

CEEMET GENERAL STATEMENT ON TRILOGUE NEGOTIATIONS ON REGULATION 883/2004 ON THE COORDINATION OF SOCIAL SECURITY SYSTEMS AND ITS IMPLEMENTING REGULATION 987/2009

Ceemet welcomes the political will of the Cypriot presidency to pick up the thread to reach a compromise in trilogue on the revision of the 883/04 Regulation on social security coordination. In particular, we urge the co-legislators to get a clear agreement to exempt business trips and short-duration postings of the social security prior notification. An agreement will bring legal clarity and dramatically lessen pointless administrative burden for companies and national social security administrations.

The European MET-based industries are deeply enshrined in the European internal market. As we not only produce high-tech goods, but also provide services for these goods, **free and frictionless labour mobility within the single market** is crucial for our companies. Therefore, Ceemet has been closely following the discussions on Regulation 883/2004 on the coordination of social security systems and its implementing Regulation 987/2009.

A key issue on which employers see the need for a clearer and simplified approach in the revised Regulations 883/04 and 987/2019 is on **prior notification**. In particular, there is a need for all sides participating in the negotiations to **find an agreement on an exemption from prior notification for business trips and short-duration postings (up to three days), except for the construction sector**¹.

Indeed, the requirement to request an A1 document for business trips and short postings currently creates a huge and unnecessary administrative burden for companies and for national social security administrations. We want to highlight that the goal of tackling illegal employment and postings and – even criminal – situations, will not be resolved by requiring an A1 document in case of business trips, as the latter are certainly not situations that are the subject of illegal postings.

¹ Both European social partners representing the construction sector want to keep the prior notification, given that their sector is prone to high-risk situations.

Moreover, for the exemption for business trips, vague notions such as ‘exceptional cases’ and ‘limited in time’ are very imprecise and risk having different concrete interpretations and applications of the concept by Member States throughout the Internal Market. This would only increase legal uncertainty for companies that send employees on business trips to different EU member states. A clear-cut exemption will be an administrative ease for companies and for national administrations.

Concluding the trilogues **ahead** of the **Commission’s upcoming Fair Labour Mobility Package later this year** is crucial. Without such a compromise on the social security Regulations, the Fair Labour Mobility Package lacks its foundation. The alternative is the prospect of the withdrawal of the proposal, which would set Europe back a number of years and fail to provide much-needed legal clarity to European employers on this vital issue.

In addition, the development and implementation of digital tools such as ESSPASS can help to further facilitate labour mobility, reduce bureaucracy and combat illegal work through verifiable solutions. Hand in hand with this, we see a **key role for a more digitalised approach** in cases where prior notification is needed, notably in relation to postings. Member States should be encouraged to digitalise the application procedure for and the issuance of a PDA1 and apply the Once-Only Technical System (OOTS).

About Ceemet

Ceemet represents the metal, engineering and technology-based (MET) industry employers in Europe, covering sectors such as metal goods, mechanical engineering, electronics, ICT, vehicle and transport manufacturing. Ceemet member organisations represent 200,000 companies, providing 16 million direct and 35 million indirect jobs in the EU. Ceemet is a recognised European social partner at the industrial sector level, promoting global competitiveness for European industry through consultation and social dialogue.