

Revising the social security coordination regulations

Around 14 million EU citizens live outside their home country. The social security systems that apply to them are determined by the relevant individual Member States. The European Commission proposed to adapt the current regulations on coordination of social security systems. A provisional agreement was reached between the Council Presidency and the European Parliament, but was rejected at the Coreper meeting on 29 March 2019. Parliament will discuss the file during its April II 2019 plenary session.

Background

Social security systems differ significantly from one Member State to another. [Article 48 of the Treaty on the Functioning of the European Union](#) provides for their coordination, but not harmonisation, through [Regulations No 883/2004](#) and [987/2009](#). The basic aims are: to ensure benefits do not overlap (citizens are covered by one set of legislation and therefore pay contributions and receive benefits in one country only); to secure equal treatment, bestowing the same rights and obligations on EU citizens as on nationals; to allow for aggregation of periods of insurance, work or residence in other countries; and to ensure benefits from one country can still be received if the citizen moves to another country. The legislation, however, no longer reflects changes in national social security systems and the case law of the European Court of Justice.

European Commission proposal

On 13 December 2016, the European Commission published a [proposal](#) amending the above-mentioned regulations, so as to: clarify the circumstances under which Member States can limit access to social benefits claimed by economically inactive EU citizens, establish a legally sound regime for the coordination of long-term care benefits, by providing a definition and a list of those benefits; propose a new coordination mechanism for unemployment benefits in cross-border cases; establish new provisions for the coordination of family benefits; clarify the conflict rules on applicable legislation, and the link between the regulations and [Directive 96/71/EC](#) on the posting of workers in the framework of the provision of services.

European Parliament position

In its [report](#) of 20 November 2018, the Employment and Social Affairs (EMPL) Committee emphasised the need to: extend the duration of the exportability of benefits (retaining unemployment benefits after leaving a Member State); lay down uniform rules for aggregation of periods (insurance periods completed elsewhere should be accumulated); secure greater parity of treatment for cross-border workers (choice between the Member State where they last worked or of residence for unemployment benefits); ensure that long-term care benefits for insured persons and their family members continue to be coordinated under the same chapter as sickness benefits; and make sure 'parental benefits' replacing income count as personal family benefits for the parent concerned. Trilogue compromises relate mainly to: the general export of unemployment benefits (minimum of six months, or up to the end of entitlement); a minimum insurance period of one month as the aggregation period for acquiring unemployment benefits; special unemployment rules for cross-border workers (six months for switch of competence from Member State of residence to that of last employment); 15 months for export of unemployment benefits for frontier workers; prior notification of the competent institution before posting a worker abroad (with the exception of 'business trips'); introduction of deadlines for improved cooperation between competent institutions; and the agreement of an evaluation clause on pluri-activity (pursuit of activities in two or more Member States).

First-reading report: [2016/0397\(COD\)](#); Committee responsible: EMPL; Rapporteur: Guillaume Balas (S&D, France). For further information see our 'EU Legislation in progress' [briefing](#).

