concerning posted third-country nationals and seasonal workers.

Operational cooperation in practice: example and results

A joint inspection between Lithuania and Latvia, supported by ELA, was carried out on 17–18 October 2023, focusing on the construction sector. The inspection targeted construction sites in Lithuania where workers were posted from companies based in other EU Member States, including Latvia, with focus on tackling undeclared work. This initiative aimed not only to identify potential violations related to posted workers from Latvia but also to strengthen operational cooperation between labour inspectorates. During the inspection, Lithuanian authorities introduced their transparent worker ID code system and demonstrated their construction site inspection methods and tools to Latvian labour inspectors (i.e., including the use of drones). The joint activity reflected ELA's role in facilitating international cooperation in labour inspections and provided an opportunity for practical knowledge exchange between the two countries.

During the joint inspection, two Latvian citizens were found working at a construction site under conditions that indicated **bogus self-employment**. Although they were formally registered as self-employed persons in Latvia and provided services to a Latvian company, several factors revealed the presence of *de facto* **dependent employment.** The tools used for the work were supplied by the Latvian company, the workers provided services exclusively to this single client, and both had received occupational safety training from the company. Moreover, one of the workers had previously performed the same job for the Latvian Company under an employment

contract prior to the signing of a commercial contract. Following the inspection, the Latvian State Labour Inspectorate launched administrative offence proceedings and concluded that a written employment contract should have been in place. As a result, an administrative fine was imposed on the Latvian company for employing the workers without proper working contract arrangements.

Cross-border cooperation **has had a significant positive impact on inspection processes** by fostering closer coordination and more effective enforcement. Through joint inspections, inspectors from both countries are able to work side by side, facilitating real-time knowledge exchange and strengthening mutual understanding of national procedures. This collaboration can further enhance the quality of inspections, as inspectors jointly gather evidence, interview workers and employers, and assess compliance with labour laws. The exchange of data prior to inspections also plays a crucial role, providing inspectors with a more complete and accurate understanding of the companies involved. Personal connections between inspectors from Latvia and Lithuania allow for quick fact-checks by phone before starting the more time-consuming IMI procedures. As a result, cases of labour law violations are identified more quickly, and resolutions are reached with greater speed and efficiency.

* Box 6 is based on the presentation by the Lithuanian State Labour Inspectorate and the Latvian Labour Inspectorate at the Thematic Review Workshop on 13 March 2025.

Box 7. Cross-border cooperation on operations between Belgium and the Netherlands

Background: Longstanding cooperation between Belgium and the Netherlands

Belgium and the Netherlands share a strong foundation for cross border cooperation, built on geographic proximity, a common language, and similar challenges in the field of labour inspection. As neighbouring countries, they face many of the same issues, such as the presence of posted third country nationals and the need to address social dumping. Common phenomena include cleaning services at highway facilities, parcel delivery, the posting of Brazilian workers, and cases involving chains of Asian restaurants operating across the Benelux region. Both countries benefit from shared learning, such as the exchange of experience with prior notification systems. Information is regularly exchanged through liaison offices and national liaison officers, and collaboration takes place across multiple levels, from ministries and inspectorates to concerted and joint inspections. This close partnership supports coordinated efforts to combat cross-border undeclared work and strengthens the overall effectiveness of labour inspection in both countries.

Nevertheless, despite their close cooperation and shared priorities, Belgium and the Netherlands also have important differences. In Belgium, labour inspectors are responsible for both social security and labour matters, while in the Netherlands, their mandate is limited to labour. Belgium has authorities operating at both national and regional levels, whereas the Netherlands functions at the national level only. Labour inspectors in the two countries also have different competences depending on their respective legal frameworks. There are also differences in methodological approaches, with some authorities focusing more on risk analysis and others on data mining. Information exchange in the Netherlands is based on formal agreements, whereas in Belgium it is facilitated through the Crosspoint Bank system. Another key difference is the role of the Tax Administration, which has a clear and distinctive role in social security matters in the Netherlands, but not in Belgium.

Framework and development of cross-border cooperation

The cooperation between Belgium and the Netherlands takes place through a variety of structured frameworks and practical initiatives, including formal agreements, regional partnerships, data exchange, joint activities, and staff exchanges. A brief overview of each type of cooperation is provided below.

The **Memorandum of Understanding (MoU)** between Belgium and the Netherlands was established to formalise cooperation and facilitate the exchange of information between the two countries. At the time of its adoption, liaison bureaus and ELA were not yet operational, making the MoU an important tool for enabling direct communication and collaboration on labour inspection matters.

Under the framework of **agreements and treaties**, Belgium and the Netherlands have established several formal mechanisms to support cross-border cooperation. The **Benelux cooperation** focuses on social security, social benefits, and the regulation of temporary work agencies. The **Benelux Treaty** builds on this by covering labour, social security, and occupational safety and health, while also promoting the exchange of information and enabling joint inspections. Additionally, a **bilateral cooperation agreement** signed in 2018 further strengthens collaboration in the **area of social security**.

In 2022, **staff exchanges** between Belgium and the Netherlands focused on topics such as temporary work agencies, platform work, parcel delivery, posting of workers, and letterbox companies. The exchanges also aimed to improve information sharing, communication methods, and understanding of legal, institutional, and operational differences. Several **concerted or joint inspections** were organised as a direct follow up to the 2022 staff exchanges. Information and contacts established during the exchanges were actively used to support these inspections. Standard questionnaires were complemented to reflect shared priorities and practical insights. C**oncerted and joint inspections carried out in 2024, involving the labour inspectorates, social security institutions, and the tax administration**, highlights a coordinated and multi-institutional approach to enforcement.

Further collaboration includes trainings on the topic of posting of workers provided in Belgium for Dutch inspectors, continued staff exchanges, and the organisation of concerted and joint inspections, all of which contribute to deeper mutual understanding and more coordinated enforcement efforts.

Cross-border cooperation in practice

Building on this framework, Belgium and the Netherlands have developed a range of practical cooperation initiatives that translate their formal agreements into day-to-day collaboration. The main forms of operational cooperation include:

- ▶ **Benelux cooperation**: Within the Benelux framework, specific agreements support joint efforts to combat social fraud, including joint inspections and systematic information exchange.

- ▶ **Joint inspections**: Both countries regularly carry out joint inspections, particularly in border areas. These inspections help detect abuses such as bogus self-employment and undeclared work more effectively and in a timely manner.

- ▶ **Electronic data exchange**: Belgium and the Netherlands have established systems for the electronic exchange of data. This allows for fast and efficient sharing of information about suspicious activities and individuals potentially involved in fraud.

- ▶ **Coordination and planning**: The labour inspectorates of both countries coordinate their activities and plan joint operations, ensuring a unified approach and preventing fraudsters from exploiting differences in national legislation.

- ▶ **Training and education**: Inspectors participate in joint training programmes to stay informed about the latest inspection techniques and approaches to tackling fraud. These sessions also support the exchange of best practices and mutual learning.

Case study: Social security cooperation in combating undeclared work and benefit fraud

As mentioned above, in 2018, Belgium and the Netherlands signed a **cooperation agreement in the area of social security** to improve the electronic exchange of data, to detect social fraud more efficiently. The collaboration involves the National Employment Office (NEO) and the National Social Security Office (NSSO) in Belgium, and the Employee Insurance Agency (UWV) and the Intelligence Agency (IB), representing participating municipalities, in the Netherlands.

The first objective was to launch a **test phase to assess if cross-border data matching was technically feasible and if it could produce meaningful results**. The test phase was divided into two parts. Phase one focused on verifying the ability to electronically exchange data and identify individuals registered in both countries. Phase two aimed to determine whether any of these individuals had received benefits or compensation in both Belgium and the Netherlands for the same period, helping to detect potential cases of benefit fraud or incompatible claims.

At the **current stage**, phase one has been successfully completed, confirming that it is possible to detect individuals known in both countries through data exchange using the KSZ and RINIS systems. In phase two, a file sent from Belgium to the Netherlands revealed 40 cases in which Belgian unemployed individuals were receiving benefits in the Netherlands for the same period, showing that the project is already yielding concrete results. The Netherlands has since sent a file to Belgium, where the individuals known to the Belgian authorities have been identified, and further analysis is underway to determine whether there is an accumulation of benefits.

Once the Netherlands has completed the analysis of the file, **the next step will be to carry out a joint evaluation of the test phase**. Based on the results, both countries will decide whether to continue the data exchange on a structural basis and determine the appropriate frequency for future exchanges.

However, the process has encountered several **challenges**. One key obstacle is the difficulty of accurately identifying individuals due to the absence of a unique identifier, such as a shared national register number between the two countries. A proposed solution to this issue is the adoption of a European identification number to facilitate more precise cross-border matching. Additionally, selecting which individuals to include in the matching process with the Netherlands has proven to be complex. To address this, authorities are focusing on analysing the detected cases involving overlapping allowances or benefits to refine the selection criteria moving forward.

In sum, the initiative has helped reveal a blind spot in detecting cross-border benefit fraud, showing that data exchange can lead to real results. Belgium aims to continue working with the Netherlands in a more permanent way. There are also plans to expand this cooperation to other countries, such as France and Luxembourg. In addition, there is interest in exploring collaboration with ELA to share expertise and possibly create a model agreement for use by other countries.

* Box 7 is based on the presentation by the Belgian Social Information and Investigation Service Lithuanian State Labour Inspectorate and the Netherlands Labour Authority at the Thematic Review Workshop on 13 March 2025.

Additional examples of inter-institutional cooperation both, at national level and cross-border are available in **Appendix 1.**

5.0 Success factors and key lessons for enhancing inter-agency collaboration

Inter-institutional cooperation is essential in tackling undeclared work, which continuously evolves in form and complexity. With more activities shifting online and across borders, traditional enforcement approaches are no longer sufficient. Authorities must work together to adapt to new realities, including remote work and digital platforms. Cooperation allows institutions to pool resources, improve data analysis, and respond more strategically. This is especially important given the growing shortage of labour inspectors in many countries, making it crucial to maximise impact through more coordinated actions. Presentations by representatives from Belgium, Denmark, Italy, the Netherlands, and Slovakia, along with insights from participants in the two parallel working groups, highlighted a wide range of key lessons learned and success factors in inter-institutional cooperation, summarised below.

5.1 Success factors of on inter-institutional cooperation at national level

▶ **Building on previous experience** was a key success factor in Italy's approach to developing its national plan. Rather than starting from scratch, Italy expanded on a successful sectoral initiative in agriculture by extending the approach to other sectors. The country also capitalised on its existing institutional framework, notably the National Labour Inspectorate (INL), established in 2015 and operational since 2016. Initially focused on the construction sector, INL's mandate was broadened in 2021 to include health and safety inspections and additional sectors. Under the 2023-2025 national plan, INL is fully involved in tackling undeclared work across various sectors and is encouraged to strengthen cooperation with other national agencies to improve the effectiveness of joint efforts.

▶ **Consistent political engagement.** Regular updates and reporting to political stakeholders help maintain policy focus and ensure continued support at the national level, as illustrated by the example of Denmark.

▶ **Early dialogue with stakeholders.** Engaging trade unions, employer associations, and major contractors early supports shared ownership of compliance goals.

▶ **Stable and long-term cooperation.** Long-standing partnerships between agencies help build trust, improve knowledge-sharing, and create more continuous coordination. For example, Denmark's decade-long collaboration has led to stronger, more coherent enforcement actions.

▶ **Having a clear model and routine**: One key to successful inter-institutional cooperation is establishing a structured model and routine for joint work. Lithuania has developed a cooperation centre involving six authorities to address undeclared work, based on the Norwegian model, which enables effective data sharing. In Finland, a cooperation model was created to coordinate actions before, during, and after inspections. This includes joint meetings, shared access to certain databases, and police training to ensure consistency. These structured approaches help build trust, improve communication, and support more effective joint operations.

▶ **Respect for institutional diversity.** Acknowledging the differences in roles, mandates, and working cultures among institutions contributes to smoother cooperation.

▶ **Strategic use and sharing of data.** Systematic collection and sharing of data among institutions helps identify risks, prioritize actions, and coordinate effective follow-ups. It allows for better targeting of inspections and more informed decision-making.

▶ **Continuous enforcement pressure.** Maintaining regular inspections, follow-ups, and long-term enforcement efforts deters repeated violations and reinforces compliance. Denmark's approach shows that persistent pressure is critical to maintaining visibility and impact.

▶ **Adaptation to legal challenges.** Constantly addressing legal barriers and seeking new ways to overcome them helps maintain the relevance and effectiveness of enforcement tools over time.

▶ **Visibility and awareness campaigns:** Coordinated communication with the press and public enhances transparency, reinforces the legitimacy of enforcement efforts, and boosts public awareness. Awareness-raising campaigns also contribute to higher compliance, stronger inter-agency coordination, and improved detection.

5.2 Cross-border cooperation: additional success factors

▶ **Formal bilateral and multilateral agreements and Memorandum of Understanding**. Bilateral and multilateral agreements are a key mechanism for enabling effective cross-border joint operations[5]. At the same time, active participation in ELA initiatives significantly strengthens cross-border cooperation. Even without bilateral agreements, ELA supports effective cooperation through various initiatives, such as joint and concerted inspections.

▶ **Understanding legal and operational differences**. A key factor in successful cross-border cooperation is gaining a mutual understanding of each country's legal systems, practices, and trends. Learning about similarities and differences helps align expectations and facilitates smoother operational coordination. In this regard, participants highlighted the valuable support provided by the National Liaison Officers (NLOs), who play a key role in bridging legal and operational differences, ensuring smoother coordination and facilitating mutual understanding between countries.

▶ **Start small with pilot projects**. Initiating cooperation with test or pilot phases allows countries to evaluate the feasibility and effectiveness of cross-border operations before scaling up. This approach manages risks and builds confidence.

▶ **Direct and fast communication**. Quick, informal communication channels between labour or tax inspectors in different countries significantly improve response times and operational success.

▶ **Secured platforms for cross border data exchange.** The Internal Market Information System (IMI) is a tool developed to facilitate communication between national authorities involved in activities relevant to the internal market. Participants suggested that expanding the IMI system to support cases involving undeclared work, in addition to posted workers, could enhance cross border cooperation. While its current use is valuable, broadening IMI's coverage to include the field of social security and other related aspects was proposed as a way to strengthen information sharing and cooperation between enforcement authorities**.**

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[5] A recent report (Hauben et al., 2025) provides an in-depth analysis of bilateral and multilateral agreements on labour mobility, with a particular focus on the posting of workers.

- ▶ **Innovative approaches**. Exploring new technologies, such as drones, was identified as a potentially effective tool for inspections in certain cross-border contexts, particularly in large or hard-to-reach areas such as construction sites.

In conclusion, this paper reflects the shared experiences and lessons discussed during the workshop in Rome, highlighting the **importance of inter-institutional cooperation in tackling undeclared work**. It also marks a first milestone in collaboration between EU Member States and the Western Balkan economies in the field of tackling undeclared work.

The workshop highlighted a **wide range of benefits from inter-institutional cooperation**, identified through presentations and discussions held during the parallel working groups. For businesses, cooperation results in a more coherent regulatory environment, reduced disruption through joint inspections, and clearer guidance. Enforcement authorities benefit from a more efficient use of resources, stronger enforcement, and faster case resolution. Citizens gain from fairer regulation, better worker protection, and increased trust in institutions. Cross-border cooperation adds value through faster resolution of international cases, improved monitoring of cross-border labour activities, and enhanced protection for vulnerable workers.

Building on the identified benefits of inter-institutional cooperation, the workshop also highlighted **several challenges** that need to be addressed in order to improve its effectiveness. At the national level, issues such as limited institutional capacity, differences in priorities, and uneven commitment among various enforcement authorities to tackling undeclared work were discussed. Other challenges include incompatible technology systems, fragmented access to data, data protection concerns, and difficulties in coordinating joint communication and awareness efforts. When it comes to cross-border cooperation, additional complexities arise due to differences in national legislation, varying mandates and competences of inspectors, language barriers, and resource constraints. Furthermore, cross-border data sharing and enforcement of penalties often face legal and procedural obstacles. Overcoming these challenges is important for strengthening cooperation and enhancing the effectiveness of joint efforts in tackling undeclared work.

During the workshop, participants shared **practical examples** of how challenges in inter-institutional cooperation can be addressed in practice. **Italy's National Plan to Combat Undeclared Work 2023–2025** shows how placing cooperation at the centre of a national strategy can improve coordination and support a more structured, data-driven approach. Other examples focused on operational cooperation and data sharing at the institutional level. The presentation from **Denmark** highlighted a multi-agency project targeting social dumping, covering both cooperation for operational activities and systems for data sharing and management. Representatives from **Spain** described a campaign under the Labour and Social Security Inspectorate's strategic plan, involving a multi-agency approach to enforcement activities. Italy's representatives also introduced the VIGAGRI platform to showcase cooperation in data sharing and management, a digital tool supporting monitoring and enforcement in the agricultural sector. The presentation from **Slovakia** focused on a dual-interface system that facilitates data exchange between the National Labour Inspectorate and the Social Insurance Agency. Albania`s representative shared insights about the MIRA system, which structures inspection priorities using data-driven risk assessment. In the area of cross-border cooperation, representatives from **Lithuania and Latvia** presented joint inspection efforts supported by formal agreements, while representatives from **Belgium and the Netherlands** described long-standing collaboration under the Benelux framework, covering inspections, data exchange, coordination and planning, as well as joint education and training.

Finally, the paper summarises **key success factors and lessons learned from the workshop**, offering practical insights into how inter-institutional cooperation can be strengthened both nationally and across borders. These include the importance of building on existing frameworks, maintaining consistent political support, engaging stakeholders early, and developing clear models for coordination. Effective cooperation also relies on trust, respect for institutional diversity, strategic use of data, maintaining continuous enforcement pressure, and ensuring

visibility and engagement through communication campaigns. In cross-border contexts, formal agreements, mutual understanding of legal systems, secure data-sharing tools, and direct communication channels were identified as important for improving joint efforts. ELA's role was underlined as a key enabler of cross-border cooperation, especially through its support for joint and concerted inspections and its facilitation of collaboration in the absence of bilateral agreements between countries.

By capturing key insights and practical examples, the paper aims to support ongoing efforts to enhance inter-institutional cooperation in tackling undeclared work across Europe and beyond.

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Annex 1: Additional examples of inter-institutional cooperation at national and cross-border levels

Other examples of good practices on **inter-institutional cooperation within Member States** include:

Operations

- Joint operation group between public agencies, Norway: The measure aims to strengthen collaboration among public agencies at the national, regional, and local levels to unify approaches, enhance information sharing, and coordinate resources to address work-related crimes.

- Joining up operations: cooperation between enforcement authorities to tackle undeclared and precarious work, Portugal: In 2018 and 2019, the Authority for Working Conditions (ACT) and the Social Security Institute (ISS) launched nationwide joint operations, building on previous collaboration between authorities responsible for tackling undeclared work, using shared risk indicators in a proactive approach.

- Multiagency initiative on tackling social dumping – the role of letterbox companies, Denmark: A collaborative effort by the Danish Tax Agency, the Danish Working Environment Authority, the Danish Agency for International Recruitment and Integration (SIRI), and the police aimed at improving detection of letterbox companies and related violations of Danish tax and labour laws.

- Inter-agency inspections to tackle undeclared work, Czechia: The State Labour Inspection Office works with the Labour Office and the Czech Social Security Administration to plan and conduct follow-up inspections aimed at detecting undeclared work and illegal employment.

- Joint control actions between the Ministry of Labour and the Ministry of Transport in the transport sector, France: To enhance the fight against undeclared work and fraud, joint, coordinated inspections between State services and URSSAF (Unions de Recouvrement des Cotisations de Sécurité Sociale et d'Allocations Familiales) are regularly conducted in the road transport sector at roadsides, docks, and within companies.

- Joint inspections in the HORECA sector, Denmark: The joint inspections, aimed at tackling irregular labour situations and undeclared work in high-risk sectors such as HoReCa, are based on a cooperation agreement signed in 2012 between the Danish Working Environment Authority, the Danish Tax Agency, and the police.

Data sharing and analysis

- Grey Economy Information Unit (GEIU), Finland: It provides and shares information on undeclared work, offering public authorities access to details on organizations and individuals suspected of engaging in undeclared economic activity through its Compliance Report Service.

- The Incomes Register, Finland: The Finnish Incomes Register, developed through collaboration between a private digital system provider, the Finnish Tax Administration, and around 20 stakeholder institutions, serves as a comprehensive database for earnings, social insurance, benefits, and pensions data, shared among authorities and employers

- MiningWatch: using data analytics for targeted inspections of social security fraud, Belgium: A data mining tool that uses predictive modelling to identify fraud risks in the construction, cleaning, and hotels and catering

sectors, assisting inspectors in selecting targets, with involvement from the Social Inspectorate, Federal Public Service Social Security, and the National Social Security Office.

- **Risk Analysis Tool of the Greek Labour Inspectorate**: The Risk Analysis Tool uses data from the ERGANI system, which records employee details and working hours, to rank companies by risk, incorporating past inspection results and fines, with plans to link and cross-check this data with social security and other databases to identify inconsistencies.

- **Cooperation and information sharing between enforcement authorities tackling undeclared work in the air transport sector, Finland**: Enforcement authorities have established cooperation and information sharing on employment issues in the air transport sector, particularly for air crew, providing guidelines to better identify cases of undeclared work.

- **Risk Assessment Centre (RAC) and Joint Operation Centres (JOCs), Lithuania**: The two centers enhance information exchange and cooperation between public agencies at national and regional levels to combat undeclared work and issues related to the shadow economy, focusing on the prevention and detection of violations of tax laws, financial crimes, and other offenses.

- **New software application enhancing cooperation on undeclared work between Labour Inspectorates and the Social Insurance Agency, Slovakia**: A software application which facilitates data exchange between labour inspectorates and the Social Insurance Agency, improving the detection of undeclared work and enhancing data security through strong authentication technology (grid cards) that controls access.

- **Cooperation to conduct cross-border sanctions after joint or concerted inspections, Norway**: The initiative allows the Norwegian Labour Inspection Authority to collaborate with other Member States for data exchange, collect evidence on undeclared work, and apply cross-border sanctions based on information shared by partner authorities.

- **'Data sharing and matching within the framework of the Benelux cross-border cooperation to detect and tackle social fraud and error', Benelux Union: Belgium, the Netherlands, Luxembourg**: The Benelux countries have established working groups on 'bogus construction' and 'benefit fraud' to improve cross-border administrative cooperation, with pilot projects focused on testing and assessing the feasibility of (automated) data sharing, matching, and mining to tackle fraud and error.

- **'Agreement for exchange of information and cooperation between the Portuguese Labour Inspectorate (ACT) and the Spanish Labour and Social Security Inspectorate (ITSS)', Portugal, Spain**: It aims to facilitate cooperation and information exchange on worker flows and posted workers, covering areas such as occupational safety, infringements, work-related accidents, and undeclared work.

Other examples of good practices on **cross-border cooperation include**:

- **Administrative Cooperation Agreement between Belgium and France**: The two countries signed an administrative cooperation arrangement to address undeclared work, income fraud, and violations related to worker posting through joint monitoring, inspections, and the exchange of information and best practices.

- **Bilateral Memoranda of Understanding on cooperation concerning the enforcement of social policy and social assistance regulations in cases of cross-border labour and services between the Netherlands and four other countries: the Czech Republic, Portugal, Romania and Slovakia**: The goal of these Dutch Memorandum of Understanding is to enhance and deepen cooperation in combating illegal labour, enforcing labour laws, and ensuring social security compliance in cross-border labour and services cases.

- **(Inter-)national institutional cooperation for the investigation of letterbox companies, Belgium**: The Belgian Labour Inspectorate is enhancing cooperation with national and international bodies to detect letterbox companies and pursue legal actions, allowing for sanctions and worker compensation.

- **Cross-border co-operation between Belgian and Dutch enforcement authorities in the fight against fraudulent or illegally operating Temporary Work Agencies (TWA)**: Enhances the detection of fraudulent employment agencies and tackles issues such as social dumping, sham constructions, benefit fraud, and fraudulent temporary employment agencies through joint inspections.

- **Roadbook for joint inspections by Belgian and Dutch enforcement bodies tackling undeclared work**: The 'Roadbook' is a detailed guide for joint inspections between Belgian and Dutch enforcement bodies, including clear information on relevant legislation, designed to improve the efficiency and effectiveness of addressing cross-border undeclared work.

- **Joint inspection of Spanish authorities and Romanian Labour Inspectorate of agricultural workers in the province of Albacete**: The Spanish Labour Inspectorate invited the Romanian Labour Inspectorate to conduct a joint inspection during the garlic harvesting campaign in Albacete from 1-4 July 2019, aiming to strengthen cooperation in preventing and detecting undeclared work and labour exploitation, while promoting the exchange of best practices and improving inspection outcomes.

- **Bilateral Agreement of Cooperation of France and Bulgaria to tackle undeclared work**: The two countries have ratified a Bilateral Agreement to enhance cooperation between their labour inspectorates, aiming to combat fraud in the posting of workers, particularly through joint and coordinated inspections.

- **Joint inspection of Spanish and Portuguese enforcement authorities to tackle undeclared work on fishing vessels and compliance with the Maritime Labour Convention**: The labour inspectorates in the two countries, alongside maritime and fishing authorities, cooperated to organise joint inspections of fishing vessels to detect undeclared work and illegal workers, aiming to address irregularities in working conditions and employment contracts.

- **Bilateral Cooperation Agreement between Norway and Lithuania to tackle undeclared work**: The Bilateral Cooperation Agreement with Lithuania aims to strengthen cooperation between the two labour inspectorates through joint inspections, sharing best practices, information exchange, and dissemination, supporting the Norwegian Strategy for combating work-related crime.

- **Coordinated cross-border activities between Poland and the Netherlands to prevent labour exploitation in the agriculture and transport sectors**: Joint inspections in Polish companies enhance cross-border cooperation between Polish and Dutch authorities, aiming to prevent the exploitation of Polish workers posted in the Netherlands' agricultural and transport sectors, ensuring proper worker declaration and compliance with working conditions and social contributions.

- **Know your rights information campaign in the seasonal work sector** in Norway with counterparts in other Member States (Bulgaria, Estonia, Lithuania and Romania).