

GMS Flash Alert

2024-062 | March 19, 2024

European Union – Steep Increase in Number of Issued A1 Certificates: Facts, Figures, and Analysis

On 8 March 2024, the European Commission published its statistical report about social security.¹ For the first time since the pandemic, the number of A1 certificates issued for social security coverage for mobile workers is on a steep incline and has reached the highest pre-pandemic levels. The figures for 2022 show that the number of A1 certificates issued increased by 27 percent compared to 2021.²

The total number of A1 certificates issued in 2022 was 4.6 million, of which 3 million were issued to posted workers, 1.4 million were issued where work in two or more countries was involved, while the remaining approximately 200,000 A1 certificates were issued for other categories, including mariners, special agreements, etc.³

WHY THIS MATTERS

The statistical data, showing that the number of issued A1 certificates is back to its highest level pre-pandemic, suggests that cross-border movement is on the rise with higher numbers of cross-border workers and all that entails for compliance (tax, immigration, posted worker rules, labour law) and risks to the business and its employees,

The effects of A1 certificates are extensive. A1 certificate documents indicate where social security contributions are due. In addition, they provide documentation used to determine eligibility for a range of benefits, including pension, unemployment, sickness, family benefits, and more. This development should be seen as an indication that social security compliance is being scrutinised and employers should therefore review their compliance with social security for their mobile workers, including posted workers, business travellers, remote workers, etc.

Context

European Economic Area (EEA) countries and the U.K. use a common certificate for social security for mobile workers called the “A1 certificate.” The A1 certificate is used for all cross-border working situations, including temporary postings to another country, work in more than one country for one or several employers, business travellers, remote workers, digital nomads, freelancers, etc.

Only the country where the worker will be subject to social security can issue an A1 certificate. Once issued, the A1 certificate serves as proof that the certificate holder is exempt from liabilities to social security during his/her periods of work abroad and it documents coverage when eligibility for a range of benefits is determined, including pension, unemployment, sickness, family, and others.

Highlights from the Statistical Report 2023

Rules for social security apply to every cross-border work-related activity, including business trips. The employer (or any self-employed person) concerned is obligated to notify the competent country, whenever possible, in advance, and obtain the A1 certificate.⁴

A1 Certificates for Temporary Postings/Assignments

- According to the 2023 Statistical Report, approximately 3 million A1 certificates for temporary postings/assignments were granted to around 1.8 million people in 2022. This means that an average 1.7 A1 certificates were issued to a person. Compared to 2012, the number of A1 certificates issued in 2022 for temporary postings/assignments trebled.
- The main **issuing countries** of A1 certificates for temporary postings/assignments are Germany, Poland, Italy, Spain, and France. The Czech Republic, Estonia, Cyprus, Iceland, and the U.K. each issued fewer A1 certificates for temporary postings/assignments in 2022 than in 2010.
- The main **receiving countries** are Germany, France, Austria, Belgium, the Netherlands, and Switzerland.

A1 Certificates for Activity in Two or More Countries

- The 2023 Statistical Report notes that in 2022, approximately 1.4 million A1 certificates were granted for work in two or more countries, covering roughly 1.3 million persons. The number of these A1 certificates has been on a consistent rise since 2010.
- The main **issuing countries** for the A1 certificate for work in two or more countries are Poland, Slovakia, Spain, Slovenia, and Lithuania. Slovenia and Lithuania have experienced the sharpest increase in the number of A1 certificates issued for work in two or more countries.

Cross-Border Health-Care

- The **European Health Insurance Card (EHIC)** comes into play when a person needs necessary health care while temporarily staying abroad. The card guarantees that the patient will be treated on equal grounds with insured patients in the member state of treatment. The EHIC is used when a person works abroad, studies abroad, or travels on holiday/as a tourist⁵, etc., and health care that cannot be delayed or postponed is required in the host country. Health care provided in the member state of stay is then reimbursed by the competent member state in accordance with the rates of the member state of stay.⁶

- There are currently 242 million EHICs in circulation in 2022, which means that 46 percent of all EEA/EFTA/U.K. nationals currently carry the EHIC.⁷
- The main issuing countries of the EHIC in 2022 were Germany and the United Kingdom. France has experienced significant growth, issuing 14.6 million EHICs in 2022 compared to only 4.1. million in 2013.⁸

MEIJBURG & CO. INSIGHTS

The statistical data shows that the number of issued A1 certificates has reached pre-pandemic levels. In addition to this, the European Commission is launching a range of digital solutions that will make accessibility to A1 certificates and EHICs easier, as well as make it considerably easier for authorities to inspect and assess compliance with A1 certificates and EHIC instantly.

One such project concerns a digital wallet for the A1 certificate and EHIC (ESSPASS)⁹ that will make it possible to instantly check and verify the validity of A1 certificates and EHICs. Another such project concerns electronic communications between all EEA/EFTA/U.K. authorities in all branches of social security, which is almost fully operational (EESSI).¹⁰

Due to significant and rapid developments in the field of social security in Europe, employers may wish to consult with their cross-border social security professionals to undertake a review of their social security compliance processes and consider implementing any necessary measures to meet the requirements for compliance with social security rules and for obtaining necessary documentation, as applicable, such as the A1 certificate, EHIC, and/or the S1 certificate (health insurance during residence abroad).

FOOTNOTES:

1 European Commission: [Coordination of social security systems at a glance – 2023 Statistical report](#), 8 March 2024.

2 Ibid., p. 19.

3 Ibid.

4 Ibid., p. 20-21, footnote 12.

5 European Union, Employment, Social Affairs & Inclusion "[Travelling abroad? Don't forget your European Health Insurance Card.](#)"

6 European Commission: [Coordination of social security systems at a glance – 2023 Statistical report](#), 8 March 2024, pp. 33-36 contain more information about budgetary effect of reimbursement of health-care etc.

7 Ibid., p. 24.

8 Ibid.

9 European Commission: [European Social Security Pass](#), 2024.

10 European Commission: [Electronic Exchange of Social Security Information \(EESSI\)](#), 2024.

Contact us

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