

GMS Flash Alert

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Switzerland – COVID-19: Extension of Flexible Social Security Rules with France

Switzerland has extended “The Application of the Flexibility Rules” pertaining to the application of standard social security rules and procedures to 31 December 2021 for **all** neighbouring countries. This is following the latest announcement of the Swiss federal social security authorities that the French and Swiss governments have agreed to extend their agreement by another six weeks from 15 November 2021 to 31 December 2021.¹

WHY THIS MATTERS

The continuing flexibility of social security authorities in Switzerland and other countries should ease some uncertainty brought by the ongoing coronavirus pandemic. The application of social security regulations should not be a concern for affected frontier workers, cross-border workers, and international assignees (and their employers) with regards to their work-from-home/remote work arrangements. In fact, the numerous agreements reached by social security authorities across many countries for the flexible application of social security rules, will temporarily normalise these workers’ situations as if the individual worker were still to be working in the country-of-work if not for the coronavirus pandemic.

Coordination of social security during the coronavirus public health emergency is relevant to help ensure that employees do not face double contributions or social security gaps in the future.

Context

The ongoing measures taken to protect public health, and efforts made to contain the pandemic, means that many cross-border commuters did not travel to their place of work, but returned to and/or stayed in their home country to work from home. As per the current European Union (EU) law, in cross-border cases, an individual is subject to the social security legislation of the member state where (s)he pursues at least 25 percent of his/her activity or earns at

least 25 percent of his/her total remuneration.² This change in work patterns could, therefore, have an impact on the social security regime covering these workers.

On a first attempt to reduce the impact on employees' social security status, in a spirit of pragmatism and under consideration of the exceptional circumstances, the member states of the EU/European Free Trade Association (EFTA) agreed to apply a more flexible approach to the social security coordination rules for the duration of the pandemic. As a consequence, Switzerland and other EU countries came to an understanding that the international social security rules between the EU / EFTA countries should be interpreted flexibly and consequently not lead to a change in the social security regime of cross-border workers under COVID-19, as outlined in our previous *Flash Alerts* on this topic.³

KPMG NOTE

The flexible understanding of the international social security rules amongst the EU and EFTA countries has been extended and is subject to continuous review and is expected to end with increasing normalisation of the situation.

FOOTNOTES:

1 For additional information, see the following webpages for the *Bundesamt für Sozialversicherungen* (BSV) (in German): "[Coronavirus: Auswirkungen auf die Sozialversicherungen im internationalen Kontext.](#)"

2 Please refer to Article 13, Regulation (EC) No. 883/2004.

3 Please refer to previous issues of *GMS Flash Alert*: [2021-184](#) (25 June 2021) and [2020-492](#) (11 December 2020).

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