



Conference on

**DIGITALISATION IN SOCIAL SECURITY
COORDINATION (ESSPASS)
AND 'LABOUR CARDS'**

1 March 2023

**Background
Document**

❖❖ The European Social Security Pass (ESSPASS)

exploring a new digital tool to help mobile citizens exercise their social security rights



Joanna, a Polish citizen, is sent by her employer to work temporarily in Germany for six months. In Germany, the German labour inspector asks her for a document known as a PDA1. This Portable Document is proof that Joanna is subject to the social security legislation of Poland and does not have to pay contributions in Germany. Joanna realises that she has lost the document and she cannot provide it to the labour inspector. This sets in motion an administrative process between Poland and Germany to verify Joanna's social security coverage.



Mateo, a Spanish citizen, decides to spend his holiday skiing in Austria. Although Mateo is an experienced skier, on the second day of his trip he falls and severely injures his leg. On arrival at hospital, Mateo is immediately asked for his European Health Insurance Card (EHIC). This is a free card which gives him access to unplanned medically necessary, state-provided healthcare anywhere in the EU on the same terms as nationals. In other words, he will be treated like any other person insured in Austria. However, Mateo forgot to bring the card with him. In order to get a provisional certificate, the Austrian healthcare institution must contact the health authority. If there is a delay, the hospital is likely to ask Mateo to pay the cost of his treatment in full or to pay part of the cost upfront until this can be sorted out.

These are some real-life examples of social security coordination issues that a European citizen can be faced with when moving from one EU country to another. At the moment, proving rights and sorting such problems out in most cases involves exchanging paper documents, or queuing in an office. Initiatives have been launched to remove these obstacles using digital technology. An EU pilot project is testing the idea of a European Social Security Pass (ESSPASS). This would make it easier for citizens to prove coverage and entitlements when they are in another EU country, and at the same time help reduce fraud and mistakes.

DID YOU KNOW THAT IN 2021...

- more than 3.6 million portable documents providing evidence of social security affiliation (PDA1) were issued?
- almost 234 million European Health Insurance Cards (EHIC) were in circulation?

The ESSPASS initiative builds on the EU 'Single Digital Gateway' Regulation, which requires that by the end of 2023, EU citizens be able to access and complete 21 key administrative procedures online and obtain the result electronically. Three of these are key procedures in the field of social security coordination: applying for the Portable Document A1 (PDA1), obtaining the European Health Insurance Card, and requesting a summary of pension decisions (PDP1).

The ESSPASS Pilot Project focuses not only on the digitalisation of Portable Documents and EHIC, but also on making real-time verification possible without calling upon the issuer to know if these documents can be trusted. Joanna and Mateo will be able to carry their documents in a digital wallet that will allow them to prove their identity, to store and share instantaneously data required by a verifier, such as a labour inspector or medical service. The verifier will not need to go through tedious administrative processes to understand the authenticity and integrity of the shared information. To achieve this, the ESSPASS Pilot Project intends to build on another initiative, the proposed European Digital Identity Framework. ESSPASS could make use of this framework and the harmonised EU digital identity wallets for the cross-border identification and authentication of citizens and to store and share digital documents.

ESSPASS

State-of-Play

DID YOU KNOW THAT...

The Electronic Exchange of Social Security Information (EESSI) allows social security institutions across the EU to exchange information more rapidly, securely and accurately. EESSI became operational in January 2019. Since 2019, more than 13 million cases were handled!

How far are we in the process of making the ESSPASS a reality? A pilot project on the European Social Security Pass was launched in March 2021. The first phase of the pilot was led jointly by the Italian social security institution (INPS) and the European Commission, with the participation of other 12 Member States.

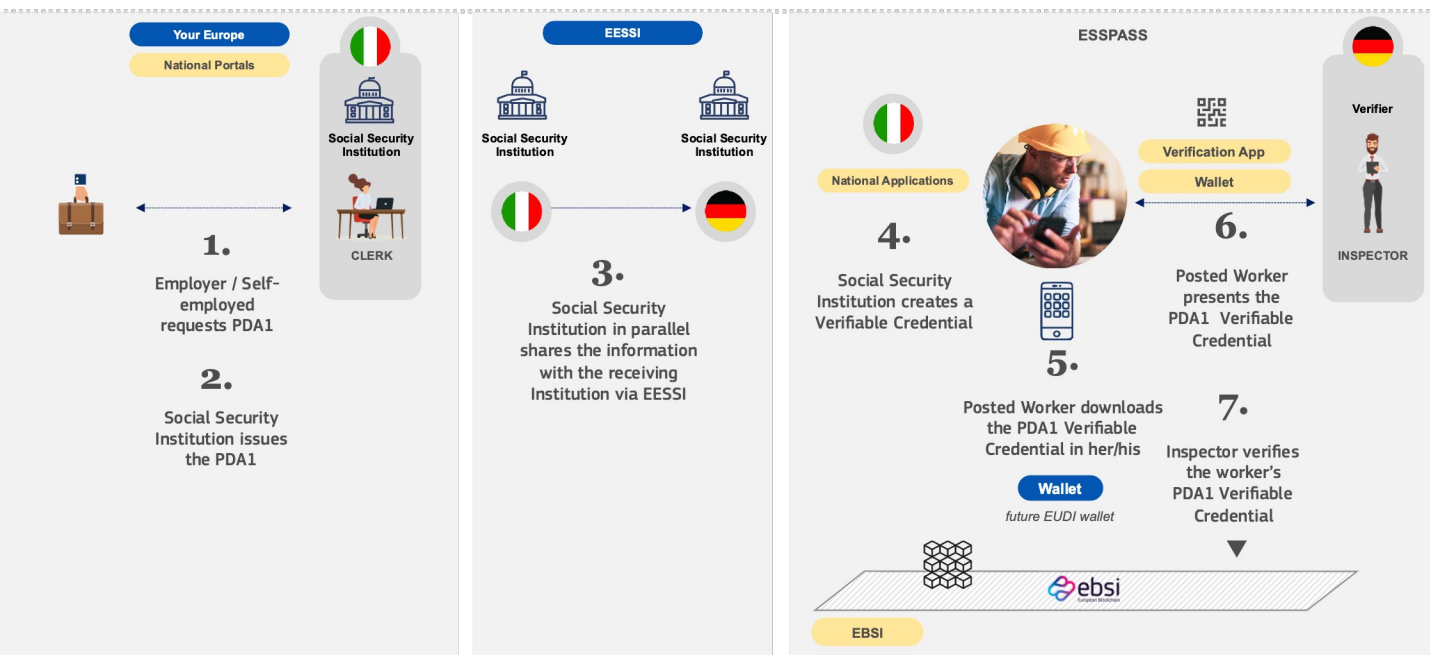
WHAT ARE THE OBJECTIVES?

The goal is to explore the feasibility of a digital solution for the cross-border verification of social security coverage and entitlements and see what hurdles need to be overcome with a view to large-scale deployment of the solution. In the first phase, the pilot project focused on the digitalisation of the procedures related to the PDA1.

HOW DOES IT WORK AND HOW DOES IT FIT TOGETHER?

In the first phase, the pilot project addressed the case of Joanna: to replace the current paper-based exchanges between posted workers, administrations and labour inspectors as much as possible by electronic means, ESSPASS proposes a digital solution.

The figure below provides a simplified overview of the solution and the links with other digital EU initiatives such as EESSI, the various national applications, and the app which will be used to verify the authenticity and validity of a PDA1. The solution leverages blockchain technology. The European Commission together with the Member States' national authorities have joined forces to create an EU-wide blockchain platform known as the European Blockchain Services Infrastructure (EBSI). This is a peer-to-peer network of interconnected nodes, each of which is operated by different authorities of the Member States.





ESSPASS

What will the near future bring?

Two Consortia of Member States applied for funding under the Digital Europe Programme (in the frame of EBSI and the European Digital Identity framework) to pursue technical activities and pilot the PDA1 and EHIC use cases.

Thanks to ESSPASS, in a few years from now, it should be possible to request online documents attesting social security coverage and benefits. Mobile citizens should be able to download an electronic version and show it to the relevant institutions when travelling in and moving to another country. These institutions should then be able to verify the validity and authenticity of such documents online, including whether documents have been revoked, suspended or changed. With this perspective ahead of us, we can expect that in the years to come matters like these will be considerably simplified for mobile citizens, social security institutions, labour inspectors, health care providers and other stakeholders.

Linked to the ongoing work on ESSPASS, the Commission announced in its work programme 2023 the presentation of an initiative for the digitalisation of social security systems and social safety nets in support of labour mobility. Digitalisation efforts in social security coordination have also created renewed attention for the role played by labour cards/social ID cards in ensuring fair labour mobility.

To take stock of ongoing activities (including the European Tracking Service on pensions) and exchange on further steps in digitalisation in support of labour mobility and free movement, the European Commission (Employment, Social Affairs and Inclusion DG) is organising a high-level policy conference in Brussels on 1 March 2023.

European Tracking Service on pensions

In the modern social protection systems, individuals' awareness of their pension rights is increasingly important to enable them to make informed decisions about their career and savings needs and secure adequate pensions. National pension tracking services – online platforms giving users one-stop access to information about their pension rights in different schemes – have been set up in a number of Member States. However, no such service exists as yet for mobile workers, for whom following their pension rights in different national systems and schemes is even harder.

In 2018 the European Commission awarded a grant to a consortium of European pension stakeholders to develop a pilot of a European Tracking Service for Pensions. The project concluded at the end of 2022. The pilot project provided information on pension landscapes in a wide range of EU countries and developed functionality that assists mobile workers in finding their pension providers. It also developed a "proof of concept" for full-fledged pension tracking, demonstrating the feasibility of exchanging individual pension information, coming from national data sources in one Member State, in a secured way to the end user via a platform based in another Member State.

The Labour Card / Social ID

The enhanced digitalisation efforts in social security coordination have also created renewed attention for the role played by labour cards/social ID cards in ensuring fair labour mobility.

In their report on Social ID schemes of 2015, the EU social partners in the construction sector (EFBWW and FIEC) defined social identity cards: "as an individualized worker certification tool which contains visible and safely stored electronic data that aims to attest that specific social and/or other (e.g. professional qualifications, OSH training, social protection/security issues, ...) requirements have been met by the worker's employer and/or the worker him/herself".

Labour cards/social IDs remain primarily a national/regional local responsibility. However, the EU level can play a role in supporting the exchange of good practices, the examination whether interconnectivity can be established between the various cards and in helping to ensure that the development of cards is compatible with the internal market rules (i.e. freedom to provide services).



More info needed?

Visit:

European Social Security Pass Pilot Project:

[Videos - European Social Security Pass - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

Single Digital Gateway:

[Single digital gateway \(europa.eu\)](#)

European Digital Identity:

[European Digital Identity | European Commission \(europa.eu\)](#)

European Blockchain Services Infrastructure:

[EBSI \(europa.eu\)](#)

The European tracking Service on pensions:

[European Tracking Service on Pensions \(ETS\) – AEIP](#)

Labour Card/Social ID:

[Social ID card :: FIEC](#)

European Health Insurance Card:

[European Health Insurance Card - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](#)

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