

GMS Flash Alert

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European Union – How Trends in Social Security Are Shaping Cross-Border Enforcement

The European Commission published a long-awaited report on A1 certificates for social security issued in 2024.¹ The latest data indicates that since that report was issued, the overall number of A1 certificates issued has largely stabilised, with only a slight increase compared with 2023. After several years of strong post-pandemic growth, this suggests that cross-border mobility is settling into a “new normal” rather than continuing to surge. For businesses, this means A1-related compliance is no longer a temporary spike but a steady, structural feature of how international work is organised.

There are now clear trend patterns in the A1 data—such as the stabilised but high overall volume, the growth in multi-state work and the rising share of third-country nationals—that give authorities a sharper basis to target enforcement and deepen cross-border cooperation when reviewing the validity and use of A1 certificates.

WHY THIS MATTERS

For multinational employers, these figures are not just statistics—they are the data authorities will use to digitise, target, and enforce.

The significant and growing number of A1 certificates for work in two or more countries signals structural changes in business models, with employers favouring multi-state coverage over single-country postings. This makes complex work patterns more visible and easier for authorities to analyse.

At the same time, the rising share of A1 certificates issued to non-EU/EEA/Swiss nationals gives institutions a clearer view of how third-country labour is used across borders.

Coupled with the increasing use of dialogue and conciliation between authorities to verify A1 validity, these trends point to more coordinated, data-driven enforcement. Businesses relying on cross-border or multi-state work should expect closer scrutiny and ensure their A1 use is consistent, well-documented, and compliant.

Highlights

General Overview

Portable Documents (PD) A1 are official documents that confirm which country's social security legislation applies to a worker who is temporarily working or working in multiple countries within the EU/EFTA or the UK, ensuring they remain covered in one system and avoid double contributions.

Depending on the working situation, different conditions apply that employers and employees must meet, and PD A1 certificates are issued with varying durations and options to reflect whether the work is a short-term posting, ongoing multi-state activity, or another specific arrangement.

The report indicates that a total of 5.6 million PD A1s were issued across the EU/EFTA and the UK in 2024. This represents a stable overall volume, with only a slight increase of approximately one percent compared with 2023, following the sharp post-pandemic growth seen in 2022 and 2023. In this sense, 2024 marks a normalisation phase: after strong rebounds from Covid-related lows, issuance levels now appear to have stabilised.

Based on the report's 2024 data, the main issuing and receiving countries for PD A1 certificates are:

- Main issuing countries (by number of PD A1s issued)
 - Germany – just over 2.1 million
 - Poland – around 853,000
 - Italy – around 386,000
- Main receiving countries (by number of PD A1s received)
 - Germany – approximately 1.1 million
 - France – approximately 620,000
 - Belgium – approximately 430,000

Temporary Assignments and Ongoing Multi-Country Work

Two main exceptions to the general rule that social security is due in the country where work is physically performed are reflected in how PD A1 certificates are used.

One exception covers **temporary assignments abroad** of up to 24 months, when an employee is sent to another country for a limited period but can remain insured in the home system. The other applies to people who **regularly work in two or more countries on an ongoing basis**, and can remain covered by the same country's social security as long as that pattern continues.

In practice, the ongoing multi-country category often involves fewer specific conditions and does not entail maximum duration, which can make it particularly attractive for employers with recurring cross-border roles.

The report highlights that both types now represent a significant share of all PD A1 certificates, with a notably high volume for regular multi-country working arrangements compared to previous years. It also notes that, in several states, the share of certificates for ongoing work in multiple countries has increased relative to short-term postings.

This shift is interpreted as evidence of a structural change in how businesses organise work, with a growing preference for models that build cross-border flexibility into roles rather than relying solely on traditional, time-limited assignments.

Framework Agreement for Telework Comes of Age

The report notes that the new Framework Agreement on habitual cross-border telework is beginning to be used, but still on a limited scale compared with the overall A1 volume. The agreement allows employees to work from home in another signatory state for a substantial part of their time (roughly up to half) while remaining insured in the employer's country, offering more flexibility for cross-border remote work.

Uptake so far is uneven—higher in some countries (for example, Switzerland and a few neighbouring states) and very low in others—suggesting that awareness, administrative readiness, and alignment with national tax and HR practices are still catching up. The report therefore sees the Framework Agreement as a promising tool whose potential is not yet fully realised and it recommends continued monitoring of how the agreement is implemented and used in practice.

Third-Country Talent on the Move

The report highlights a clear increase in A1 certificates issued for third-country nationals (i.e., individuals who are not EU, EEA or Swiss citizens). This trend is particularly visible in certain countries, where non-EU nationals now make up a notable share of both short-term assignments and ongoing multi-country work.

In one major issuing state, for example, around 11 percent of A1 certificates for temporary assignments and roughly 29 percent of certificates for regular work in multiple countries are issued to third-country nationals, with Ukrainian nationals featuring prominently in the data.

The report underlines that this growing role of third-country nationals in cross-border work makes nationality data increasingly important. It recommends closer monitoring and more systematic analysis of these patterns, both to understand labour market dynamics and to ensure that coordination rules and enforcement practices adequately reflect the reality of a more diverse, mobile workforce.

Disputes and Conciliation Around A1 Certificates

The report notes that questions around the validity and correct use of A1 certificates continue to generate disputes between national institutions, and that these are being handled through structured dialogue and conciliation rather than unilateral action. Where one country doubts that the conditions for issuing an A1 are met—for example, because it suspects the work is not genuinely temporary or the employer is not genuinely established—it can request clarification and, if needed, trigger a formal conciliation process with the issuing state.

The data show a steady use, and in some cases an increase, in such dialogue and conciliation procedures across the coordination area. This points to a more cooperative, rules-based approach to resolving disagreements, while also signaling that enforcement is becoming more active and coordinated.

For employers, this means that A1 decisions are more likely to be reviewed and challenged if they appear inconsistent, making robust documentation and clear alignment with the underlying conditions increasingly important.

KPMG INSIGHTS

For businesses, the trends in the report are not just descriptive; they foreshadow how enforcement will evolve. Authorities now have large, structured datasets on where, how, and for whom cross-border work is

organised. Combined with digitalisation and closer cooperation between institutions, this turns PD A1 statistics into a powerful enforcement tool.

The growth in certificates for ongoing multi-country work, as well as the significant share of A1s issued to third-country nationals, gives authorities clearer visibility of high-risk patterns: sectors and routes where complex structures, subcontracting chains, or wage pressure are common. Third-country nationals are often regarded as a particularly vulnerable group, as their right to reside and work may be tied to a specific employer. That dependency can make them less likely to complain if they are underpaid, not given the conditions formally promised, or rotated in ways that stretch the rules on “temporary” work.

At the same time, this development needs to be viewed together with the wider **posted workers** agenda and enforcement efforts in that area.² Labour inspectorates, social security institutions and, in some cases, tax authorities are increasingly aligning their focus: using A1 data alongside posted worker notifications, sectoral inspections and joint audits to identify possible abuse or circumvention in cross-border employment models.

In this context, the increase in structured dialogue and conciliation between authorities is not just a technical detail; it signals a more coordinated, proactive approach to checking whether A1s are issued correctly and whether the underlying employment situation matches what is declared. Nationality data, duration patterns, and the balance between temporary postings and ongoing multi-country work all become inputs into risk-based targeting.

For employers, this means three things:

- Cross-border and multi-state work arrangements involving third-country nationals are likely to be **more visible and more scrutinised**, especially where they intersect with posted worker regimes.
- Authorities are increasingly willing to **challenge A1s** if they suspect that conditions are not met, using data and cooperation with other states to support their position.
- Robust governance, documentation, and genuine compliance with both social security and labour standards are becoming **business-critical**, not just for avoiding back payments and penalties, but also for managing reputational risk in an environment where enforcement is clearly shifting towards protecting vulnerable mobile workers.

Framework Agreement – Why Switzerland Stands Out

The Framework Agreement on habitual cross-border telework allows eligible employees to work remotely from another signatory state for a substantial share of their time while remaining in the employer’s social security system. In most countries, uptake is still modest, largely because tax rules and administration have not been adapted in parallel, limiting the practical attractiveness for employers.

Switzerland is an exception. Its relatively higher use of the Framework Agreement is likely linked to **coordinated tax changes**: Switzerland has adjusted tax treaty arrangements with several neighbouring countries,³ raising thresholds for cross-border telework and simplifying income tax administration. By reducing tax friction and clarifying where teleworkers are taxed, these measures make the social security flexibility under the Framework Agreement far more usable.

For businesses, Switzerland’s example underlines that cross-border telework only scales when **social security and tax are aligned**; social security flexibility alone is not enough.

ENDNOTES:

1 European Commission: [Posting of workers: Report on A1 Portable Documents issued in 2024](#), October 2025.

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2 KPMG GMS Flash Alert: [European Union – New Initiatives for Mobility of Workers](#), 3 November 2025.

3 KPMG GMS Flash Alert: [Switzerland – Taxation for Telework of Cross-Border Commuters](#), 6 November 2024; KPMG GMS Flash Alert: [Switzerland – New Home Working Arrangements for Frontier Workers with France](#), 11 July 2023.

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