

Briefing on MEP Johan Danielson's INI Report (2025/2133(INI))

On Friday, 18 July 2025, MEP Danielson (S&D/Sweden) published its Own Initiative Report (2025/2133(INI)) on "*Addressing **subcontracting chains** and the role of intermediaries in order to protect workers' rights*".

The report main objectives are to **combat labour exploitation** in general, and abusive forms of subcontracting and labour intermediation in particular. The report asks for a coordinated response at EU level.

Overall, the main asks of MEP Danielsson are the following:

- Calls on a **framework Directive** (point 3) to address the challenges related to abusive forms of subcontracting and labour intermediation by:
 - Limiting subcontracting
 - Ensuring **joint and several liability throughout the subcontracting chain**
 - Introducing measures regulating the role and responsibilities of labour intermediaries, other than temporary work agencies
- Calls on the Commission to set a **general rule of a maximum of two levels in the subcontracting chain below the main contractor** for sectors with a high risk of labour exploitation (point 4)
- Calls on the Commission to promote **direct employment** in sectors where risk of abuses might occur (point 5)
- Calls on the Commission to ensure labour intermediaries operating in the Union are covered by **registration and licensing schemes** (point 7)
- Calls on Member States to ensure an adequate **minimum labour inspection capacity** for all high-risk sectors (point 9)
- Calls on improving **digital enforcement**, including **real-time verification** and exchange of information" (Point 10)
- Welcomes the use of social conditionalities in national and European funding schemes and programmes linking payments to the respect of workers' rights (point 11)

HOTREC's concerns

In accordance with its position paper, HOTREC has the following major concerns:

- The **call for a Directive** on the matter
- Limitation to maximum two levels of subcontracting (even though this will have a limited impact on the sector, as usually hospitality only has a two-level stage of subcontracting)
- Calls on **limiting subcontracting and ensuring joint and several liability** throughout the subcontracting chain

- If hospitality is categorized as high-risk, many of the proposed obligations (2-level limit, direct employment, inspections, European Social Security Pass (ESSPASS)) could **fall disproportionately on the sector**.

Next steps:

- Report to be voted at EMPL + plenary (September-October 2025 – date tbc)