



SOCIONEWS



LAW

FRAMEWORK AGREEMENT ON CROSS-BORDER TELEWORK REGARDING SOCIAL SECURITY RULES

1. BACKGROUND

The Member States of the European Union have drawn up a new Framework Agreement in the field of social security. Cross-border teleworking affects a large number of cross-border employees and can have a major impact on determining which Member State is competent for the employee's social security.

On 5 June 2023, the Minister for Social Security, Claude Haagen, signed the new Framework Agreement on cross-border teleworking, which will come into force on 1 July 2023.

PLEASE NOTE: this Framework Agreement does not cover the taxation of cross-border workers.

2. WHAT DOES THE NEW FRAMEWORK AGREEMENT PROVIDE FOR?

Under this Agreement, cross-border workers now have the option of teleworking in their State of residence, while remaining subject to the social security legislation of the Member State where their employer's registered office or place of business is located, provided that:

- the worker's State of residence and the State where the employer is established have both signed the Framework Agreement;
- the time worked in the State of residence is less than 50% of the worker's total working time.

It is important to note that the Agreement does not apply to employees who:

- habitually pursue an activity other than cross-border telework in the State of residence and/or;
- habitually pursue an activity in a State other than their State of residence and other than the country in which their employer is established and/or;
- are self-employed.

The Framework Agreement therefore only covers people who usually work in the State where their employer has its registered office and who telework in their State of residence, without carrying out any activities other than teleworking.



3. WHAT PROCEDURE SHOULD BE FOLLOWED?

The employer or the person concerned must submit a request to the competent authority of the Member State in which the employer has its registered office in order to benefit from the derogation provided for in the Framework Agreement.

An exchange of information will take place between the competent authorities. The competent authority of the signatory

State whose legislation is applicable, i.e. the Member State where the employer's registered office is located, will provide an A1 certificate.

However, it should be noted that the Agreement granted by the competent authority is valid for a maximum of 3 years, with the possibility of extension by means of a new application.

4. DOES TELEWORK HAVE TO BE AGREED IN A WRITTEN AGREEMENT?

The cross-border telework must be agreed between employer and employee formally or informally. The request

for the application of the Framework Agreement must be made in consent between them.

5. HOW LONG IS THE FRAMEWORK AGREEMENT VALID?

The Agreement was concluded for an initial period of 5 years, and Belgium is also the depositary State for the signatures to the Agreement. To this end, the relevant Belgian authorities have set up a dedicated website containing a complete list of the Member States that have signed the Agreement.

So far, Luxembourg, Belgium, Germany, Austria, the Netherlands, Finland, Slovakia, the Czech Republic, Norway,

Liechtenstein and Switzerland have signed the Framework Agreement, which will enter into force in these Member States on 1 July 2023.

The evolution of the list of signatory Member States can be followed on the Belgian website¹ [Federal Public Service – Social Security](https://socialsecurity.belgium.be/en/internationally-active/cross-border-telework-eu-eea-and-switzerland).

6. IS THERE A TRANSITIONAL PERIOD?

The Framework Agreement does not apply to periods prior to 1 July 2023 and, in principle, any request must be made for the future and does not apply retroactively.

However, the Framework Agreement does provide for two possibilities for submitting a request that includes a past period, provided that the social security contributions have already been paid in the employer's signatory State, and:

- the period requested prior to the date on which the request was submitted does not exceed 3 months, or
- the request is submitted no later than 30 June 2024 and the period preceding the date on which the request was submitted does not exceed 12 months.

¹ <https://socialsecurity.belgium.be/en/internationally-active/cross-border-telework-eu-eea-and-switzerland>