

What future for the revision of Regulation on social security coordination?

As the European Parliament's term of office comes to an end, we asked the European Parliament's rapporteur on the revision on the coordination of social security systems (Regulations 883/2004 and 987/2009) and member of the EMPL Committee Gabriele Bischoff (S&D, DE) to answer our questions on mobility issues.

Gabriele Bischoff

Gabriele Bischoff is a German MEP and member of the S&D group. She is Vice-Chair of the Committee on Constitutional Affairs (AFCO) and a member of the Committee on Employment and Social Affairs (EMPL). Within EMPL, she was appointed in 2019 rapporteur for the report on the revision of the regulations on the coordination of social security systems, a dossier that began in 2016.

In this Mobility page, she looks back on the final moments of the negotiations for this text, on what went wrong, on the prospects for the next legislature and gives her general vision of mobility issues in Europe and the role of the European Parliament regarding these issues.

Despite several agreements within reach, the revision of the coordination regulations (regulations 883/2004 and 987/2009) was not completed during this mandate. The European Parliament (EP) negotiating team, led by yourself, would like the next EP to start again on the same basis under the 'unfinished business' rule. Do you think it will be possible to reach a compromise with the Council on the basis of the 2016 proposal during the next mandate?

The reform of the social security coordination has seen 18 trilogues, 12 Presidencies and 2 provisional agreements. The Council has failed two times to find a majority on the agreed provisional agreements, 2019 and 2021, despite significant concessions made by the Parliament to facilitate finding a compromise. While it is frustrating, that the diverging interests between Member States have so far prevented a final agreement, the need and reasoning for the reform are still there and even more pressing.

The European Commission put forward this proposal in 2016 to introduce a fairer distribution of costs and benefits of intra EU-mobility in Europe and to make the rules clearer and easier to enforce. Such an update is all the more urgent as the number of posted workers and people working throughout the EU is constantly increasing. In addition, the COVID-19 pandemic has also shown how important a modern coordination system is to meet new challenges and deal with today's mobility reality. The Parliament has always fully supported these goals and I am sure it will do so in the future. On that basis, we have made a lot of progress in the negotiations with the Council.

At the end of last year, we got really close to finding a solution. The Spanish Presidency put a lot of effort into creating a package deal that could find a majority in both houses. Unfortunately, at the end, the Presidency was running out of time and the Belgian Presidency decided to disregard the progress made and start with a completely different approach that did not find support. However, the Spanish presidency has shown that there is room for a balanced overall compromise, even if it is narrow. Therefore, I am optimistic, that there will be a compromise in the next term, if both, the European Parliament and the Council pick up the ball from where the Spanish Presidency has left it.

The situation of seasonal workers, but also of unemployed cross-border workers and the issue of combating dumping and posting fraud (prior notification - PN) were the main issues of the difficult negotiations on 883 with the Council. On this last point, the Council fears that the PN mechanism will be too burdensome administratively, while the EP negotiating team is putting forward digital solutions such as EESSI to avoid such burdens. Does digitisation seem to be the solution? And more broadly, what impact will digitalisation have on mobility in the future?

If workers are posted or sent to another member state to work, they remain affiliated to the social security system of their country of origin. Unfortunately, this often leads to fraud or lack of protection, such as accident insurance, especially in the construction sector. This is why it is crucial to have well-functioning instruments to facilitate control and combat social dumping and fraud.

This ensures a fair mobility that does work at the expense of workers social security protection.

On the other hand, such instruments must be efficient and non-bureaucratic. This is why the European Parliament has strongly supported digital solutions to reduce administrative burden of companies while allowing for effective controls to prevent fraud and exploitation. In the Covid-19 pandemic, we have seen that such instruments can be highly effective and implemented swiftly, if the political will is there. Thus, we have supported the efforts made by the Commission to find digital solutions. Last year the Commission presented a “digital quick fix” that could be used to implement a digital prior notification swiftly using European digital infrastructures already in place, like EESSI. This “quick fix” did foresee an integration of the prior notification in the European digital infrastructure to come, like the EU Digital Identity Wallet.

Therefore, this solution would have prevented red tape while pushing the digitalization of the social security coordination. Unfortunately, some Member States simply turned a deaf ear on any of the ideas, therefore blocking the step into the digital age. Nevertheless, the Member States have to realize that social security coordination will have to adapt to today's reality of work and cannot hold on to last century. This does not only apply to the prior notification, but mobility in general. This is why we are also calling for a European Social Security Pass for improving the digital enforcement of social security rights and fair mobility. The Commission has to accelerate the process and introduce it without delay.

The EP's Committee on Employment and Social Affairs (EMPL) Committee have always supported the establishment of a strong European Labour Authority, from the beginning of the process in 2016 to its establishment in 2019, and then via a recent resolution on the revision of its mandate. The Commission will be assessing and revising the ELA's mandate in mid-2024. What do you expect from this review?

The ELA is an important actor to guarantee a fair mobility in Europe. Its establishment was a big step to facilitate cross-border cooperation for the effective enforcement of labour law. National enforcement authorities do not always have the necessary resources and thus may struggle to effectively enforce national and Union law, especially in cross-border situations. That is why the ELA was established with the aim of supporting national structures, including through joint inspections, and the exchange of information between Member States on labour mobility issues. While it already plays an important role here, it is also obvious, that it is still facing some significant obstacles to live up to its potential. The main shortcoming is the fact that cooperation the ELA is completely voluntary for Member States.

In addition, the agency does not have the competences to request and process data of affected workers and companies. Furthermore, the legal framework of the authority prevents it from carrying out investigations on its own initiative or dealing with labour mobility from third countries. These obstacles need to be removed entirely when revising the ELA mandate. The Parliament already came forward with a positioning on the revision, which found a big majority.

It is now on the next Commission to swiftly come forward with a proposal that strengthens the ELA mandate thereby enhancing fair mobility and mobile workers' rights.

Finally, what do you see as the main mobility challenges that the European Union will have to tackle in the next years?

The possibility for workers to move freely around the EU and to decide where they want to live and work is a huge achievement of EU integration. Now there are 10 million EU citizens of working age living in another Member State, and this number is rising. While many obstacles for those workers have been removed over the years, there are still tasks ahead to improve fair intra-EU labour mobility. We need to fight for a stronger Social Europe where workers are free to work and live where they choose. A Europe that gives people the chance to enjoy the same rights everywhere. Truly integrated labour markets based on fair mobility and the coordination of social security systems will offer new opportunities. This also requires better rights, more controls and proper enforcement of existing legislation.

****Questions were asked by Benjamin Malliart.***

*****The interview was translated into French ([available here](#)) by Garance Long.***