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NOTE

From: General Secretariat of the Council
To: Delegations

Subject: Ensuring rapid pension protection for persons who have exercised their freedom of movement within the EU
- *Information from Czechia, supported by Belgium, Bulgaria, Estonia, Finland, France, Germany, Latvia, Poland, Romania and Slovakia*

Delegations will find attached information from Czechia supported by Belgium, Bulgaria, Estonia, Finland, France, Germany, Latvia, Poland, Romania and Slovakia, with a view to the meeting of the EPSCO Council on 16 July 2024 (Any Other Business item).

Ensuring rapid pension protection for persons who have exercised their freedom of movement within the EU

Non-paper from Czechia supported by Belgium, Bulgaria, Estonia, Finland, France, Germany, Latvia, Poland, Romania and Slovakia

Enrico Letta's April 2024 Report on the future of the single market states, inter alia:

*The Single Market is a powerful engine for growth and convergence across territories by encouraging cross-border trade and investment. It also gives EU citizens the right to live and work anywhere in the EU, opening up a wide range of employment opportunities. The right to free movement has brought many benefits to those who have exercised it and to the EU as a whole, allowing the free movement of labour from places with high unemployment to places where labour is needed. Free movement promotes intercultural dialogue and strengthens European identity. Moreover, labour mobility is an important channel for dealing with the effects of asymmetric shocks within the monetary union. **For all these reasons, increased labour mobility within the EU has always been promoted as a positive development for the EU....***

The mobility of workers in the internal market is closely linked to their social protection. The coordination of social security systems for migrants must work effectively both during the active life of mobile workers and after their active career has ended. In 2021, 6 million pensions were paid to pensioners living in another country. Yet, even under the current legal situation under Regulations 883/2004 and 987/2009, hundreds and thousands of new pensioners are still waiting many months for their pensions to be calculated, which are made up of several partial pensions from the Member States where they worked and contributed to their pensions during their working lives. However, it is seniors and pensioners receiving old-age, invalidity or survivors' pensions who are among the most vulnerable social groups in the EU, as they are usually dependent on pension income in their old age.

If we promote and support the free movement of workers, we must also ensure that their legitimate social protection in retirement is always in place and on time.

We, therefore, support Enrico Letta's call that a key priority on the EU's political agenda must be to improve the practical functioning of the social security coordination rules, in addition to removing barriers and taking measures to facilitate the movement of workers within the EU. As underlined in the Council Conclusions on Digitalisation in social security coordination, there is in this regard room for further advancing digitalisation.¹

Considering the number of people who will be affected by pension procedures with an international element in the future, we also want to pay attention to this situation at the EU political level.

We support the European Commission's intention to continuously monitor reaction times in individual Member States and to provide assistance to those countries experiencing the greatest delays. We furthermore welcome the active role of the European Labour Authority (ELA) in promoting the sharing of good practices between Member States.²

Given that pension application processing times vary considerably from one Member State to another we call on:

1. Responsible Ministers

- a. to take full advantage of the possibilities offered by the implementation of the Electronic Exchange of Social Security Information (EESSI) and to work towards the rapid processing of pension claims with an international element through the full functionality of this system. The finalisation of the implementation and full operationalisation of EESSI by all Member States is also essential in this regard.

¹ Council Conclusions on Digitalisation in social security coordination, to facilitate the exercise of social security rights in the EU and alleviate administrative burden (doc. 14655/23, point 21, approved on 28 November 2023)

² Point 40 of the Council Conclusions.

b. to push for the implementation and completion of the necessary organisational and technological changes to enable a rapid response to any request for information related to pension processing, which will then allow for the rapid determination of the amount of the partial pension in each of the countries concerned.

2. The European Commission and the future Presidencies of the Council of the EU to make response times in the area of data exchange between Member States, possibly once a year, the subject of regular information provided by the Commission to the Ministers of the EPSCO (Employment and social policy) Council.
