

High Level Report on the future of the Single Market

Input on A1 certificate for short business trips in Europe

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9. Description of the problem

The importance of the problem on a scale from 1 (very low) to 5 (very high) is: [...].

A1 certificate for short business trips in Europe

Carrying an A1 certificate on a short business trip is a a bureaucratic procedure that unnecessarily complicates postings abroad as well as the economy of the country. As part of the revision of Regulation 883/2004, we should push for a reduction in bureaucracy.

10. Root causes of the problem

Legal situation since 2010

Since 1 May 2010, every employee is obliged to carry a so-called A1-certificate with them. The Regulation 883/2004 of the European Parliament and of the Council of 29 April 2004 and Regulation 987/2009 laying down the procedure for implementing Regulation 883/2004 have been in force since May 2010 and coordinate the social security systems of the Member States of the European Union. The A1 certificate has its legal basis in in Art. 19 Para. 2 of Regulation 987/2009.

Employers should apply for the A1 certificate as early as possible before the start of the business trip abroad. This serves as proof that the employee is subject to the social security law of their home country and is therefore also binding on the foreign social security authorities This serves as proof that the employee is subject to the social security law of his or her home country and binds foreign social security authorities in this respect (see Art. 5 para. 1 Regulation 987/2009 - Circular VI/020/19 of 27 February 2019).

11. Future evolution of the problem

The issue of international employee mobility has become more complex. Employers must ensure that their employees' assignments in other European countries are registered in good time. The registration procedures are exclusively in the hands of the destination countries of the posting. The same applies to sanctions for possible infringements.

The A1 certificate is issued for the specific posting (temporary assignment abroad - can also be just one day).

The term "posting" is defined in Art. 12 of Regulation 883/2004.

Example that not constitute a posting: There is no case of a posting, (for example for a meeting in Brussels). In this case, the employee is not carrying out work abroad on behalf of the employer (see Art. 12 para. 1 Regulation 883/2004).



12. <u>Recommendation</u>

Revision of Regulation 883/2004

In 2016, the EU Commission submitted a proposal to amend Regulation 883/2004. In the report of the Employment Committee of the European Parliament on the revision of Regulation 883/2004, it was decided that A1 certificates should not be required for business trips (see Circular IX/129/18 of 19 December 2018). It should be sufficient to simply notify the social security institution of the posting country (country of origin) (it is not yet clear how this should actually be done).

We need a practical and company-friendly solution.