

GMS Flash Alert

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European Union – Deadline for A1 Applications for Telework Approaching

The European Union’s Framework Agreement for social security contains a transitional period for applications for A1 certificates during which retroactive applications are allowed; that transitional period expires on 30 June 2024.¹

On 1 July 2023, 18 European countries implemented the Framework Agreement for social security that provides an option to maintain social security coverage in the country of the employer when the employee resides in a different country and teleworks from home less than 50 percent of his/her total working time.²

WHY THIS MATTERS

The Framework Agreement for social security provides a possibility for employees to work from home in their country of residence up to 49.9 percent of the time without it triggering social security liabilities in the employee’s country of residence.

However, an application for an A1 certificate for social security coverage must be duly filed for the Framework Agreement to apply.

If telework from home is commenced on 1 July 2023 or thereafter, an application for an A1 certificate must be filed before the expiration of the transitional period on 30 June 2024. Retroactive applications filed late will be rejected and social security in the country of the employee’s residence will apply.

Context

To address the increasing demand for flexibility in cross-border working arrangements, the EU Commission launched an initiative to design a solution in the context of rules for social security that would allow for more

work from home without triggering changes in the country that is responsible for social security. The Framework Agreement for social security resulted from much input from various stakeholders and extensive deliberation. It allows continued affiliation to the social security system in the country of the employer when an employee works from home in his/her country of residence less than 50 percent and the rest of the working time is spent at the employer's premises.

As noted earlier, the Framework Agreement was implemented on 1 July 2023, in the following countries: Austria, Belgium, Croatia, Czech Republic, Finland, France, Germany, the Netherlands, Liechtenstein, Luxembourg, Malta, Norway, Portugal, Poland, Slovakia, Spain, Sweden, and Switzerland. In addition, Slovenia implemented the Framework Agreement for social security on 1 September 2023, and Italy on 1 January 2024 (for prior coverage, see [GMS Flash Alert 2024-020](#), 23 January 2024).

The Framework Agreement can apply only when both the country of the employee's residence and the country of the employer have signed the agreement.

Deadlines for Retroactive A1 Applications under the Framework Agreement

As the provisions under the Framework Agreement can be enacted only when an application for an A1 certificate is duly filed, it is important for applicants to respect deadlines for applications set out in the agreement.

Transitional Period

The Framework Agreement was enacted on 1 July 2023, and it contains a transitional period of one year that expires on 30 June 2024, six weeks away. This means that an application for an A1 certificate under the Framework Agreement for telework from 1 July 2023y, must be filed by 30 June 2024. **If such application is filed after 30 June 2024, the application will be rejected.**

Deadline for A1 Applications from 1 July 2024

After the expiry of the transitional period, the deadline for applications for A1 certificates under the Framework Agreement is three months from that point; in other words, this means that applications for A1 certificates for telework from 1 July 2024, can include a part working period up to three months.

If the application is not filed within the three-month deadline, the application will be rejected and social security in the country of the employee's residence will apply.

MEIJBURG & CO. INSIGHTS

30 June 2024 is approaching rapidly and employers for whom the Framework Agreement is relevant should take action.

The Framework Agreement is not statutory law, it is an option employers and employees can avail of to avoid changes in the country that is responsible for social security. That is why the deadlines for applications for A1 certificates must be respected.

It may be worthwhile reaching out to your usual social security professional or a KPMG adviser to make sure your data and paperwork are ready for a smooth application process for the A1 certificate under the Framework Agreement.

FOOTNOTES:

1 Full text of Framework Agreement in cases of habitual cross-border telework, "[Framework Agreement on the application of Article 16 \(1\) of Regulation \(EC\) No. 883/2004 in cases of habitual cross-border telework](#)" (2023).

2 See [GMS Flash Alert 2023-143](#), 17 July 2023.

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Contact us

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