



# GLA26/8.5 EU Activity

Date 21 April 2010



**BOARD PAPER REFERENCE – GLA26/8.5 – GLA EU Activity**

Issue

1. This paper provides an update on the GLA's overseas initiatives.

Activities

2. The following activities are in development:
  - Development of MOUs
  - Joint UKHTC/GLA EU bid on secondments to the UK
  - Study visits to A8/A2 Labour inspectorates
  - Involvement in the EU DG Employment study: "Feasibility of establishing a European platform to prevent and fight undeclared work"

Background

3. Previous Operational updates to the GLA Board have identified some of the more complex aspects of GLA investigations, identifying cross-border issues. Such cases have led to requests for information to overseas labour inspectorates. This has led to assistance from Poland, Bulgaria, Romania, Latvia and Slovakia.
4. Such assistance is essential because of the increasing numbers of licence applications from overseas labour providers, and information indicating that overseas labour providers may be marketing their services to the UK, or acting as sub-contractors, without a GLA licence. Requests for assistance information therefore seek information to confirm whether the overseas labour providers are compliant with their domestic legislation. This aims to provide an equivalent level of assurance to the UK Government checks that operate as part of the standard licensing process. Recognition of this issue led to a number of changes to the application form to enhance the level of data captured at application from overseas companies, to assist in effective enquiries with overseas authorities.
5. The following table identifies the top 10 overseas countries in terms of licensed LPs and estimated levels of workers supplied (based on original application data).

Country	No. Licensees	Estimate of workers supplied
Bulgaria	10	2531
Hong Kong	1	140
Hungary	1	120
Irish Republic	6	180
Latvia	3	1210
Lithuania	4	285
Mauritius	1	100
Poland	14	1826
Romania	6	1181
Slovakia	7	797
<b>Total</b>	<b>53</b>	<b>8369</b>

6. Further analysis of UK based LPs increases the number of companies/individuals of which little may be known, or information held by UK Government Departments, as the key individuals are overseas nationals.

PA Nationality	Overseas based business	UK based business	Grand Total
Bulgaria	10	4	14
Estonia		2	2
Hungary	1	2	3
Latvia	2	9	11
Lithuania	4	17	21
Macedonia		1	1
Moldova	1		1
Poland	13	17	30
Romania	5	4	9
Russia		2	2
Slovakia	7	3	10
Ukraine	1		1
Yugoslavia, Montenegro & Serbia		1	1

7. Based on operational experience the key countries being considered in GLA initiatives are Poland, Bulgaria, and Romania. Although, for example, Latvia

shows a higher number of LPs, and a higher estimate of workers provided, issues associated with the restrictions of A2 nationals, and attempts to circumvent those restrictions, misrepresenting the status of workers, identifies the A2 countries as of higher priority for cross-border cooperation.

## **Current Activities**

### **MOUs**

8. The GLA has two MOUs in development: Poland and Bulgaria. As this process has been lengthy further MOUs have not been commenced. Nonetheless, the lack of formal agreement has not prevented assistance. In each case inspections have been carried out, with information provided, to the GLA. Furthermore, the cases referred to those overseas labour inspectorates were recognised as a priority, and justification for further work on MOUs.
9. The Polish labour inspectorate has requested a "letter of intent" rather than an MOU due to the formality and legality of how MOUs are treated diplomatically in Poland.
10. The Bulgarian MOU has been delayed due to the departure of the Executive Director of the labour inspectorate, and the appointment of his successor, requiring the process to be recommenced. It is currently being reviewed by the Bulgarian Ministry of Labour (sponsor Department for the inspectorate).

### **Joint UKHTC/GLA EU Bid**

11. This bid is to the EU's Directorate General Justice and Security. It is in response to calls for proposals for initiatives to tackle cross-border crime including exploitation of individuals. EU funding makes the proposal cost neutral for the GLA, with the funding and logistics of the proposal being managed by the UKHTC. It
12. The proposal is to enable a series of secondments of approximately 3 months duration each from Poland, Bulgaria, and Romania. In each case an intelligence officer would be seconded to UKHTC whilst a labour inspector would be seconded to the GLA. The objective of this approach is to enhance collaboration between the civil and criminal authorities, and more effectively penetrate the migrant communities within the UK, to identify exploitation, and, where that originates with individuals/companies overseas to use the secondees' knowledge of domestic legislation to ensure that investigation is initiated in the recruiting country.
13. The draft proposal has already gained the support from the authorities in Poland, Bulgaria and Romania. Additionally, support from the ILO and IOM, and the Dutch SIOD (external independent expert inspectorate) has been obtained.
14. The primary objectives of the project, as set out in the proposal are to:
  - facilitate the secondment of individuals from relevant agencies in source countries to agencies in destination countries in order to improve the identification and protection of victims and the disruption of exploitation

- effectively engage with diaspora communities in order to undertake contextualised awareness raising and engender increased knowledge transfer
- address the lack of understanding of forced labour amongst agencies
- build an operational model to facilitate effective knowledge transfer and the identification of best practice
- improve transnational, inter-agency operational effectiveness-cooperation-collaboration, enabling exploitation perpetrated in the source and destination country to be effectively tackled in both countries under each partners civil and criminal laws.
- identify key gaps in current knowledge and develop a comprehensive operational plan for identified opportunities

### **Study visits**

15. The purpose of this initiative is to enhance the knowledge of the GLA through targeted visits by the Language intelligence officer.
16. This initiative is not dependent upon the aforementioned initiatives. However it is complimentary. Furthermore, the key countries in the first phase would be Poland, Bulgaria, and Romania. Thus it can be seen as a mirror of the EU secondments.
17. The study visits should be facilitated by the current contacts engaged in the MOUs, who are also the same individuals engaged in the EU bid.
18. The study visits will further enhance the GLA's understanding of labour law, registration schemes, and sanctions, and how the labour inspectorates operated in the target countries. They will also afford opportunities to raise awareness of the GLA. In doing so they will enhance the likely level of information exchange that may subsequently occur.

### **EU DG Employment study: "Feasibility of establishing a European platform to prevent and fight undeclared work"**

19. During the preparatory work on the UKHTC/GLA bid the DWP GLA Board member alerted the GLA to a proposal being put forward by the Czech authorities. This was in response to the above call for proposals. The intended scope of the proposals sought focused on cross-border cooperation of Government law enforcement to tackle cross border crime, including worker exploitation.
20. Liaison with DG Employment staff identified the successful consortium proposal, which includes a key UK academic from Sheffield University. Discussions on the DG Employment proposal identified a number of potential overlaps and benefits with the EU bid. Furthermore, the aim of developing a cross-EU model for cooperation may assist in providing a platform for consistent information exchange, and a generic information exchange protocol obviating the need for individual MOUs. This was recognised as beneficial to the GLA's work on MOU

development, but enquiries identified that such a forum did not exist, and was only being considered, leading to the above study call.

### **Conclusion**

21. The GLA has a number of initiatives underway. Though each is independent they are complimentary, and will enhance the level of knowledge of the GLA on the operation of regulatory regimes in A8/A2 countries, and whether overseas LPs are compliant. In turn, this will enable the GLA to take robust, defensible, action to refuse or revoke licences, supported by a level of information of sufficient and equivalent quality to that held on UK companies.