

MAROŠ ŠEFČOVIČ Vice President for Interinstitutional Relations and Administration

LÁSZLÓ ANDOR Commissioner for Employment, Social Affairs and Inclusion

Brussels, 12 September 2012 ARES (2012) <u>1</u>059651

Dear President.

In June, the Commission confirmed that national Parliaments had issued a 'yellow card' on the Commission proposal for a Regulation on the exercise of the right to take collective action within the context of the freedom of establishment and the freedom to provide services {COM(2012)130 final} following reasoned opinions adopted by 12 national Parliaments and representing a total of 19 votes.

The Commission has carefully assessed the arguments put forward by national Parliaments in their reasoned opinions, taking note that the concerns expressed relate in particular to the added value of the draft Regulation, the choice of the legal basis, the EU competence to legislate on this matter, the implications of the general principle included in Article 2 of the draft Regulation and the references to the principle of proportionality in Article 3(4) and in recital 13 of the draft Regulation, equal access to dispute resolution mechanisms and the alert mechanism. The Commission has not found based on this assessment that the principle of subsidiarity has been breached.

At the same time, the Commission has taken careful note of the views expressed as well as the current state of play of the discussions on the draft Regulation among relevant stakeholders, in particular the European Parliament and Council. Against this background, the Commission recognises that its proposal is unlikely to gather the necessary political support within the European Parliament and Council to enable its adoption.

Mr Martin Schulz President of the European Parliament Rue Wiertz 60 1047 Bruxelles Belgique In view of this, the Commission would hereby like to inform you of its intention to withdraw its proposal for a Regulation on the exercise of the right to take collective action within the context of the freedom of establishment and the freedom to provide services.

The Commission thus hopes to facilitate a rapid negotiation of the proposal for a Directive of the European Parliament and the Council on the enforcement of Directive 96/71/EC and improve the enforcement of posted workers' rights as underlined in point 3 (l) of the 'Compact for Growth and Jobs', adopted by the European Council on 28-29 June 2012.

Yours faithfully,

Maroš Šefčovič

László Andor Commissioner