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Presence registration as of 500,000 EUR: tolerance period until the end of November 2016

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An earlier <u>newsflash</u> explained to you that, as of I March 2016, the threshold for obligatory electronic presence registration on construction sites was being lowered to 500,000 EUR, but that the legal texts for implementing this change were slow in coming.

On February 19th, the Belgian Official Journal published the Royal Decree that actually introduces this reduction into the regulations, with entry into force on I March 2016.

In drafting the Royal Decree, the Nationale Arbeidsraad (NAR - National Labour Council) wondered about the temporal application of the threshold amount reduction, and expressed the belief that the change of law could not have an impact on temporary and mobile workplaces that had been started up prior to the entry into force of the Royal Decree and between the 500,000 and 800,000 EUR amounts. Just as with the original introduction of the obligatory presence registration, the NAR also clearly recommends that a tolerance period be observed by the inspection services, so that the players in the field have enough time to bring themselves into conformity with the amended legislation.

On II March 2016, the Council of Ministers approved, at the proposal of the former State Secretary for the Fight against Social Fraud Bart Tommelein, the "2016 Action Plan for fighting social fraud and social dumping". In this Action Plan, the government partially adopts the suggestions of the NAR.

For example, during the first nine months after the entry into force of the RD, thus until the end of November 2016, a tolerance period will be provided with regard to the lowering of the threshold to 500,000 EUR. During this period, the social inspection services and the NSSO will not impose sanctions, but they will act in a supervisory and informational capacity. The government is also asking the competent services (including the NSSO) to start a communication campaign designed to inform companies falling under the reduced application threshold about their obligations.

The tolerance policy also applies for the presence registration in the cleaning sector, in particular worksites that do not coincide with construction sites, since there is still a serious lack of clarity in

this area.

Finally, the NAR also made a number of comments with regard to the personal scope of application of the obligatory presence registration. For example, the NAR wished to see architects excluded from the obligation to register, since this professional group has relatively little susceptibility to fraud.

In the Action Plan, the responsible state secretary confirms that the presence registration of architects will not be a priority for the inspection services. However, the law should only be adapted as of I January 2017, within the framework of a general adjustment of the legal provisions.

For more information on this topic, you can consult Sébastien van Damme (author) and Sara Cockx (author and department head).

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