Council of the European Union

Brussels, 22 September 2023
(OR. en)

13241/23

SOC 629
EMPL 449
DIGIT 189
FREMP 253
MI 766

NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Draft Council Conclusions on Digitalisation in social security coordination, to facilitate the exercise of social security rights of citizens in the EU and alleviate the administrative burden on service providers abroad

Delegations will find attached a set of draft Council Conclusions on " Digitalisation in social security coordination, to facilitate the exercise of social security rights of citizens in the EU and alleviate the administrative burden on service providers abroad" prepared by the Presidency.

This document will be examined by the Social Questions Working Party on 2 October 2023.

Procedure

The Presidency hopes that an agreement on these Conclusions can be reached in two meetings. Delegations are therefore invited to make every effort to develop their positions in good time and send their written comments and drafting suggestions at the latest by 2 October 2023.

_____

Digitalisation in social security coordination, to facilitate the exercise of social security rights of citizens in the EU and alleviate the administrative burden on service providers abroad

Draft Council Conclusions

TAKING INTO ACCOUNT THAT:

1. The main objective of digitalisation is to simplify and speed up administrative procedures.

2. In 2020, the European Commission presented the Communication 'Shaping Europe's digital future'; on 2 October 2020, the European Council approved its conclusions calling on the Commission to present the Digital Services Act.

3. The Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions of 9 March 2021 '2030 Digital Compass: The European way for the Digital Decade' 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 its target to render key public services fully accessible online by 2030 and, as its general objective, 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. On 29 June 2023, the European Parliament and the Council reached a political agreement on the proposal amending Regulation (EU) No 910/2014 as regards establishing a framework for a European Digital Identity.

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 coordination[1].

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 implementation of this Action Plan is a responsibility shared among European institutions, national, regional and local authorities, stakeholders and civil society. 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: 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 group of the Administrative Commission, held on 8 March 2023.

---

[1]	The entitlement documents to be digitalised in the field of social security coordination are the European Health Insurance Card and two portable documents: the A1 form and the P1 form.

9. In June 2023, the Commission published the first annual 'State of the Digital Decade' report, which was presented at the Digital Assembly 2023 in Stockholm on 15-16 June[2].

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 assessment 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. Besides, 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 987/2009[3] 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 proposes measures to be taken in the short and long term, to further digitalise cross-border social security processes.

RECOGNISING THAT:

13. The COVID-19 pandemic has showcased the importance of digitalisation in the field of social security and the need to accelerate its implementation, with the involvement of all Member States and sectors, both at national and at transnational level.

---

[2] Digital Decade Report – Futurium (europa.eu)
[3] Recitals 3 and 4; Articles 4 and 95

14. Digitalisation in the field of social security has advanced in recent years through the development of several programmes. 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, as should the Digital Credentials for Europe project, which is the successor of the ESSPASS project. 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 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.

15. Despite the progress achieved, there is still much room for advancing the digitalisation of social security coordination.

16. EESSI is a very ambitious long-term project that is already operational in all participating countries. While some countries still need to implement the system fully, a Business Process Improvement programme has been launched to streamline and improve processes. This programme could help increase the functionalities of EESSI and, based on the lessons learned, could contribute to shortening the implementation period of future developments.

17. The aim underlying these projects is to make the communication between citizens and administrations, as well as between national administrations across borders, paperless and end-to-end, providing every guarantee as regards data protection, and making procedures more streamlined, transparent and traceable than they have been to date. In its Communication of 6 September 2023, the European Commission clarified the links between the various digital projects supporting free movement and labour mobility, illustrating the synergies and compatibility between those initiatives.

18. In view of the new third industrial revolution and its possibilities, certain Member States are mentioning the need to, from now on, accompany legislative changes with technological developments that make it possible to implement such changes immediately. It is a matter of effectiveness of the law and credibility in the eyes of citizens[4].

19. The experience garnered from the pandemic has shown that most of the population has acquired digital skills since 2020[5], but it has also underscored the importance of ensuring that the digital transformation benefits all citizens, including the most vulnerable ones: there is a digital divide to which we must pay special attention, and there is a 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.

20. As regards the management of public administrations, digitalisation will only be successful if it is implemented comprehensively, from the beginning of a process to its end. It is not only a matter of citizens 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 also need to be able to carry out the entire process digitally, detecting duplications and completing the process automatically with up-to-date tools.

HIGHLIGHTING THAT:

21. More progress in digitalising national and cross-border social security processes has been made since 2020 than in previous years.

22. Available EU financial resources, including the Recovery and Resilience Facility, could help to advance digitalisation in the Member States, notably in the Member States which are digitally less advanced.

---

[4] This idea was mentioned by German State Secretary Dr Rolf Schmachtenberg at the opening of the digitalisation event held on 1 March 2023.

[5] Eurostat – Individuals' level of digital skills (until 2019) (online data code ISOK_SK_DSKLI) Statistics | Eurostat (europa.eu) and Individuals' level of digital skills (from 2021 onwards) (online data code: ISOK_SK_DSKL_I21) Statistics | Eurostat (europa.eu)

23. The Swedish Presidency spared no efforts in putting this issue at the heart of the debate, seeking Member States' opinions and prior experiences to identify concerns, interests, needs and opportunities for improvement.

24. The Commission's initiatives aim to foster developments in this regard, 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.

25. Regular discussions between high-level 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.

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

26. Continue taking measures to ensure the implementation of existing and new digital and interoperable initiatives that facilitate labour mobility across the Union and compliance with applicable EU legislation, in particular finalising the implementation of EESSI.

27. Continue efforts to improve and speed up the digitalisation of procedures under the Single Digital Gateway Regulation.

28. Engage 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 and Vector, as a follow-up to the first phase of the ESSPASS pilot project.

29. Encourage their public administrations to work together with fluid, automatic 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.

30. Strive to ensure that digitalisation efforts help to reduce the risk of errors and fraud, thereby ensuring better protection of citizens' and workers' rights.

THE COUNCIL OF THE EUROPEAN UNION INVITES THE COMMISSION TO:

31. Disseminate the Commission Communication on digitalisation in social security coordination of 6 September 2023, fostering debate on this issue between the Member States and in different international fora, such as the high-level meetings with Member States that the Commission will organise on a yearly basis, as mentioned in the Communication[6].

32. Promote dialogue and exchange of information on the digitalisation of social security coordination between the Member States and in international fora, in line with the abovementioned Communication.

33. Continue to support Member States' implementation of EESSI and work with them to continuously improve the efficiency and effectiveness of the system.

34. Based on the results of the ongoing pilot activities by the consortia following the first phase of the ESSPASS pilot project, decide on the next steps, including the opportunity to deploy an ESSPASS solution in all EU countries and whether this would require a legislative framework. Promote the sharing of good practices between Member States, with the support of the European Labour Authority (ELA), in keeping with the powers 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.

35. Better target investment in and support for Member States lagging behind, with the analysis provided by the ELA, in keeping with the powers 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 ELA and the Administrative Commission. This monitoring mechanism will ensure that progress is simultaneous across Europe.

---

[6] '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.

13241/23   GK/CB/mk   8

ANNEX   LIFE.4   **EN**

36. Lead the establishment of a European architecture, involving the competent national authorities and institutions, to achieve convergence between the different initiatives related to social security coordination assessed by the Technical and Administrative Commissions.

37. Examine the opportunity for further simplification and streamlining of the procedures governing free movement of people and workers in the EU, with a view to achieving a seamless digital experience.

_____