



Update of social security coordination rules

**'Families on the move'
Brussels, 12 May 2017**

**DG Employment, Social Affairs and Inclusion
Unit D2 – Social Security Coordination**

Overview of Presentation:

- 1. Political and Policy Context for Revision**
- 2. Impact Assessment & Consultation**
- 3. Overview of main changes**
 - a. Access of economically inactive persons to social benefits
 - b. Family Benefits
 - c. Long-term care benefits
 - d. Unemployment Benefits
 - e. Posted Workers
 - f. Miscellaneous amendments
- 4. Recent Developments**

Political and Policy Context for Revision

The current EU's social security coordination rules have been in force since 1st May 2010.

The labour market and society are constantly evolving, as are national social security systems and the case-law of the Court.

Targeted adjustments are needed to ensure that the rules are fair, simpler to apply and easier to enforce.

General Policy Objective of review

To continue the modernisation of the EU Social Security Coordination Rules by:

- **further facilitating the exercise of citizens' rights,**
- **ensuring legal clarity,**
- **ensuring a fair and equitable distribution of the financial burden and**
- **promoting administrative simplicity and enforceability of the rules.**

Simply: **clear, fair and enforceable rules.**

Impact Assessment Process

Key Elements of the proposal subject to Impact Assessment (SWD 461/2016)

No Impact Assessment for elements which clarify/reinforce existing obligations but still consultation with stakeholders

Executive Summary of proposal available in all languages (SWD 460/2016)

Positive Opinion of the Regulatory Scrutiny Board
21 January 2016 (SEC 539)

Consultation Process

- Consultation of social security experts in Administrative Commission 2013-2015
- 10 June 2015: Meeting with social partners
- 17 June 2015: Meeting with NGOs
- Online public consultations 2013 & 2015

Overview of main changes

- Access of economically inactive citizens to social benefits
- Family benefits
- Long-term care benefits
- Unemployment benefits
- Social security of posted workers

Access of economically inactive citizens to social benefits

- Codification of CJEU case-law concerning economically inactive nationals
- Member States may refuse access to social security benefits if EU law criteria for legal residence are not met.
- Free Movement Directive criteria:
 - **having sufficient resources as not to impose a burden on host State's finances;**
 - **having comprehensive sickness insurance.**

Family benefits

- No indexation.
- Update of the rules for child-raising allowances:
 - **parent's individual right and**
 - **Member States will have the option to pay them in full to both working parents.**

Long-term care benefits

- Creation of a separate chapter, with a common definition of long-term care benefits, and criteria to identify them.
- Reflects existing practice that the Member State of insurance provides long-term care benefits in cash and reimburses the cost of benefits in kind provided by the Member State of residence.

Unemployment benefits - I

Export:

- Extend the period of export to minimum 6 months
- Stronger cooperation between Member States to support and monitor jobseekers

Aggregation:

- Requirement to work at least three months in a new Member State before the duty to aggregate arises
- Where three month condition not met the former Member State of work becomes competent

Unemployment benefits - II

Frontier workers:

- Provided a person has worked at least 12 months in a Member State, that Member State is responsible for paying unemployment benefits.
- Where 12 month period is not met, the Member State of residence would be responsible to pay.

Social security of posted workers

- Alignment of terminology concerning “posting”. This has no impact on scope.
- Clearer procedure for issuing and withdrawal of portable document A1 and stronger cooperation
- Extension of replacement ban to self-employed persons.
- Alignment of safeguards for posting in one Member State to work in two or more Member States
- New implementing powers to the Commission

Other amendments

- Aligns the procedures for recovery of unduly paid social security benefits with the equivalent procedures for the recovery of taxes
 - **uniform instrument to be used for enforcement measures**
 - **standard procedures for requesting mutual assistance and**
 - **Standard procedures for notification of instruments and decisions**
- Off-setting procedure is extended to cases of retroactive changes in legislation

Other amendments - II

- Measures to facilitate identification of fraud or error including as regards exchange of personal data
- Technical amendments in response to requests from the Administrative Commission
- New delegated powers to Commission to amend Annexes
- Updates to the Annexes in response to Member State requests

Joint Declaration of the Council, Parliament and the Commission of the EU's legislative priorities for 2017

Social Security Coordination Proposal: One of four initiatives identified for priority treatment under the priority **Addressing the social dimension of the European Union**

Monitored:

1. At the political level through meetings of the Presidents of the 3 Institutions in March, July and November 2017
2. At the technical level, by the Interinstitutional Coordination Group, meeting at senior official level

To find out more

<http://ec.europa.eu/social/main.jsp?langId=en&atId=849&newsId=2699&furtherNews=yes>

**Thank you for your
attention!**