

Fair Mobility Package November 2025

Context

HOTREC, the European umbrella organization for hotels, restaurants, bars, and cafés, represents around 2 million businesses and supports more than 10 million jobs throughout Europe. The vast majority—99%—of these establishments are small and medium-sized enterprises (SMEs), with 90% classified as microenterprises. These businesses are vital to the social and economic fabric of local communities. The hospitality and tourism industry is a major engine of the European economy, accounting for roughly 10% of the EU's GDP.

In recent years, Eurostat data has shown that the sector continues to demonstrate strong resilience. Nevertheless, inflation remains elevated—averaging above 2%—while food and energy costs keep increasing. Moreover, geopolitical tensions, especially in areas neighboring Ukraine, continue to affect growth and competitiveness. Persistent challenges related to labor and skills shortages are still affecting the sector.

HOTREC emphasizes that creating a competitive work environment is crucial for safeguarding employees, enabling businesses to prosper, and maintaining the high standards of service expected by customers.

Part 1 – In your view, what is necessary at EU level to respond effectively to the current challenges in labour mobility

Taking into account the input HOTREC provided in September 2025 on Fair Labour Mobility, HOTREC proposes the actions stated below.

For workers moving within the EU

- **Skills Portability Initiative / recognition of non-formal certifications:** education and qualifications are a Member State competence. Therefore, a trust-based approach to recognise non-official certifications (e.g. VET) could be considered by Member States and social partners¹. **But official certifications should not be downgraded.**
- **Housing Initiative:** everyone should have access to affordable housing. However, the fast growth of short-term rentals (STRs) in certain areas has driven up rental prices, making it difficult for many workers in the sector to find suitable accommodation. The hospitality industry itself often lacks the capacity to house all its employees, and only a small number of hotels are currently able to offer staff lodging. We call on the EU to establish a level-playing field between hotels and STRs.
- **Promote EURES across Member States:** EURES network has strong potential to help address labour and skills shortages in the hospitality and tourism sector across Europe. However, its visibility and practical impact could be significantly enhanced via:
 - Implementation of targeted information campaigns

- Streamlining administrative procedures
- Enhance cooperation with Vocational Education and Training providers.
- Enhance cooperation between countries

For workers coming from outside the EU

- Implement the **EU Talent Pool** and develop the tool as soon as possible.
- Continue promoting **Talent Partnerships**
- Member States to swiftly implement the revised **Directive on the Single Permit** for work (2024/1233).
- Member States to implement the **Commission Communication on Recognition of Qualifications by third-country nationals** ([C\(2023\) 7700 final](#))
- The legislators to agree on the revision for a Directive on Long-Term Residents Directive.

Other relevant measures:

- **Strengthening the labor market:** better allocation of skills and reduction of labour shortages in the sector.
- **Support mobile workers:** The EU should provide support for language training, mobility allowances, and enhanced information and guidance platforms.
- **Addressing demographic challenges:** helping offset imbalances between ageing populations and younger countries
- **Accelerating digitalization of procedures:**
 - Establishing the **EU Talent Pool as a one-stop online** portal linking private and public databases
 - **Interconnecting national systems** (e.g. sharing information on employment contracts, taxation, etc.)
 - Developing a **European digital social record** to easily track rights (healthcare, unemployment, pensions) across the EU.
 - Creating **more accessible multilingual portals**, with **chatbots and intercultural training courses**.

Part 2 - Proposal for a European Social Security Pass

Question 1 - What are the concrete challenges employers and workers are confronted with in the context of the application of social security coordination rules, focusing on those that could be remedied through digitalisation?

There are many practical challenges when applying EU social security coordination rules, particularly in cases involving cross-border or seasonal employment. Namely:

- **Lack of interoperability between national systems:** National social security databases and digital tools are often not compatible with one another

HOTREC's proposal: A common EU digital framework enabling automatic data exchange between Member States would improve efficiency and transparency.

- **Fragmented contribution records for mobile and seasonal workers:** Many workers in hospitality, particularly those employed temporarily or across borders, face difficulties tracking their contributions and entitlements. This lack of transparency can create uncertainty and administrative challenges for both employees and employers.

HOTREC's proposal: A digital **European Social Security Card** could help workers and employers' access and verify social security records more easily and securely across Member States.

Question 2 - What contribution a European Social Security Pass would make to a better functioning system of social security coordination to the benefit of both workers and employers, as well as to the fight against fraud?

HOTREC views the **European Social Security Pass (ESSP)** as a valuable initiative to simplify and modernise the coordination of social security systems across the EU.

For **employers**, especially SMEs and microenterprises, the ESSP could greatly reduce administrative burdens by **allowing faster and more reliable verification of workers' social security status through secure digital tools**. This would **save time, cut costs, and make compliance easier**.

For **workers**, particularly those who are mobile or seasonal, the ESSP would provide clearer access to information on their contributions and entitlements, ensuring continuity of rights and greater transparency.

Moreover, the ESSP could help **combat fraud and errors** by enabling real-time data verification and more effective cooperation between national authorities. It would also promote **interoperability** between Member States' systems, supporting the EU's broader digital transformation goals.

HOTREC agrees with the main features to be part of the ESSP (as per the pilot project):

- Standardised digital identity wallet
- Real-time digital verification
- Personal data control

In summary, HOTREC believes the ESSP could strengthen the efficiency and fairness in the EU labour market.

Question 3 - What is your view on the inclusion of other labour mobility relevant documents in the EUDI-wallet, beyond those foreseen under social security coordination?

HOTREC supports including additional labour mobility documents in the EUDI-wallet, as this would simplify cross-border employment, reduce administrative burden, and make it easier for both employers and workers to access and verify essential information.

Part 3 – Strengthening The European Labour Authority

Question 1 - What are the main challenges as regards fair labour mobility and effective social security coordination in the EU that should be addressed by ELA already under its current mandate?

From HOTREC's point of view, the **European Labour Authority (ELA)** plays an important role in promoting fair labour mobility across the EU and in tackling undeclared work. However, several key challenges remain namely related to:

- **Administrative complexity and lack of clarity:** employers, particularly SMEs and microenterprises, face complex and often inconsistent rules when hiring workers from other Member States. **Simplifying procedures and providing clearer guidance** would help businesses comply more easily while ensuring workers' rights are respected.

HOTREC's suggestions:

- ELA to develop **clear / practical guidance** for Member States and employers on how to apply and comply with existing EU rules on labour mobility and social security coordination (e.g. guidelines/checklists; facilitate exchange of best practices amongst Member States; coordinate awareness raising activities; provide multilingual online information).
- ELA could **strengthen cooperation with national authorities and social partners** to make this information **more user-friendly and consistent**.
- **Labour and skills shortages:** labour and skills shortages across the hospitality sector make fair and flexible mobility essential. ELA, through its role in coordinating and supporting **EURES**, could strengthen cross-border job matching and better connect employers with available workers in other Member States. Closer cooperation with social partners and targeted **promotion of EURES across countries** among SMEs would support its effectiveness.
- **Digitalisation gaps:** Fragmented digital systems hinder efficient coordination and verification of social security coverage. ELA should continue promoting the digitalisation and interoperability of administrative processes, reducing burden for employers and improving transparency for workers.

In our view ELA could improve simplification, digitalization and better coordination of labour mobility procedures.

Question 2 - What should be the areas in which ELA's mandate could be strengthened, considering also your experience of working and interacting with ELA?

HOTREC **does not consider that ELA's mandate should be further strengthened.** HOTREC considers that the points highlighted in the above question **can be developed within the current ELA's mandate.**

The points below can be considered:

- **Closer integration with EURES and other EU digital tools:** ELA could eventually further promote **EURES and its interoperability amongst Member States.** This would support cross-border recruitment and help address skills shortages in the sector.
- **Improved data sharing and transparency:** ELA could gather and analyse cross-border labour market data and help identify trends and skills gaps.
- **Support for digitalisation and simplification:** ELA can support promoting the digitalisation of administrative procedures related to labour mobility and social security coordination.
- **Coordination among Member States':**
 - ELA's role should remain that of a **facilitator and coordinator.**
 - ELA could further promote **information exchange** between national labour inspectorates to ensure a more consistent application of EU labour and social legislation.
 - It could also promote cooperation of joint labour inspections amongst Member States

To note that the decision to strengthen or expand ELA's inspection activities ultimately lies with the Member States.

HOTREC considers that ELA could enhance its cooperation on data exchange, digitalisation and support to mobility.