



Federal Public Service
Social Security

ACCESS TO SOCIAL PROTECTION FOR WORKERS AND THE SELF-EMPLOYED

BELGIAN ACTION PLAN

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<https://socialsecurity.belgium.be/fr/elaboration-de-la-politique-sociale/plan-daction-pour-lacces-la-protection-sociale-pour-les-salaries>

Introduction

This action plan was drawn up in implementation of the European recommendation on access to social protection for workers and the self-employed.¹ This Recommendation forms part of the implementation of the European Pillar of Social Rights. Principle 12 of this pillar provides that "Regardless of the type and duration of their employment relationship (...), workers, and, under comparable conditions, the self-employed, have the right to adequate social protection."

This Recommendation is a political commitment by the Member States to give all workers access to adequate social protection without prejudicing their competence regarding the resources used to achieve this objective.

The initiative follows the establishment that major changes are taking place in the labour market due to globalisation, technological progress, the ageing of the population and other developments in society that lead to more diverse forms of work and fewer linear careers. Research has shown that some workers having a non-standard job and some self-employed people have insufficient access to the branches of social protection closely related to the labour market. Social security systems must adapt to this.

With the implementation of the provisions of the Recommendation, the European Commission aims to put up a process in motion to improve access to social protection for all workers and the self-employed. It cannot be ruled out that the Commission will make additional proposals if insufficient progress has been made after a few years.

The Recommendation applies to the following social security branches: unemployment benefits; sickness and healthcare benefits; maternity and equivalent paternity benefits; invalidity benefits; old-age benefits and survivors' benefits; and benefits in respect of accidents at work and occupational diseases.² This action plan is therefore limited to these branches. Nevertheless, where useful, particularly in the adequacy section, reference is also made to federal social assistance schemes.

The right to social security is recognised as a human right in the relevant fundamental rights conventions, in particular in the Universal Declaration of Human Rights and the International Convention on Economic, Social and Cultural Rights. It is also laid down as such in other international and regional legal instruments. The International Labour Organization also considers social security to be one of the fundamental human rights and confirms that the extension of social security coverage to all those who need it is an essential part of the ILO's mandate, and that it forms an important challenge for all Member States requiring an immediate and unwavering commitment.

The normative framework developed within the International Labour Organization and the Council of Europe, in particular ILO Social Security (Minimum Standards) Convention 102, ILO Social Protection Floors Recommendation 202, and the European Code of Social Security, remains globally relevant and also serves as a reference for our country with regard to the further development of the social protection system.

¹ Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for workers and the self-employed (2019/C 387/01)

² § 3 Recommendation on access to social protection for employees and the self-employed (2019/C 387/01)

Belgium has a long tradition of guaranteeing social protection for everyone. It is built on the constitutionally anchored principle that everyone is entitled to social security.³ Together with social dialogue, it forms an essential component of our socio-economic model.

This principle was renewed in the federal coalition agreement⁴ of September 2020, and a series of initiatives were already announced that are in line with the recommendation on access to social protection, such as the reform of the so-called "social status of the artist", improvement of the social status of the self-employed, special attention for persons working in the platform economy and the combating of the improper use of daily temporary work contracts. The government also announced investments in the adequacy of Belgian social security with an increase in the minimum amounts, improvement of the replacement ratio for pensions, and the abolition of the correction coefficient for self-employed persons. With regard to transparency, further efforts are being made to simplify administration and provide information. We will discuss these measures in more detail later in this action plan.

The federal government also attaches great importance to social dialogue and therefore wishes to constructively enter into a dialogue with the social partners regarding a large number of the measures announced in such action plan. After all, social security in Belgium is developed and managed in close consultation with the social partners.

For the purposes of identifying the Belgian challenges regarding access to social protection systematically and well-founded, the Federal Public Service Social Security also outsourced an academic audit on access to social security for employees and the self-employed in Belgium⁵ (hereinafter referred to as "academic audit").

The academic audit was performed by an independent multidisciplinary inter-university team of the University of Antwerp (Bea Cantillon, Heleen Delanghe, Karen Hermans, Sara Marchal, and Freek Louckx), the Université Libre de Bruxelles (Océane Bertrand, Maxime Fontaine, Ilan Tojerow, and Daniel Dumont), and the Vrije Universiteit Brussel (Guido Van Limberghen).

This academic team was asked to analyse the situation in Belgium regarding access to social security in each of the four key domains in the recommendation: formal insurance coverage, effective insurance coverage, adequacy and transparency.

This academic audit aims to provide an exhaustive overview, without prioritisation, of the major and minor challenges within the scope of the Recommendation and does not take into account any administrative or budgetary constraints. Having regard to the need for further social dialogue and analysis, the proposed remediation paths in the academic audit are not discussed in their entirety in this action plan.⁶

³ Article 23, 2° of the Belgian Constitution

⁴ The coalition agreement, 30 September 2020,

https://www.belgium.be/en/about_belgium/government/federal_authorities/federal_government/policy/government_agreement

⁵ G. VAN LIMBERGHEN et al., *L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique: Rapport final*, 2020, 634 p.

⁶ In this regard, the National Labour Council notes in its opinion no. 2,216 that the academic report drawn up in preparation for this action plan does not take into account the temporary measures that were adopted as a result of the COVID 19 crisis, nor does it take into account the detrimental consequences that the COVID-19 crisis had on the

The final report of this academic audit was delivered in November 2020 and is available at <https://socialsecurity.belgium.be/nl/sociaal-beleid-mee-vorm-geven/actieplan-toegang-sociale-bescherming-werknemers-en-zelfstandigen> .

The social partners issued their advice on this final report by way of the National Labour Council and the General Management Committee for the Social Status of the Self-Employed.

- Opinion 2.216 of the National Labour Council on “Implementation of Council Recommendation (EU) 2019/C387/01 of 8 November 2019 on access to social protection for employees and the self-employed”, 5 May 2021. Available at: <http://www.cnt-nar.be/advies-lopende.htm>
- Opinion 2021/08 of the General Management Committee for the Social Status of the Self-employed on the “European Recommendation on access to social protection for workers and the self-employed”, 19 April 2021. Available at: <https://www.rsvz.be/nl/advies-en-verslagen-van-het-algemeen-beheerscomite-2021>

social protection of certain population categories, nor does it determine in this regard what priority must be given to the corrective measures to bring the Belgian social security system in line with the European Recommendation. Furthermore, the Council also notes that the measures proposed in the audit must first be subjected to an advance budgetary analysis to assess and prioritize them.

Part I. Most important challenges

In this section, we will first briefly outline the principal features of Belgian social protection relevant to the Recommendation, followed by the principal challenges regarding access to the social security branches within the scope of the recommendation and spanning its four axes: formal coverage, effective coverage, adequacy, and transparency.

1.1. Context

Belgium has a history of playing a pioneering role in the field of social protection and has extremely high effective coverage from an international perspective.^{7 8} The COVID-19 crisis reaffirmed the relevance and effectiveness of our social protection system. Nevertheless, a number of shortcomings in formal, effective and adequate coverage were also identified during the crisis. These are additional to the challenges of ensuring effective and adequate protection in the context of changes in the labour market that were experienced throughout Europe.⁹ This action plan focuses on these remaining gaps and new challenges, although the principal feature of the Belgian system should not be forgotten, namely, ensuring social protection for all and proper overall access to the system.

1.1.1. Principal characteristics of social protection in Belgium

3 Systems, 7 branches

Overall, the Belgian traditional social security system breaks down into 3 systems:

- a system for workers;
- a system for the self-employed; and
- a system for civil servants.

The term "**worker**" includes salaried employees employed by employers in both the private and public sectors.¹⁰ A distinction is made between typical employees and atypical employees: the first category refers to employees who have concluded an open-ended full-time employment contract, while the second category refers to employees who have not concluded such an agreement, such as: employees having a part-time employment contract, employees having a fixed-term employment contract or for well-defined work, employees having an employment contract for temporary or seasonal work, etc. People having flexi-jobs can also be mentioned here for the part that relates to their flexi-job.¹¹

The term "**the self-employed**" includes all people referred to in Royal Decree no. 38 of 27 July 1967 establishing the social status of the self-employed, including self-employed persons, assistants, people

⁷ See INTERNATIONAL LABOUR ORGANIZATION, World Social Protection Data Dashboards, available at <https://www.social-protection.org/gimi/WSPDB.action?id=19>

⁸ INTERNATIONAL LABOUR ORGANIZATION, World Social Protection Report 2017–19, 2017, pp. 158-163

⁹ INTERNATIONAL LABOUR ORGANIZATION, World Social Protection Report 2017–19, 2017, pp. 165

¹⁰ Act of 27 June 1969 revising the Decree Act of 28 December 1944 on social security for blue-collar workers, Act of 29 June 1981 concerning the general principles of social security for workers, and Title XIII of the Programme Act of 27 December 2006.

¹¹ In Belgium, employment of at least 4/5^{ths} or retirement is required to be able to have a flexi-job. Therefore, the principal activity must also be considered for this category of employees.

having student-self-employed status and co-working spouses. For these categories of the self-employed, account must be taken of whether or not they perform their self-employed activity as a principal or secondary occupation, whether or not they have reached the statutory retirement age or are in fact paid a retirement or survivor's pension, and whether or not they are in a situation in which they are starting or resuming an occupational activity.

Statutory **civil servants** have a specific arrangement that depends on the administration in which they perform their occupational activity. As a result, they are not subject to the social security systems applicable to employees employed under an employment contract in the public and private sectors. However, with regard to medical care, statutory civil servants are subject to the general system for workers. Staff members of public authorities who have an employment contract (non-statutory staff members) are subject to the general social security system for employees (see above). Yet, the Social Protection Access Recommendation does not distinguish between workers and civil servants. Consequently, the civil servants in this action plan are discussed under the section on workers. The specific arrangements for statutory civil servants are specified only where this is relevant for the purpose of the Recommendation.

Traditionally, in addition to the 3 systems, a distinction is also made between 7 branches of social security:

- retirement and survivors' pension;
- unemployment;
- occupational accident insurance;
- occupational disease insurance;
- family benefits;¹²
- compulsory insurance for medical care and benefits;
- annual holiday.

Evolution

Belgium celebrated the 75th anniversary of its social security system in December 2019. The Belgian social security system is rooted in the Bismarck system. The system was constructed on the most important social insurance systems for employees, which provided cover against various social risks, and which were financed by mandatory social security contributions based on wages, and which employers and employees were obliged to pay. The right to social security benefits was linked to the compulsory payment of contributions and the amounts paid were linked to the respective person's employment income level and this or her social employment status. These are still the core principles of the Belgian social security system today.

However, the practice of the Bismarck social security model led to a situation where some professional groups were not protected by social security because they did not have employee status. The Belgian social security system was therefore gradually extended to people who do jobs similar to those of salaried workers. Various additional categories were protected in this way: domestic staff, apprentices, temporary employees, sportsmen and sportswomen, persons with disabilities, etc.

¹² Regionalised since 2019.

What is more, the insurance character of Belgian social security has been gradually reduced by matters such as the introduction of minimum and, above all, maximum benefits and the introduction of the so-called “equated periods”. These are periods of inactivity that are equated to working days and do open the door to rights, such as in the case of work disability or temporary unemployment. In this way, objectives from the Beveridge model were integrated into the Belgian social security system step by step, which showed the will to guarantee the entire population with a certain level of security.

In Belgium, the self-employed, too, have been covered since January 1968 by their own compulsory social insurance system which covers various social risks, although the set-up and/or scope of the protection mechanisms or mechanism are or is not necessarily identical to the general system of the workers. Initially, the protection of self-employed workers was significantly more limited than that of workers. However, since the beginning of the 21st century, numerous improvements have been made to the social security system for the self-employed and their assistants, which has caused the gap with the social security system for workers to be significantly reduced, although there are still a few challenges left. In this regard, it should be borne in mind, however, that self-employed organisations in Belgium do not advocate equal social security but, rather, equivalent social security, with respect for the individuality of a self-employed activity. After all, the choice for and the nature of a self-employed activity differ fundamentally from those of an activity in a salary context, which means that the social protection of those concerned requires its own emphasis on certain points.¹³

1.1.2. The Belgian labour market in figures

In this section, several figures that provide an idea of the occurrence of different types of status on the Belgian labour market are presented concisely to be better able to put certain developments in employment in context within the framework of the Recommendation.

The first important factor in the context of the labour market is the evolution of the employment rate. The higher the employment rate, the more sustainable the social security.

The employment rate in Belgium was for a long time lower than the EU-27 average and, in particular, than the employment rate in neighbouring countries. There has been a catch-up movement in recent decades, however. While only 65.8% of 20-64-year-olds were employed in Belgium in 2000, this was 67.6% in 2010 and 70.0% in 2020.¹⁴ The current government’s objective is to further increase the employment rate, with the aim of achieving an employment rate of 80% by 2030.

Based on the Labour Market Survey, the image of our labour market was as follows in 2020:¹⁵

¹³ GENERAL MANAGEMENT COMMITTEE ON THE SOCIAL STATUS OF THE SELF-EMPLOYED, European Recommendation on access to social protection for workers and the self-employed, Opinion 2021/08, 19 April 2021, pp. 5-6

¹⁴ STATBEL, Labour Force Survey, 2000-2020.

¹⁵ STATBEL, Labour Force Survey, 2020. Requested from the FPS Economy in April 2021.

The figures provided are not "absolute" figures, but approximations based on the extrapolation of a random sampling from the Belgian population via the Labour Force Survey. This must be taken into account when interpreting the figures. Where the estimated number of people is fewer than 5,000, the data should be interpreted with caution.

- In 2020, 85.2% of the workforce in Belgium consisted of employees, which amounts to 4,095,480 employees and 14.7% of the workforce of self-employed, which amounts to 707,503 self-employed.
- 73.2% of the employees worked full-time and 26.8% part-time. More women work part-time than men. For example, 11.8% of male employees worked part-time, which amounts to 248,008 part-time male employees, while 42.5% of female employees work part-time, which amounts to 850,097 part-time female employees.¹⁶
- A large majority of employees (89.8%) work on open-ended contracts and 10.2% of employees on temporary contracts. Gender differences are less pronounced here: 9.7% of male employees are on a temporary contract, which amounts to 203,086 men, and 10.2% of female employees, which amounts to 215,891 women. When one looks at the most frequently occurring temporary work, fixed-term contracts are first (191,445 people), temporary work is second (83,723 people) and student contracts are third (66,161 people).
- As far as the self-employed are concerned, 68.4% of them are self-employed without staff, 26% self-employed with staff and 5.7% are non-remunerated assistants.
- Furthermore, as far as the self-employed are concerned, 86.1% of them work full-time and 13.9% of them work part-time. With regard to part-time work among the self-employed, there is also a significant difference between men and women, although this is less significant than for employees. For example, 8.6% of male self-employed people work part-time, whereas 23.6% of female self-employed people work part-time.
- 4.3% of all workers have two jobs.

From a European perspective, it can be said that the standard fixed full-time employment in Belgium generally falls slightly faster than the EU27 average, because the standard employment in Belgium decreased by 4.2 percentage points between 2003-2019 - in the EU27 the decrease was 1 percentage point over the same period - which means that 57.3% of the working population in Belgium was employed as a fixed full-time employee in 2019, while the EU average was still 59.5% in 2019. A similar decrease can be seen in our neighbouring countries of Germany and France.¹⁷

From a European comparative perspective, we can say that part-time employment in Belgium is overrepresented, in view of the fact that 23.5% of the workforce in Belgium works as part-time employees, while the EU average is 16.5% (15-74-year-olds). Especially the proportion of part-time workers having fixed contracts is higher than the EU average. We are close to the EU average as far as the proportional

¹⁶ When we look at the reasons for working part-time, we see that:

- 4.8% of part-time employees did not find a full-time job and 18.1% state that the job that they wanted was only offered part-time;
- 8.1% of part-time employees work part-time for health reasons (incapacity to work) and 0.9% for professional reasons (such as work atmosphere or stress);
- 20.2% of part-time workers indicate that they work part-time so that they can care for the children or dependants, 18.1% for personal or family reasons, and 8.7% say they do not want a full-time job.

Figures based on the STATBEL, Workforce Survey, 2020. Employees' reasons for working part-time.

¹⁷ EUROPEAN COMMISSION, Access to social protection for workers and the self-employed: version 0 of the monitoring framework, table 5.6, pp. 82-83. Figures based on Eurostat and the Labour Force Survey, 2019.

share of the self-employed is concerned.¹⁸ The proportion of involuntary part-time work among part-time workers is extremely small from an EU perspective. In 2020, this share was 4.7% in Belgium (among 15-64-year-olds), compared to 24.4% in the EU-27 (Eurostat, LFS).

¹⁸ EUROPEAN COMMISSION, Access to social protection for workers and the self-employed: version 0 of the monitoring framework, table 5.5, pp. 82-83. Figures based on Eurostat and the Labour Force Survey, 2019.

1.2. Formal coverage

The formal coverage of a group concerns a situation in a specific branch of social security for which the existing legislation or the collective labour agreement stipulates that the members of a group are entitled to participate in a social security scheme provided for such branch.¹⁹

1.2.1. Employees

In the light of national circumstances, Member States are recommended to give all workers access to adequate social protection by improving and extending formal coverage on a mandatory basis, irrespective of the nature of their employment relationship.²⁰

No problem was established with regard to the formal insurance coverage of typical and atypical employees, full-time and part-time civil servants and the categories of the self-employed falling under the social security system for employees.²¹ However, administrative conditions may be attached to access to social security benefits. In particular, reference can be made here to the requirement of being a member of an insurance institution to have access to the medical care insurance.²²

However, based on their work, some special categories of workers are not fully covered by the social security scheme for social risks to which the Recommendation applies. Within the academic audit, a distinction was made between the categories which, based on the criteria in terms of which they are determined, they can be considered as an employee category, and the categories in which each case should be examined individually to see whether they meet the employee concept. With regard to this first group, according to the authors, one can refer to domestic workers living away from home, people working under a PWA (Local Employment Agency) employment contract, socially disadvantaged young people employed in non-profit organisations, trainee doctors and part-time apprentices having an employment contract.²³ A further analysis of these groups is required, which takes into account the nature and objective of these categories and the combination with the accrual of rights to the benefit system. In this regard, the analysis must take into account the social protection that they enjoy in Belgium as a whole²⁴, and therefore all the social benefits to which they are entitled must be included in the analysis.

Having regard to the special attention paid to various special categories of employees in the COVID-19 crisis management, these will be discussed in the next chapter. These are the platform workers, artists, childminders and voluntary carers. It also addresses the issue of social insurance for sex workers, and the importance of work done by volunteers.

¹⁹ Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for employees and the self-employed (2019/C 387/01), §7 (e)

²⁰ Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for workers and the self-employed (2019/C 387/01), §8 (a)

²¹ G. VAN LIMBERGHEN et al., *L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique : Rapport final*, 2020, §359-364.

²² See also *infra*, transparency

²³ G. VAN LIMBERGHEN et al., *des travailleurs salariés et indépendants à la sécurité sociale en Belgique : Rapport final*, 2020, pp. 363-364

²⁴ In this regard, see also the Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for workers and the self-employed (2019/C 387/01), recital 17.

1.2.2. The self-employed

In the light of national circumstances, Member States are recommended to provide all the self-employed with access to adequate social protection by improving and extending formal coverage, at least on a voluntary basis and, where appropriate, on a mandatory basis.²⁵

Belgium is one of the few Member States with a specific social security system with mandatory cover for the self-employed, where account is taken of the individuality of the self-employed activity. Since the beginning of this century, there has been a trend towards closer links between the social security systems. For example, complete equality between employees and the self-employed was achieved with regard to healthcare (2008) and family allowances (2014), which is a matter that no longer falls under the federal government.

The academic audit identifies a number of voids in formal coverage, in particular with regard to unemployment, accidents at work and occupational diseases, and mixed activities.

The system for the self-employed has no formal coverage for **unemployment** via unemployment insurance as it exists for workers.²⁶ However, the bridging right, which taps into the individuality of self-employed entrepreneurship, has been created with regard to protecting the self-employed against loss of income as a result of the (temporary) cessation of their professional activity. This income-replacing benefit is granted in the event of bankruptcy, collective debt settlement, forced interruption for reasons beyond the control of the self-employed and cessation due to financial difficulties. The academic audit states in this regard that there is nevertheless a gap in formal coverage since provision is not made in all cases of loss of income beyond the control of the self-employed in social performance. Furthermore, the self-employed do not build up any pensions rights during the quarters for which they receive a bridging right²⁷, or have obtained an exemption from payment of social security contributions due to financial difficulties. However, self-employed people who previously built up rights as employees for unemployment can, however, rely on unemployment up to a maximum of 15 years later.

In accordance with the suggestion by the European Commission²⁸, we clarify here that an occupational accident or occupational disease is not insured for the self-employed via a separate branch, but that they are insured for such occupational risks within the occupational incapacity insurance and pension. Having regard to the nature of their activity, it is difficult to determine whether such risk occurred in the private life of the self-employed person or whether it is related to performing his or her professional activity.²⁹

²⁵ Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for employees and the self-employed (2019/C 387/01), §8 (b)

²⁶ EUROPEAN COMMISSION, Access to social protection for workers and the self-employed: version 0 of the monitoring framework, p. 133

²⁷ The self-employed can regularise this situation themselves afterwards.

²⁸ EUROPEAN COMMISSION, Access to social protection for workers and the self-employed: version 0 of the monitoring framework, p. 34.

²⁹ GENERAL MANAGEMENT COMMITTEE ON THE SOCIAL STATUS OF THE SELF-EMPLOYED, European Recommendation on access to social protection for workers and the self-employed, Recommendation 2021/08, 19 April 2021, p. 6

1.3. Effective coverage

In the context of the recommendation, effective coverage means “a situation in a specific social protection branch where the individuals in a group have an opportunity to accrue benefits and the ability, in the event that the corresponding risk materialises, to access a given level of benefits”.³⁰

Member States are recommended to provide effective coverage for both workers, regardless of the employment relationship, and the self-employed, where the sustainability of the system is guaranteed, and malpractices are prevented. This requires the following:

- Rules on contributions (e.g. waiting times, calculation of minimum working periods) and entitlements (waiting times, rules to calculate the duration of entitlements) should not cause individuals from being prevented from accumulating rights or claiming benefits because of their employment relationship or legal position on the labour market.
- Differences in regulations for different legal positions on the labour market or for different types of labour relations should be proportionate and take the beneficiaries’ specific situation into account.

In addition, while duly taking into account national circumstances, Member States are recommended to ensure that rights are retained, accumulated and/or can be transferred between all types of employment relationships, self-employed people’s legal positions and economic sectors, throughout a person’s career or during a given reference period, and between different systems within a social protection branch.³¹

The digital divide is also referred to in this context. This does not affect everyone in the same way. The gap varies according to income, level of education, age group and gender. Within the framework of the inclusion measures the digital gap should be tackled in three dimensions: the access gap, the digital skills and the usage gap. The issue of the digital divide is discussed in further detail under the heading of transparency.

1.3.1. Maternity and paternity benefits

In Belgium there is a waiting period of 6 months for maternity benefits (120 working or equated days or 400 hours for part-time employees), which is quite limited when compared to the EU perspective.³²

With regard to the duration, in Belgium one can take 15 weeks of maternity leave as an employee and 12 weeks as a self-employed person. It must be taken into account that both maternity and paternity leave can be supplemented by parental leave, where each parent is entitled to 4 months of parental leave to be taken before the child reaches the age of 12.³³

³⁰ Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for employees and the self-employed (2019/C 387/01), §7 (f)

³¹ In this context, the National Labour Council requests that this transversal dimension be included in all further work in line with the Belgian action plan and in deliberation with the social partners.

³² EUROPEAN COMMISSION, Access to social protection for workers and the self-employed: version 0 of the monitoring framework, p. 150.

³³ In addition, there is also the possibility of adoption and foster parent leave in Belgium.

With regard to paternity or post-birth leave³⁴, there is also a waiting period of 6 months for both employees and the self-employed.

With regard to duration, the duration for this benefit amounted to 10 days for both employees and the self-employed. It was necessary to extend the duration to promote gender equality, both with regard to making a breakthrough in the patterns of roles on assuming responsibilities of care and to strengthening the position of mothers on the labour market.

This is why post-birth leave for co-parents is being increased for employees, the self-employed and civil servants alike. In practice, the leave for co-parents was increased from 10 days to 15 days as from 1 January 2021. Post-birth leave will be increased to 20 days as from January 2023. Co-parents can plan the days themselves in four months from birth.

1.3.2. Pension

The concept of “three pillars” is generally used for the purposes of structuring the provisions laid down by law regarding pension in Belgium.³⁵

First pillar

The first pillar is formed by the statutory pension schemes under which all employees, the self-employed and civil servants are mandatory members.

The statutory retirement pension is paid to the elderly as based on their former career. Generally, men and women need to be 65 years of age to benefit from a retirement pension.³⁶ A full career usually consists of 45 years of 312 days (14,040 days).

In addition, there is an option to take early retirement where the required career length and age requirements have been fulfilled. For example, you can retire from the age of 60, at the earliest, if you can prove that you have worked for a minimum of 44 years during your career.

Version 0 of the Monitoring Report enables one to establish that, compared other EU Member States, Belgium has a relatively long career requirement of 45 working years for a full retirement pension, but that there is no required minimum contribution period.

The retirement pension for **employees** is calculated on the grounds of three elements: the duration of the pensioner’s professional career, his or her salary for each career year and his or her family situation.

Both the days worked, and the days equated are counted to calculate the pension. Assimilated days are days of inactivity or absence that are equated to days of employment, without contributions having been

³⁴ In Belgium, “paternity leave” has recently been changed to “post-birth leave” and “fathers” has been changed to “co-parents”. We will therefore use these terms in the further course of the text.

³⁵ The second and third pillars do not fall within the scope of the Recommendation. We summarise them here in view of their importance.

³⁶ This statutory retirement age will be increased to 66 years in 2025 (starting from 1 February 2025) and to 67 years in 2030 (starting from 1 February 2030).

paid for them. Examples include periods of occupational disability, career interruption and unemployment. The pension rights thus accumulated are identical to the pension rights accumulated in the previous year.

The retirement pension for the **self-employed or assistants** of the self-employed, is calculated in the same way as for workers. The only difference is that not wage, but occupational income, is taken into account. For the occupational income as from 1984, a harmonisation coefficient (or correction coefficient) is used, the original objective of which was to ensure that equal contribution in effort in the systems of workers and of the self-employed should correspond to the same pension. Comparatively speaking, this causes the self-employed to accumulate lower pension entitlements than workers. The federal coalition agreement provides that this be abolished.³⁷

The retirement pension of **statutory civil servants and teachers in the non-governmental teaching network** is based on the average salary for the last 10 years of the respective person's career (the last 5 if you were born before 1 January 1962) and the number of acceptable services and time periods. This concerns work as a statutory civil servant and the periods of absence that are considered as having been worked (i.e. equated to work). Certain temporary or contractual public sector services performed prior to statutory appointment may count towards the civil service pension.

Second pillar

The second pillar consists of supplementary pension schemes for employees as well as for the self-employed and contractual employees in the public sector in Belgium. Approximately 78% of the total labour force is affiliated to a supplementary pension plan, as an active member and/or as a so-called "dormant member".

The social partners are invited to consider how each employee can be covered as soon as possible by a supplementary pension for a contribution of at least 3% of the gross salary.

Unlike the first-pillar pension, membership of the second pillar does not occur automatically. For employees, it is either the employer who decides to set up the pension scheme (for company pensions) or the sector (for sector pensions). The pension formula that determines the rights is also set by the employer or the sector. The government does assume the role of regulator, however, firstly, by drawing up all types of regulations (such as anti-discrimination legislation) with which the employer or sector must comply and secondly, by providing (para)fiscal benefits to encourage people to accumulate a second-pillar pension.

As from 1 January 2020, 3.95 million people had subscribed to the supplementary pension schemes, i.e. about 78% of the total labour force, workers and the self-employed people combined. The reserves accumulated by the members amounted to EUR 91.5.6 billion.³⁸ However, there is great inequality in the distribution of these reserves, with large differences between, and different types of, supplementary

³⁷ See Part III

³⁸ FSMA, The second pension pillar in images, 2020, p.4, available at <https://www.fsma.be/en/news/second-pillar-pension-images-sectoral-overview-2020>

pension, within the same type of supplementary pension (distribution in deciles), and between men and women.³⁹

Approximately 63% of active **workers** up to the age of 65 are active members of a supplementary pension plan for employees.

The second pillar for workers includes pension schemes linked to their work situation pursuant to:

- group insurance or pension fund;
- individual pension allocation for an employee or manager;
- individual continuation of a supplementary pension scheme if you transfer to another employer who does not have a supplementary pension scheme.

These are social and non-individual pension schemes that can be in the form of:

- sectoral pension schemes at the level of the joint committee;
- occupational pension schemes in sectors where there are no sector schemes.

The **self-employed** can choose between different types of supplementary pension in the second pillar. Firstly, there is the Private Supplementary Pension for the Self-Employed (PSPS), the amount of the premium of which legislation limits to a certain percentage of the person's occupational income. This can be combined with the pension agreement for the self-employed, for self-employed people who work without a company, the co-working spouses and self-employed assistants. For company directors having self-employed status, there is an individual pension commitment for managers, which is intended for directors/managers of a company having the status of a self-employed person. Self-employed or assistants decide for themselves whether they want to participate in the second pillar. Here too, the government acts as regulator and grants tax benefits. Approximately 57% of the full-time self-employed up to the age of 65 actively participate in a supplementary pension scheme for the self-employed.⁴⁰

Third pillar

The third pension pillar includes the schemes in which the individual is free to participate, regardless of his or her occupational status. In Belgium, a third-pillar pension can be accumulated by contributing to pension savings or by taking out individual life assurance.

1.3.3. Healthcare

Belgium has a quasi-universal cover for expenses pursuant to illness.⁴¹ There is also no waiting period in Belgium for access to compulsory federal health insurance, except in some exceptional cases, for example when an earlier registration has expired due to non-compliance with personal membership contribution obligations. In that case, the employee is subject to a waiting period of 6 months.

³⁹ See key figures pensionstat.be, available at: <https://www.pensionstat.be/nl/kerncijfers/aanvullend-pensioen/hogte-reserves>

⁴⁰ Situation as at 1 January 2020. FINANCIAL SERVICES AND MARKETS AUTHORITY, second pension pillar in images, 2020, https://www.fsma.be/sites/default/files/public/content/NL/Pensioenen/sectoroverzicht_2020.pdf

⁴¹ EUROPEAN COMMISSION, State of Health in the EU. Belgium: Country Profile Health 2019.

Although Belgium has taken several specific measures to strengthen financial access to healthcare, the EU “unmet need for medical care” indicator points out that low incomes indicate a relatively high degree of delay in health care for financial reasons. An examination is currently being performed by the European Social Observatory and the RIZIV/INAMI into the inequalities in financial access to healthcare with a view to formulating an action plan. The final report for this is expected by September 2021.

1.3.4. Primary incapacity for work ⁴²

Belgium has a waiting period of twelve months⁴³ for occupational disability benefits, namely 180 days worked or equated days for employees, 800 hours for part-time employees and two quarters of paid minimum contributions for the self-employed.

Belgium is close to the European average with its waiting period of 12 months. However, it is difficult to assess this period meaningfully within a European context because one must also consider the invalidity benefit that follows in the case of long-term occupational disability.⁴⁴

There is no waiting period for employees in Belgium. However, Belgium is one of the few Member States still having a waiting period for the self-employed. This waiting period has been shortened several times in recent years, however. While there was still a one-month waiting period until the end of 2017, it was shortened to two weeks as from 2018 and to one week as from 1 July 2019. At the request of self-employed organisations, for whom the priority was to improve the situation of the self-employed in the case of long-term illness, a decision was made to pay the self-employed who are ill for more than one week from the first day of illness.

1.3.5. Invalidity benefits⁴⁵

As is the case with sickness - cash benefits, Belgium applies a waiting period of twelve months for invalidity benefits. Long-term occupationally , persons with disabilities automatically revert to invalidity benefits after 12 months. As is the case with most Member States, invalidity benefits in Belgium are continued until a person is cured or switches to old-age pension insurance.⁴⁶

No major problems were identified regarding the effective coverage of invalidity benefits.

1.3.6. Accidents at work and occupational diseases

As is the case in most other EU Member States, there are no specific waiting times to qualify for occupational accidents and occupational health insurance. As in almost all other Member States, such benefits run indefinitely in Belgium.

⁴² “Sickness - cash benefits” in the MISSOC terminology, which is also used in the Monitoring Framework.

⁴³ Pursuant to the Programme Act of 19 December 2014, the waiting time required before one is entitled to the right to occupational disability benefits was doubled from 6 months to 12 months and the number of days to be worked in that period was increased from 120 days to 180 days. The date on which this came into force was later set at 1 May 2017.

⁴⁴ EUROPEAN COMMISSION, Access to social protection for workers and the self-employed: version 0 of the monitoring framework, p. 138.

⁴⁵ “Invalidity” in the MISSOC terminology, which is also used in the Monitoring Report.

⁴⁶ EUROPEAN COMMISSION, Access to social protection for workers and the self-employed: version 0 of the Monitoring Framework, p. 175.

The academic audit establishes that, as regards employees in temporary occupational disability, a waiting period of 14 days applies in the occupational insurance for employees.⁴⁷ However, such days are covered by statutory sick pay paid by the employer.

1.3.7. Unemployment

From a comparative EU perspective, Belgium scores well with regard to *de facto* unemployment coverage. In 2019, 46% of those registered as short-term unemployed⁴⁸ (aged 15-64) received benefit. This is the fourth highest percentage in the EU.⁴⁹

In Belgium, employees under the age of 36 have a waiting period of 312 working or equated days,⁵⁰ or, in the case of voluntary part-time employees, 312 half working or equated days, which must be worked during the 21 months prior to the application for unemployment benefit. The duration of this waiting period is similar to that applied in the majority of Member States.⁵¹

The older the employee, the longer the waiting time. For example, employees aged 36-49 must complete a waiting period of 468 working or equated days and employees over 50 must complete a waiting period of 624 working or equated days. The reference periods during which these days must be worked have been extended to 33 months and 42 months, respectively. As a result, only approximately 55% of insurance periods need be completed in a reference period. In addition, such reference periods can be extended in all types of situations, such as reduced work for a child with disabilities up to the age of 18, career interruption, etc.

In Belgium, unemployment benefits are open-ended, which puts us in a unique position in the European Union.⁵² The authors of the academic study advocate reducing waiting times for some categories having special status, such as voluntary part-time employees and seasonal workers.⁵³ The opportunity for this must be investigated in further detail, where attention is to be paid to possibly putting socially insured people at a disadvantage in a typical work situation. The latter could constitute a violation of the principle of equality.

As described in the “formal coverage” domain, socially insured people falling under the self-employed system do not have access to unemployment insurance for employees. However, there is still the bridging right, which provides insurance against the loss of income if they lose their occupational activity. Self-employed people must have paid contributions for at least 4 quarters during the previous sixteen quarters

⁴⁷ G. VAN LIMBERGHEN et al., *L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique : Rapport final, 2020*, §869.

⁴⁸ Unemployed people who have been unemployed for shorter than 12 months.

⁴⁹ EUROPEAN COMMISSION, *Joint Employment Report 2021*, p. 88.

⁵⁰ This concerns the period of inactivity, e.g. in the case of temporary unemployment or illness, which is equated to working days and therefore entitles the person to the benefit.

⁵¹ EUROPEAN COMMISSION, *Access to social protection for workers and the self-employed: version 0 of the monitoring framework*, p. 130.

⁵² EUROPEAN COMMISSION, *Access to social protection for workers and the self-employed: version 0 of the monitoring framework*, p. 132.

⁵³ G. VAN LIMBERGHEN et al., *L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique : Rapport final, 2020*, §841.

to qualify for the bridging right. The duration of the bridging right is limited to a maximum of 12 months over the career, extended to a maximum of 24 months in some cases.

With regard to the transferability of rights, it should be noted that, in certain cases, a self-employed person who stops his or her activity can rely on the unemployment rights that he or she accumulated as an employee in the past for up to 15 years.⁵⁴

⁵⁴ GENERAL MANAGEMENT COMMITTEE ON THE SOCIAL STATUS OF THE SELF-EMPLOYED, Opinion 2019/08 issued on its own initiative pursuant to the European Recommendation on access to social protection for employees and the self-employed, p. 7.

1.4. Adequacy

Member States are advised to ensure that social protection systems provide their members with an adequate level of protection in a timely manner and in accordance with national circumstances when a risk arises. This is to maintain a decent standard of living and provide an adequate replacement income, while at all times preventing members from falling into poverty.⁵⁵

1.4.1. Payments in Belgium: context

Organising adequate social protection is not an easy task. After all, social protection serves various purposes that are not always easy to reconcile: providing an income guarantee to protect against income poverty, ensuring an acquired standard of living for social risks such as illness or structural unemployment and preventing such risks by way of labour market regulation and activation.

Since the early 2000s, social benefits have not only secured spending power but also well-being. Minimum benefits are keeping up with welfare indicators such as average pay, national income per capita and the median household income.

Social benefits are automatically increased by 2% each time the “health index”⁵⁶ exceeds a certain level (the “pivot index”).⁵⁷ By automatically linking social benefits to the evolution of the consumer price index, one prevents the spending power from being eroded too much by inflation.

On the other hand, the benefits are not automatically adjusted to the evolution of the level of well-being. However, the Act on the Generation Pact⁵⁸ established a structural mechanism that binds the social benefits in the employee, self-employed and assistance systems to the evolution of well-being, referred to as the “welfare envelope”, to ensure that benefits secure well-being. The Act provides for a procedure consisting of three steps. During the first phase, the size of the “available” welfare envelope is calculated per arrangement every two years. In the second phase, the social partners on the joint committee on the security of well-being will draw up an opinion on what is to be included in the available envelopes. In the

⁵⁵ Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for employees and the self-employed (2019/C 387/01), §11

⁵⁶ The health index is derived from the consumer price index, from which a number of products such as alcoholic beverages, tobacco products and motor fuels (with the exception of LPG) are removed

⁵⁷ According to the Act of 2 August 1971, indexing benefits is initiated every time the so-called “flattened health index” or “smoothed health index” reaches an amount that is referred to as the “pivot index”. The flattened health index is the arithmetic mean of the health index figures for the month in question and for the previous three months. The social benefits are then adjusted with effect from the month following the month in which the pivot index was reached.

⁵⁸ According to Article 73 of the Generation Pact of 23 December 2005, the amount of the financial envelope must at least correspond to the sum of the following estimated expenses in all social security branches:

- an annual well-being adjustment of 0.5% of all income-replacing social security benefits, with the exception of flat-rate benefits;
- an annual well-being adjustment of 1% of all flat-rate social benefits (excluding family benefits);
- an annual increase of 1.25% of the wage limits in the calculation of income-replacing benefits.
- an annual increase of 1.25% of the “minimum entitlement” per occupational year.

Since 2010, the calculation of the financial envelope must also take into account any reduction or additional costs caused by the decisions made for the previous biennial envelope.

third phase, the federal government will decide on the practical measures. If this deviates from the advice given by the social partners, reasons must be given for such deviation.

1.4.2. Social protection as protection against poverty

A comparison of the minimum benefits with the poverty threshold

The first element falling within the scope of the Recommendation is whether social security benefits protect people entitled to benefits from poverty. To measure this, we can examine whether the minimum benefits provided for by the Belgian social protection system, reach the same amount as the poverty threshold.

The effectiveness of the minimum social benefits is consistently monitored by the competent administrative service, the FPS Social Security.⁵⁹ Despite the fact that considerable efforts have been made during the recent decades to improve minimum income protection, such monitoring shows that various social security and assistance benefits in Belgium, such as the following, are still not in keeping with the poverty threshold:

- minimum invalidity benefits for couples with children,
- minimum unemployment benefits during all periods for workers,
- minimum pension for couples,
- living wages,
- the income guarantee benefits for the elderly.

Table 1: Minimum social security and assistance benefits expressed as a percentage of the European 60% poverty risk threshold

| Social minimum amounts expressed as a percentage of the European 60% poverty risk threshold ⁶⁰ (2018 figures, average based on 3 regions) | |
|---|------|
| Social security benefits | |
| Minimum invalidity benefit (incl. catch-up premium for 1 year's disability) | |
| Single | 103% |
| Couple with two children | 81% |
| Minimum unemployment benefit (all periods) | |
| Single | 86% |
| Couple | 69% |
| Couple with two children | 67% |
| Single-parent family with two children | 84% |
| Minimum guaranteed pension (full career, incl. holiday allowance) | |

⁵⁹ FPS SOCIAL SECURITY, Cijfers in de Kijker: De doelmatigheid van de sociale minima, nr. 8, februari 2021, - "Figures in the Spotlight: The efficiency of the social minimum amounts", no. 8, February 2021, available at https://socialsecurity.belgium.be/sites/default/files/content/docs/nl/sz-in-kaart-brengen/08_cik_nl.pdf

⁶⁰ These calculations are based on the net available family income of people entitled to benefits, including social security and child benefits (for children aged between 2 and 6) and after social security contributions and personal income tax have been set-off.

| | |
|--|------|
| Single (retirement pension) | 106% |
| Single (survivor's pension) | 105% |
| Couple | 89% |
| Assistance benefits | |
| Living wage | |
| Single | 74% |
| Couple | 66% |
| Couple with two children | 67% |
| Single-parent family with two children | 87% |
| Income guarantee for the elderly (IGO) ⁶¹ | |
| Single | 91% |
| Couple | 81% |
| The income replacement allowance (IVT) | |
| Single | 74% |
| Couple with two children | 69% |

Source: FPS Social Security figures.

The academic audit “access social protection”, which also tested the benefits by comparing them to the European poverty risk threshold, also revealed that:

- The problem is that the minimum incapacity benefit for employees is only allocated as from the 7th month of primary incapacity for work.⁶²
- In some cases, maternity benefits for employees do not meet the poverty risk threshold.⁶³

Several minimum social security and assistance benefits will be adjusted or increased in the coming years to meet the challenges mentioned above and to increase the efficiency of social minimums. This will mean, for example, that, in future, the minimum disability benefits for employees will be allocated as from the first month of primary disability,⁶⁴ and the minimum unemployment benefits, the activation benefits and the amounts of the minimum pension will gradually be raised towards the poverty threshold. Assistance benefits, such as the living wage and the IGO, will also be gradually increased to meet the poverty threshold.

Effectiveness of benefits in the fight against poverty in a European perspective

we can rely on the four indicators used in the Monitoring Framework to measure how adequate social benefits in Belgium are in the fight against poverty from a European perspective.

⁶¹ Figures from the FPS Social Security show that 65% of people who receive an income guarantee for the elderly are women. FPS Social Security figures, Calculation based on the number of people entitled to the income guarantee for the elderly (IGO), see <https://socialsecurity.belgium.be/nl/cijfers-van-sociale-bescherming/statistieken-sociale-bescherming/lange-statistische-reeksen>.

⁶² G. VAN LIMBERGHEN et al., L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique : Rapport final, p. 542, §1028.

⁶³ G. VAN LIMBERGHEN et al., L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique : Rapport final, p. 547, §1042.

⁶⁴ To the extent that there is no statutory sick pay.

One of these indicators is the **impact of social transfers (except pension) on reducing poverty**, per most frequently occurring labour market status, in the income reference year (n-1), 2018. This indicator shows that⁶⁵:

- As is the case in other EU countries, social transfers among workers in Belgium have a greater impact on reducing poverty among workers having temporary contracts (26.9% reduction of poverty), part-time workers (16.3% reduction of poverty) and self-employed workers (20.3% reduction of poverty), compared to fixed-contract workers (8.3% reduction of poverty).
- Social transfers in Belgium have a major impact on reducing poverty among the unemployed (71.7% reduction of poverty) and other occupationally inactive people (53.4% reduction of poverty). In these categories, poverty reduction based on social transfers is higher than the EU average.

Although the impact of social benefits on poverty reduction is significant, certain groups in the population, in particular some categories of occupationally inactive people, nevertheless still find themselves in a precarious situation. For example, the **AROP (At-risk-of poverty) indicator** shows that⁶⁶:

- Only 3.4% of employees in Belgium having a fixed contract are confronted with a risk of poverty following a social transfer, whereas this is 16.1% for employees having a temporary contract and 14.4% for the self-employed.
- The poverty risk among pensioners remains limited to 14.5%, while the unemployed is increasing to 50.1% and to 34.7% among other occupationally inactive people. Belgium scores worse than the EU-27 average in the last two categories.

Although the AROP indicator is an established indicator, it also has its limitations. For example, it is difficult to measure the income of the self-employed. Therefore, it is recommended that the **Material and Social Deprivation** indicator also be used.⁶⁷ This indicator shows that⁶⁸:

- 3.3% of the self-employed are in a situation of material and social deprivation, a percentage that is lower than for employees having a fixed contract (4.3%) and employees having a temporary contract (11.3%). Therefore, although self-employed people are more likely to report higher poverty risks than employees, they are more likely to experience lower material and social deprivation. This fact applies to the majority of countries in the EU-27.
- As far as occupationally inactive people are concerned, material and social deprivation for the unemployed amounted to 42.8% in 2018, 7.1% for pensioners and 22.6% for other occupationally inactive people.

We can use on the indicator that measures the **relative median poverty risk gap** to measure the depth of poverty. This indicator shows that the relative median poverty risk gap in Belgium for the population categories distinguished by the Monitoring Framework is smaller than the EU-27 average⁶⁹:

⁶⁵ EUROPEAN COMMISSION, version 0 of the Monitoring Framework, table 4.7, p. 64.

⁶⁶ EUROPEAN COMMISSION, version 0 of the Monitoring Framework, table 4.6, p. 61. These figures also relate to 2018.

⁶⁷ EUROPEAN COMMISSION, version 0 of the Monitoring Framework, pp. 54 – 55.

⁶⁸ EUROPEAN COMMISSION, version 0 of the Monitoring Framework, Table 4.5., p. 58. These figures also relate to 2018.

⁶⁹ EUROPEAN COMMISSION, version 0 of the Monitoring Framework, table 4.8., p. 68. These figures also relate to 2018 income reference year 2017).

- Among workers at risk of poverty in Belgium, employees having a fixed contract have a median income that is 21% below the poverty threshold, employees having a temporary contract have a median income that is 24.8% below the poverty threshold and self-employed people have a median income that is 36.4% below the poverty threshold. The relative median poverty risk gap for these groups is 4 to 7 percentage points lower than the EU-27 average.
- Among occupationally inactive people at risk of poverty in Belgium, pensioners have a median income that is 18% below the poverty threshold, unemployed people have a median income that is 22.6% below the poverty threshold and other occupationally inactive people have a median income that is 26.7% below the poverty threshold. The depth of poverty in Belgium for these groups is also less than the EU-27 average. The difference is greatest for the unemployed, since the at-risk-of-poverty gap median for the unemployed in the EU-27 is 37.3%.

1.4.3. The insurance principle of benefits

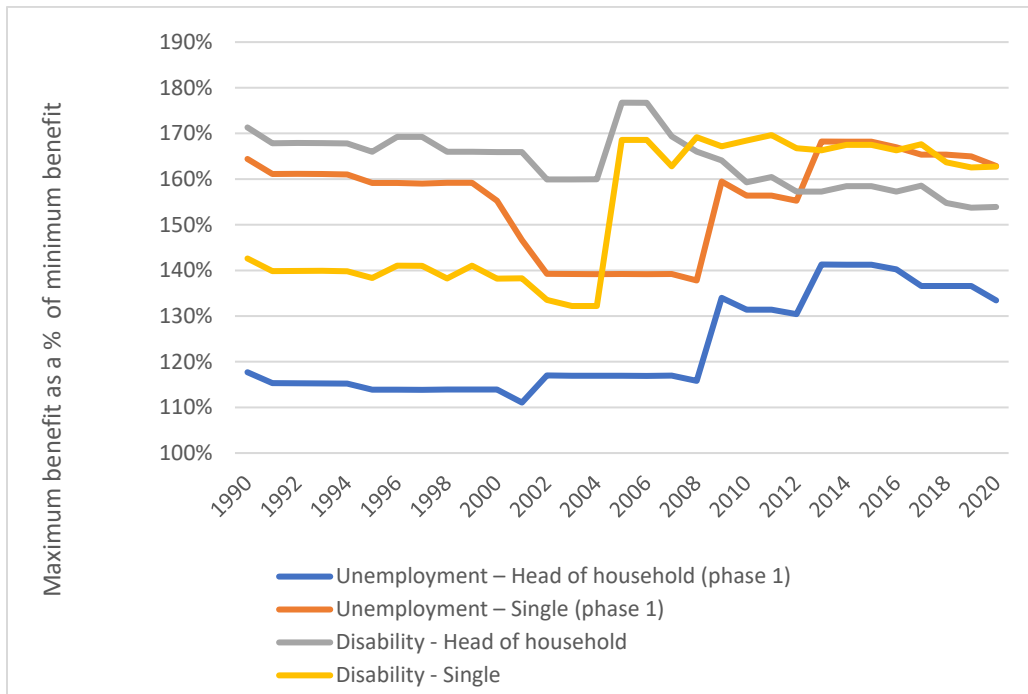
Social security is not only about protecting people entitled to benefits from poverty, but also about providing reasonable protection against the loss of living standard. Whether certain benefits succeed in compensating the living standard of people entitled to benefits depends in Belgium on a few factors, such as the benefit percentages applied and whether maximum ceilings are used to calculate the benefits.

With regard to replacement ratios in Belgian social security for employees, especially those for higher incomes are low because of the existence of maximum ceilings. As a result, social security benefits do not always guarantee the acquired standard of living.⁷⁰

With regard to the evolution of the difference between minimum and maximum benefits in recent decades, the picture depends strongly on the type of benefit and the family situation. In general, we can say that the difference between minimum and maximum benefits was rather low around the year 2000, but that the difference increased significantly thereafter. The tension between the minimum and maximum benefits has fallen slightly again in recent years.

Figure 1: The tension between minimum and maximum benefits, 1990-2020

⁷⁰ At the same time, the National Labour Council points out that the insurance aspect of social benefits is being adjusted because the low replacement percentages, especially for the high-income groups, do not correspond to the contributions paid. In the Council's view, it is important to maintain the necessary balance so as not to undermine the foundations of social security in the future.



Figures: FPS Social Security. Calculations based on gross amounts.

For the purposes of guaranteeing the insurance nature of social benefits, the social partners will be asked to take into account the fact that a strong and efficient social security system is based on a healthy mix of solidarity and insurance when distributing the welfare packages during the coming years.

As regards the insurance nature of self-employed benefits, it should be noted that, with the exception of pension, the benefits in self-employed schemes are usually fixed. This is the reason why, in most cases, benefits are not linked to any lost working income and there is usually no question of maximum amounts.

Adjusting social benefits to family situations

Adjusting social benefits to family situations is another characteristic of the Belgian social security system. Heads of household having a dependent spouse and/or child are allocated higher benefits than cohabitants who do not have any dependants. The minimum and maximum benefits within the social security system are also modelled according to this principle.

The table below shows the evolution of the benefit amounts for cohabitants as a percentage of the benefit amount for the head of a family. As far as minimum benefits are concerned, the difference between benefits for cohabitants and heads of families increased sharply between 1980 and 1990 and has remained relatively consistent since then. With regard to the maximum benefits for cohabitants and heads of family, the evolution depends strongly on the type of benefit. As far as the first period of unemployment is concerned, the difference between benefits for cohabitants and heads of families has been removed; as far as the third period of unemployment is concerned, the difference, which is in fact very large, has recently decreased slightly, and as far as maximum invalidity benefits are concerned, the difference has increased.

Table 2: The evolution of the benefit amount for a cohabiting person as a percentage of the benefit amount for the head of a family, 1980-2020

| | 1980 | 1990 | 2000 | 2010 | 2020 |
|---|------|------|------|------|------|
| Minimum social security benefits (employees) | | | | | |
| Unemployment (period 1) | 77% | 60% | 57% | 63% | 61% |
| Unemployment (period 3) | | 45% | 43% | 44% | 43% |
| Invalidity (regular employees) | 80% | 72% | 72% | 69% | 69% |
| Maximum social security benefits (employees) | | | | | |
| Unemployment (period 1) | 100% | 92% | 92% | 100% | 100% |
| Unemployment (period 3) | | 38% | 37% | 36% | 43% |
| Invalidity | 67% | 67% | 67% | 62% | 62% |

Source: FPS Social Security figures. Calculations based on gross amounts.

1.4.4. Contributions in proportion to contributory capacity

Member States are recommended to ensure that social security contributions are proportionate to the contributory capacity of workers and the self-employed, that the calculation of social protection contributions and the rights of the self-employed are based on an objective and transparent assessment of their income base, taking account of their income fluctuations and reflect their actual earnings, and that the exemptions provided are applied to all types of employment relationships and labour market status.⁷¹

Employees

Social security for workers in Belgium is financed by employer contributions, employee contributions and government funding, which consists of a basic allocation, alternative funding (in particular, income from VAT and withholding tax) and a balance allocation.

As regards the adequacy of social security contributions, the academic audit notes that Belgian social security legislation does not establish an explicit framework for determining the ratio between contributions by socially insured people and contributions by their employers or clients on the one hand, and the ratio between contributions and government contributions, on the other.

The self-employed

On the one hand, social security for the self-employed is financed by the quarterly contribution by the self-employed to the social insurance fund of which the self-employed are members and, on the other, by government funding.

In 2015, the contribution system for the self-employed was reformed, according to which social security contributions for a specific year are now calculated based on the professional income of the year itself. For the time that such professional income is not yet known, the social insurance fund charges provisional contributions based on the indexed professional income for the preceding three years. The self-employed

⁷¹ Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for employees and the self-employed (2019/C 387/01), §12-14

person can increase the provisional contributions to avoid adjustments or reduce them in the event of falling income. The social insurance fund adjusts the provisional contributions as soon as the professional income has been definitively established.

In this way, an attempt has been made to better align the rules with the de facto situation of self-employment and the specific accompanying income progression.⁷²

Nevertheless, the academic audit indicates a few points that still need attention, and asks, on the one hand whether the ratio between the contributions and the financial capacity of the self-employed is indeed proportionate, and, on the other hand, whether the benefits of the self-employed are high enough to guarantee them a decent standard of living.

1.4.5. Activation on and reintegration in the labour market

Adequate social protection also contributes to activating the unemployed and reintegrating those suffering long-term illness sick in the labour market. The social partners also stress the importance of investing in prevention, guidance, activation and reintegration.^{73 74}

Since the beginning of this century, when the concept of the active welfare state was introduced, Belgian social security policy has placed more emphasis on activation measures, appropriate guidance, and combating inactivity traps.

For example, the employee work incapacity insurance provides a trajectory to reintegrate in the labour market the people who are entitled to such insurance and whose employer can no longer employ them or who are no longer employed at all. The trajectory to be reintegrated into the labour market provided for in the incapacity insurance for employees is also open to victims of an occupational accident or occupational disease, provided that they are unfit for work within the meaning of the work incapacity insurance. This also applies to contracted staff in the public sector, but not to the self-employed.

To combat the inactivity traps, the benefits in the unemployment insurance were made more degressive and the system of permitted work was reformed for people incapacitated for work. The current arrangements for combining a benefit with a limited income from work are not always organised according to the principle that more work must also yield more. In accordance with the coalition agreement, an investigation will be performed into how to remedy this.

⁷² GENERAL MANAGEMENT COMMITTEE ON THE SOCIAL STATUS OF THE SELF-EMPLOYED, European Recommendation on access to social protection for workers and the self-employed, Opinion 2021/08, 19 April 2021, pp. 17.

⁷³ NATIONAL LABOUR COUNCIL, Opinion No 2.216: Implementation of Council Recommendation (EU) 2019/C387/01 of 8 November 2019 on access to social protection for workers and the self-employed, p. 9.

⁷⁴ GENERAL MANAGEMENT COMMITTEE ON THE SOCIAL STATUS OF THE SELF-EMPLOYED, European Recommendation on access to social protection for workers and the self-employed, Opinion 2021/08, 19 April 2021, pp. 17-18

1.5. Transparency

Within the framework of the Recommendation, transparency concerns “the provision of available, accessible, comprehensive and clearly understandable information to the general public, potential scheme members and scheme members and beneficiaries about the scheme’s rules and/or about the individual obligations and entitlements”.⁷⁵

1.5.1. Access to information

Member States are recommended to ensure that the conditions and rules for all social protection schemes are transparent and that individuals have access to updated, comprehensive, accessible, user-friendly and clearly understandable information about their individual rights and obligations free of charge.⁷⁶

The Social Insured Charter⁷⁷ obliges the social security institutions to provide **useful information** to the socially insured persons and stipulates that what is considered as useful information must be laid down individually for each social security scheme. The authors of the academic audit on access to social protection point to extremely diverse descriptions of the concept of useful information for social security schemes, as a result of which the current legislation cannot guarantee that the socially insured persons has access to all information in accordance with the recommendation.⁷⁸

In general, the **websites of the competent public-law bodies** contain sufficient information about the rights and obligations of the socially insured and telephone contacts ensure that information is provided smoothly and effectively.⁷⁹ In most cases, however, there are no online calculation tools enabling insured people to personally calculate the sum of the benefits they will be paid.⁸⁰ The digital gap between the low-skilled and highly-skilled, and between the age groups,⁸¹ can constitute an additional threshold for access to information.

⁷⁵ Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for employees and the self-employed (2019/C 387/01), §7 j

⁷⁶ Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for employees and the self-employed (2019/C 387/01), §15

⁷⁷ Law of 11 April 1995 introducing the "charter" of the socially insured person

⁷⁸ G. VAN LIMBERGHEN et al., *L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique* : Rapport final, 2020, p. 586

⁷⁹ G. VAN LIMBERGHEN et al., *L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique* : Rapport final, 2020, p. 585

⁸⁰ G. VAN LIMBERGHEN et al., *L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique* : Rapport final, 2020, p. 586

⁸¹ STATBEL, Digital divide remains wide between low-skilled and highly-skilled people, see <https://statbel.fgov.be/nl/themas/huishoudens/ict-gebruik-huishoudens>

In some cases, socially insured people are not aware of the requirement to join a health insurance institution to benefit from the mandatory federal health insurance. This can form an obstacle to accessing the healthcare insurance benefits.^{82 83}

1.5.2. Administrative simplification

Member States are recommended to simplify, where necessary, the administrative requirements of social protection schemes for workers, the self-employed and employers, in particular micro-, small and medium-sized enterprises.⁸⁴

The Crossroads Bank for Social Security (CBSS) plays a central role in reducing the administrative burden for socially insured people and companies. The CBSS has developed an electronic network linking the various social security institutions with one another. The network currently connects 3,000 social protection institutions.

A social security institution specifically that needs certain data regarding a socially insured person or company to execute its assignment, will submit an electronic application to the CBSS. Thanks to its reference registry number, the CBSS will be able to check whether the requested data are already available at another social security institution. If this is the case, the necessary data that are available at another social security institution will be transferred to the requesting institution, without needing to write to the socially insured person or the company. The lawfulness of the requests for data exchange is hereby preventively checked to avoid any misuse

The CBSS also encourages development of the social security portal. This portal⁸⁵ not only informs citizens about social security, but also provides access to numerous mobile applications, such as `checkin@work` and `student@work` for citizens and companies.

The CBSS also contributes to ensure that, as far as possible, social rights are granted automatically, without the need for the beneficiaries to ask for them.

The *ex officio* examination of the right to social security benefits considerably facilitates access for the socially insured. The Charter of the Socially Insured stipulates that a Royal Decree is required to determine the cases in which it is possible to examine whether a person is entitled to social security benefits. This can currently only be done for any pension provided for by law.⁸⁶ Within the scope of the academic audit

⁸² S. CÈS AND R. BAETEN, Inequalities in access to healthcare in Belgium, Brussels, European Social Observatory, 2020, http://ose.be/files/publication/health/2020_Ces_Baeten_NIHDI_Inequalities_access_care_Report_EN.pdf, 65-67.

⁸³ G. VAN LIMBERGHEN et al., L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique : Rapport final, 2020, p. 69

⁸⁴ Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for employees and the self-employed (2019/C 387/01), §15

⁸⁵ See www.socialsecurity.be

⁸⁶ G. VAN LIMBERGHEN et al., L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique : Rapport final, 2020, p. 584

on access to social protection, the cases in which it is possible to perform an *ex officio* examination into the entitlement to benefits were not investigated.⁸⁷

1.5.3. Streamlining the regulations

The fact that the history of the social security regulations have caused them to become so complex⁸⁸ also has an impact on transparency and comprehensibility for socially insured people. Despite this fact, no research was carried out within the scope of the academic audit on access to social protection into the possibilities of simplifying Belgian social security legislation.⁸⁹

Further convergence between the three main systems, while duly respecting individuality, would mainly simplify the social security of mixed careers and thereby be able to promote mobility in the labour market.

⁸⁷ G. VAN LIMBERGHEN et al., L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique : Rapport final, 2020, p. 583

⁸⁸ J. VAN LANGENDONCK, Het Belgisch model van sociale zekerheid - The Belgian social security model Een kritische appreciatie in Belgisch Tijdschrift voor Sociale Zekerheid - A critical appreciation in the Belgian Social Security Journal, 01/2008, pp. 64-65,

⁸⁹ G. VAN LIMBERGHEN et al., L'accès des travailleurs salariés et indépendants à la sécurité sociale en Belgique : Rapport final, 2020, p. 581

Part II. Lessons learned from the COVID-19 crisis⁹⁰

In this section, we outline lessons already learned from the ongoing Covid-19 health crisis regarding the scope of the Recommendation Access Social Protection.

2.1. Social protection measures taken during the crisis.

The COVID-19 pandemic has severely affected Belgian society and its economy. When the virus hit the EU in March 2020, it was still assumed that a temporary downturn could be absorbed and that the boom could be resumed later in 2020 and certainly in 2021. Everyone has now let go of that illusion. Even in the most optimistic of scenarios, the pandemic has led us into an undeniable recession that will continue in the coming years.

At the onset of the crisis caused by the Covid-19 pandemic, the Belgian government immediately took countermeasures to protect both companies and workers in the affected economic sectors, while targeted measures were taken to protect specific vulnerable groups. This timely response was greatly enhanced by Belgium's broad social security coverage and pre-existing measures such as the Temporary Unemployment (short-term work) scheme for salaried workers and the Bridging Right for the self-employed.

Sometimes minor adjustments were required, due to the special circumstances, to make these pre-existing measures more effective.

2.1.1. Salaried Workers

During the crisis the general social security regime for salaried workers provided adequate coverage for healthcare, professional diseases, sickness and invalidity, and unemployment. Nevertheless, some adjustments needed to be made in response to the specific nature of the Covid-19 crisis.

Occupational diseases

Early on in the crisis, salaried workers who were infected by the virus and who work in healthcare and who were at a clearly increased risk of being infected by the virus, were made eligible for compensation for occupational disease if the infection may be medically related to their high-risk professional activity. This scheme also applies to pupils and students who are doing an internship. Those who do not work in the health sector, and who did not work in one of the crucial sectors and essential services, may also be eligible for compensation of occupational disease, through a so-called "open system". However, these persons must not only be exposed to the occupational risk of the disease, they must also prove that they contracted the disease through work.

Up to 14/04/2021, 18,800 reports of Covid-19 victims in the healthcare sector were registered by the responsible administration, FEDRIS. These are people who, according to their occupational physician, have become victims of a Covid-19 infection. 84% of the reports concern women, the remainder are men. This is comparable to the share in the employment of men and women in the sector. We note that in October,

⁹⁰ This section is based on the analytical reports by the Working Group Social Impact Covid-19 (WGSIC), the special issue of the Belgian Review for Social Security 1/2020, as well as input provided by members of the WGSIC.

November and December 2020, there was another peak in the number of reports for healthcare personnel.

Up to 14/04/2021, 14,635 applications for reimbursement of COVID-19 in the healthcare sector were registered with FEDRIS, including 11 applications for the victim's death. 5,665 decisions have already been taken, including 1,649 decisions for healthcare and 3,340 decisions awarding compensation for temporary invalidity.

Temporary Unemployment (short-term work scheme)

The system of Temporary Unemployment was undoubtedly the great shock absorber of the Covid-19 crisis. Temporary unemployment is generally more sensitive to economic fluctuations and shocks than full unemployment, against which it fulfils a buffer function. It had already proved its worth during the financial crisis. From the onset of the Covid-19 pandemic, the Temporary Unemployment scheme acted as a vital tool to mitigate the economic impact on businesses and maintain workers' purchasing power. It did this for an unprecedented large group of salaried workers. In April 2020, there was already a peak of more than one million temporarily unemployed people.

In order to cope with this exceptional and urgent situation, several temporary adjustments to the regulations for Temporary Unemployment followed. The most important changes are briefly described below.

As of March 13, 2020, the system of Temporary Unemployment was simplified, both in terms of procedure, eligibility conditions and benefit replacement ratio, in order to deal with the consequences of the Covid-19 crisis. The flexible application of the concept of "force majeure" was accepted and all situations of temporary unemployment due to the Covid-19 virus were automatically considered as temporary unemployment due to "force majeure", even if, for example, it was still possible to work for a few days.

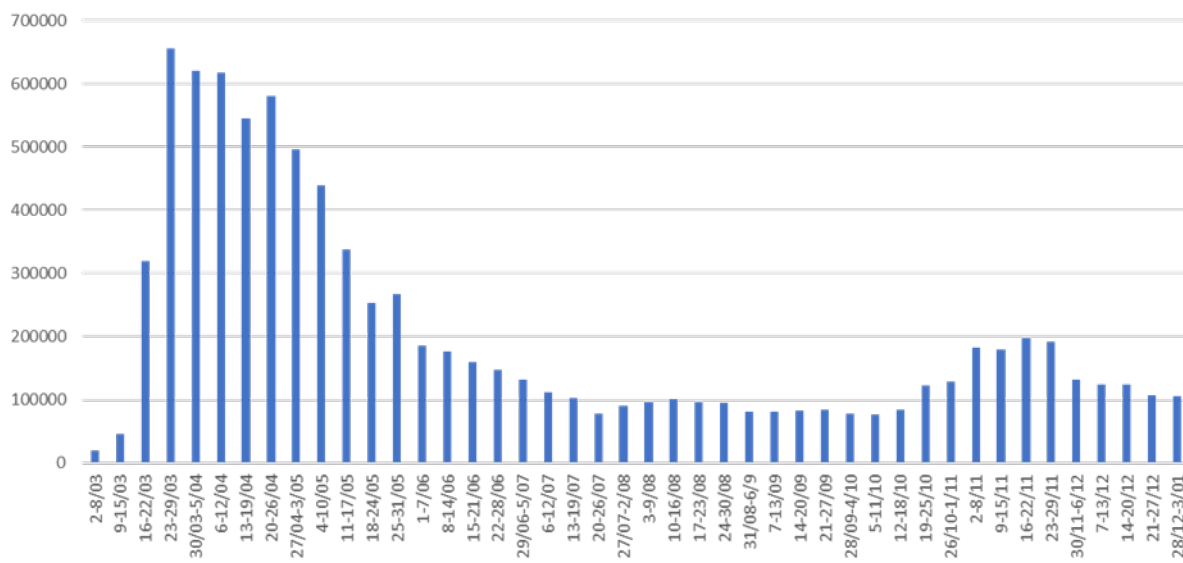
In general, the Temporary Unemployment system is open to blue-collar and white-collar workers bound by an employment contract in the private, public and non-profit sectors and contract employees within an educational institution. Temporary workers such as temporary workers are only entitled to a temporary unemployment benefit during the term of their temporary employment contract. Liberal professions, self-employed persons, students, statutory civil servants, casual workers, flexi-job workers without a written employment contract and seasonal workers are not entitled to the system of Temporary Unemployment. The system of Temporary Unemployment due to force majeure as a result of the Covid-19 virus was made temporarily accessible to people who are employed with service checks. Artists and other temporary employees who would be employed at a cancelled event and who have a written formal commitment of an employment contract could in principle become temporarily unemployed for the duration of the employment contract.

In addition, a simplified procedure for applying for and paying the Temporary Unemployment benefit due to the corona crisis has been introduced in order to pay Temporary Unemployment benefits in a timely manner to the large numbers of temporary unemployed. The benefits themselves had been increased to 70% of the average gross daily wage of the employee concerned (capped at EUR 2,754.76 per month) and a supplement of EUR 5.63 per day of temporary unemployment. The temporarily unemployed were also temporarily exempt from filling in control cards.

Furthermore, as of October 1st, 2020, temporary unemployment for those that have to take care of children during the Covid-19 crisis was created. This measure was implemented for those that have to take care of the reception of a minor child they are cohabiting with and who cannot go to day nursery or school; a dependent child with disabilities, regardless of age, who cannot go to a center for the care of persons with disabilities; a dependent child with disabilities, regardless of age, who is receiving inpatient or outpatient services or treatment organized or recognized by the Communities; because this daycare center, school or center has been closed in whole or in part, or because distance learning has been introduced in whole or in part, as a result of a measure to limit the spread of the coronavirus.

Finally, different rules have been introduced regarding the exercise of activities during the period of temporary unemployment, such as voluntary work and employment. The most important adjustment is that income from employment in a vital sector (this is agriculture, horticulture and forestry) may be partly cumulated with a temporary unemployment benefit (75%).

Figure 3. Estimate of number of FTE temporary unemployment (short-term work scheme), 2020.



Source: Analytic report by WG Social Impact Covid-19 Crisis.

Unemployment Insurance

The degressivity of the unemployment insurance benefits was initially ‘frozen’ from April 1 to August 31, 2020, and was extended as Belgium was affected by new waves of the pandemic. This measure has currently been extended until June 30, 2021.

However, it should be stressed that the regional public employment services continued to guide the unemployed towards the labour market. Jobseekers were mainly mediated digitally. Although the interviews of the control services with the unemployed were temporarily suspended as the offices of the regional public employment services were closed between 17 March and the end of May, 2020 (these interviews must be able to take place physically, otherwise they are not legally valid), these control interviews that could not go through during those two months were all caught up later. The public employment services are exploring options for digitizing the control process, but it should be emphasized

that it remains important that everyone, including job seekers with less or no digital skills, retains the opportunity to have such an important conversation in person.

For salaried workers entering unemployment, temporary unemployment due to the corona crisis, if applicable, is not taken into account for the duration of the pandemic. In other words, temporary unemployment due to the corona crisis is seen as a period assimilated to employment. The submission period for the compulsory registration as a jobseeker for a benefit application as a fully unemployed person or as a part-time employee who is entitled to the income guarantee benefit was suspended for the duration of the pandemic.

With regard to the professional integration period ('beroepsinschakelingstijd'), certain conditions and terms were temporarily adjusted and the period for receiving an integration allowance was extended for a period of three months (April – June 2020), from the end of August until the end of September 2020, and until the end of 2020.

2.1.2. Self-employed

During the Covid-19 crisis a substantial number of self-employed workers had to cease their activities because of Covid-19 restrictions, where others were indirectly affected, for example because they are highly dependent for their self-employed activity on sectors that were subject to mandatory closure. Measures were quickly taken to cushion the consequences for them too.

A first set of measures alleviated the contribution pressure for the self-employed by temporarily easing payment facilities. Possibilities to postpone mandatory contribution payments, the non-application of increases and the suspension of the practice of late payment reminders gave the affected self-employed persons more financial breathing space during this exceptional period. These measures complement the existing possibilities to reduce provisional contributions and exempt contributions.

A second set of measures was aimed at compensating the self-employed for loss of income due to the Covid-19 crisis. As early as mid-March, 2020, it was decided to develop a scheme of temporary, income replacement crisis support in the social status of the self-employed person, which would fit into the existing Bridging Right scheme ("droit passerelle").

This Bridging Right scheme is the successor to the former bankruptcy insurance and is intended to provide social protection to self-employed persons in difficulty in a number of situations of cessation or interruption. A Temporary Crisis Measure Bridging Right was created as an extension of the third pillar of the 'classic' Bridging Right for cases of "force majeure". The measure was intended to provide a financial safety net for self-employed people who were forced to interrupt their self-employed activity as a result of the Covid-19 crisis. Because the temporary expansion was intended to help the large group of affected self-employed workers in a quick and accessible way, it was subject to less strict eligibility conditions than those that usually apply in the third pillar.

In the period March - June 2020, the Temporary Crisis Measure Bridging Right for the self-employed took into account two situations:

- Compulsory closures: independent activities for which the government had decided via MB that they could no longer be performed temporarily as a result of the Covid-19 crisis. No minimum period of interruption was required for these self-employed persons.

- Non-compulsory closures: self-employed persons who saw themselves forced to completely interrupt their activity for a minimum duration of 7 consecutive calendar days due to the consequences of the Covid-19 crisis. In other words, it concerned self-employed persons who were not immediately subject to the closure measures themselves, but who experienced (indirectly) serious difficulties due to the Covid-19 virus and were forced to do so as a result (e.g. due to interrupted deliveries, decrease in reservations, decrease in occupancy, increase in cancellations.) to temporarily completely interrupt their self-employed activity (for example because continuing it became loss-making).

In a second and third phase, the measure was extended for the months of May and June 2020 respectively. Because many self-employed persons were allowed to resume their self-employed activity as of May 2020, the intended target group was more strictly defined when the measures were extended in June 2020 for the months of July and August 2020. From then on, the temporary crisis measure bridging right was reserved for self-employed persons who temporarily did not exercise their self-employed activity or only partially carried out their self-employed activity:

- as a result of the COVID-19 decisions, or,
- because they were dependent on the activities referred to in the previous point for the exercise of their activity. The self-employed person had to demonstrate this connection in his application.
- because they felt compelled to completely interrupt their self-employment for at least 7 consecutive calendar days as a result of Covid-19. In that case, the self-employed person had to submit a motivated application from now on, i.e. submit an application from which it appeared, on the basis of objective elements, that there was a forced interruption as a result of Covid-19. This targeted, among others, the self-employed who saw their profitability plummet during the first months of the crisis and who were expected not to be able to resume their activity in July and / or August in a way that would make it possible to earn a living to generate.

In August 2020, as the Temporary Crisis Measure Bridging Right was once more renewed, the scope was again narrowed, so that the measure was only intended for self-employed persons who have to interrupt their activity or who are dependent on an activity for which a compulsory closure applies. It was aimed at activities in the sectors that had to remain closed after the fourth phase of the restart or to self-employed persons whose activity mainly depends on such activity or sector.

In June 2020, a second expansion of the Bridging Right for the self-employed came with the introduction of the Bridging right to Support the Restart. The aim of this measure was to support self-employed persons who were obliged to temporarily interrupt their self-employed activity in the context of the Covid-19 crisis, in resuming their activity. The idea underlying the introduction of the measure was that when the activity was restarted, it was by no means certain that the self-employed person would achieve a return comparable to that of before the crisis. The temporary support during the restart was to encourage the self-employed to resume his activity by providing him with temporary income security.

At the end of 2020, it was decided to renew the crisis support for the self-employed through the temporary extension of the Bridging Right and this until March 31, 2021. At the same time, it was decided to adjust the system from early 2021. The law of 22 December 2020 provides from 1 January 2021 to the self-employed a system of Crisis Bridging Rights based on 3 pillars:

- 1) Bridging right in case of mandatory interruption of activities: aimed at providing relieve to self-employed that i) are mainly active in sectors that were forced to cease their activities due to

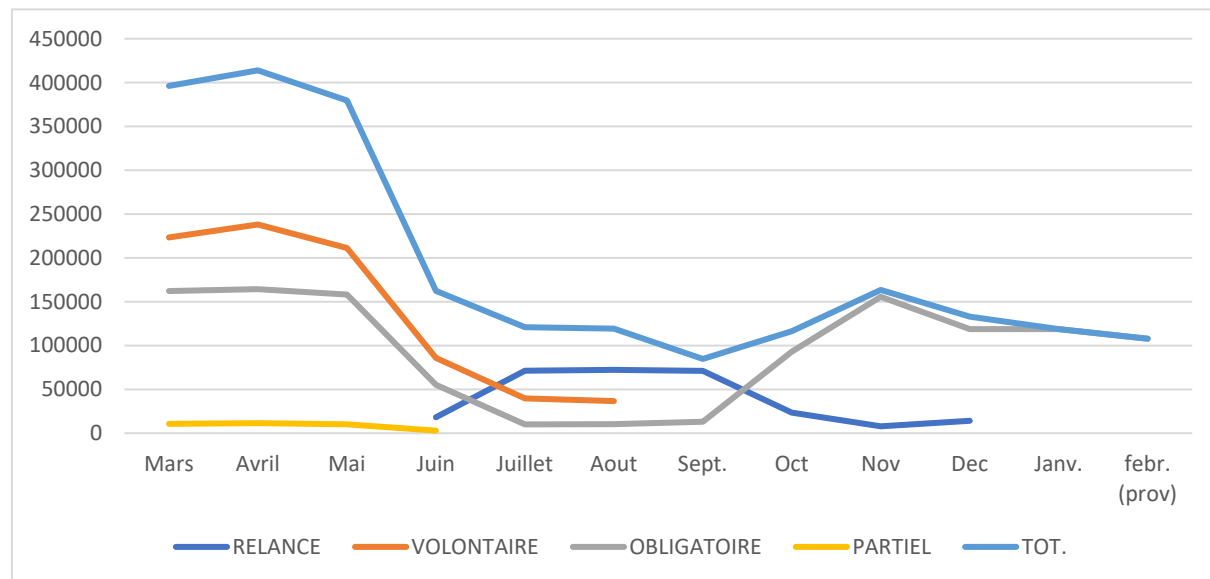
the pandemic or ii) who depend on these self-employed persons for their activity, but only on the condition that they completely interrupt their activities for the duration of the mandatory interruption. The monthly benefit differs according to the family composition (€ 2,583.38 without dependent family and € 3,228.20 with dependent family) and amount of the contributions owed (self-employed persons who owe contributions of which the amount is lower than the minimum contribution for the main occupation, receive half a benefit).

- 2) Bridging right in case of sales decrease: aimed at self-employed that are confronted with a significant decrease in sales (-40%) as a result of the COVID-19 crisis. The monthly benefit differs according to the family composition (€ 1,291.69 without dependent family and € 1,614.10 with dependent family) and amount of the contributions due (see previous bullet point).
- 3) Bridging right in case of quarantine or care for a child: aimed at self-employed that i) are in quarantine or isolation because of COVID-19 or ii) need to take care of a child that cannot attend school as a result of the pandemic. The amount of the benefit depends on the duration of the interruption (per 7 days) and differs according to the family composition.

These schemes are currently foreseen to be operational until June 30, 2021.

For the sake of completeness, it should also be noted that, as a result of the crisis, a number of relaxations were also made to the classic bridging right (extension of the scope to starters, capped cumulation of the benefit with another replacement income and the granting of pension rights for periods of bridging right).

Figure 4. Evolution of the number of self-employed with a bridging right (2020, preliminary results)



Source: Analytic report by WG Social Impact Covid-19 Crisis.

Just as was the case for temporary unemployment among employees, massive recourse was quickly made to the Crisis Bridging Right for the self-employed as is illustrated by figure 4. In March 2020, 396,162 self-employed persons received a full or partial crisis bridging right. This increased slightly in April 2020 when 413,915 files were paid and in May 2020 this was still in the same order of magnitude, namely 379,465.

For the period March-May 2020, around 45% to more than 50% of self-employed persons in their main occupation received a Crisis Bridging Right. This decreases significantly from June 2020 as a result of the phasing-out of the lockdown measures and the introduction of the recovery bridging right. In June, the number of payments was 162,373, which represents 14% of the number of self-employed people in main occupation, and in July still 120,954. For August and September, resp. 119,236 and 84735 self-employed persons still have bridging rights. As a result of the new lockdown measures, the number of self-employed increases again from October 2020 (116,452) and November (163,483). In December 2020 (132,931) and January 2021 (118,033) the level fell back somewhat. Also, in February 2021, the level remains above 100,000 (107,716).

A significant number of self-employed persons make use of the recovery bridging right: July 2020: 71,237. In August this rises to 72,277 and for September it is 71,199. In October 2020 there were 23,405 files, in November 2020: 7,894. In December 2020: 14,236.

Of the total number of applications, the share of applications for compulsory closure was initially around 41% (March 2020) and this fell to 8% in August 2020 (for the total number of compulsory and non-compulsory closures). In November 2020 and December 2020 this is again 90%.

2.2. Adjusting the response to the crisis

2.2.1. Monitoring the impact of the crisis

From the outset of the crisis, due attention was given to the need to closely monitor the social impact of the Covid-19 crisis and the measures taken. At the end of March 2020, an interdepartmental working group "Social impact Covid-19 Crisis" (WGSIC) was launched⁹¹, tasked with developing the necessary capacity to monitor the socio-economic impact of the Covid-19 crisis, to assess the short-term impact of the measures already taken, where possible to evaluate the measures to be taken 'ex ante', and identify risk groups. The WGSIC collects data from the various administrations and uses this to provide weekly⁹² updated reports to the Covid-19 crisis policy network since April 7, 2020.

Furthermore, a Taskforce "Vulnerable Groups Covid-19" was set up. The main tasks of the Taskforce were to:

- Identify the impact on vulnerable persons of the pandemic, of the isolation measures and of the socio-economic measures taken by the different policy levels, governments in the short and long term.
- Identify the people who are not covered by the socio-economic measures that have been taken and make their problems visible.
- Consultation on additional concrete proposals for COVID-19 measures that are justified in the short and long term.
- Make policy recommendations / proposals on the socio-economic measures to be taken.

91 Vleminckx, K. (2020) "Monitoring en beheer van de sociaaleconomische impact van de COVID-19-crisis in België", Belgisch Tijdschrift voor Sociale Zekerheid, Editie 1/2020.

92 Werkgroep Sociale Impact Covid-19 crisis; "Monitoring van de impact van de Covid-19-crisis op de werkgelegenheid en sociale bescherming in België" (tweewekelijkse analytische nota's).

- Promote coordination with the federated entities for better dissemination of measures.

This Taskforce provides relevant input from the field and is complementary to the mission of the WGSIC.

In order to answer questions from this consultation group and the Taskforce “Vulnerable groups” regarding the impact of the Covid-19 crisis, the WGSIC prepared some policy notes on the situation of specific vulnerable groups based on the information available at that time.

2.2.2. Vulnerable groups

As stated above, social security, in particular the extended Temporary Unemployment scheme for salaried workers and the Bridging Right scheme for the self-employed, has broadly absorbed the most important immediate consequences of the economic crisis. Nevertheless, there are groups on the labour market that, despite these crisis measures, had not been sufficiently protected. The most vulnerable groups are most likely those who work in a sector that has been badly affected by the crisis, but were unable to rely on one of the two crisis measures, or more generally for which the social protection net is inadequate. What follows are largely illustrations of this.

Atypical workers

Although atypical work is proliferated throughout many sectors of the Belgian economy, one of the hard-hit sectors, the hospitality industry (hotels, restaurants and pubs), is marked by a particularly strong reliance on atypical contracts. Many in the hospitality industry work part-time and/or have a short-term contract. At the beginning of 2020, about 8 percent of employees in the hospitality industry supplemented their income with flexi-jobs. A large number also do this by making use of the status of occasional employee or with the overtime systems that apply in the hospitality industry. More people with a vulnerable socio-economic profile work in this sector as well: young people, the low-skilled, singles, tenants,

The Temporary Unemployment scheme also largely compensates for loss of income of *part-time workers* that had to interrupt their activity due to the Covid-19 crisis. Provisional data allow us to conclude that full-time workers are slightly more often temporarily unemployed (short-term work scheme) than part-time workers (the 'small' part-times, of less than 45%, were on average more months temporarily unemployed than half-time workers). Part-time workers usually have a lower initial income, which increases their vulnerability. For example, the replacement rate for a half-time employee with the minimum wage is 70%, but they have a faster decline than with full-time work. Particularly when the income from part-time work is the only family income, the income will in many cases not be sufficient. Special attention must be paid to single-parent families where almost 1 in 3 is working part-time, but Temporary Unemployment is also often not sufficient for couples where the partner is inactive. Finally, attention should also be paid to part-time workers who had a second part-time job and who may therefore experience a significant loss of income. Additional income such as overtime and variable income (e.g. tips in the hospitality industry) are often necessary, especially for vulnerable groups, to make ends meet.

Employees without a permanent contract can also fall back on Temporary Unemployment if their fixed-term contract is interrupted due to the corona crisis, albeit for the remaining duration of their contract. When their contract expires during this period, the nature of their contract requires them to anticipate

the foreseen end of it anyway, but they are now entering normal unemployment at a time when looking for work is much less self-evident.

Furthermore, *temporary agency work* seems to have been particularly affected by the Covid-19 crisis. Employers affected by the crisis can apply for Temporary Unemployment on behalf of the temporary agency workers that were under contract when the Covid-19 crisis started, or in case of seasonal assignments that were established before the Covid-19 crisis. However, temporary agency workers who are in-between contracts, when their contract is not renewed or their contract has been terminated for other reasons, can apply for regular unemployment instead, provided that they fulfil the standard requirements. Temporary agency workers who are in between contracts and who do not (yet) fulfil the requirement for regular unemployment benefits can be identified as a group at-risk in a context of scarce employment opportunities.

Flexi-job workers (limited hours contract complementary to primary activity) have also been particularly affected by the Covid-19 crisis. However, people with a flexi-job are not the most vulnerable group of workers as they need to have another employment contract (at least 4 / 5th) or be retired to be eligible for a flexi-job status. Since it is by definition a supplementary source of income, there is therefore a certain coverage provided by income from the main occupation or pension. Nevertheless, the loss of a flexi-job in certain cases results in a significant loss of income and it is therefore not clear whether the support from the main activity is sufficient in all cases.

Employees in tailor-made companies ('maatwerkbedrijven')

A very specific group are employees in tailor-made companies ('maatwerkbedrijven') who were temporarily unemployed, but for whom there was no entitlement to unemployment benefits (and other related benefits). That's because they already receive sickness benefits, which they can supplement with their wages for the days they work. As a result, during the first four or five weeks of the corona crisis, these people completely relapsed on their sickness benefits. However, a bill was passed that now also grants workers unemployment benefits for the days when they are temporarily unemployed.

Artists

As artist, performers and technicians working in the events sector, were particularly affected by the crisis due to the cancellation of events and performances, some weaknesses with regards to their eligibility to social protection became more acute. Temporary measures were introduced to close the gaps.

An artist or artist is included in the existing statutes. There is therefore no artist status with separate contributions and / or separate social protection. Artists and performers can register in a variety of social statutes, often with certain exceptions or flexibility in order to take into account their sometimes precarious and varying working conditions.

The possible statutes for artists are:

- self-employed in primary profession,
- self-employed secondary activity,
- employee,

- self-employed with a NSSO status

In the report on vulnerable groups of April 22nd, 2020, which was drawn up by the NBB for the ERMG, it is stated on the basis of information provided by the National Accounts that there are 18,500 artists active in Belgium, of which about 7,400 are active self-employed and about 11,200 as salaried employees.

According to the National Institute for the Social Insurance of the Self-Employed (NISSE), 3,451 persons were registered in 2018 under code 509 “Arts (before 1/7/2003): painters, decorators, instrument tuners, music composers, filmmakers, actors, artists, modellers, ... ”and 16,965 persons were registered under code 510 “Arts (from 1/7/2003): provision of artistic services and / or production of artistic works in the audio-visual and visual arts sector, music, literature, entertainment, theatre and the choreography ”registered as a self-employed person in the main occupation or as a secondary occupation.

Artist that were planned to be employed during a cancelled event planned between May 1, 2020 and March 31, 2021, could claim Temporary Unemployment if they were able to demonstrate that they had a formal promise of an employment contract for that period. Temporary Unemployment is also possible for employees with temporary contracts if they were employed when the employer invokes “force majeure” or if their agreement already existed before 13 March 2020.

Under certain flexible conditions, a worker who had performed sufficient artistic activities or technical activities in the artistic sector in the period from 13 March 2019 to 13 March 2020 could receive full unemployment benefits for a limited period from April 1, 2020 to December 31, 2020.

For a certain period of time copyrights and neighbouring rights were not taken into account for unemployment regulation purposes. The decrease of the benefit was neutralised from April 1, 2020 to December 31, 2020. The degressivity of the benefit was, as it were, pushed back nine months. The reference periods which are necessary to get or keep the already existing benefits in unemployment were suspended. Because all performances or recordings were halted, artists cannot in practice carry out assignments.

The eligibility conditions for artists are temporarily made more flexible. Artists who meet the more flexible conditions are entitled to full unemployment benefits on that basis until 31 March 2021. To meet these conditions, they must demonstrate that they have performed the following services between 13 March 2019 and 13 March 2020: at least 10 artistic activities on which social contributions were withheld: OR at least 10 technical activities in the arts sector on which social security contributions were withheld; OR artistic activities or technical activities in the arts sector remunerated at a task rate and corresponding to at least 20 days of activity.

Workers who perform artistic activities or technical activities in the artistic sector enjoy a more favourable arrangement for determining the amount of their benefit: at the end of the first 12 months of unemployment, they retain the highest rate of compensation of 60% for 12 months, and only the wage ceiling will be adjusted. In order to obtain that benefit, some conditions must be met during a reference period. For the determination of that reference period, the period from 13 March 2020 to 31 December 2020 is not taken into account.

Sex workers

Another sector that was particularly affected by the crisis was the prostitution sector. There is no official status for sex workers. Although there is no prohibition on sex work, the 'facilitation' of prostitution is illegal. This includes employing someone as a sex worker. In practice there are three typical situations:

- Freelance status, whereby the person concerned applies for self-employed status, usually as a hostess, masseur, etc.
- Employee contract usually also registered as "waiter", hostess or "masseur", in which one subscribes to the system for employees.
- Undeclared work, where the activity is not declared and is not covered by any of the foreseen schemes.

For various reasons, often also because of a precarious residence status, in many cases the activity is not indicated and is therefore carried out "in black". When income from sex work is lost in this situation and, among other things, their residence status and their living situation allow it, these sex workers can in practice try to apply for social assistance.

The mention of sex work as an earlier source of income, however, was interpreted by certain public centres for social welfare (OCMW/CPAS) as confirmation of the suspicion of undeclared work, as a result of which a living wage was denied to these sex workers.

The federal police estimated in 2015 that there are 26,000 sex workers working in Belgium. UTSOPI, the collective of sex workers in Belgium, uses an estimate of 25,000 to 30,000. It is estimated that about half of these would be full-time undeclared workers, which we estimate to be the most vulnerable group among sex workers.

Undeclared work

In addition to the regular labour market, Belgium also has an irregular labour market. We must assume that during the lockdown much of the undeclared work came to a halt, with the social and economic consequences that entailed. The extent of undeclared work cannot be easily estimated. On the basis of data from the NBB and the NEO, assuming that in each sector undeclared workers have the same chance of being temporarily out of work as the employees that have been declared, the FPS Work estimates that there were about 14,400 informal workers no longer had a job due to the Covid-19-crisis (in the case of shifting relationships between the regular and black economy due to the COVID-19 pandemic, this figure can of course differ greatly). They were mainly situated in construction, retail and the catering industry. It is important to keep in mind that this is not an assessment of the impact on all undeclared work, but of the impact on people who do no work other than undeclared work. To the extent that they do not already combine this with benefits, this is also the most problematic group, since they have no other job from which they can derive social rights.

Other very vulnerable groups

In addition, there are the very vulnerable groups that fall outside the traditional measurements: homeless people, people without legal residence, ... Although data in this context are lacking, it can be assumed that especially the first period of the crisis, during the lockdown, for these groups was very difficult.

The first particularly vulnerable group is the homeless. Within this group, the most vulnerable are those who do not have the means to provide for themselves. A first category are the homeless people who live on the street and those who stay in emergency, crisis or night shelters. In addition, there are the homeless who reside in housing structures for people without permanent residence, for women, for asylum seekers and migrants, for people coming from an institution or for beneficiaries of long-term housing assistance. First and foremost, it was almost impossible for this group to comply with the measures during the lockdown. In addition, the application of administrative procedures, which are nevertheless essential in the social support of homeless people, was threatened during the first months of the crisis. In addition to the situation of the homeless person who can claim the right to social integration without having a registered residence, registration in the population register is an essential condition to be able to claim his rights to social security benefits and to ensure the continuity of these benefits. to ensure. In addition, temporary housing offered to a homeless person by a third party can lead to questions about the situation of de facto cohabitation.

Another particularly vulnerable group are foreign nationals without a residence permit and (rejected) asylum seekers. The right to social assistance is very limited for these groups. Assistance to persons without legal right of residence is in principle limited to urgent medical assistance and this was anything but evident in the lockdown period, although there is only a very small relapse on the basis of the survey among Public Centres for Social Welfare (OCMW/CPAS), probably due to the postponement of medical care during the lockdown but with a new peak in November 2020, with numbers higher than the year before. Foreign nationals with a right of residence, on the other hand, are often bound by the condition that they do not place an unreasonable burden on the assistance system of the country of residence. On the basis of signals from the professional field, it appears that foreign nationals who lost their job often do not dare to appeal to the CPAS for fear of losing their right of residence. Failed asylum seekers can apply for an extension of the material assistance in the reception, but the procedure and the limited availability of social workers and lawyers do not make this evident. The asylum seekers who have not exhausted all legal remedies are also being disadvantaged by the current crisis. For example, asylum seekers are expected to move on to regular housing after two months, but finding a home was anything but obvious during the corona crisis.

In the first place, foreign nationals without a residence permit and (rejected) asylum seekers often lack a stable income and means to support themselves. In addition, like other vulnerable groups, they face more difficult access to social assistance and services, increases in prices and reduced availability of commodities, as well as additional expenditure to take the essential precautions to protect against Covid-19. Some therefore withdraw into excessive isolation, others do so because of the uncertainty about their rights and lack of information about this. One of the consequences is that many avoid health services, and as a result can endanger themselves and society. Finally, it was and is often not possible for persons without a right of residence, foreign nationals who lose their job and asylum seekers who have failed asylum seekers because of travel restrictions. In addition, submitting residence applications was difficult during the first months of the corona crisis because the services that can provide the necessary supporting documents were not or not fully operational.

2.3. Preliminary outcomes

There is a great need for information that can help estimate the impact of the crisis, as well as the implemented measures, on the social situation. The data to obtain an up-to-date picture of the impact on poverty and living standards are demanding and therefore scarce for the time being. Therefore, we often have to rely on estimations and microsimulation methods.

The simulations of the FPS Work show that the financial impact of Temporary Unemployment for lower wages remains relatively limited, although a limited fall in income can also be problematic for low incomes. There is a substantial impact for high wages. The impact does increase with the duration of Temporary Unemployment. Temporary Unemployment also absorbs a large part of the loss of income for part-time workers, but the remaining loss of income can be problematic if the part-time income is the only income. These results are in line with the simulations of the Federal Planning Office. This shows that the impact of 5 weeks of temporary unemployment (based on the applications submitted at the beginning of April 2020) on an annual basis, and taking into account a full return to the pre-crisis situation, the average impact on disposable income is estimated at 0.4%, where the effect would be smaller for the lowest income categories. The duration in temporary unemployment is therefore of great importance for the ultimate financial impact. In this context, it is important to note that, except in April, at least 2/3 of the temporary unemployed were in temporary unemployment for less than half of the month. However, as indicated above, the group that accumulated over 2020 will be in temporary unemployment for a longer period of time is growing. In September 2020, 326,899 workers, cumulated, had been temporarily unemployed for more than 51 days. The longer the time in temporary unemployment, the greater the financial impact of course.

A study by an academic consortium COVIVAT, co-financed by the FPS Social Security, uses micro-simulation (nowcasting) to investigate the distribution impact of Covid-19 for the month of April 2020, the first full month of lockdown.

The study starts with the observation that employees with lower incomes in particular were affected by the Covid-19 impact. For the self-employed, this was more evenly spread over the income groups. The average impact on the gross income of affected employees was 1950 euros, or an impact of 64%. After the intervention of temporary unemployment benefits, automatic decreases in social security contributions and taxes, this impact drops to an average of 382 euros or 17%.

When looking at the distribution of the impact over quintiles, it appears that the shock was absorbed to a higher degree for the lower and middle wages. The individual net disposable income for (wage) quintiles 2 and 3 decreased, respectively. 12% and 12.6%. For employees in wage quintiles 4 and 5, net disposable income decreased respectively. 17.4% and 25.6%. In the first quintile income fell 16%. The greater impact for the latter was mainly due to the flat-rate withholding tax, which was adjusted after April.

In a next step, the study analyses the Covid-19 impact on household income according to (household income) quintiles. This shows that both the Covid-19 measures and the presence of other incomes within the household have limited the impact. "Because lower income groups are more often populated by singles or single earners, they experience, on average, a stronger relative decline in household income. The degressive pattern is further reinforced by the policies pursued, which worked mainly well for middle incomes in April." (Covivat, 2021). However, this impact has been calculated on affected households. In the lower quintiles, however, there are fewer affected households, as these are mostly pensioners and

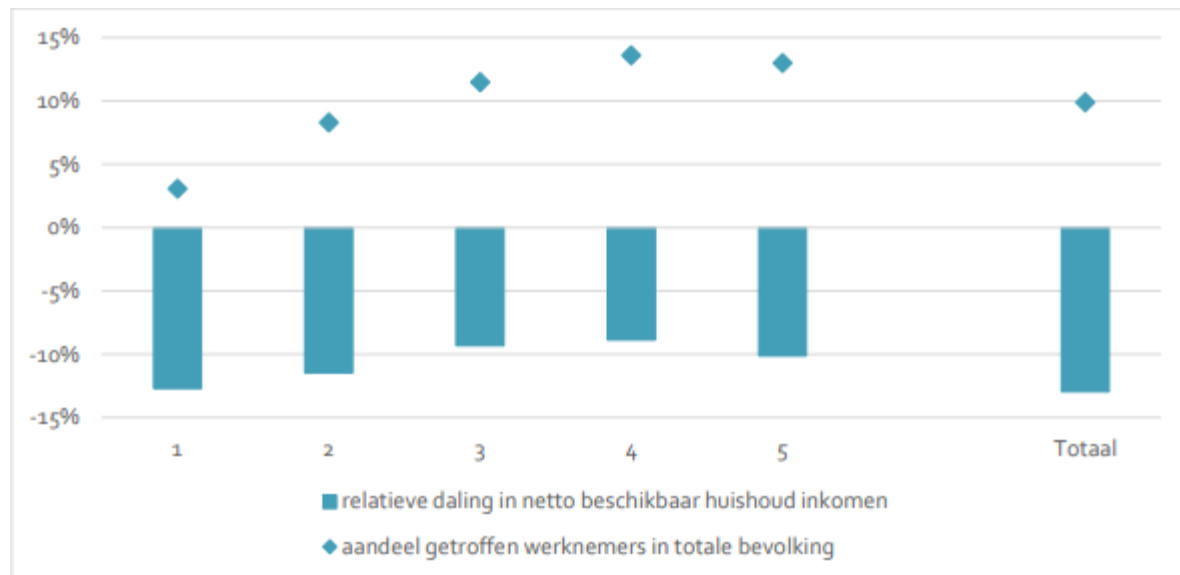
inactive people. The number of households affected is particularly limited in the lowest quintile (<5%) (see figure 5).

The result of both distributions - the magnitude of the impact and the share of those affected - means that the global impact remained relatively limited.

In the total population, the percentage of people who fall below specific limits (100%, 80%) of the median income remains limited. The number of individuals in a household below the median rises from 50% to 54.7%. The number that falls below 80% of the median rises from 30.5% to 33.7%. The number of people falling below the poverty line has also increased only to a limited extent: from 12.5% to 13.7%. The impact is greater when focusing on the employees who were affected. Among this group, the number of employees below the poverty line has risen from 2.6% to 6.8%. The number of employees with a household income below 80% of the median rises from 14.7% to 24.4% and the number of employees with an income below the median rises from 34.1% to 49.4%.

It seems likely that the impact of Covid-19 is similar in other months. The question, and the subject of further analysis, is what the impact is on an annual basis, given the earlier observation that a relatively large group, accumulated over several months, has already been temporarily unemployed for a longer period.

Figure 5. Average decrease in household income in households with an affected employee and the proportion of affected employees in the total population, by quintiles



Noot: Kwintielen zijn gebaseerd op het pre-COVID beschikbaar netto gezinsinkomen, gecorrigeerd voor gezinsgrootte en gezinssamenstelling en op maandbasis. Aandeel getroffen werknemers is uitgedrukt ten opzichte van de totale bevolking.

Source: Covivat, 2021.

Overall, the Covivat study concludes that the potential impact of the Covid-19 shock and the subsequent partial lockdown on individual incomes would have been quite significant in absence of a policy response. They observe that the Belgian “welfare state clearly acted as a social stabiliser” (Covivat, 2021). Taking account of the effect of Temporary Unemployment for salaried workers and the Bridging Right for the self-

employed, household disposable income declined with 4% among the total population (and by 22% among households with affected self-employed, and by 13% among households with affected employees). The loss in labour income due to the economic shock was for the most part offset by the compensatory measures put in place. Yet, among the affected population, a substantial share fell below 60% of the pre-Covid-19 median of monthly equivalised disposable household income, with even larger shares falling below 80% and 100% of the pre-Covid-19 median. This means that Temporary Employment and Bridging Right schemes effectively absorbed the massive economic impact of the Covid-19 crisis. At the same time, it also indicates that even among workers being entitled to compensatory measures, a non-negligible share experienced a substantial fall in household incomes and in their living standard. Moreover, these are conservative estimates since the Covivat study only focusses on those persons who were working before the COVID-19 pandemic struck.

A recent study by the academic COVIVAT consortium⁹³ confirms and strengthens the insights of the previous distribution study, which was limited to April 2020, for the entire year 2020. The income shock as a result of the Covid-19 pandemic in 2020 was very unevenly distributed between wage and salary earners: 64.4% suffered no gross income loss. The entire loss is thus concentrated in 35.6% of the worker population. The catering and events sector also emerged from this annual analysis as the most affected sector.

Other relevant findings of this impact and distribution analysis for the year 2020:

- More than one in three employees suffered a loss of income in 2020 due to temporary unemployment or a decline in income from flexi-jobs.
- On average, an affected employee lost 15.1% in gross annual income compared to a baseline scenario "2020 without Covid-19".
- The increased benefits reduced that loss to a 3.1% decrease in annual disposable income, which equates to a loss of € 858.
- The Covid-19 shock occurs disproportionately in the bottom half of the income distribution: where the three quintiles with the lowest gross annual incomes represent a share in gross income of 41%, they contribute 66.5% of the total gross income loss.
- The longer someone was temporarily unemployed, the greater the loss. For employees who were temporarily unemployed for more than 53 days in 2020, the loss in disposable income rose to an average of 5.7% (or a loss of € 1 502). That loss even amounted to an average of € 3,075 for employees who became temporarily unemployed for more than 156 days.
- The lack of social protection of the supplementary income acquired under the flexi-job-status pushes up the loss of income considerably. Employees who became temporarily unemployed and saw a flexi-job disappear, lose an average of 24.4% in gross terms. Disposable income falls by 7.8% or € 2 457.

⁹³ CAPEAU, BART, DECOSTER, ANDRÉ, VANDERKELEN, JONAS, VAN HOUTVEN, STIJN, De impact van de COVID-19 schok voor loonen weddetrekkenden in 2020, COVIVAT Beleidsnota nr. 9, Leuven, April 2021.

A new study on the impact of gender (“L’impact du COVID-19 sur les inégalités entre les femmes et les hommes à Bruxelles”) must also be taken into account.⁹⁴

⁹⁴ BRUSSELSE RAAD VOOR GELIJKHEID TUSSEN VROUWEN EN MANNEN, L’impact du COVID-19 sur les inégalités entre les femmes et les hommes à Bruxelles, 2021, beschikbaar op www.adviesraad-gelijke-kansen.irisnet.be/fr/recommendations/recommandations-du-conseil-rapport-sur-limpact-du-covid-19-sur-les-inegalites-entre-les-femmes-et-les-hommes-a-bruxelles/.

Part III. Policy objectives and proposed measures

3.1. Policy objectives

Access to social protection forms part of the broader objective of efficient emancipating social security for a prosperous, solidary and sustainable Belgium.

The federal government, in cooperation with the social partners, will work on **modernising Belgian social security** so that it can meet future challenges. The departure point for this is the declaration by the Social Partners on the occasion of 75 years of Social Security⁹⁵, which covers the following topics:

- Future-oriented social security;
- Sustainable social security;
- A culture of monitoring and evaluation;
- Strong and efficient social security;
- An inclusive labour market;
- An innovative and sustainable economy as the driving force behind productivity;
- Governance and joint management of social security.

3.1.1. Convergence between systems

The **federal government aims to create greater convergence between the status of employees, the self-employed and civil servants**, while duly respecting acquired rights, in order to tackle the great differences between the social security systems. A proposal to this end will be formulated in deliberation with the social partners by the end of 2021. The specific characteristics of the various occupational groups will be taken into account in this regard. With these differences in mind, the aim is not to provide identical protection for the various systems but, rather, to provide equivalent protection.

In addition to the proposals that will emanate from the social dialogue with regard to further convergence between the systems, other measures will also be scrutinised to ensure equivalent protection. For example, when the post-birth leave was extended, it was extended for both employees and the self-employed.

3.1.2. Formal coverage

The specific status of various **groups of employees** will be evaluated in the 2021-2024 period and if needed amendments will be proposed.

The first status to be evaluated within this context is that of artists. There is currently no artist status with separate contributions and/or separate social protection. Entertainers, performers and artists can register in various social statuses, often with certain exceptions or flexibility to take account of what can be precarious and variable working conditions. In deliberation with the cultural and social partners, a trajectory will be initiated to evaluate the artist status and propose changes.

⁹⁵ The full text of the “Joint declaration by the social partners on the occasion of the celebration of 75 years of social security for employees”: <https://news.belgium.be/sites/default/files/news-items/attachments/2019-12/75%20jaar%20Sociale%20Zekerheid%20voor%20Werknemers.pdf>

In the short term, the situation of various specific occupational groups, such as childminders, workers in non-profit associations and sex workers will also be evaluated.

Furthermore, special attention will be paid to those who are structurally active in the platform economy in order to improve their protection. Fictitious self-employment and fictitious employment must be combated.

The COVID-19 crisis has once again demonstrated the importance of solidarity and the role of civil society. The special arrangements for carers and volunteers will therefore also be evaluated and supported. In this regard it is important to maintain the selfless nature of voluntary work and clearly distinguish it from the specific types of status permitting remuneration.

The **bridging right for self-employed** is analogous to the unemployment insurance for employees and provides self-employed workers with social protection against loss of income resulting from the involuntary loss of professional activity. Such situations were first evaluated by the general management committee for the social status of the self-employed in April 2021 and will lead to a final report and perhaps some policy recommendations. Lessons learned from experience during the Covid-19 crisis will also be taken into account.⁹⁶

Given the specific nature of the self-employed activity, where it is difficult to determine whether an accident occurred during one's private life or is related to occupational activity, and as reflected in the social partners' advice,⁹⁷ it is not considered a priority to provide the self-employed with a particular scheme for **occupational accidents and occupational diseases**⁹⁸. Considering the typical nature of the activity of the self-employed, they are already insured for this risk by the health and invalidity insurance and pension schemes.

3.1.3. Effective coverage

One of the central objectives of this legislature is to bring about a large-scale pension reform for which a practical proposal will be submitted to the government by 1 September 2021. For example, the access to the minimum pension will be reformed and a new pension bonus will also be introduced (see also 3.1.4. adequacy).

The aim with regard to the second pension pillar is to generalise it. The first step is to complete the harmonisation of the supplementary pension for blue-collar and white-collar workers. At the same time, the social partners are requested to examine how each employee can be covered as soon as possible by a supplementary pension scheme consisting of a contribution of at least 3% of the gross salary.

⁹⁶ GENERAL MANAGEMENT COMMITTEE ON THE SOCIAL STATUS OF THE SELF-EMPLOYED, European Recommendation on access to social protection for workers and the self-employed, Opinion 2021/08, 19 April 2021, pp. 12

⁹⁷ GENERAL MANAGEMENT COMMITTEE ON THE SOCIAL STATUS OF THE SELF-EMPLOYED, European Recommendation on access to social protection for workers and the self-employed, Opinion 2021/08, 19 April 2021, pp. 6

⁹⁸ However, for the sake of comprehensiveness, it should be noted here that self-employed victims of asbestosis can also claim compensation from the Asbestos Fund.

In accordance with the Work-life Balance Directive, efforts are being made to secure a work-life balance.⁹⁹ For this purpose, the government will reform parental leave systems to achieve a more balanced division between men and women in child-minding and child-care matters. For example, post-birth leave for fathers and co-parents will be extended. It will be ensured that all types of entitled people will be able to effectively take up the rights to which they are entitled.

3.1.4. Adequacy

In the context of the fight against poverty and the efforts to increase purchasing power, a serious boost is given to the **minimum benefits**, with the aim of increasing the benefits to bring them in line with the poverty threshold. These include social security benefits, such as minimum pensions, minimum unemployment benefits and integration benefits, as well as assistance benefits¹⁰⁰, such as social assistance, the income guarantee for the elderly and the income replacement allowance. In the future, the minimum sickness benefit will apply from the first month of primary incapacity for work instead of from the 7th month of primary incapacity for work.

In the coming years, a **large-scale pension reform** will be implemented to guarantee financial and social sustainability (see also effective coverage). This can build on the thorough preparatory work of the Academic Council of Pensions.¹⁰¹ Work on the pension reform has been started, and deliberations with the social partners and the academic world is being organised so that a concrete proposal can be submitted to the Council of Ministers by 1 September 2021. To this end, the draft reform will be submitted to the National Pensions Committee and the advice of the academic world will be sought.

The following are some of the objectives of the end-of-career and pension reform:

1. A future-oriented end-of-career and pension system
2. Financial sustainability of social security and public finances
3. A solidary pension protection
4. The strengthening of the insurance principle
5. A gender test
6. Convergence between different regimes

All objectives will be examined together with the social partners.

In addition to the increase in the minimum pension (see above), the intention is to increase the calculation ceiling for the pension for employees and the self-employed, as well as to eradicate the correction coefficient in the self-employed system, so that the self-employed build up pension in the same way as employees.

When implementing the reform, it will be ensured that the levels of the pensions of workers and the self-employed evolve in the same direction and a gender test will be performed per measure to prevent indirect negative effects on gender equality. Measures will be proposed to strengthen solidarity between

⁹⁹ Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU.

¹⁰⁰ The Recommendation allows for the adequacy to be assessed taking into account the entire social protection system of a Member State. To assess the level of the benefits, assistance benefits may therefore also be taken into account.

¹⁰¹ See <https://www.academischeraadpensioenen.be/>

the highest and lowest pensions and to eliminate the threshold effects of the ZIV (illness and disability insurance) and solidarity contribution. In the process, the applicable thresholds will be adjusted to avoid neutralising the increase in minimum pensions.

In the 2021-2024 period, the debate on how to make the financing base of **social security sufficiently sustainable**, both in the short term and the long term, will be conducted. Various reductions in contributions, favourable regimes and alternative forms of remuneration will be evaluated in this regard and, where necessary, adjustments will be proposed to guarantee that social security can be sufficiently financed. The financing of the systems of both the employees and self-employed will be evaluated in close deliberation with the social partners.

Increasing the employment rate is also important for the sustainability of social security, and the objective is to achieve an employment rate of 80% by 2030. In addition, it is extremely important to increase the activity and employment rate of older workers. In order to increase employees' effective career length, measures will be taken regarding end-of-career arrangements. This involves looking at part-time retirement, soft end-of-career jobs, training and reorientation throughout the career, and by promoting the transfer of know-how between generations of employees. Strong efforts will be made to reintegrate long-term sick people for the purpose of increasing the employment rate, both for employees and the self-employed. This will be done by improving processes and by deploying Back-to-Work coordinators to facilitate the reintegration of long-term sick people in the labour market.

Living together is no longer limited to living together in the traditional nuclear family. New forms of cohabitation, such as co-housing or kangaroo housing, are increasingly being introduced. An examination will therefore be performed as to whether the social and tax regulations need to be adapted to take this into account.

3.1.5. Transparency

Within the framework of the recommendation on transparency and the suggestions made by the academics, there will be an ambitious commitment to transparency in Belgium during the period 2021-2024 and this will be done by working on three levels.

Firstly, there will be a strong focus on **harmonisation and streamlining**. This will be done by bringing different systems into line with each other, limiting the number of types of statutes. In addition, in the context of administrative streamlining, institutions will be asked to propose streamlining measures in the form of *quick wins* or in the longer term. This will also concern clear language in the explanations to those involved so that everyone can understand their rights and obligations more easily.

Secondly, the utmost will be done to put **digitisation** to good use. The “digital by default” principle, which stipulates that all procedures must be digitally accessible by default, is paramount. At the same time, public services must remain accessible to all, including citizens having low digital skills, low income, or a disability.

Belgian social security is currently already at the forefront of digitisation and the electronic data exchange. The establishment of the Crossroads Bank for Social Security (CBSS) in the early 1990s marked the start of the development of a fully digitised and secure network to manage and exchange data between the public institutions of social security, on the one hand, and between the government and the external world, on the other. The Public Social Security Institutions used digitisation to develop additional tools. In the 2021-

2024 period, efforts will be made to further develop these tools to unburden all administrative stakeholders and give socially insured people more insight into their individual rights and benefits.

Achieving this objective requires taking measures to reduce the digital divide. This does not affect everyone in the same way.¹⁰² The gap varies by income, education level, age group and gender. Within the framework of the inclusion measures the digital gap should be tackled in three dimensions: the access gap, the gap in digital skills and the usage gap. A Digital Belgium action plan will be scheduled to improve digital skills to reduce the digital divide.

Thirdly, every effort will be made to use **automation** in the fight against non take-up of rights. In various branches of social protection, there are entitled socially insured who do not exercise their rights, which points to a problem of transparency: there is not enough accessible information available and/or the application procedures are too complicated. We will therefore continue our efforts to automate social rights within the limits of the regulatory framework on privacy protection. The Crossroads Bank for Social Security will play a central role in this. Other forms of automation are being explored regarding rights that cannot be granted fully automatically.

3.1.6. How missing data will be addressed

A proactive policy aimed at the efficient emancipation of social security must be able to rely on objective and timely data that allow for continuous monitoring of the measures taken, so that adjustments can be made where necessary. This government is therefore committed to monitoring and evaluation.

As a result of the COVID-19 crisis, the FPS Social Security, in cooperation with the Crossroads Bank for Social Security (CBSS) and other Public Institutions of Social Security, the FPS Employment, Labour and Social Dialogue, the PPS Social Integration and other federal administrations (joining forces in the so-called “Working Group on the Social Impact of the Covid-19 crisis” - WGSIC) has focused on monitoring the socio-economic impact of the crisis. In order to monitor and report on the evolution of this impact every week since early April 2020, it was necessary to unlock administrative and other data flows in an unusually speedy manner. The work of this working group will continue even after the crisis, and the government will support initiatives to ensure that the necessary data will continue to circulate.

Within the framework of the coordinated policy on open data, the potential of the available data is being further developed and exploited. New instruments are being developed for this too. More intensive use of administrative data plays a central role in policy preparation and monitoring. Social security, health and tax data are key in this regard. To this end, a trajectory will be drawn up in cooperation with the most important data suppliers and users. Naturally, privacy protection and the relevant regulatory framework will always be paramount.

In conformity with the Recommendation,¹⁰³ Belgium will collect and publish reliable national statistics on access to social protection by 15 November 2021. Where possible, these will be broken down by labour market status, the type of employment relationship, gender, and age.

¹⁰² Central Business Council, opinion 2020-2550, 2020.

¹⁰³ Recommendation of the Council of the European Union of 8 November 2019 on access to social protection for employees and the self-employed (2019/C 387/01), §17

3.1.7. Follow-up plans and the link with Belgium’s “Recovery and Resilience Plan”

The Recovery and Resilience Plan submitted by Belgium sets out some of the important policy goals and policy measures that are also reflected in this action plan.

Some also relate to social protection. For example, particular emphasis is placed on the reform of old-age pensions, which is currently being prepared in deliberation with the social partners. In addition, a proposal will be made by September 2021 to guarantee that pensions can be financed in the future.

In addition, pensions for the self-employed are also being increased by abolishing the correction coefficient, so that the self-employed build up pension in the same way as employees.

The Recovery and Resilience Plan submitted by Belgium is strongly committed to digitisation, also in the public sector. For example, the aim is to reduce the administrative burden on citizens and businesses by taking actions such as improving digital services, opening up and further developing e-government applications, while respecting the “only once” and “think small first” principles.

3.2. Measures

This section includes the measures provided for in the federal coalition agreement and in the policy statements of the ministers responsible for social security.

A number of measures are also scheduled to be preceded by an evaluation of the existing arrangements in deliberation with the social partners and the target groups concerned. It is also explicitly stated that a number of measures will be further developed in deliberation with the social partners and the target groups concerned.

3.2.1. Formal coverage

The reform of the status of artist

Measure F1: Reforming the status of the artist

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| Description and purpose of the measure | Artists do not have a separate status in Belgium. They are covered by the rules for employees or the self-employed. The distinction between the two schemes generally lies in the fact that an employee works under authority, which is not the case for a self-employed person. |
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Because there are matters such as artistic freedom and the specific nature of the work, it is often difficult for artists to prove that they are subjected to authority, and, as a result, they often end up in the self-employed regime which offers them less social protection. Therefore, the Belgian social security makes an exception for them and offers them a choice between the social security system of employees or the social security system of the self-employed.

In addition, there are a number of specific rules for artists, mainly in the branch of unemployment, within the social security scheme for employees.

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| Specific target group (incl. estimated target group size) | Artists In the 4 th quarter of 2019, 17,881 artists were subject to the social security system of employees (jobs). |
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In the 1st quarter of 2021, 24,954 artists were subject to the social security system of the self-employed, of which 11,711 in primary occupation, 11,157 in secondary occupation and 2,086 after having reached retirement age.

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| Branch | All branches |
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| Expected results (including atypical workers and self-employed people) | The social protection of artists will be strengthened, simplified, digitised and automated. |
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There will be developed a broader framework around the status of artists, by examining whether other aspects of social security are sufficiently accessible to artists and by examining accompanying policies that directly affect the artistic practice, such as working conditions in the sector, pension levels, taxes and copyrights.

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| Timeline | <ul style="list-style-type: none"> • First phase: spring of 2021 (making existing arrangements more profound and modern) • Second phase: as from autumn 2021 (broader framework and accompanying policy) |
| Stakeholders | <ul style="list-style-type: none"> • Artists • Committee on Artists • National Social Security Office (NSSO) • National Employment Office (NEO) • National Institute for the Social Security of the Self-employed (NISSE) • FPS Employment, Labour and Social Dialogue • Social partners • Second phase: various stakeholders, depending on the topic covered |
| Budgetary impact | <p>The budgetary impact is estimated at:</p> <ul style="list-style-type: none"> • €75 million/year related to the reform of the status of artist |
| Link with federated entities | Part of the broader framework and the accompanying policies fall under the competence of the Communities and the Regions. |
| Evaluation | This is an evaluation of the current legislation which will be used as the basis for the proposed amendments. |

Platform Workers

Measure F2: The status of platform workers

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| Description and purpose of the measure | <p>People who perform activities via digital platforms can do so as an additional activity or as their principal occupational activity.</p> <p>In the case of occasional activity, there is a legal framework that lays down the social security consequences.</p> <p>In the case of a principal occupational activity, platform workers are either employees or self-employed.</p> <p>In the latter case, it must be ensured that these occupational activities are subject to the correct application of the legal provisions relating to employment relationships and the consequences thereof, namely that they fall under the appropriate social security system, regardless of whether they are employed as salaried staff or work as self-employed.</p> <p>In some cases, where the activities constitute an principal occupational activity there is a lack of clarity regarding the nature of the person's employment relationship. This is the subject of case law. In some cases, it is alleged that the status of platform workers does not reflect the reality of their activities.</p> <p>If a platform worker continues to work according to the status of the self-employed, although the de facto situation requires a qualification as an employee, he does not benefit from social protection for employees. This applies</p> |
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in particular to the necessary protection against accidents at work and to access to unemployment benefits.

Forces will be joined with the social partners and the sectors concerned to evaluate the law on the nature of labour relations and, if necessary, adapt it. An examination is currently being performed on how this law and its implementing decrees must be adapted to be able to better qualify the activities of platforms and platform workers for the purpose of correctly applying the labour and social security law.

Platform workers working under authority must be able to benefit from the protection of workers' labour law and social security.

Specific target group (incl. estimated target group size)

There are currently few exact figures on the number of workers in the platform economy, because they are not currently identified as an explicit category in the official statistics. The FPS Employment, Labour and Social Dialogue is collaborating on developing harmonised indicators, both at Belgian level, where a working group was launched by the High Council for Statistics in 2021, and at EU level.

Current estimates show that currently only an extremely small proportion of the working population earns its income (or part of it's) from platform work.

- The European Parliament estimates that between 1% and 5% of adults in EU Member States participated in the platform economy (European Parliament, 2017).
- The High Council for Employment estimates the share of the working population to be 0.1% of employment for Europe (based on Katz and Krueger, 2016).
- The COLLEEM study estimates that 2% of the population aged between 16 and 74 in 14 EU Member States do platform work as their primary occupation. Platform work generates a significant income (at least 25% of the salary) for 6%, and almost 8% perform tasks via a digital platform at least once a month. Belgium was not included in the study, but we assume that it is rather below the European average of the estimates, given the relatively limited number of platforms operating here.
- The first Statbel results also point to a limited number of workers in the platform economy (approx. 10,000 to 80,000 people), for whom this forms a secondary job. Their profile is mainly young (20-24 years and students), and older (inactive/retired), and, in Belgium, these are predominantly male.

Branch

Special attention will be paid to those who are structurally active in the platform economy, in order to provide them with good working conditions and better social protection. Fictitious self-employment and fictitious employment must be combated.

For this purpose, forces will be joined with the social partners and the sectors concerned to evaluate the law on the nature of labour relations and, if necessary, adapt it.

It may be advisable to clarify and adapt the law after it has been evaluated so that a number of new situations can be taken into account.

For example, Articles 337/1 and 337/2 of the Law on the Nature of Labour Relations provide, in relation to activities that are prone to fictitious self-employment, a series of specific criteria of socio-economical dependence that generate a rebuttable presumption of employment if a majority of them are met . One such activity is for example “the transport of goods and/or persons for the account of third parties”. An examination will be performed into whether the activities of platform workers whose status does not correspond to their de facto work situation fall under this description and which specific criteria must be developed to adequately qualify these employment relationships.

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| Expected results (including atypical workers and self-employed people) | Platform workers who work in a relationship of subordination must be recognised as salaried workers and, consequently, have access to social protection identical to that of salaried workers. |
| Timeline | To be determined |
| Stakeholders involved | <ul style="list-style-type: none"> • FPS Employment, Labour and Social Dialogue • FPS Social Security • National Social Security Office (NSSO) • National Institute for the Social Security of the Self-employed (NISSE) • Social partners • Service d’information et de recherche sociale (SIRS) • Supreme Council for the Self-employed and SMEs |
| Budgetary impact | To be determined |
| Link with federated entities | / |
| Evaluation | To be determined |

Sex workers

Measure F3: Improving the living and working conditions of sex workers

Description and purpose of the measure In consultation with the actors in the field, consideration will be given to improving the living and working conditions of the sex workers.

Sex workers do not have any specific status at the moment.¹⁰⁴

They are either registered as salaried employees or as self-employed for services other than sexual acts (masseurs, waiters, etc.). In those capacities, they enjoy the social security rights of employees or self-employed people. Others only work part-time as sex workers and can invoke the social status granted to them based on their other part-time work.

¹⁰⁴ COUNCIL FOR EQUAL OPPORTUNITIES FOR MEN AND WOMEN, Opinion No 156 of 10 December 2020 of the Office on the Social Rights of persons who engage in prostitution.

However, there is another category consisting of many sex workers who simply do not have any status and are therefore often in extremely precarious situations. The granting of the status of an employee or self-employed person is, after all, complicated by the prohibition on the trading of one's own body¹⁰⁵, which means that sexual acts cannot be considered as work.

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| Specific target group (incl. estimated target group size) | <p>It is unclear how many sex workers are active, but there are some estimates:</p> <ul style="list-style-type: none"> • In 2015, the federal police estimated that 26,000 sex workers work in Belgium. • UTSOPI, the collective of sex workers in Belgium, uses the estimate of between 25,000 and 30,000. It is estimated that about half of them are employed as full-time informal-sector workers. <p>There are no figures regarding the number of people who do this as a principal or secondary occupation, nor is there any information on the income generated by sex workers.</p> |
| Branch | To be determined |
| Expected results (including atypical workers and self-employed people) | An initiative to reflect on the situation has been started with actors in the field to improve sex workers' living and working conditions. |
| Timeline | To be determined |
| Stakeholders | To be determined |
| Budgetary impact | To be determined |
| Link with federated entities | To be determined |
| Evaluation | This is an evaluation of the current legislation which will be used as the basis for the proposed amendments. |

Childminders (sui generis status)

Measure F4: The “sui generis” status of childminders

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| Description and purpose of the measure | <p>Childminders can currently work according to one of the following types of status:</p> <ul style="list-style-type: none"> • Employee status • Self-employed status • The “sui generis” status <p>The “sui generis” status gives childminders a social status that is very similar to that of salaried workers except regarding unemployment and annual leave. This status was intended to be temporary. An expense allowance instead of salary is used. The social security declaration is made by way of theoretical hours and payments.</p> |
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¹⁰⁵ A bill to decriminalise sex work was approved at its first reading at the Council of Ministers on 2 April 2021.

The aim of the measure is to evaluate the *sui generis* status.

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| Specific target group (incl. estimated target group size) | <i>sui generis</i> childminders (number of people) (end of 2019) | DmfA (1) | DmfAPPL (2) | Total |
| | Brussels-Capital Region | 106 | 13 | 119 |
| | Flemish Region | 3758 | 1148 | 4906 |
| | Walloon Region | 1082 | 620 | 1702 |
| | Total | 4946 | 1781 | 6727 |

(1) General child-minder services

(2) Child-minder services of cities, municipalities and provinces

Branch

All tasks

Expected results (including atypical workers and self-employed people)

Evaluation of the *sui generis* status.

Timeline

To be determined

Stakeholders

- Social partners
- Government
- Regions
- Recognised childcare services

Budgetary impact

The budgetary impact has yet to be estimated. The budgetary impact is at regional level.

Link with federated entities

There is a strong link with the federated entities, which are competent for the content of the status and the financing of it. The work on the reform should therefore be carried out in close deliberation with the federated entities.

Evaluation

This is an evaluation of the current legislation which will be used as the basis to propose amendments.

Voluntary carers

Measure F5: Evaluation of the status of voluntary carers

Description and purpose of the measure

The Act of 17 May 2019 on voluntary carers defines, among other things, the concept of carers, the recognition procedure to be recognised as the voluntary carer of an assisted person and the performance of a voluntary carer's task.

However, the current Act only provides for a system of recognition without any legal consequences, except for the right to holidays for informal care, according to which a person may fully or partly interrupt his/her work to provide help or assistance to a person who is vulnerable due to his/her old age, health condition or disability and who is in a situation of dependency.

This Act was seen as the first step towards "social recognition of the voluntary carer", where the main purpose of the bill was to lay down a definition of the

concept of a voluntary carer and to thus determine who belongs to this target group.

This Act will be evaluated by the end of 2021.

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| Specific target group (incl. estimated target group size) | <p>Relevant for individuals in all voluntary carer systems.</p> <p>Voluntary carers have been recognised as such since 1 September 2020.</p> <ul style="list-style-type: none">• On 31 January 2021, 6,651 people had already been recognised as voluntary carers, of which 4,130 were voluntary carers enjoying a general recognition and 2,521 were voluntary carers having social rights (subject to stricter conditions).• Of the 6,651 voluntary carers, 4,140 are women and 2,511 are men. |
| Branch | <ul style="list-style-type: none">• Compulsory insurance for medical care and sickness benefit• Unemployment• Pension• Social Assistance |
| Expected results (including atypical workers and self-employed people) | An evaluation of the recognition as a voluntary carer and the administrative procedure between the various institutions involved, with a view to implementing adjustments if necessary. |
| Timeline | The evaluation of the Act must be submitted to Parliament before 31 December 2021. |
| Stakeholders | <ul style="list-style-type: none">• Health insurance funds• Recognised voluntary carer associations• The National Employment Office (NEO)• FPS Employment, Labour and Social Dialogue if necessary |
| Budgetary impact | Depending on the proposed adjustments. |
| Link with federated entities | The regulations on the status of voluntary carers and recognising them as such for the purpose of granting them social rights is a federal matter for which the Minister for Social Affairs is competent. However, the regulations on help and assistance to people in need of serious care is a matter that falls under the competence of the Communities. Moreover, certain additional benefits may also be granted at the federated entity and/or local level. |
| Evaluation | This is an evaluation of the current legislation which will be used as the basis to propose amendments. |

Bridging right

Measure F6: Evaluation of the bridging right for the self-employed

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| Description and purpose of the measure | As a result of the key position of the bridging right within the social status of the self-employed during the COVID-19 crisis, we will examine whether and to what extent certain elements of it must be permanently adapted, in order to bring it |
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even closer to its objective: social protection against loss of income arising from the fact that an occupational activity ceases to exist (temporarily or otherwise). The reality and specificity of self-employment will always be taken into account.

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| Specific target group (incl. estimated target group size) | The self-employed |
| Branch | Bridging right |
| Expected results (including atypical workers and self-employed people) | To be determined |
| Timeline | Work will be started in April 2021 |
| Stakeholders | General Management Committee for the Social Status of the Self-Employed (ABC) National Institute for the Social Security of the Self-Employed (NISSE) ExperTIZ FPS Social Security |
| Budgetary impact | To be determined |
| Link with federated entities | / |
| Evaluation | This concerns an evaluation of the current legislation on the basis of which amendments can be proposed. |

3.2.2. Effective coverage

Increase duration of paternity or post-birth leave

Measure E1: Extension of paternity or post-birth leave for employees

Description and purpose of the measure In accordance with the Work-life Balance Directive, efforts are being made to secure a balance between one’s work and one’s private life.

Paternity or post-birth leave is extended from 10 to 20 days.

The Programme Act of 20 December 2020, published in the Belgian Official Gazette on 30 December 2020, provided for a step-by-step increase in the duration of paternity and post-birth leave, to:

- 15 days as from 1 January 2021 (for births as from that date);
- 20 days as from 1 January 2023 (for births as from that date).

It is provided that all types of employees, including those having temporary and short-term contracts, can take leave.

For federal statutory and contractual public servants, the right to paternity leave and to post-birth leave is also extended from 10 to 15 working days starting from 1 January 2021 (and to 20 working days with starting from 1 January 2023) by

amending Article 15, first paragraph, 2° of the Royal Decree of 19 November 1998 on leave and absence granted to members of staff in the public sector.

The employer government pays all days of leave for statutory and contractual public servants, meaning the health and disability insurance does not pay any contribution towards this.

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| Specific target group (incl. estimated target group size) | Typical employees and atypical employees. An approximate estimate of 55,000 fathers a year will apply for this. |
| Branch | Maternity and paternity benefits |
| Expected results (including atypical workers and self-employed people) | By extending paternity or post-birth leave, increasingly more fathers are taking longer post-birth leave and this promotes a more balanced distribution between men and women in childminding and childcare. |
| Timeline | <ul style="list-style-type: none">• For births as from 1 January 2021: an increase to a maximum of 15 full days of post-birth leave.• For births as from 1 January 2023: an increase of the post-birth leave to 20 full days. |
| Stakeholders | <ul style="list-style-type: none">• Management Committee of the benefits department of the National Institute for Health and Disability Insurance (NIHDI)• The health insurance funds are responsible for applying the legal provisions and paying the benefits.• People entitled to benefits |
| Budgetary impact | The budgetary cost is estimated at: <ul style="list-style-type: none">- 2021: EUR 29,792,796.84- 2022: EUR 30,928,561.65- 2023: EUR 64,144,523.43- 2024: EUR 66,477,984.51 |
| Link with federated entities | / |
| Evaluation | / |

Measure E2: Extension of paternity or post-birth leave for the self-employed

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| Description and purpose of the measure | <p>In accordance with the Work-life Balance Directive, efforts are being made to secure a balance between one's work and one's private life.</p> <p>Paternity and post-birth leave is increased.</p> <p>The duration of paternity and post-birth leave for births before 1 January 2021 was:</p> <ul style="list-style-type: none">• either a maximum of 10 full (or 20 half) days;• or a maximum of 8 full (or 16 half) days. In this case, the father also receives a one-off premium of EUR 135 as compensation for the purchase of 15 service vouchers (birth support). |
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The Programme Act of 20 December 2020 provided for a step-by-step increase in the duration of paternity and post-birth leave, to:

- maximum 15 full days (or 30 half days) for births as from 1 January 2021;
- maximum 20 full days (or 40 half days) for births as from 1 January 2023;

The birth support for a maximum of 8 full (or 16 half) days remains unchanged.

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| Specific target group (incl. estimated target group size) | The self-employed |
| Branch | Maternity and paternity benefits |
| Expected results (including atypical employees and self-employed people) | By extending paternity or post-birth leave, increasingly more fathers are taking longer post-birth leave and this promotes a more balanced distribution between men and women in childminding and childcare. |
| Timeline | <ul style="list-style-type: none"> • For births as from 1 January 2021: an increase to the maximum of 15 full days (or 30 half days) of post-birth leave. • For births as from 1 January 2023: an increase of the post-birth leave to 20 full days (or 40 half days). |
| Stakeholders | <ul style="list-style-type: none"> • National Institute for the Social Security of the Self-employed (NISSE) • The social insurance funds for the self-employed are responsible for receiving and processing applications, as well as for granting and paying paternity and birth benefits and birth support. • People entitled to benefits |
| Budgetary impact | <p>The budgetary cost is estimated at:</p> <ul style="list-style-type: none"> • EUR 5,581,751 annually in 2021 and 2022; • EUR 11,163,500 annually as from 2023. |
| Link with federated entities | Self-employed people who do not take their post-birth leave in full can use the possibility of birth assistance in the form of service vouchers. The self-employed person personally buys the service vouchers, which are a regional competence, and the social insurance fund reimburses the self-employed the expenses if he proves the purchase of 15 service vouchers. |
| Evaluation | / |

The pension reform

Measure E3: Introduction of a new pension bonus

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| Description and purpose of the measure | A new pension bonus is being introduced as part of a structural pension reform in order to encourage people to work longer in a positive manner. For example, people who work longer will also accumulate more pension rights. The scheme will be introduced for employees, the self-employed and civil servants. In this way, we strengthen the statutory pension and decide on a positive measure to extend a person's occupation. |
| Specific target group (incl. estimated target group size) | All systems |

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| Branch | Pension |
| Expected results (including atypical employees and self-employed people) | To be determined |
| Timeline | To be determined |
| Stakeholders | To be determined |
| Budgetary impact | To be determined |
| Link with federated entities | To be determined |
| Evaluation | To be determined |

Measure E4: The effective coverage of employees by a supplementary pension plan

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| Description and purpose of the measure | <p>The 2003 Supplementary Pensions Act set itself the objective of democratising access to the second pillar. Strong efforts were made to establish sectoral supplementary pension systems to do so. When we take stock today, we can conclude that this policy objective has not yet been fully achieved. Many sectors have since introduced a pension scheme and some of them have evolved towards tangible contribution levels. For many employees, however, contributions remain very modest and insufficient to build up substantial supplementary pensions. In addition, some of the employees are still excluded.</p> <p>In the first step, the harmonisation between blue-collar workers and white-collar workers with regard to supplementary pension will be successfully completed. At the same time, the social partners will be invited to reflect on how each employee can be covered by a supplementary pension scheme that includes a contribution of at least 3% of the gross salary as soon as possible. For the purposes of developing appropriate remedies in this context, a detailed analysis of the current landscape will first be made.</p> |
| Specific target group (incl. estimated target group size) | Employees |
| Branch | Pension |
| Expected results (including atypical employees and self-employed people) | To be determined |
| Timeline | To be determined |
| Stakeholders | To be determined |
| Budgetary impact | To be determined |
| Link with federated entities | / |
| Evaluation | / |

3.2.3. Adequacy

Increasing the minimum social security and assistance benefits

Measure A1: Minimum sickness benefits from the 1st month of primary incapacity for work

Description and purpose of the measure Previously, there was only a minimum sickness benefits granted from the first day of the seventh month of primary incapacity for work. The legislation will be

amended so that, in the future, if there is no salary continued to be paid out by the employer, employees will be entitled to a minimum sickness benefit as from their first month of primary incapacity for work. This will be implemented in the following way:

- as from 1 January 2021: from the first day of the 5th month of primary incapacity for work;
- as from 1 January 2022: from the first day of the 4th month of primary incapacity for work;
- as from 1 January 2023: from the first day of the 3rd month of primary incapacity for work;
- as from 1 January 2024: from the first day of primary incapacity for work.

The Royal Decree of 17 January 2021 amending the Royal Decree of 3 July 1996 implementing the Act on compulsory insurance for medical care and benefits, coordinated on 14 July 1994 with regard to the allocation of a minimum sickness benefit during the first six months of primary incapacity, was published in the Belgian Official Gazette on 26 January 2021. This Royal Decree came into force on 1 January 2021.

Specific target group (incl. estimated target group size)

Employees

The number of employees entitled to a minimum sickness benefit in the first six months:

- 2021; as from the 5th month: 102,822
- 2022; as from the 4th month: 124,773
- 2023; as from the 3rd month: 156,124
- 2024; from 1st day: 239,372.

It must be noted here that this concerns insured people who qualify to receive this minimum sickness benefit, but that they will not necessarily be paid this minimum payment during the entire applicable period (e.g. if the incapacity for work has ended).

Branch

Sickness benefit

Expected results (including atypical workers and self-employed people)

In the absence of minimum sickness benefits, low-paid workers were at high risk of slipping into poverty during their first months of incapacity of work. We want to reduce the risk of poverty for that group by granting minimum sickness benefits as of the 1st month of primary incapacity of work.

Timeline

See above.

Stakeholders

- National Institute for Health and Disability Insurance (NIHDI)
- The health insurance funds are responsible for applying the provisions laid down by law and paying the benefits.
- People entitled to benefits

Budgetary impact

The budgetary cost is estimated at:

- 2021: EUR 42,983,897.75

- 2022: EUR 87,056,481.00
- 2023: EUR 130,584,721.50
- 2024: EUR 174,112,962.00

Link with federated entities /

Evaluation The management committees of the institutions concerned will monitor the budgetary impact of these measures. The FPS Social Security will monitor the social impact of increasing the minimum benefits.

Measure A2: Increasing minimum unemployment benefits

Description and purpose of the measure The minimum unemployment benefits and fixed payments are increased:

- The minimum benefit for employees with dependants;
- The minimum benefit for employees living alone;
- The minimum benefit for cohabiting employees (for the various phases of compensation);
- The minimum benefit for privileged cohabiting employees;
- The fixed amount for cohabiting people;
- The increased benefit for privileged cohabiting employees.

The minimum amounts of the benefits for full employment will be increased by 1.125% (or accumulated by 4.58%) per year, always on 1 January, in a period of 4 years, from 2021 until 2024. In 2024, the minimum amounts of the unemployment benefits will have increased by 4.58% compared to 2020. This increase is separate from the indexation and the adjustment of benefits to the level of well-being, which must be proposed by the social partners.

This measure was already implemented by way of the Royal Decree of 22.12.2020 (BOG 13.01.2021 – IW 01.01.2021; erratum 09.02.2021 – BOG 22.02.2021) and will be implemented step by step.

Specific target group (incl. estimated target group size) Unemployed employees.

Estimate of the number of unemployed who qualify (based on reference month October 2020): 155,928.

Branch Unemployment benefit

Expected results (including atypical workers and self-employed people) The unemployed are currently at a high risk of poverty. We want to combat the risk of poverty for that group by increasing the amounts of the minimum unemployment benefits.

Timeline See above.

Stakeholders

- The National Employment Office (NEO)
- Payment institutions
- People entitled to benefits

Budgetary impact The budgetary impact is estimated at:

- 2021: EUR 30,155,499

- 2022: EUR 63,189,771
- 2023: EUR 90,777,469
- 2024: EUR 117,439,688

Evaluation The management committees of the institutions concerned will monitor the budgetary impact of these measures. The FPS Social Security will monitor the social impact.

Measure A3: Increasing integration benefits

Description and purpose of the measure Integration benefits are fixed allowances for school leavers who have not yet worked enough to qualify for the right to unemployment benefits.

The integration benefits for the following categories of people are being increased:

- Employees having dependants;
- Employees living alone (3 age categories);
- Cohabiting employees (2 age categories);
- Privileged cohabiting employees (2 age categories).

The integration benefits will be increased by 1.125% (or accumulated by 4.58%) per year, always on 1 January, in a period of 4 years, from 2021 until 2024. The integration benefits will have increased by 4.58% in 2024 compared to 2020. This increase is separate from the indexation and from the adjustment of benefits to the level of well-being that the social partners still need to propose.

This measure was already implemented by way of the Royal Decree of 22.12.2020 (BOG 13.01.2021 – IW 01.01.2021; erratum 09.02.2021 – BOG 22.02.2021) and will be implemented step by step.

Specific target group (incl. estimated target group size) School leavers looking for work.
Estimated number of qualifying school leavers (based on reference month of October 2020): 27,902.

Branch Unemployment benefit

Expected results (including atypical workers and self-employed people) We want to reduce the risk of poverty in this group by increasing integration benefits.

Timeline See above.

Stakeholders

- The National Employment Office (NEO)
- Payment institutions
- People entitled to benefits

Budgetary impact The budgetary impact is estimated at:

- 2021: EUR 4,348,000
- 2022: EUR 9,229,031

- 2023: EUR 13,103,981
- 2024: EUR 16,727,650

Evaluation The management committees of the institutions concerned will monitor the budgetary impact of these measures. The FPS Social Security will monitor the social impact.

Measure A4: Increasing minimum pensions

Description and purpose of the measure The minimum pension will be gradually increased towards EUR 1,500 net for a full career (in the case of an incomplete career this amount will be reduced pro rata by the difference between 45 years and the career).

Within this context, the minimum pension for employees and the self-employed will be increased as follows:

- by 2.65% on 1 January 2021;
- by 5.37% on 1 January 2022;
- by 8.16% on 1 January 2023;
- by 11% cumulatively on 1 January 2024.

Within this context, the minimum pension for civil servants will be increased as follows:

- by 1.73% for retirement pensions and by 4.92% for survivor's pensions on 1 January 2021;
- by 3.49% for retirement pensions and by 10.08% for survivor's pensions on 1 January 2022;
- by 5.28% for retirement pensions and by 15.5% for survivor's pensions on 1 January 2023;
- by 7.1% accumulatively for retirement pensions and by 21.18% accumulatively for survivor's pensions on 1 January 2024.

This increase is separate from the indexation and from the adaptation of benefits to the general level of well-being that the social partners still need to propose.

Specific target group (incl. estimated target group size) Employees (including civil servants) and self-employed people who are retired and receive a minimum pension.

Branch Pension

Expected results (including atypical workers and self-employed people) We want to reduce the risk of poverty among pensioners and increase purchasing power by raising minimum pensions.

Timeline See above.

Stakeholders

- The Federal Pension Service
- National Institute for the Social Security of the Self-Employed (NISSE)
- People entitled to benefits

Budgetary impact The budgetary impact is estimated at:

- EUR 192.7 million in 2021
- EUR 432.5 million in 2022
- EUR 755.7 million in 2023
- EUR 1.1825 billion in 2024.

Evaluation The management committees of the institutions concerned will monitor the budgetary impact of these measures. The FPS Social Security will monitor the social impact.

Measure A5: Increasing social assistance

Description and purpose of the measure Social assistance is one of the forms of the right to social integration. It is the minimum income for people who have insufficient means of subsistence and who are unable to obtain such by way of personal efforts or other means.

Social assistance benefits are gradually being increased towards the poverty threshold. Within this context, social assistance will be increased by 2.6875% every year on 1 January during the period 2021-2024. This measure amounts to a total increase of 10.75% of social assistance by 2024 and is additional to the increases relating to the welfare envelope and indexation.

Specific target group (incl. estimated target group size) People who have insufficient means of subsistence and who are unable to acquire them through personal efforts or by any other means. Estimated number of beneficiaries: 160,000.

Branch This concerns an social assistance benefit.

Expected results (including atypical workers and self-employed people) We want to reduce the risk of poverty in this group by increasing social assistance.

Timeline See above.

Stakeholders

- PPS Social Integration
- OCMWs (Public Centres for Social Welfare)
- People entitled to assistance

Budgetary impact The budgetary impact is estimated at:

- 2021: EUR 36,631,899
- 2022: EUR 76,875,127
- 2023: EUR 115,630,391
- 2024: EUR 154,598,726

Evaluation The FPS Social Security will monitor the social impact of increasing social assistance.

Measure A6: Increasing the income guarantee for the elderly

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| Description and purpose of the measure | <p>The income guarantee for the elderly (IGO) is a benefit for people over the age of 65 who do not have sufficient financial resources.</p> <p>Social assistance benefits, such as the IGO, are gradually being increased towards the poverty threshold. Within this context, the living wage will be increased by 2.6875% every year on 1 January during the period 2021-2024. This measure amounts to a total increase of the IGO by 10.75% by 2024 and is additional to the increases relating to the welfare envelope and indexation.</p> |
| Specific target group (incl. estimated target group size) | <p>People over the age of 65 who do not have sufficient financial resources. Estimated number of beneficiaries: 110,000.</p> |
| Branch | <p>This concerns an social assistance benefit.</p> |
| Expected results (including atypical workers and self-employed people) | <p>By increasing the income guarantee for the elderly, we want to reduce the risk of poverty in this target group.</p> |
| Timeline | <p>See above.</p> |
| Stakeholders | <ul style="list-style-type: none">• The Federal Pension Service• People entitled to assistance |
| Budgetary impact | <p>The budgetary impact is estimated at:</p> <ul style="list-style-type: none">• 2021: EUR 48.3 million• 2022: EUR 96.6 million• 2023: EUR 144.8 million• 2024: EUR 193.1 million |
| Evaluation | <p>The FPS Social Security will monitor the social impact of increasing the minimum amounts.</p> |

Measure A7: Increasing the income replacement allowance for people with disabilities

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| Description and purpose of the measure | <p>The income replacement allowance (IVT) is a social assistance benefit aimed at people with disabilities, the objective of which is to (partly) compensate for the income that cannot be earned due to the disability.¹⁰⁶</p> <p>Social assistance benefits, such as income replacing benefits, are gradually being increased towards the poverty threshold. Within this context, the IVT will be increased by 2.6875% every year on 1 January in the period 2021 to 2024.</p> |
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¹⁰⁶ There will be also a broader evaluation of the concept of disability that is used in the Act of 27 February 1987 on allowances for disabled people.

This measure amounts to a total increase of the income replacement allowance by 10.75% by 2024. This is additional to the increases relating to the welfare envelope and indexation.

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| Specific target group (incl. estimated target group size) | People with disabilities Estimated number of beneficiaries: 135,000. |
| Branch | This concerns an assistance benefit. |
| Expected results (including atypical workers and self-employed people) | By increasing the income replacement allowance, we want to combat the risk of poverty in this target group. |
| Timeline | See above. |
| Stakeholders | <ul style="list-style-type: none">• FPS Social Security• People entitled to assistance |
| Budgetary impact | The budgetary impact is estimated at: <ul style="list-style-type: none">• 2021: EUR 26,473,147• 2022: EUR 55,080,495• 2023: EUR 85,957,216• 2024: EUR 119,234,629 |
| Evaluation | The FPS Social Security will monitor the social impact. |

Pension reform

Measure A8: Pension reform: financial and social sustainability

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| Description and purpose of the measure | <p>By 2040, the cost of the ageing population will continue to rise, particularly with regard to pensions. The government is examining what reforms can be implemented to ensure financial and social sustainability.</p> <p>From the start of the government, the Minister for Pensions will start the preparatory work to present a practical proposal to the Council of Ministers by 1 September 2021.</p> <p>These reforms will respect the following principles:</p> <ul style="list-style-type: none">- as social insurance, the pension system is a social contract that is intended to provide support for everyone, young people as well as the elderly, active people as well as the retired;- pension and employment policies are complementary to one another and interdependent;- calculations should be made at cruising speed, and the impact on micro and macro levels should be mapped out;- current pensioners' accumulated rights should be retained; |
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- the rules applicable before the reform took effect cannot be adjusted with regard to rights already accumulated;
- the necessary transitional measures to guarantee sufficient foreseeable conditions;
- take into account and - where possible - reduce inequalities between men and women;
- deliberation with the social partners in the various systems;
- differences between, and within systems (workers, self-employed and civil servants) should not increase.

The objective of this proposal will be to manage the anticipated costs of ageing and will include at least the following elements:

- For future pensioners, next to a minimum career length of 30 years, another condition of de facto employment for a period still to be determined or a similar measure, will be introduced as a condition to get access to the minimum pension;
- Solidarity between the highest and lower pensions will be strengthened;
- There will be more convergence between and within the different systems.

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| Specific target group (incl. estimated target group size) | All systems |
| Branch | Pensions |
| Expected results (including non-standard workers and self-employed people) | To be determined |
| Timeline | To be determined |
| Stakeholders | To be determined |
| Budgetary impact | To be determined |
| Link with federated entities | To be determined |
| Evaluation | To be determined |

Measure A9: Increasing the calculation ceilings for workers’ pensions

Description and purpose of the measure If a worker’s salary for a certain calendar year is higher than a certain ceiling, the salary for the pension calculation for that worker is limited to the ceiling amount. To prevent such salary ceiling from being eroded, it will be increased to the same extent as the minimum pensions, taking into account the specific legal parameters set for the well-being adjustments.

Four successive increases have been scheduled in the salary ceiling in the pension system for workers. These increases will be implemented as from 1 January 2021, 1 January 2022, 1 January 2023 and 1 January 2024 and will result

in an increase of the salary ceiling by 9.86% by 2024 compared to the salary ceiling for the year 2020.

After this increase, the calculation ceiling will be automatically adjusted to the general level of well-being. This will avoid a trend towards the minimum pension.

The increases will also be applied to the so-called “differentiated” salary ceiling. The differentiated salary ceiling was introduced by the Act of 23 December 2005 on the generation pact and applies to certain equated periods of employment as from an employee's 58th birthday such as total unemployment, full-time early retirement, unemployment with company allowance, a full-time career break and full-time time credit.

It is anticipated¹⁰⁷ that the increases will take effect as from 1 January 2021 and will apply to pensions of which the *de facto* first implementation date is 1 January 2022 at the earliest, with the exception of survivor's pensions calculated on the basis of a retirement pension of which the *de facto* first implementation date was no later than on 1 December 2021.

Specific target group (incl. estimated target group size) Workers going on retirement, or, in the context of granting a survivor's pension, a survivor pension based on a workers' retirement pension.

General salary ceiling: +/- 9,600 people are expected to potentially be impacted by this measure in 2022.

Differentiated salary ceiling: +/- 6,500 people are expected to potentially be impacted by this measure in 2022.

Branch

Pension

Expected results (including atypical workers and self-employed people) Increasing the calculation ceilings of the pension amounts strengthens the insurance principle of the pension amounts.

Timeline

See above.

Stakeholders involved

- Management Committee of the Federal Pension Service (social partners)
- Federal Pension Service (FPS)
- Employees

Budgetary impact

The budgetary impact is estimated at: (in EUR million)

| | 2021 | 2022 | 2023 | 2024 |
|-------------------------------|----------|------------|------------|------------|
| Increase | 2.38% | 4.82% | 7.31% | 9.86% |
| Salary ceiling | 0 | 0.4 | 1.7 | 4.8 |
| Differentiated salary ceiling | 0 | 0.2 | 1.1 | 3.0 |
| Total | 0 | 0.6 | 2.8 | 7.8 |

¹⁰⁷ A bill has been submitted to the house of representatives.

Link with federated entities n/a

Evaluation /

Measure A10: Study to improve replacement ratios of pensions

Description and purpose of the measure It is not because the minimum pensions will be improved that the replacement ratios for other pensioners have been forgotten. Their pension must also be improved. An update of the existing studies of the pension administrations, including evolution over time, will be requested to examine possibilities in this regard, the objective of which is to improve all pensioners' purchasing power.

Specific target group (incl. estimated target group size) Retired workers and self-employed

Branch Pensions

Expected results (including atypical workers and self-employed people) A study that provides insight into possibilities of improving the replacement ratios of pensions.

Timeline To be determined

Stakeholders involved To be determined

Budgetary impact To be determined

Link with federated entities /

Evaluation /

Measure A11: Increasing the calculation ceilings for self-employed pensions

Description and purpose of the measure There is a threshold to professional income that is taken into account to calculate pensions. To prevent the pension ceiling from being eroded, the calculation ceiling will be increased parallel to the increase in the minimum pensions.

In the self-employed system, the maximum income taken into account to calculate the pension refers directly to the intermediate ceiling used to calculate the contributions to be made, in addition to which a contribution rate of 14.16% is applied.

The plan is to do the following¹⁰⁸:

- remove the reference to the intermediate ceiling of contributions and, instead, set a fixed amount corresponding to the maximum income (2020) taken into account to calculate the pension amount in the self-employed system, i.e. EUR 42,310.43 in the pivotal index of 103.14 (base of 1996=100);

¹⁰⁸ A bill has been submitted to the house of representatives.

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| | <ul style="list-style-type: none"> then gradually increase this amount during the period from 2021 to 2024. |
| Specific target group (incl. estimated target group size) | Retired self-employed whose pension amount exceeds the minimum amount. |
| Branch | Pension |
| Expected results (including atypical workers and self-employed people) | By increasing the calculation ceilings of the pensions, the insurance character of pensions is guaranteed, and pensioners can maintain their standard of living. |
| Timeline | To be determined |
| Stakeholders | <ul style="list-style-type: none"> The Pensions Department of the National Social Security Office for the Self-employed (NISSE) Retired self-employed |
| Budgetary impact | <p>The budgetary cost is estimated at:</p> <ul style="list-style-type: none"> 2021: EUR 0 2022: EUR 11,165 2023: EUR 45,349 2024: EUR 115,663 |
| Evaluation | / |

Measure A12: Abolishing the correction coefficient for self-employed pensions

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| Description and purpose of the measure | <p>Unlike in the worker system, the proportional pension calculation for the self-employed includes a so-called correction coefficient, which reduces the amount of employment income taken into account in the pension calculation.</p> <p>The correction coefficient is applied to career years as from 1984¹⁰⁹ and amounts to:</p> <ul style="list-style-type: none"> For career years up to and including 2018: <ul style="list-style-type: none"> 0.663250 on the first income bracket 0.541491 on the second income bracket For the career years as from 2019: 0.691542 <p>The plan is¹¹⁰ to set the correction coefficient for the years as from 2021 at 1. The measure therefore applies to pensions that start on 1 January 2022, at the earliest. The coefficient will therefore probably not be abolished for past career years.</p> |
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¹⁰⁹Proportional pension calculation has currently been introduced in the self-employed system. A fixed pension amount is granted for the career years prior to 1984.

¹¹⁰ A bill has been submitted to the house of representatives.

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| | To this end, the correction coefficient in the pension calculation for the self-employed will be eliminated for future career years to set up a scheme that is identical for workers and the self-employed. |
| Specific target group (incl. estimated target group size) | Retired self-employed people whose pension amount exceeds the minimum pension. |
| Branch | Pension |
| Expected results (including atypical workers and self-employed people) | The purpose of this measure is to enable the self-employed to accumulate a pension amount in the same way as employees, resulting in a replacement ratio of 60% for a single person and 75% for a family. ¹¹¹ |
| Timeline | This measure is scheduled to be implemented as from 2022. |
| Stakeholders | <ul style="list-style-type: none"> • The Pensions Department of the National Social Security Office for the Self-employed (NISSE) • Retired self-employed |
| Budgetary impact | <p>The budgetary cost is estimated at:</p> <ul style="list-style-type: none"> • 2022: EUR 4,264,569 • 2023: EUR 7,450,693 • 2024: EUR 11,727,561 • 2025: EUR 17,315,135 • 2030: EUR 64,161,192 • 2040: EUR 250,553,453 |
| Evaluation | / |

Measure A13: The gender test

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| Description and purpose of the measure | The difference in the pension amount between husband and wife is 26% in Belgium (Pensions at a Glance 2019). It is therefore important to focus on eliminating the differences between men and women on the labour market. However, differences will continue to exist. This fact is taken into account in every pension reform. Even though pension systems do not distinguish between men and women, any measure will nevertheless be subjected to a gender test to prevent decisions having unexpected and/or indirect consequences that perpetuate or reinforce the differences observed. |
| Specific target group (incl. estimated target group size) | Female pensioners |
| Branch | Pensions |
| Expected results (including atypical workers and self-employed people) | By subjecting every pension reform to a gender test, the gender pension gap is prevented from being further increased or perpetuated. |

¹¹¹ See explanatory memorandum to the Programme Act of 20 December 2020.

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| Timeline | 2021-2024 |
| Stakeholders | <ul style="list-style-type: none"> • Social Partners • The government • Federal Pension Service (FPS) • The Pensions Department of the National Social Security Office for the Self-employed (NISSE) • Female pensioners • Institute for Equality between Women and Men (IGVM) • Federal Advisory Council for the Elderly • Council for Equal Opportunities for Men and Women |
| Budgetary impact | / |
| Evaluation | / |

Measure A14: The pension split

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| Description and purpose of the measure | <p>In many cases, terminating a long-term relationship leads to poverty, especially at the time of retirement if one of the former partners did not have a full career. The principle of the pension split will therefore be examined.</p> <p>A study will be performed to examine the beneficiaries of the existing systems (pension for divorced spouses) and the composition of households, the level of income and the consequences of the pension for each person in both the first and second pillars.</p> |
| Specific target group (incl. estimated target group size) | Retired people |
| Branch | Pension |
| Expected results (including atypical workers and self-employed people) | A pension split can lead to a new balance in choices regarding the household. However, this should be examined with caution. The matter at issue here is the fair distribution of the revenues of a couple's joint efforts (on the labour market or elsewhere) without causing them any impoverishment. |
| Timeline | To be determined |
| Stakeholders | To be determined |
| Budgetary impact | None yet because it is a study. |
| Evaluation | / |

Social security contributions and funding aspects

Measure A15: A sustainable financing base for the social security of workers and the self-employed

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| Description and purpose of the measure | <p>Social security for workers is financed by:</p> <ul style="list-style-type: none">• Employers' and workers' contributions (% on declared wages)• A government subsidy consisting of:<ul style="list-style-type: none">○ A basic allocation○ Alternative financing○ A balance allocation <p>An examination will be performed on how the financing base of social security can be made sufficiently sustainable, both in the short term and long term. It is also necessary to simultaneously examine how expenditure can be managed so that it is consistent with the strength of our economy. In addition, it is important that the various amounts of income are structural and predictable.</p> <p>The way in which (the reform of) social security for the self-employed system is financed will also be evaluated. The government will examine how more solidarity among the self-employed can be introduced in financing the scheme.</p> <p>This debate will be held in close deliberation with the social partners, both for the workers' and the self-employed systems.</p> |
| Specific target group (incl. estimated target group size) | Workers and the self-employed |
| Branch | All branches |
| Expected results (including atypical workers and self-employed people) | Sustainable financing of social security, with a sufficiently clear link between the contributions paid and the benefits. |
| Timeline | Depends on social dialogue. |
| Stakeholders | <ul style="list-style-type: none">• The Social Partners (the management committee for overall management)• General Management Committee for the Social Status of the Self-Employed• The government |
| Budgetary impact | Depends on social dialogue. |
| Evaluation | Depends on social dialogue. |

Measure A16: Evaluation of various exceptional arrangements in the system of workers

Description and purpose of the measure The basic principle in our social security system is that workers and employers pay contributions towards it.

Rights are granted based on such contributions (or the work to which these are linked). There are several exceptions to this principle, however. A system of exceptions that doesn't meet its target or is no longer legitimate must be adjusted or eradicated. This applies to favourable regimes relating to certain occupational groups, certain forms of work and alternative forms of remuneration. The financial impact on employers and employees will be taken into account in this regard.

The various exceptions to the rules of being subject to social security will be analysed and evaluated in the process. These may include:

- Work that is not subject to social security.
- Work that is only partly subject to social security (not subject to all branches or subject to it but on a different calculation base)
- Salary components exempt from social security contributions.

This evaluation will take into account the exemption of employers' contributions for the recruitment of the first employee. The aim of the evaluation is to avoid non-take-up by simplifying and automating the system, but also to counter excessive use and misuse.

These evaluations will be conducted in close deliberation with the social partners.

Specific target group (incl. estimated target group size) Social security for employees

Branch All branches

Expected results (including atypical workers and self-employed people) The standard rule is that all income from labour is generally subject to social security. Only reasonable and justified exceptions are allowed.

Timeline The social partners, supported by the competent administrations, will perform an initial analysis of the various exceptions over the next two years.

The management committee for the social security of employees currently monitors and supervises the evaluation of wage components by way of an annual study. Social partners can use this monitoring as a basis to make corrective proposals if necessary.

In particular, the exemption of employers' contributions for the recruitment of the first employee will be evaluated in deliberation with the social partners during the course of 2021.

Stakeholders

- The social partners (the management committee for overall management)

- The government

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| Budgetary impact | Depends on social dialogue. |
| Evaluation | Depends on social dialogue. |

Reintegration

Measure A17: Back-to-Work coordinators as a link in the Back-to-Work process for people with health problems and who are entitled to benefits

Description and purpose of the measure The government wants to increase the employment rate by, amongst other measures, focusing more strongly on the return to work by people who have health problems. This is intended to result in a payback effect that will increase from 50 million euros in 2022 to 200 million euros in 2024.

We learned from consultations with stakeholders that it will only be possible to increase the level of activity if we invest in improving processes and deploying dedicated facilitators. For this purpose, we want to add an extra dimension to the existing back-to-work model by way of deploying the Back-to-Work (BTW) coordinators.

The overall objective of a BTW trajectory is to assist anyone who is or becomes inactive due to a health problem to return to work as quickly as possible in a job that fits a person’s needs and possible abilities. This will preferably be a paid job with an employer with whom there is still a relationship, but it can also be a job with another employer. If a paid job on the conventional labour market is not (yet) feasible, social economy jobs must also be considered. In this regard we think of work in the broadest sense of the word, which includes paid union work, voluntary work, work-related activities, supported employment, etc. as a stepping stone to a paid job.

Similar reasoning can be used for the group of self-employed people: the person will preferably return to the same self-employed activity, but if that is impossible, we will check whether another form of activity is feasible.

Statutory civil servants have their own sickness scheme that is separate from the sickness insurance scheme, which means that the employing authority is fully responsible for paying compensation for absenteeism due to illness and periods of part-time work resumption and the implementation of the assistance measures for civil servants suffering long-term illness. An examination will be performed into how the same philosophy of assistance in returning to work that is adapted to the needs and abilities of the person concerned can be integrated in these special systems.

The concept of the Back-to-Work coordinated effort is the first sign of how commitments included in the coalition agreement will be put into practice:

People who are inactive on the labour market are encouraged and assisted to start working. In particular, this concerns people who receive social assistance, who suffer long-term illness and people with disabilities. Barriers barring

employment opportunities and preventing people from working more are also removed. We are reinforcing the dialogue and cooperation with the federated entities (including via an inter-ministerial conference and the National High Council for People with disabilities).

Reintegrating people suffering long-term illness in work and the labour market will be further reinforced in deliberation with the social partners. Therefore, among other things, the recommendations in the National Labour Council's unanimous opinion (number 2099) of September 2018 will be implemented.

The organisation and management of the reintegration processes will be evaluated. Procedures are being simplified and streamlined so that more workers can start and successfully complete a reintegration process (faster). This process is based on a multidisciplinary approach in which job placement services are involved timely.

Both companies and workers must be assisted in word and deed to start up and successfully complete the reintegration processes. Disability managers can be deployed for this, for example. The multidisciplinary nature of the assistance will be monitored.

We are initiating a reflection on applying the same philosophy of customised assistance to other target groups such as civil servants and the self-employed, in deliberation with the social partners involved.

We want to prevent the continuing influx into (long-term) work disability by supporting employers and workers in more workable work, in deliberation with the social partners.

The accountability of all actors involved, i.e. employers, workers and doctors (general practitioners, occupational physicians and advisory physicians) is of great importance in this regard, both in terms of prevention and reintegration.

Financial incentives will also be examined in this context once the organisation and management of the reintegration processes, including the necessary support, have been finalised.

The concept of the Back-to-Work coordination, which will be further developed in deliberation with the government partners and other stakeholders, focuses on 4 principles:

1. We want to detect as soon as possible whether a Back-to-Work trajectory is concerned. In practical terms, we mean that we want to know as soon as possible whether or not people will be able to go back to their job or their employer after a period of illness.
2. We want to know if support through the Back-to-Work trajectory will be needed. Some people are self-sufficient or have an existing support context that enables them to apply for work without requiring any additional support.
3. We want to be able to identify as soon as possible what support will be needed, and which adjustments will need to be made.
4. We want to introduce those involved to the right supporter or person making the necessary adjustments as soon as possible.

Developing appropriate and secure data flows, communication, monitoring and evaluation systems also is part of this concept.

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| Specific target group (incl. estimated target group size) | Anyone who is or becomes inactive on the labour market due to a health problem. |
| Branch | All systems <ul style="list-style-type: none">• Health insurance (all schemes)• Health surveillance (prevention and protection at work)• Employment opportunities |
| Expected results (including atypical workers and self-employed people) | The ambition is to increase the Back-to_Work trajectories to 18,000 new ones by deploying the Back-to_Work coordinators (i.e. to achieve a growth of 12,000 compared to the situation without Back-to_Work coordinators) by the end of 2022 and to multiply the current number of 6,000 by four (i.e. 24,000 or a growth of 18,000 compared to the situation without Back-to_Work coordinators) as from 2023. |
| Timeline | In general, the expected timeline is as follows: <ul style="list-style-type: none">- 2021: recruitment of the first Back-to_Work coordinators from in various parts of the country and insurance institutions;- 2022: growth to 40 FTE Back-to_Work coordinators and process alignment;- 2023: reaching cruising speed with 60 FTE Back-to_Work coordinators, operating IT systems and broad communication actions. |
| Stakeholders | <ul style="list-style-type: none">- Health insurance funds (advisory doctors and multidisciplinary teams)- Social insurance funds- Treating physicians (general practitioners)- External occupational health services (occupational doctors and multidisciplinary teams)- Regional mediation services and their partners- Citizens having health problems- Employers- National Institute for Health and Disability Insurance (NIHDI)- National Institute for the Social Security of the Self-employed (NISSE)- FPS Social Security- FPS Employment, Labour and Social Dialogue |
| Budgetary impact | To be determined |
| Link with federated entities | There is a strong link with the federated entities. The federated entities will be responsible for developing appropriate services to both citizens and employers involved in the Back-to_Work trajectories. In this context, deliberations have been initiated with the regional policy leaders concerned. |
| Evaluation | Setting up a permanent evaluation and monitoring system forms part of the project and will be further developed in deliberation with all stakeholders involved. The aim is to create as little new data as possible, but to make a strong |

effort to adequately process yet existing data, including by exchanging data with various relevant federal and regional services and administrations.

New community forms

Measure A18: A study on new community forms and social protection

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| Description and purpose of the measure | A reflection on the impact of the legal status of “cohabiting” on new forms of cohabitation will be initiated. |
| Specific target group (incl. estimated target group size) | Cohabitants |
| Branch | <ul style="list-style-type: none"> - Healthcare - Sickness benefits - Unemployment - Old-age benefits - Accidents at work and occupational diseases - Benefits not based on the payment of contributions: benefits for the persons with disabilities (IVT/IT) - Social assistance |
| Expected results (including atypical workers and self-employed people) | To be determined |
| Timeline | To be determined |
| Stakeholders | To be determined |
| Budgetary impact | To be determined |
| Link with federated entities | To be determined |
| Evaluation | Not applicable |

3.2.4. Transparency

Administrative streamlining

Measure T1: Administrative streamlining

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| Description and purpose of the measure | <p>We will collaborate with several policy levels to streamline administrative services to make life easier for employers, employees and benefit recipients.</p> <p>As regards work and the economy, each institution will be requested to propose streamlining measures, either in the form of quick wins or longer-term measures. There will be supervision to ensure that procedures are streamlined so that fewer people fail to take up rights. Particular attention will be paid to the</p> |
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language used in the explanations given to people entitled to social benefits, employees and companies, so that it is easier for everyone to be able to understand their rights and obligations.

With regard to pensions, efforts will be made to reduce administrative burdens for citizens and businesses by actions such as improving digital services. Efforts will be made to ensure that the pension system is readable, in which greater readability will be facilitated both in relation to regulations as well as communications. Attempts will be made to clarify regulations and to explain them to the insured in simple language, so that everyone can understand their rights.

With regard to the reintegration of people with long-term health problems, efforts will be made to improve processes that are aimed at promoting the integration of those suffering long-term illness.

Attention will also be paid to aspects relating to the digital divide.

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| Specific target group (incl. estimated target group size) | Employers, workers and the socially insured |
| Branch | Provisionally applicable to the following branches: <ul style="list-style-type: none"> • Unemployment • Pension • Sickness and invalidity |
| Expected results (including atypical workers and self-employed people) | The regulations will be streamlined and better explained where possible. Employers, the socially insured and public authorities will be relieved of some administrative formalities. |
| Timeline | To be determined |
| Stakeholders | To be determined |
| Budgetary impact | To be determined |
| Link with federated entities | To be determined |
| Evaluation | / |

Digitisation

Measure T2: Further development of online accounts

Description and purpose of the measure In the 2021-2024 period, further efforts will be made to create and further develop personal accounts that relieve the socially insured of administrative burdens and provide them with insight into accrued rights and potential benefits:

- Implementation of the “Single digital gateway”¹¹²
- With regard to pensions, efforts are being made to further roll out MyPension.be. In 2020, 1,920,894 unique visitors consulted their online pension portfolio. The aim of the further development is to better inform citizens on the coherence of their pension rights in the first and second pillars, to guide them through amendments to legislation, and to give them the tools they need to personally manage their pension. For example, a person’s pension application will be integrated into mypension.be and extended to his or her supplementary pension. Citizens are also encouraged to provide missing career data via mypension.be so that communication can be conducted proactively, and pension rights can be allocated automatically in the future. The development of simulation scenarios are aimed at enabling citizens to better understand the impact of career changes on statutory pension.
- With regard to unemployment, a ‘MyRva’ tool is being developed that would enable the socially insured to consult and follow up their personal file online.
- With regard to occupational accidents and occupational diseases, efforts are being made to create a tool called ‘MyFedris’, which would enable the socially insured to electronically submit an application, consult their file and obtain their certificates.
- As far as the self-employed are concerned, efforts are being made to develop a unique digital database and exchange platform that will enable them to gain access to their social security file. Steps are being taken to draw up a charter, in which the NISSE and the social insurance funds endorse the ambitions regarding data quality and the development of a unique digital exchange platform and undertake to work together towards this in a spirit of partnership.
- Specific adjustments will be adopted to take account of the digital divide.

Specific target group (incl. estimated target group size) All citizens

Branch

- Pension
- Unemployment

¹¹² Regulation (EU) 2018/1724 of the European Parliament and of the Council of 2 October 2018 establishing a single digital gateway to provide access to information, procedures and to assistance and problem-solving services and amending Regulation (EU) No 1024/2012

| | |
|--|---|
| | <ul style="list-style-type: none"> Occupational accidents and illnesses |
| Expected results (including atypical workers and self-employed people) | <p>The socially insured and public authorities will be relieved of some administrative formalities.</p> <p>The socially insured will have a better perspective of their individual rights and benefits.</p> |
| Timeline | 2021-2024 |
| Stakeholders | <ul style="list-style-type: none"> For pension: the Federal Pension Service, Sigedis vzw For unemployment: the National Employment Office (NEO), payment institutions and regional institutions For occupational accidents and occupational diseases: Fedris For the self-employed: National Institute for the Social Security of the Self-Employed (NISSE) National Institute for Health and Disability Insurance (NIHDI) Partner websites Citizens |
| Budgetary impact | To be determined |
| Link with federated entities | In some branches, i.e. unemployment, there is a link with regional institutions. |
| Evaluation | / |

Measure T3: Online calculation tools

| | |
|--|---|
| Description and purpose of the measure | We are examining the development of an “online” calculation tool that will enable citizens to assess the impact of labour market transitions on their net disposable income and gain more certainty about how profitable it is to work following a period of having received replacement income, based on the microsimulation model of the FPS Social Security. |
| Specific target group (incl. estimated target group size) | To be determined |
| Branch | To be determined |
| Expected results (including atypical workers and self-employed people) | To be determined |
| Timeline | To be determined |
| Stakeholders | To be determined |
| Budgetary impact | To be determined |
| Link with federated entities | To be determined |

Evaluation /

Automation in the fight against non-take-up

Measure T4: Automation in the fight against “non-take-up”

Description and purpose of the measure There are people who are entitled to rights in various social protection branches who do not take up their rights effectively. This means that there is a problem of transparency: the information is not sufficiently accessible and/or the application procedures are inadequate.

The scope and causes of the non-use of rights were examined in detail in the research project ‘TAKE’. The findings of this research project will be valorised in the 2021-2024 period. In this process, there will be also a focus on the further automation of social rights:

- On the one hand, people who are entitled to benefits or other allowances will be proactively identified. In this context, the BELMOD project, which examined strategies to proactively identify people entitled to benefits and inform them of their potential rights, is ongoing.
- On the other hand, efforts will continue to be made to fully automatically grant derived rights by way of the buffer database of the Crossroads Bank for Social Security.

In this regard, organisations that offer social rates, exemptions and various benefits to vulnerable population groups (such as beneficiaries of social assistance, increased allowances, the IGO, etc.) will be able to consult the Crossroads Bank for Social Security more intensively, so that derived rights can be granted automatically.

It will be examined how the Crossroads Bank for Social Security can develop the necessary applications to automatically grant rights. For rights that cannot be granted automatically, a digital tool will be made available to social workers that can indicate the local and supra-local support to which a household is entitled, based on the status of the household, the income, the place of residence and family situation.

Specific target group (incl. estimated target group size) This measure focuses primarily on assistance, although there are also spill-overs on social security branches (e.g. in relation to the granting of the increased allowance for health care).

Branch Idem.

Expected results (including atypical workers and self-employed people) A more transparent and automated social protection system and, consequently, increased take-up of rights.

Timeline To be determined

| | |
|------------------------------|--|
| Stakeholders | <ul style="list-style-type: none"> • FPS Social Security • The Crossroads Bank for Social Security • Institutions involved in managing and implementing social assistance and security (OCMWs - Public Centres for Social Welfare, health insurance funds and public social security institutions). |
| Budgetary impact | To be determined |
| Link with federated entities | The conclusions of the examination will be communicated to the federated entities and local authorities so that the necessary measures can also be taken at these policy levels. |
| Evaluation | Within the framework of the BELMOD project, we are examining how the microsimulation model of the FPS Social Security can be developed into a tool to monitor non-take-up of social rights, following the example of the “Income-related benefits: estimates of take-up” statistics in the United Kingdom. |

Part IV. Way forward

In this section, we discuss key steps to further strengthen access to social protection, including the expected challenges in implementing the measures in Part III. We will then discuss further development at European level.

4.1. Access to social protection in Belgium

4.1.1. Dialogue and participation

The Belgian social security is developed and managed in close deliberation between the government and social partners. Social security institutions are jointly managed and enjoy a large autonomy. They manage our social security efficiently and dynamically.

The government attaches great importance to social dialogue, which is why it wishes to enter into a constructive dialogue with the social partners regarding a large number of the measures announced in the previous part. The social partners themselves have also explicitly expressed their wish to be involved in monitoring, developing and implementing the measures.¹¹³

As provided for in the federal coalition agreement, social security will be modernised in cooperation with the social partners. The government proposes to take the main guidelines of the joint declaration of the social partners of 20 December 2019 as the departure point for this:

- Future-oriented social security;
- Sustainable social security;
- A culture of monitoring and evaluation;
- Strong and efficient social security;
- An inclusive labour market;
- An innovative and sustainable economy as the driving force behind productivity;
- Governance and joint management.¹¹⁴

The Social Protection Access Recommendation will be implemented in this context of modernisation. The measures already provided for in this action plan have been included and are currently undergoing various phases of being put into practice. Additional findings requiring further deliberation or research have also emerged from the academic audit. This means that 2 trajectories will be followed, depending on the degree of clarity and consensus regarding the objectives and associated measures.

4.1.2. Track 1: Measures that will be implemented during this legislature.

The first track relates to implementing the measures arising directly from the coalition agreement. These are measures that are sufficiently focused on content and, most importantly, regarding which (political) consensus has already been reached. Consequently, this track can be launched and developed faster.

4.1.3. Track 2: Social (participatory) dialogue

¹¹³ NATIONAL LABOUR COUNCIL, Opinion No 2.216: Implementation of Council Recommendation (EU) 2019/C387/01 of 8 November 2019 on access to social protection for workers and the self-employed.

¹¹⁴ Declaration 75 years of social security for employees, see: <https://news.belgium.be/sites/default/files/news-items/attachments/2019-12/75%20jaar%20Sociale%20Zekerheid%20voor%20Werknemers.pdf> .

The second track will focus on further refining and defining themes, issues, visions regarding access to social protection and, by extension, the modernising social protection as a whole. Since the degree of consensus and detail regarding the content of certain areas are still inadequate, it goes without saying that enough time must be taken to further develop all of this and, consequently, to take action at a more moderate pace.

The overarching vision in developing both tracks and putting them into operation is important here: it must always be substantiated by the connecting principles of the network organisation and participatory dialogue. Both elements are essential to successfully manage complex realities and issues.

Therefore, it is self-evident that the existing structures of social dialogue and participation at international, national and regional levels, will continue to play a prominent role and contribute directly to successfully completing both trajectories.

Where necessary, new or adapted forms of participation and dialogue, which directly involve citizens, civil society organisations or human rights institutions such as the Institute for Equality between Women and Men, in addition to the social partners, can also be developed. For example, a participatory trajectory to reform artist status has already been initiated. A specific dialogue and participation process, including a platform for civil participation, is being used to reach this extremely diverse target group.¹¹⁵

After all, governing bodies must look for new, innovative solutions and ways to jointly achieve complex goals. Organisation networks play a crucial role in this because they connect and share information, resources, activities and competences of different organisations to jointly achieve a result that none of the organisations can achieve individually.

Involving the various actors in the social security network not only makes it possible to achieve substantive results, but also ensures that they do not lose sight of the level of support. Both have a significant impact on achieving the overall ambition and keeping it sustainable.

4.2. European contribution to access to social protection

The various forms of the social protection systems are the cornerstone of the European social model and of the proper functioning of the social market economy. They also play a role as automatic stabilisers by levelling consumption throughout the economic cycle.

The COVID-19 crisis has highlighted this once again and forced us to make adjustments where necessary to guarantee workers and the self-employed access to social protection. In this regard, one can refer to the additional challenges identified in flexible forms of work and new forms of work, as well as in very specific groups where arrangements have been adapted. At the same time, the green and digital transition will require social and employment policies that have been adapted to secure access to social protection.

The European Pillar of Social Rights forms an essential compass for European social and employment policy.

It is impossible to turn the goal of upward social convergence into practice without a minimum of a *level-playing field* and clear social regulations. The existing legal framework requires monitoring, implementation and enforcement by bodies such as the European Labour Authority. We must focus on a

¹¹⁵ The platform for citizen participation entitled “Working in the Arts”, see <https://workinginthearts.be/>

number of well-chosen and enforceable legal initiatives that have maximal impact. This could include a framework for labour rights in the context of digitisation, a right to lifelong learning for workers of all ages and a directive on musculoskeletal disorders. It is also important that all legislative initiatives relating to social policy as well as to other policy areas, are accompanied by an assessment of their impact on specific (vulnerable) groups, with regard to matters such as effective coverage and adequacy.

Furthermore, it is essential to continue the search for improvements to the resilience of our social model. Strong social security systems to support people throughout their lives are a prerequisite to promoting access to social protection. Public services must be given sufficient resources to make it possible to have effective access to social housing, health care, long-term care and essential services, as laid down in the European Pillar of Social Rights.

Access to social protection for mobile residents of the European Union is an essential condition for the free movement of persons. Not only must this go hand in hand with the upward convergence of our social systems, but also with effective action against social fraud and social dumping. Particular attention must be paid to abuses related to posting. This requires sound collaboration between the European Labour Authority and the Administrative Commission for the Coordination of Social Security Systems.

Finally, excluding newcomers from national social protection systems, for example by disproportionate waiting times, prior contribution requirements or administrative obligations must be avoided, while simultaneously duly respecting the social and financial sustainability of the social security systems.

The following initiatives under the Action Plan for the implementation of the European Pillar of Social Rights are particularly important:

4.2.1. Implementation of the Recommendation on access to social protection

The Social Protection Access Recommendation must be further strengthened so that the Recommendation and the Action Plan for the Social Pillar have a mutually enriching effect. The Recommendation provides us with a good starting point and must be used to a foundation for more ambitious steps at a later stage. Given its importance to social regulations and the level playing field, **it is necessary that there be a stronger and clearer commitment to implementing the Recommendation on access to social protection.** Monitoring of the progress must be conducted the European level.

4.2.2. Recommendation on minimum income

Minimum income schemes are essential to ensure that no one is left behind. The proposed Council Recommendation on minimum income is a necessary complement to upward convergence. It must be sufficiently ambitious to effectively support and complement Member States' policies to guarantee the right to an adequate minimum income, a dignified life during all its stages, and effective access to basic goods and services.

4.2.3. Platform Work Initiative

The evolution of the labour market must also duly regard the consequences of greening and digitisation. Job creation, innovation and new working methods must be encouraged, while workers' rights, social security systems and health and safety to promote fair transition must be strengthened. It is crucial to

ensure that new and more flexible forms of work are covered. Issues such as platform work, teleworking (and the argument regarding the “Opt-out Right”) and human-oriented development of artificial intelligence are particularly relevant in this regard. In this context, the expected initiative on platform work is important for workers’ labour rights and social protection.

4.2.4. European reinsurance of unemployment insurances

Using a thorough evaluation of the experience of the SURE initiative, as a basis for further development, it is crucially important that an EU base be constructed for unemployment systems that contribute to economic stabilisation and solidarity with the unemployed to enable Member States to provide resilient social protection systems. Based on common social standards and with a view to upward convergence, the EU could be able to support welfare states in some of their key functions by means of a European reinsurance scheme for unemployment.

4.2.5. Minimum wages

It is essential that adequate minimum wages are guaranteed throughout the EU, either by law or by collective bargaining, while duly respecting national systems and the autonomy of social partners. The directive currently being drawn up is intended to guarantee universal coverage, and we look forward to its speedy adoption.



Federal Public Service
Social Security

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