

Checklist C: Precautions when using (sub-)contractors



- 1 Has the company chosen a strategy/policy concerning the use of suppliers and subcontractors, which obliges them to offer their employees the same salary and employment conditions that are customary in the Danish labour market?
- 2 Has the company included a permanent clause in contracts with (sub-)contractors and other partners which ensures zero tolerance of human trafficking for forced labour? Can the company terminate the contract immediately if this clause is not observed?
- 3 Does the company ensure that all statutory and authority requirements are observed? Has the company ensured:
 - a. Someone to be responsible for establishing that subcontractors fulfil the same requirements and obligations as those applying to the supplier under the contract?
 - b. That the company at any time may request documentation from the supplier showing that these requirements and obligations are fulfilled?
- 4 Has the company ensured that it is only possible to use subcontractors who have been approved by authorities in writing? The company is encouraged to ask the supplier and any subcontractors to present a service certificate from the Danish Business Authority or present documentation with similar information. The service certificate should not date back more than six months. In the (sub-)contractor's service certificate the following should be examined:
 - a. Has the (sub-)contractor been found guilty of any criminal offence or are they involved in any pending criminal case?
 - b. Does the (sub-)contractor comply with payment obligations to public authorities (social security schemes, direct and indirect taxes, etc.)?
 - c. Is the (sub-)contractor facing bankruptcy?
- 5 Does the company ask the (sub-)contractor to present registration certificates documenting that the supplier is registered with SKAT (the tax authorities) in accordance with the Danish VAT Act and the Danish Income Tax Act?
- 6 Does the company check whether foreign (sub-)contractors are under an obligation to be registered on the Danish Register of Foreign Service Providers (RUT)? If a foreign company is found not to be registered with RUT, this must be reported to the Danish Working Environment Authority.
- 7 Has the company concluded a written contract with (sub-)contractors that ensures that employees are not obliged to pay charges/fees in connection with recruitment?
- 8 Does the company consider whether the supplier complies with the following points?
 - a. Does the supplier employ and pay wages to the employees and assume ordinary employer's liability?
 - b. Do all employees receive a statement of terms and conditions before the commencement of the work? On request by the company, does the supplier send a copy of the statement of terms and conditions within five working days?
 - c. Are all employees employed by the supplier or by a subcontractor approved by the company?
 - d. Do all employees carry a visible ID card issued by the supplier or a subcontractor approved by the company? Does the ID card include a photo of the employee and other identifying characteristics of the employee?
 - e. Have the employees been provided with and do they wear uniforms and easily recognisable work clothes (if applicable)?
 - f. Is the company entitled to contact the supplier's employees without prior notice to obtain information about an employee's identity?
 - g. Is the supplier responsible for ensuring that employees have valid residence and work permits? In order to ensure identification of foreign employees, does the supplier take copies of the passports or other types of photo ID documentation and work and residence permits, if relevant, for employees from non-EU countries? And can this documentation be presented within two working days at the company's request?
 - h. Does the supplier ensure that wages, tax on regular income and labour market contributions are reported to the tax authorities for the work performed according to the rules applicable to the employer?
- 9 Is it possible for the company to request at any time that the supplier, within five working days, present a copy of the subcontractor's financial statements for the past three years or since the subcontractor's starting date if less than three years ago?