



Fairness at the heart of Commission's proposal to update EU rules on social security coordination

Brussels, 13 December 2016

Today the European Commission is presenting a revision of the EU legislation on social security coordination.

 [Moving within Europe - Access to social benefits by economically inactive persons](#)

This is part of the [2016 Commission Work Programme](#) and the Commission's efforts to facilitate labour mobility, ensure fairness for those who move and for taxpayers, and provide better tools for cooperation between Member State authorities. The proposal modernises the current rules to ensure that they are fair, clear and easier to enforce.

Free movement of people would not be possible without EU rules on coordination of social security. These rules guarantee that you do not lose your social security protection when moving to another Member State. They exist since 1959 and are regularly modernised to ensure that they are fit-for-purpose and respond to the social and economic reality in the EU.

Today's proposed update reflects the political commitment of this Commission to fair labour mobility. It is a balanced proposal that facilitates free movement of workers and protects their rights, while reinforcing the tools for national authorities to fight risks of abuse or fraud. It makes a closer link between the place where contributions are paid and where benefits are claimed, ensuring a fair financial distribution of burden between Member States.

Commissioner for Employment, Social Affairs, Skills and Labour Mobility, Marianne **Thyssen**, said: *"Free movement is a fundamental right of our Union cherished by its citizens. It brings benefits to workers, employers and the economy at large, helping tackling labour shortages and skills gaps. We need labour mobility to help restore economic growth and competitiveness. But mobility needs to be based on clear, fair and enforceable rules. This is what our proposal to update the EU rules on social security is about: it safeguards free movement and protects citizens' rights, while strengthening the tools to address possible abuse"*.

The proposal updates the EU rules in the following four areas:

1. [Unemployment benefits:](#)

- **Jobseekers** may export their unemployment benefits from the current minimum period of 3 months to at least 6 months. This will give them a better chance to find work, and help tackle EU-wide unemployment and skill mismatches.
- For **frontier workers** (who live in one country, work in another country, and go home at least once a week), the Member State where they worked for the last 12 months would become responsible for paying unemployment benefits. This reflects the principle that the Member State which has received contributions should pay benefits.
- Member States may require that someone has worked for at least 3 months on its territory before a person who becomes unemployed can rely on previous experience in another Member State to claim unemployment benefits.

2. [Long term care benefits:](#)

This proposal clarifies what long-term care benefits are and where mobile citizens can claim such benefits. This will provide more legal certainty to a growing group of citizens in our aging societies relying on long term care.

3. [Access of economically inactive citizens to social benefits:](#)

Based on case law of the European Court of Justice, the proposal clarifies that Member States may decide not to grant social benefits to mobile citizens which are economically inactive citizens – this means those who are not working nor actively looking for a job, and do not have the legal right of residence on their territory. Economically inactive citizens have a legal right of residence only when they have means of subsistence and comprehensive health coverage.

4. [Social security coordination for posted workers:](#)

The Commission proposes to strengthen the administrative rules on social security coordination for posted workers. It wants to make sure national authorities have the right tools to verify the social security status of such workers and sets clearer procedures for cooperation between Member State authorities to address potentially unfair practices or abuse.

Finally, the proposal does not modify the existing rules on **export of child benefits**. No indexation of child benefits is foreseen: the country of work of the parent(s) remains responsible for paying the child allowances, and that amount cannot be adjusted if the child resides elsewhere. Less than 1% of child benefits in the EU are exported from one Member State to another.

Overall, the proposed changes will provide more transparency, legal certainty and fairness for the benefit of mobile citizens, public authorities, employers and taxpayers. They facilitate free movement whilst giving Member States better tools to avoid abuses.

Background

The EU provides rules to coordinate national social security systems and ensure social security protection when you move within Europe (EU28, Iceland, Liechtenstein, Norway and Switzerland). The rules only provide for the coordination of social security systems to determine which system a mobile citizen is subject to. The rules prevent a person from being left without social protection, or having double coverage in a cross-border situation.

Each Member State is free to determine the features of its own social security system, including which benefits are provided, the conditions for eligibility, how these benefits are calculated and what contributions should be paid, and for all social security branches, such as old age, unemployment and family benefits provided that such national contributions respect the principles of EU law, in particular concerning equal treatment and non-discrimination. In this context, Member States are free to monitor developments regarding the payment of those benefits, including to citizens residing in other Member States. The Administrative Commission for the Coordination of Social Security Systems plays a particular role to exchange such information.

The revision of the rules governing social security coordination was announced in the [2016 Commission Work Programme](#) as part of the Commission's broader efforts to promote free movement of workers.

For more information

[MEMO: Questions and Answers on the revision of social security coordination rules](#)

[News item on DG Employment website](#)

[Communication amending Regulation EC/883/2004 on the coordination of social security systems and regulation EC/987/2009 laying down the procedure for Regulation EC/883/2004](#)

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Photos & Videos

 [Moving within Europe – Taking with you your unemployment benefits for at least 6 months instead of 3 months](#)

 [Moving within Europe - Coordination of long-term care benefits](#)

 [Moving within Europe – Coordination of family benefits](#)