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SOCIAL SECURITY COVER IN OTHER EU MEMBER STATES

The coordination of social security facilitates the free movement of people within the EU. A fundamental reform of legislation in this area was carried out in 2010 and was supplemented by further legal acts improving the protection of mobile workers' rights. In 2016, the Commission included proposals in the Labour Mobility Package to further reform the system and adapt it to modern economic and social realities in the EU.

LEGAL BASIS

Articles 48 and 352 of the [Treaty on the Functioning of the European Union](#).

OBJECTIVES

The basic principle enshrined in the Treaty of Rome is the removal of obstacles to the free movement of persons between the Member States ([2.1.5](#)). To achieve this, social security measures must ensure that EU citizens working and residing in a Member State other than their own do not lose some or all of their social security rights.

ACHIEVEMENTS

In 1958, the Council adopted two regulations on social security for migrant workers, which were subsequently superseded by [Regulation \(EEC\) No 1408/71](#). Nationals of Iceland, Liechtenstein and Norway are also covered by the European Economic Area (EEA) agreement, while Swiss nationals are covered by the EU–Switzerland agreement. Post Brexit, the rights of persons covered by the Withdrawal Agreement concluded between the EU and the United Kingdom continue to be protected. For persons not covered by the Withdrawal Agreement, social security coordination between the EU and the United Kingdom is regulated by the relevant Protocol to the Trade and Cooperation Agreement.

In 2004, [Regulation \(EC\) No 883/2004](#) (the coordination regulation) repealed Regulation (EEC) No 1408/71, although the latter continues to have effects for certain Community acts and agreements to which the EU is still party. A major reform of the system was carried out in 2010 with the adoption of the 'modernised coordination package' – [Regulation \(EC\) No 988/2009](#) and implementing [Regulation \(EC\) No 987/2009](#).



A. The four main principles

Each Member State remains free to design its social security system independently, which means that national social security systems will not be replaced by a single European system. Generally, social security cover is provided by the country of employment or, in the absence of employment, by the country of residence. Where two or more countries are involved, the coordination regulation determines which country provides insurance coverage for an EU citizen. The regulation relies on four main principles:

1. Equal treatment (Articles 4, 5)

Workers and self-employed persons from other Member States have the same rights and obligations as the host state's own nationals. The right to equal treatment applies unconditionally to any worker or self-employed person from another Member State who has resided in the host state for a certain period of time.

2. Aggregation (Article 6)

This principle guarantees that previous periods of insurance, work or residence in other countries are taken into account in the calculation of benefits. If, for example, national legislation requires a worker to have been insured or employed for a certain period of time before they are entitled to certain benefits, the aggregation principle means that the competent Member State must take account of periods of insurance and employment completed in another Member State.

3. Principle of single applicable law (Articles 10, 11(1))

This principle prevents anyone from obtaining undue advantage from the right to free movement. Each beneficiary is covered by the legislation of one country only and pays contributions in that country only.

4. Exportability (Article 7)

This principle means that social security benefits can be paid throughout the EU and prohibits Member States from reserving payment for people resident in the country. However, this does not apply to all social security benefits, as special rules apply, for instance, to unemployment benefits.

B. Persons covered

Originally, Regulation (EEC) No 1408/71 only covered workers, but in 1982, its scope was expanded to include the self-employed. It also covered members of workers' and self-employed persons' families and their dependants, as well as stateless persons and refugees. The scope was progressively expanded in 1998 to put civil servants on an equal footing with the rest of the population as regards general statutory pension rights, in 1999 to include all insured persons, particularly students and persons not in gainful employment, and in 2003 to cover nationals from non-EU countries legally resident in the EU.

The most recent legal act, [Regulation \(EU\) No 1231/2010](#), extended coverage to non-EU nationals who are legally resident in the EU and in a cross-border situation, and to their family members and survivors if they are also in the EU.



Cross-border workers who are employees or are self-employed in one Member State and reside in another Member State to which they return daily or at least once a week are also covered.

Posted workers are an exceptional case because they are sent on temporary assignment and remain covered by the social security system in their home Member State for a maximum duration of 24 months ([2.1.13](#)). Only healthcare benefits in kind can be drawn in the Member State of residence.

C. Benefits covered

Article 3 of Regulation (EC) No 883/2004 lists the social security benefits covered:

- Sickness;
- Maternity and equivalent paternity benefits;
- Invalidity benefits;
- Old-age benefits;
- Survivors' benefits;
- Benefits in respect of accidents at work and occupational diseases;
- Death grants;
- Unemployment benefits;
- Pre-retirement benefits;
- Family benefits;
- Certain special non-contributory cash benefits (Article 70).

D. The modernisation of the system

Since 1971, legislation on social security coordination has been amended numerous times to take account of developments at EU level, changes in legislation at national level and case-law of the Court of Justice of the European Union (CJEU).

1. European health insurance card

Since 2006, European citizens travelling within the EEA have been able to use the European health insurance card, issued by the health insurance services of their home country. This card facilitates access to medical care in the event of unanticipated health needs during a visit to another EEA country for personal or professional reasons. Access is granted on the same terms and at the same cost as for people insured in that country. Costs are reimbursed by the home social security system.

2. Supplementary pension rights

Alongside statutory pension schemes, supplementary pensions often play an important role in securing people's standard of living in old age. [Directive 2014/50/EU](#) on minimum requirements for enhancing worker mobility between Member States by improving the acquisition and preservation of supplementary pension rights addresses a number of obstacles to mobile workers taking their supplementary pension rights with them when moving to another Member State.



3. Role of the European Labour Authority

When the European Labour Authority (ELA) was established in July 2019, it took over the operational aspects of social security coordination. The ELA also provides mediation, through a dedicated Mediation Board, in cases of disputes.

4. Digitalisation of social security coordination

A process of moving from paper-based to electronic exchange of information started with the modernised coordination package and led to the establishment of the Electronic Exchange of Social Security Information (EESSI) system. The system now connects social security institutions in 32 countries – the 27 EU Member States plus Iceland, Liechtenstein, Norway, Switzerland and the United Kingdom.

The Commission's 2018 work programme mentioned a proposal for a European social security number to facilitate cross-border social security coordination, but a specific proposal was not presented. Instead, in the European Pillar of Social Rights action plan, the Commission announced a pilot project to explore the feasibility of introducing a European social security pass (ESSPASS), underpinned by the single digital gateway, the EESSI and the proposed European digital identity framework. On 6 September 2023, the Commission presented a [communication on digitalisation in social security coordination](#). The communication sets out the various projects being developed in the area of digitalisation, including the ESSPASS project. The ESSPASS project focuses on digitalising the process of requesting and receiving entitlement documents, and real-time verification to allow social security institutions, labour inspectorates, healthcare providers and other relevant entities to verify these documents instantly across Europe.

5. Ongoing reform

After a specific consultation on the coordination of long-term care benefits and unemployment benefits in 2013 and a general consultation on EU social security coordination in 2015, the Commission proposed a [revision of Regulation \(EC\) No 883/2004 and implementing Regulation \(EC\) No 987/2009](#) as part of its Labour Mobility Package in December 2016.

The revision seeks to ensure fairness by more closely linking the payment of benefits to the Member State collecting the social security contributions. It also offers national authorities better tools to verify the social security status of posted workers in order to tackle unfair practices and abuse. The main changes include:

- Unemployment benefits: a qualifying period of three months will apply before insurance or employment periods can be aggregated, but workers can export their unemployment benefits for six months instead of three in order to look for work in another Member State;
- Long-term care benefits: the proposal defines long-term care benefits and the cases where mobile citizens can claim such benefits in a separate chapter;
- Family benefits intended to replace income during child-rearing periods are to be considered individual and personal rights, thereby permitting a secondary competent Member State the right to pay the benefit in full to the second parent.



This removes potential financial disincentives for parents to take family leave at the same time.

- **Economically inactive citizens:** the proposal aims to align the legal rules in force with recent CJEU case law on access to social benefits ([2.1.5](#)).

The proposal was the subject of protracted interinstitutional negotiations and, in December 2021, the Council and Parliament reached a provisional agreement. However, this agreement was not confirmed and the file is now on hold.

ROLE OF THE EUROPEAN PARLIAMENT

Parliament has always shown a keen interest in the problems of migrant workers, border workers, the self-employed and non-EU nationals working in Member States other than the one that admitted them. Parliament has, on several occasions, deplored the persistence of obstacles to full freedom of movement and has called on the Council to adopt proposals to bring early retirement pensions within the scope of social security coordination, to extend the right of unemployed persons to receive unemployment benefit in another Member State and to widen the scope of legislation to include all insured persons. Most of these demands were met by the adoption of Regulation (EC) No 883/2004 or are included in the latest Commission proposals to revise this regulation.

In a number of its resolutions (of [14 January 2014 on social protection for all](#), of [14 September 2016 on social dumping](#) and of [4 July 2017 on working conditions and precarious employment](#)), Parliament has drawn attention to specific difficulties in this field, such as the case of the self-employed, workers on temporary or part-time contracts, workers in the digital economy and seasonal workers, and has called on the Commission to review legislation and monitor the implementation and coordination of social security systems so as to ensure that citizens' rights are respected and labour mobility in the EU can operate efficiently.

Following the outbreak of the COVID-19 pandemic and the serious impact observed on cross-border, frontier, posted and seasonal workers, on 19 June 2020 Parliament adopted a resolution on [European protection of cross-border and seasonal workers in the context of the COVID-19 crisis](#). The resolution draws attention to the difficulties these workers faced: being unable to access adequate social protection and security entitlements due to coordination difficulties between the social security institutions of the Member States, not always being eligible for temporary support measures such as short-time work schemes, adjusted unemployment benefits and measures to facilitate working from home, and being left in legal uncertainty about applicable social security and tax regimes.

On 20 May 2021, Parliament adopted a [resolution on the impact of EU rules on the free movement of workers and services: intra-EU labour mobility as a tool to match labour market needs and skills](#). The resolution highlights that lack of access to social security systems is often a result of abusive forms of non-standard employment. It also stresses the need to fully digitalise procedures surrounding labour mobility and the posting of workers in order to improve the provision and exchange of information



between national authorities and to enable the effective enforcement, portability and traceability of workers' rights.

In its [resolution of 25 November 2021 on the introduction of a European social security pass](#) for improving the digital enforcement of social security rights and fair mobility, Parliament again emphasised the need for an EU-wide digital instrument for mobile workers to make it easier for workers to track and claim their social security contributions and benefits, and at the same time improve enforcement of the EU rules on labour mobility and social security coordination.

For more information on this topic, please see the [website](#) of the Committee on Employment and Social Affairs.

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