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Subject:	Council Conclusions on Digitalisation in social security coordination, to facilitate the exercise of social security rights in the EU and alleviate administrative burden

Delegations will find attached the Council Conclusions on the above subject approved by the EPSCO Council at its meeting held on 27 and 28 November 2023.

**Digitalisation in social security coordination, to facilitate the exercise
of social security rights in the EU and alleviate administrative burden**

Council Conclusions

TAKING INTO ACCOUNT THAT:

1. The main objective of digitalisation is to increase the efficiency of processes, the use and exchange of data, and to simplify and speed up administrative procedures.
2. In 2020, the European Commission presented the Communication ‘Shaping Europe’s digital future’ and in 2021 the Communication ‘2030 Digital Compass: The European way for the Digital Decade’.
3. Decision (EU) 2022/2481 of the European Parliament and of the Council of 14 December 2022 establishes the Digital Decade Policy Programme, one of the aims of which is for the EU and its citizens to be able to benefit from a secure digital identity, allowing each user to control their online presence and interactions.
4. The Digital Decade Policy Programme 2030 sets as target to render key public services fully accessible online by 2030 and, as general objectives, to (a) promote a human-centred, fundamental-rights-based, inclusive, transparent and open digital environment with secure and interoperable digital technologies and services, and (b) to offer inclusive, efficient, interoperable and personalised public services and tools with high security and privacy standards. In line with these objectives, the Commission has proposed the Interoperable Europe Act to set forth measures aimed at ensuring a high level of public sector interoperability across the Union. The goal of the Interoperable Europe Act proposal is to eliminate fragmentation in the interoperability landscape of the Union and to allow public administrations in the Union to cooperate and deliver public services effectively across borders and sectors.

5. The Digital Decade Policy Programme 2030 also sets the objective of 100 % of Union citizens having access to secure means of electronic identification (eID), to be used for key public services across the EU, by 2030.
6. Regulation (EU) 2018/1724 of the European Parliament and of the Council establishing a Single Digital Gateway to provide access to information, to procedures and to assistance and problem-solving services sets forth a set of digital administration obligations based on the principle of non-discrimination and the ‘once-only’ principle, and information requirements regarding procedures. The Regulation requires Member States to ensure that citizens and businesses can access, complete and receive the output of 21 administrative procedures fully online by December 2023. Some processes relate to social security coordination¹.
7. In addition, the European Pillar of Social Rights Action Plan builds on 20 key principles and rights for fairer, well-functioning labour markets and welfare systems, for the benefit of citizens. It proposes important objectives for the European Union to achieve by 2030. The Action Plan also announced the launch of the European Social Security Pass (ESSPASS) pilot project to explore, by 2023, a digital solution for the cross-border verification of social security entitlements.
8. In the first half of 2023, two events were dedicated to digitalisation in the domain of social security coordination: the high-level conference on ‘Digitalisation in social security coordination (ESSPASS) and labour cards’, held on 1 March 2023, and the meeting of the working party of the Administrative Commission, held on 8 March 2023.

¹ The procedures to be digitalised in the field of social security coordination include the request for determination of applicable legislation in accordance with Title II of Regulation (EC) No 883/2004, the application for a European Health Insurance Card and claiming pension and pre-retirement benefits from compulsory schemes.

9. In September 2023, the Commission published the first annual ‘State of the Digital Decade’ report.
10. In September 2023, pursuant to Article 36 of Regulation (EU) 2018/1724, the Commission submitted to the European Parliament and to the Council the first biennial implementation report on the functioning of the Single Digital Gateway and on the functioning of the internal market, based on the statistics and feedback collected in accordance with Articles 24, 25 and 26 of said Regulation. The report evaluates the scope of Article 14 (application of the ‘once-only’ principle), taking into account technological, market and legal developments concerning the exchange of evidence between competent authorities.
11. Moreover, Article 72, point (d), of Regulation (EC) No 883/2004 on the coordination of social security systems entrusts the Administrative Commission with the promotion of new technologies to facilitate the free movement of persons, in particular by modernising procedures for exchanging information and adapting the information flow between social security institutions. In addition, Regulation (EC) No 987/2009² highlights the importance of the use of electronic tools in the exchange of data between Member States’ institutions, as well as the role of the Administrative Commission in determining the structure, content and format of, and detailed arrangements for, such data exchange.
12. On 6 September 2023, the Commission presented a Communication on ‘Digitalisation in social security coordination: facilitating free movement in the Single Market’. The Communication takes stock of the existing digital initiatives and provides an overview of the links between various digital projects supporting free movement and labour mobility, illustrating the synergies and compatibility between those initiatives. The Communication also proposes measures to be taken in the short and long term, to further digitalise cross-border social security processes.

² Recitals 3 and 4; Articles 4 and 95

RECOGNISING THAT:

13. The increasing demand of citizens and the experience of recent years, including the COVID-19 pandemic, have highlighted the importance of digitalisation in the field of health and social security and the need to accelerate its implementation, with the involvement of all Member States and sectors, at both national and transnational level.
14. Digitalisation in the field of social security has advanced in recent years through the development of several initiatives. The Electronic Exchange of Social Security Information (EESSI), a decentralised IT system, allows social security institutions across the Union to exchange information more rapidly and securely. Its full implementation should be finalised by the end of 2024. The ESSPASS pilot project was designed to simplify interactions between mobile citizens and public bodies. Following a first phase of pilot activities, two consortia, Digital Credentials for Europe (DC4EU) and Vector, are currently piloting, with the financial support of the European Commission, the digitalisation of procedures relating to portable document A1 and the European Health Insurance Card. The outcomes of these large-scale digital solutions pilots for the cross-border verification of social security entitlements should be released by Q2 2025. The future European Digital Identity framework, revising Regulation (EU) No 910/2014 (the eIDAS Regulation), should lay the foundations of identity and trust in the ESSPASS project and possibly in other future social security digital initiatives.
15. eIDAS, a trust framework and one of the pillars of the European Union's digitalisation strategy, aims to increase the level of security of transactions for businesses, alleviate administrative burden and make business processes more efficient.

16. EESSI is a very ambitious long-term project that is already operational in all participating countries, even though various countries still need to implement the system fully. A Business Process Improvement programme has been launched to streamline and improve processes. This programme aims to improve the functioning of EESSI and the efficiency of exchanges and, based on the lessons learned, could also contribute to shortening the implementation period of future developments.
17. The underlying aim of these projects is to make communication between citizens and administrations, as well as between national administrations across borders, paperless end-to-end, providing every guarantee as regards data protection.
18. Technological developments and digital tools could potentially contribute to the implementation of future legislative changes. However, legislative changes need to be thoroughly assessed on their own merits.
19. As society and social security services become increasingly digital, the issue of digital literacy, skills and inclusion also requires our full attention in ensuring equal access to services and their digitalisation. The experience garnered from the pandemic has shown that most of the population has acquired some digital skills since 2020³, but it has also underscored the importance of ensuring that the digital transformation benefits all citizens, including the most vulnerable. A citizen-oriented approach is key to fighting digital exclusion, reducing the digital divide and combatting the problem of non-take-up by potential beneficiaries. The European Year of Skills promotes a mindset of reskilling and upskilling to realise the full potential of the digital transition in a socially fair and inclusive manner. Efforts and investments in this regard should continue. At the same time, people without full access to digitalised procedures should still be able to make use of their social security rights.

³ Eurostat – Individuals’ level of digital skills (until 2019) (online data code ISOK_SK_DSKL_I) [Statistics | Eurostat \(europa.eu\)](#) and Individuals’ level of digital skills (from 2021 onwards) (online data code: ISOK_SK_DSKL_I21) [Statistics | Eurostat \(europa.eu\)](#)

20. As regards the management of public administrations, digitalisation should always be considered as a tool to be used and implemented comprehensively where and whenever sensible. National circumstances and also the cost-benefit ratio should be taken into account. It is not only a matter of citizens and businesses being able to interact online with public administrations in order to initiate a process. To avoid delays and additional administrative burden and costs, public administrations can benefit from digital tools to speed up processes, detect duplications and reduce the risk of fraud and error. This does not preclude human intervention in cases where there is a need for personal counselling or case-by-case assessment.

HIGHLIGHTING THAT:

21. More progress in digitalising national and cross-border social security processes has been made since 2020 than in previous years. Nevertheless, despite the progress achieved, there is room for advancing the digitalisation of social security coordination, also considering the fast development of new technologies opening new perspectives that could be taken into account.
22. Available EU financial resources, including the Recovery and Resilience Facility and the European Social Fund Plus (ESF+), could help to advance digitalisation in the Member States, notably in the Member States which are digitally less advanced.
23. The Commission's initiatives aim to foster developments in digitalisation, placing citizens at the heart of this goal, building intuitive, user-friendly tools that use simple language, in addition to promoting cross-border and cross-sector interoperability between public administrations.

24. Regular discussions between representatives of the Member State administrations and the Commission are essential to provide policy steer for the ongoing and envisaged digitalisation processes and to monitor progress. It is also crucial to ensure the involvement of social security institutions in these regular discussions, on account of their expertise, and to promote the sharing of good practices.
25. The Commission, together with the Administrative Commission and the Technical Commission, takes an active role in analysing the impact of the various digital initiatives on the exercise of social security rights by mobile citizens. This would also give an opportunity for mutual learning and sharing of best practices between Member States.
26. In order to avoid fragmentation and be able to get a clear picture of the different digital initiatives, their impact on social security coordination and their possible overlapping effects, attention should be paid to the cooperation and exchange of information in the preparation and handling of the different EU initiatives.
27. Further new European digitalisation initiatives should build on the evaluation of current initiatives and be complementary to existing European and national tools.

**THE COUNCIL OF THE EUROPEAN UNION INVITES THE MEMBER STATES,
TAKING INTO ACCOUNT THEIR NATIONAL CIRCUMSTANCES, TO:**

28. Continue taking measures to ensure the implementation of existing and new digital and interoperable initiatives that simplify and speed up administrative procedures and communication between Member States' national administrations and ensure compliance with applicable EU legislation, in particular finalising the implementation and full operationalisation of EESSI by 2024 at the latest.

29. Step up efforts to meet, by 2030, the Digital Decade's objectives of 100% of key public services being available online, including in social security, and 100% of people having access to electronic identification (eID) means, to be used for key public services across the EU, including for social security.
30. Sustain the investment in automating processes for handling national and cross-border cases in social security and social protection.
31. Continue efforts to implement the digitalisation of procedures under the Single Digital Gateway Regulation in the area of social security coordination.
32. Consider engaging in the activities of the consortia piloting the digitalisation of procedures related to portable document A1 and the European Health Insurance Card, Digital Credentials for Europe (DC4EU) and Vector, as a follow-up to the first phase of the ESSPASS pilot project.
33. Encourage their public administrations to work together with fluid and timely communication to ensure seamless coverage of workers within the single market. Make all social security processes, including cross-border processes, clear, transparent and streamlined for workers, companies and the administrations involved.
34. Strive to ensure that digitalisation efforts help to speed up the determination of the rights and obligations of mobile citizens and companies, raise the level of protection of people's rights, reduce the risk of errors and fraud and contribute to ensuring the sustainability of social security schemes.
35. Continue taking measures to strengthen data protection when implementing digital initiatives, as social security coordination concerns sensitive personal data.

THE COUNCIL OF THE EUROPEAN UNION INVITES THE COMMISSION TO:

36. Disseminate the Commission Communication on digitalisation in social security coordination of 6 September 2023, fostering debate on this issue between the Member States in order to promote dialogue and exchange of information on the digitalisation of social security coordination in different fora, such as the high-level meetings with Member States that the Commission will organise on a yearly basis, as mentioned in the Communication⁴.
37. Continue to support Member States' full and correct implementation of EESSI, including with available EU financial resources and IT expertise, and work with them to continuously improve the efficiency and effectiveness of the system.
38. Based on the results of the ongoing pilot activities by the consortia following the first phase of the ESSPASS pilot project, examine, in collaboration with the Member States, the next steps, including the opportunity to deploy an ESSPASS solution in all EU countries, and assess the potential necessity of changing the legislative framework.
39. Keep Member States informed about the state of play of digitalisation initiatives relevant to social security coordination through the yearly high-level meetings and the regular exchanges with the Administrative Commission and Technical Commission.
40. Promote the sharing of good practices between Member States, with the support of the European Labour Authority (ELA), while respecting the role and competences of the Administrative Commission and the Technical Commission in this matter pursuant to Articles 72 and 73 of Regulation (EC) No 883/2004, as well as the existing collaboration agreement between the ELA and the Administrative Commission.

⁴ 'The Commission will organise, once a year, high-level meetings with Member States to discuss and support implementing further digitalisation, standardisation and automation in social security coordination, facilitating freedom of movement and labour mobility, including increased interoperability with other relevant sectors.' COM (2023) 501, page 15.

41. In cooperation with the Administrative Commission, explore the possibilities for the Technical Commission to help examine the impact and benefits of national and EU digital initiatives in social security coordination, while respecting the different governance structures of those initiatives.
 42. Based on analysis provided by the ELA regarding national digital solutions and the digital maturity of national systems, help Member States to better target investments, thus ensuring that progress is simultaneous across Europe.
 43. Continue ensuring a coherent approach towards digitalisation in social security coordination, ensuring synergies between digital tools and solutions that already exist and convergence between the different initiatives.
 44. Analyse the potential use of artificial intelligence (AI) in the context of the coordination of social security.
 45. Explore the opportunity for further simplification and streamlining of the procedures governing free movement of people and workers in the EU, in respect of national processes and current Union rules in the field of social security coordination.
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