

# GMS Flash Alert



2022-119 | June 17, 2022

## European Union – COVID-19 Measures for Social Security Extended Through 2022

On 14 June 2022, the European Union (EU) Administrative Commission (“the Commission”) agreed to extend the “no-impact policy” for social security for frontier workers until the end of 2022.<sup>1</sup> However, the Commission calls this extension a “transitional period” to allow people covered by the “no-impact” policy to adjust to the change. This means that workers who reside in one EU member state and work in another EU member state can work from home longer (more than 25 percent of time) and remain covered by social security in the country where their employer is located.<sup>2</sup>

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### WHY THIS MATTERS

The extension of “no-impact policy” allows frontier workers to (continue to) work from home without becoming subject to social security in their country of residence.

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### Background

A “no-impact” policy in social security was introduced during the global lockdown related to the coronavirus pandemic with the aim of avoiding change to applicable social security laws for cross-border workers who were forced/advised to stay and work at home to prevent spread of the COVID-19 virus. The “no-impact” policy was originally introduced for six months and the last extension was set to expire at the end June 2022. (For prior coverage, see [GMS Flash Alert 2021-236](#), 15 September 2021.)

However, with upcoming summer holidays and the continued presence of COVID-19, which is expected to increase again in the autumn, it has been decided to extend “no-impact” policy until the end of 2022.

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## KPMG NOTE

It seems reasonable to extend the “no-impact” policy for frontier workers and we are hopeful that remote working will be considered with a view toward more permanent changes for coordinating rules for social security.

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## FOOTNOTES:

1 For information on EU Social Security coordination (in English), see "EU Social Security Coordination" on the website for the European Commission's "Employment, Social Affairs, & Inclusion" committee click [here](#). Also see "Official documents" by clicking [here](#). Also, this information was shared publicly by a member of the Conciliation board of the EU's Administrative Commission for the coordination of social security schemes on his LinkedIn page (see: <https://www.linkedin.com/feed/update/urn:li:activity:6943128771398918144/>). *Please note that by clicking on this URL, you are leaving the KPMG website for an external site, that KPMG is not affiliated or nor is it endorsed by KPMG. The use of the external site and its content may be subject to the terms of use and/or privacy policies of its owner or operator.*

2 For a prior report, see [GMS Flash Alert 2020-068](#), 18 March 2020.

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