

Declaration of overtime from the point of view of un(der)declared work

European Labour Authority

Enforcement and Analysis Unit
EU Platform tackling undeclared work

Kostas Koutsogiannis
Ciprian-Mihai Sarghe

Collective Bargaining and Working Time Challenges in Europe
Online, 26 November 2025



Why employers and employees engage in un(der)declared work and overtime?

- Weigh up the benefits in terms of money saved, against the costs (*Rational economic actor approach*)
- Do not accept the formal 'rules of the game' - Lack of trust (Social actor approach) "*The state is corrupt. Does not provide with the public goods, given the paid contributions*"

Overtime work: "*Takes two to tango*" and other "*drivers*"... : i.e. Skilled personnel **shortage!**

Result: **Envelope wages and "take home pay"**

Types of employees and employers engaging in envelope wages:

- Under-declared by deception
- Reluctant voluntarists
- Monetary rationalists
- Pure voluntarists



Learning paper Platform Workshop: Tackling under-declared employment through innovative approaches (2022)
(and summary)

Report on: 'Tackling under-declared employment in the European Union' (2018)

Key Findings:

According to a 2019 Eurobarometer survey:

1 in 33 employees had received an additional 'envelope wage' from their employer in the previous year.

Of those receiving an envelope wage,

- 42 % received this additional compensation for **overtime/extra work**,
- 29 % for both their regular work **and overtime/extra work**,
- 25 % for their regular employment.

❖ This demonstrates that **'envelope wages'** are more often used for **overtime work, extra work or bonus payments** than to remunerate regular work.



Deterrent - Preventive approaches and policy measures

❖ Deterrence:

- Better risk assessment based on open data for better targeting
- Sanctions should not be ignored as a tool in a wider mix of measures
- Cooperation between authorities at national and cross-border level

❖ Prevention:

- Media campaigns about the negative consequences of under-declared work.
- Digital solutions (e.g. smart handheld devices and apps) to simplify compliance
- Notification letters



Hellenic digital card - How it works

The real-time registration of working hours/overtime in 4 steps

Mobile app on phone, tablet or computer



The employer is registered to the ERGANI database system

The employee chooses arrival or departure

The employee scans his QR Code to the application Ergani Card Scanner

The arrival and departure of the employee is being registered



Platform study visit:
demonstration of the
Greek digital card project
and digital inspection
reports including on-site
inspections



Athens, Greece, 10 - 11
October 2023



European Platform
tackling undeclared work

Hellenic digital card – benefits - a potential solution?

Objectives:

- To ensure employees' rights / measuring **working hours and overtime**
- To tackle tax evasion and ensure the payment of social security revenues
- To level the playing field between businesses.



Achievements:

- ✓ Efficient **real-time** monitoring of **working hours and overtime** work and **access** to authorities and employees
- ✓ Enhanced accuracy and transparency in recording working hours and overtime
- ✓ Safeguards compliance. Improved risk assessment and targeting



European Platform
tackling undeclared work



Use of Digital tools and Risk Analysis

Lithuania:

Data mining to identify under-declared employment and improve targeting

Objectives:

- Improve the rate of detection of companies engaged in occupational safety and health (OSH) violations and/or undeclared or under-declared work
- To introduce risk assessment-based inspections.

Main activity:

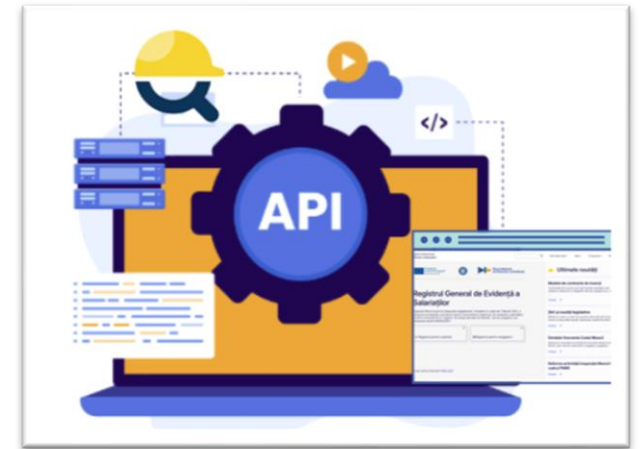
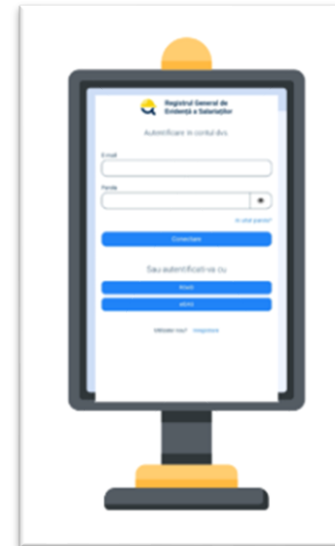
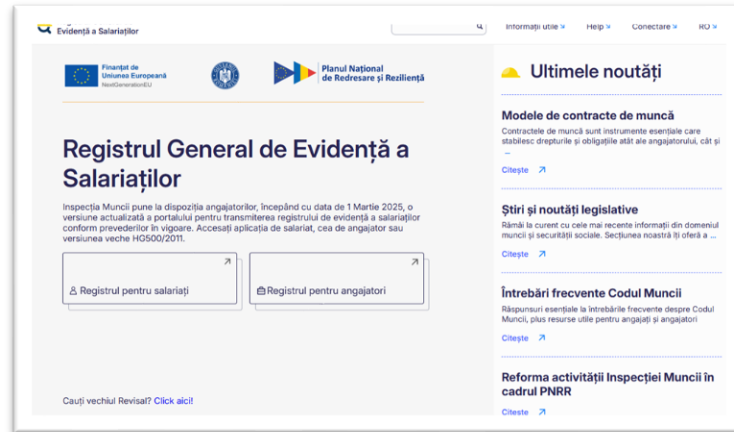
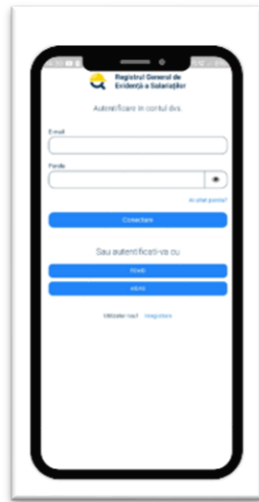
After a risk assessment is conducted, the companies are ranked into three colour-coded categories:

- The red zone "Check" - very high risk.
- The yellow zone "Monitor" - medium risk.
- The green zone "Ignore" - low risk.



The Romanian REGES Online System

- iOS/Android app for employees and employers
- Web application for any browser for employees and employers
- Kiosk at every regional labour inspectorate for those without a laptop/PC or technical skills
- API integration for HR software



European Platform
tackling undeclared work

work

Connecting to the System

- Workers and employers may need to interact with the Labour Inspection
- **Access** <http://reges.inspectiamuncii.ro> or use the kiosk at a regional labour inspectorate
- Press the “**Connect**” button
- Depending on their preferred identification method, they have 2-3 options:
 - A. Digital signature
 - B. Digital identity
 - C. Username/Password

Registrul General de Evidență a Salariaților

Autentificare In contul dvs.

E-mail

Parola

Al uitat parola?

Conectare

Sau autentificati-va cu

ROeID

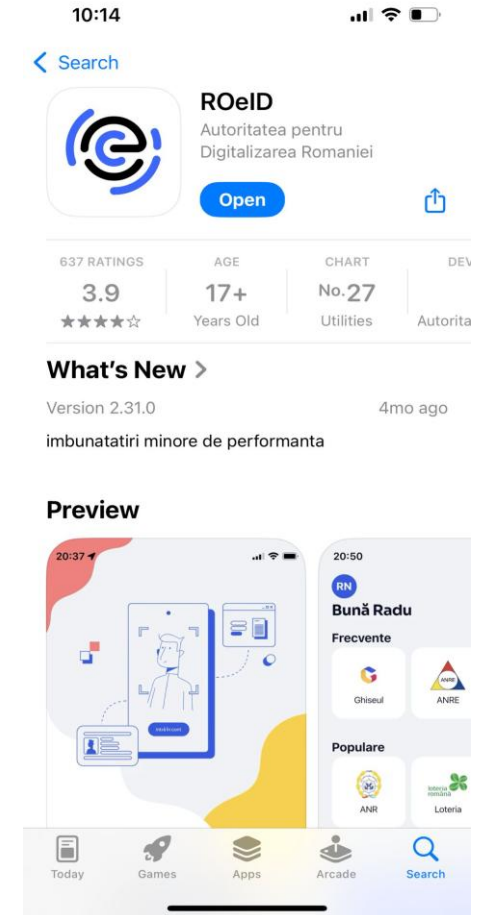
eIDAS

Utilizator nou? Inregistrare



How can a citizen access the dedicated employee application?

- Registration with ROeID – digital identity
- **eIDAS authentication** - intended for users in EU member states; this authentication method uses the European digital identity system and is suitable for citizens who have a valid eIDAS account.
- Request account activation based on a digital signature
- Create an account and request activation at the corresponding regional labour inspectorate



European Platform
tackling undeclared work

Employee Application

- **Request a centralized extract** - includes all employment contracts from each employer since first enrolment
- **Request an individual extract** – provides employment contract details for the selected employer
- **Send a notification** - the worker may request that an employer adjust an incorrect data.
- **View notification response** – displays the employer's response to a previous notification from the employee.
- **Profile Settings**



Profile Settings

1. Managing personal data

- **Check and update** user's name, surname, email address, and phone number if necessary.

2. Configuring the notifications

- **PUSH Notifications** – this option allows user to receive notifications in the “Labour Inspection” app when any changes occur in the register.
- **Email Notifications** –this option allows user to receive alerts at the email address associated with their account.

Setări profil

ici puteți schimba diferite setări ale profilului dumneavoastră.

Nume: Testare Prenume: Test

Adresă de e-mail: testare.finala@test.ro Telefon:

[Resetează parola contului?](#)

Cum dorești să fii informat când apar schimbări la contractele din registru unde apare CNP-ul tău?

☐ Notificări de tip PUSH în aplicația "Inspecția Muncii"

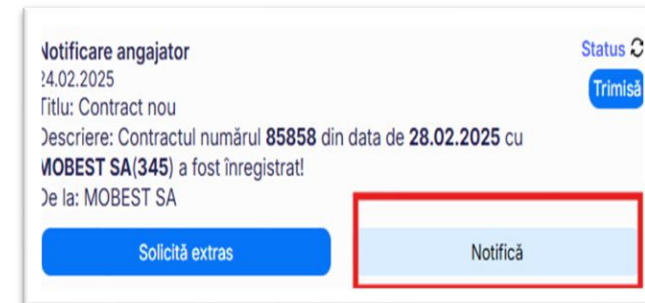
☐ Notificări pe adresa de e-mail testare.finala@test.ro

Salvează Șterge cont



Sending a Notification to an Employer

- **Select the company** – Choose from a list the employer for whom you are reporting non-compliance.
- **Choose the type of non-compliance** – Select the category from the available list that best describes the identified issue.
- **Enter a title for the non-compliance** – Add a brief description of the problem (e.g., “Incorrect data in the register”).
- Press the “**Send Notification**” button to complete the process and send the report to the employer.



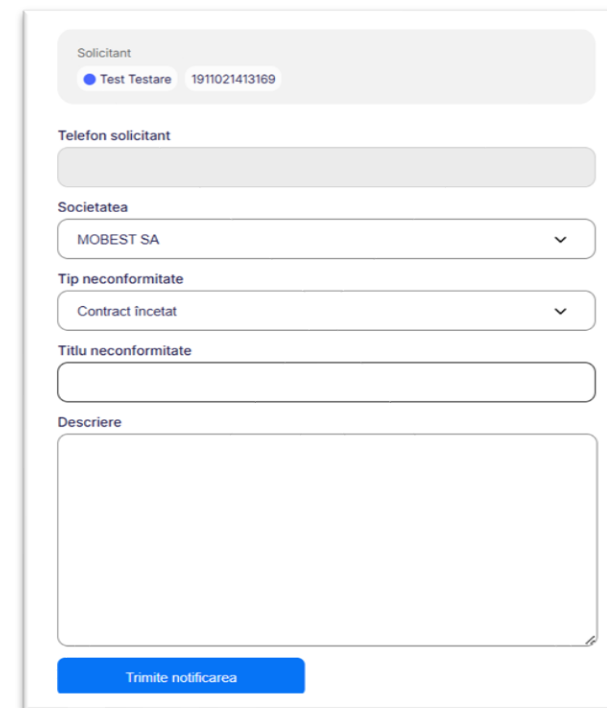
Notificare angajator
14.02.2025
Titlu: Contract nou
Descriere: Contractul numărul 85858 din data de 28.02.2025 cu
MOBEST SA(345) a fost înregistrat!
De la: MOBEST SA

Status

Trimisă

Solicită extras

Notifică



Solicitant

☒ Test Testare 1911021413169

Telefon solicitant

Societatea

MOBEST SA

Tip neconformitate

Contract încetat

Titlu neconformitate

Descriere

Trimite notificarea



Viewing Notification Responses

Notificare angajator 05.03.2025 Titlu: test Descriere: Test Către: MOBEST SA	Status Închisă
Note angajator: Multumim de notificare. Rezolvat	

- After the employer analyzes the request, the notification status will change.
- If the status is “Closed,” it means the notification has been resolved.
- The employer can add an explanatory note with about how the request was resolved



ELA – Platform published practice fiches focused on un(der)declared work, and overtime

ELA

Documents

Best practices

Library

<https://www.ela.europa.eu/en/documents>

Inspiring Practice fiches:

- ❖ The Hellenic digital labour card, Greece
- ❖ Data mining to identify under-declared employment, Lithuania
- ❖ REVISAL – General record of employees, Romania

and other relevant sources.....



European Platform
tackling undeclared work

**Thank you
for you for your attention!**



European Platform
tackling undeclared work

ELA 
EUROPEAN LABOUR AUTHORITY

ela.europa.eu