



EUROPEAN COMMISSION

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Dear President,

The Commission would like to thank the Senato della Repubblica for its Opinion on the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 883/2004 on the coordination of social security systems and regulation (EC) No 987/2009 laying down the procedure for implementing Regulation (EC) No 883/2004 {COM(2016) 815 final}.

The Commission welcomes the Senato della Repubblica's broad support for the aims of the proposal and has taken good note of the Senato della Repubblica's concern that the proposed changes should not result in a lower level of social protection for EU mobile citizens than is currently the case.

The Commission agrees with the Senato della Repubblica that the free movement of persons would not be possible without European Union rules on the coordination of social security. While respecting Member State competence in relation to the design and implementation of national social security systems, these rules provide a common framework to guarantee that a mobile European Union citizen is not left without social security protection when moving to another Member State. The proposal reflects the Commission's ambition to modernise the current rules to ensure that they are fair, clear and easier to enforce.

The Commission recalls that equal treatment is a fundamental principle of European Union law which the Commission is committed to defend. However, it is equally important to provide legal clarity and transparency for European Union citizens not only in respect of their rights but also their obligations under European Union law. Based on the case law of the European Court of Justice, the Commission proposal would clarify that Member States may decide not to grant social benefits to mobile citizens who are economically inactive citizens – this means those who are neither working nor actively looking for a job, and do not have the legal right of residence on their territory. Economically inactive citizens have a legal right of residence only when they have means of subsistence and comprehensive health coverage. In setting out this principle, it is the Commission's intention to codify the most recent case law of the Court of Justice – no more and no less – in order to ensure that the Union's social security rules clearly and transparently reflect the current legal acquis.

*Mr Pietro GRASSO
President of the Senato della Repubblica
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Free movement is a fundamental right of the Union cherished by its citizens. It brings benefits to workers, employers and the economy at large, helping to address labour shortages and skills gaps. The proposal reflects this Commission's political commitment to a fair and truly pan-European labour market. It facilitates free movement of workers and protects their rights while at the same time reinforcing the tools for national authorities to fight abuse or fraud. The proposal also ensures a closer link between the place where contributions are paid and where benefits are claimed, ensuring a fair financial distribution of burden between Member States.

The points made in this reply are based on the initial proposal presented by the Commission which is currently in the legislative process involving both the European Parliament and the Council.

The Commission hopes that the clarifications provided in this reply address the issues raised by the Senato della Repubblica and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Marianne Thyssen
Member of the Commission*