ISSN: 2688-8653

EU Social Security Coordination of Old-age Pensions

József Hajdú[1], Mengxuan Chen[2]

[1]Professor of Law, University of Szeged, Hungary

[2]Graduate student of International Development Cooperation, KyungHee University, South Korea

Abstract

The original concept of social security co-ordination is part of international law. It is formed by international agreements and treaties. Social security co-ordination instruments fall into the following categories:1. Supra-national law (EU social security coordination); 2. Multilateral conventions and 3. Bilateral agreements. This article will focus exclusively on the EU supranational social security coordination system. The inevitable aim of the coordination mechanism is to protect the social security right of cross-border (migrant) persons who left behind his/her original social security protection when he/she left the territory of the state of origin. The aim of this article to introduce the logic of the EU social security coordination system with special regard to the Old-age pension issue, and briefly outline the fifth guiding principe of the social security coordination (good cooperation among social security institutions) and its manifestation in the EESSI system. The used method is mainly descriptive and based primarily on relavant EU legislations and literature review.

Keywords

Social Security Co-ordination; Old-age Pension; EESSI System.

1. Introduction

Before starting to introduce the coordination issue, some fundamental cornerstones shall be underlined:

1. There is no European-wide supranational social security[2] system.[3] Hence social security is essentially a creation of national law.[4] These schemes are administered by national bodies governed by national rules and regulations. 2. The scope of social security schemes is therefore traditionally confined to the nationals or the territory of that particular EU Member State (hereinafter: MS). 3. Free movement of persons.[5],[6] 4. The territorial nature and diversity of social security can cause problems when people migrate from one State to another (territorial scope of national social security system and discrimination based on original citizenship).

The EU provides common rules to a person's social security rights when moving within Europe (EU 27 + Iceland, Liechtenstein, Norway, Switzerland and under a special agreement with UK). However, the EU regulations of social security coordination[7] do not replace national systems with a single European one. All countries are free to decide who is to be insured under their legislation, which benefits are granted and under what conditions.[8] The EU's coordination regulations governing social security deal with provisions offered within the framework of the statutory social security system. Coordination aims at eliminating disadvantageous situations that may arise from the differences of the systems operating in Member States as well as acknowledging and maintaining the rights obtained, and implementing cooperation among the Member States.

Migrants may be at risk of being treated differently from the nationals of the state to which they move. This may be because that new state will not pay benefits to non-nationals. The

ISSN: 2688-8653

territoriality of social security means that those who decide to make a long-term move to another country may lose some of the social security rights they have acquired in their home state. For example they may lose all credit for the periods of residence, employment or economic activity they have acquired in their home state as these periods may not be counted under the national social security law of their new state. This is particularly important in relation to pensions for old age or invalidity where entitlement to and the amount of pension depend upon periods of recognised residence, employment or economic activity.

It may be that people who move to a new country will lose the right to payment of a benefit they have already been granted in their home state. For example someone retires in State A and is granted a full old age pension but that person decides they want to live in a warmer country, State B. The territorial nature of social security would mean that under the national law State A does not have to pay pensions to people who leave in order to live in another country. Upon arriving in State B the pensioner will probably be unable to rely upon the national law in State B to pay him/her a pens ion there because the periods of residence, employment or economic activity s/he fulfilled in State A will most likely not be recognised under the national law of State B.

2. Legal Context of Social Security Coordination

2.1. The Goals of the European Union

From the start of the European Economic Community (EEC) in 1957, the free movement of persons is considered to be one of the basic principles of the Treaty of Rome.[9] Together with the free movement of capital, goods and services, it still constitutes the cornerstone of the European Union.

Free movement of persons implies that within an internal European market each citizen has the right to travel to another Member State of the EU to work, to look for work, to study or to go on holiday. However, the free movement of persons faces some restrictions. Apart from some "natural" limitations, such as cultural problems, linguistic barriers or differences in standard of living, people can also be confronted with obstacles which are the result of differences in national legislations, in particular in the field of social security.

The drafters of the Treaty of Rome were well aware not only that social security systems in the Member States of the EU differed to a large extent but also that the rules governing social security were applicable only on the territory of each Member State and that this situation was liable to create impediments for the free movement of persons. Mobility of persons would remain an illusion when workers leaving their country to work in another EU country would lose – completely or partly – their social security rights of the State they are leaving or when they would not be able to obtain benefits in the State where they go to.

In addition, one has also to take into account the recent developments regarding EU citizenship, according to which every EU citizen has the right to move and reside freely, subject to certain conditions and limitations, on the territory of the Member States of the European Union.

The legal instruments available: the European coordination of social security rules. For the reasons set out above, the European Treaty provides since its origin in 1958 that the Council of Ministers, the legislative body of the Community (later joined by the European Parliament), with unanimity of votes, must take those measures that are necessary in the field of social security for improvements of the free movement of persons. The Council of Ministers did so as one of the first measures ever taken by the European Economic Community; already on 1 January 1959, Regulations Nrs. 3 and 4 on social security for migrant workers entered into force.

On 1 October 1972 these regulations were completely revised and replaced by Regulation Nrs. 1408/71 and its implementing Regulation 574/72. Since 1971 these Regulations were the

ISSN: 2688-8653

subject of several amendments in order to accommodate trends in national legislation and progress resulting from the rulings of the Court of Justice. On 1 May 2010, a new set of regulations, Regulation 883/2004 and its implementing Regulation 987/2009 became applicable. Without changing it dramatically, the new regulations modernise and in some cases also simplify the EU framework for social security coordination.

The overall objective of these Regulations is to install a coordination of the various social security systems in the European Union. Rather than to harmonise the different national regulations - which would mean creating a common European system of social security – these Regulations build bridges between the national social security schemes; the national schemes are linked together, so as to prevent people moving within Europe from losing out on social security rights on account of their moving.

These Regulations therefore leave intact the competences of the national Member States to determine the principles and rules of their own national social security systems. This means that the different national legislators remain competent to determine who is insured, which benefits are provided and under which conditions, how benefits are calculated and how long they are provided, as long as there is no discrimination between citizens of the European Union. This means that national rules will, in principle, not be substituted by the European rules in these domains. For example, the level of pensions, pensionable age and the determination of invalidity remain within the competence of the national legislator.

These coordinating instruments only apply in situations where there is some cross-border element. Coordination is aimed at guaranteeing that someone who wants to go to work in another Member State does not lose his/her social security rights due to provisions applying in other social security systems. In addition, its goal is to prevent migrant workers from being treated unfairly in the field of social security in comparison with persons who have worked all their lives in one and the same Member State. Conversely, coordination, and European internal market law in general, does not apply in situations which are wholly confined within a single Member State.

2.2. The Four Basic Principles of Social Security Coordination

Four basic coordination principles are used in order to protect the social security rights of migrant persons and to remedy the problems created by the territoriality and diversity of national social security systems. These four basic principles are:

• *1st principle: Determination of the applicable legislation.* It means that a single legislation applicable for migrant persons in every case. In cross-border situations it could happen that a migrant person is either simultaneously subject to two legislations, or that s/he is not subject to any legislation at all. This is a consequence of the fact that the national legislators remain competent to determine the conditions under which someone is insured or not. In some countries one has e.g. to reside in order to be subject to the social security legislation. In other countries one has to work. Without coordination the application of these different criteria would lead to legal conflicts (collision). [10] These legal conflicts are impeding the free movement of persons and can be avoided by stating that the law of only one State should apply at the same time and by establishing a rule or set of rules to decide which law it should be. That is the reason why the BR contains conflict rules, determining the applicable legislation. A migrant person will therefore only be insured under the legislation of one Member State, to the exclusion of other national legislations. In general, an employed or self-employed person is subject to the country of employment, even if he/she lives in another country. It is in this country that he/she has to pay contributions, and it will be this country's institutions that in principle will pay the benefits. As to any rule, some exceptions are provided for.

• *2nd principle: Equal treatment or non-discrimination.* As a basic human rights the Regulations of the EU social security prohibit any kind of 'traditional' discrimimation, such as origin, sex,

ISSN: 2688-8653

minority, religion, etc. However, this principle of European social security law is the prohibition of every discrimination between persons on the basis of nationality of an EU or EFTA (Switzerland/Liechtenstein/Norway/Iceland and in a certain sense UK) state. Migrant persons might in the new country of employment or residence be confronted with legislations that contain discriminatory provisions on the basis of nationality. National legislation might provide for stricter conditions of application for foreigners. The principle of equal treatment prevents States from treating foreign nationals less favourably than their own nationals. The Regulation provides that all persons to whom it applies enjoy the same rights and have the same obligations under the social security legislation of any Member State as the nationals thereof.

• *Aggregation of periods* A third principle is the right to preserve social security rights in the course of acquisition. In many legislations, the right to obtain a benefit is dependent on the condition of having fulfilled a certain period of insurance, (self-) employment or residence under the legislation concerned. If someone wants to obtain a benefit, s/he should have paid contributions during a certain period in that country or have been working or residing for a certain period. Such qualifying periods can be very detrimental for migrant workers. The danger is that when persons move from one State to another they will lose the credit they have gained for periods completed in their former State. This could be very harsh indeed for those who wish to move to another country after they have already been employed in their home State for a long time. Without the principle of aggregation, it could happen that someone who has worked in several Member States during his/her career would not fulfil the qualifying period in any of these States, and as such would be left without entitlement. The insurance period, which s/he has fulfilled in one of these countries, would only give right to benefits if s/he would have been insured there for the whole of the qualifying period. This is especially the case for the acquisition of the right to a pension. To counter the negative consequences of such rules, the Regulation provides for the aggregation of periods. For obtaining a right to a benefit, the institution of a Member State has to take into account periods of insurance, work or residence fulfilled in (an)other Member State(s). The periods completed in (an)other Member States are considered by the institution from which a benefit or affiliation is claimed, as if those periods had been completed under its legislation. Through this principle migrant workers can obtain certain benefits (e.g. Old-age pensions), regardless of changes or even interruptions in their international career.

• *The exportability of benefits* A fourth important principle is the right to preserve social security rights that one has acquired within the European Union. Another way to describe this principle is the possibility to export social security benefits. Many national legislations require as a condition for the payment of benefits that the person resides in the territory of the State concerned. Such national provisions can be very detrimental, in particular for migrant workers. Consider the case of a migrant worker, who has worked all of his/her live abroad, who acquired the right to a pension and decides at the end of his/her active life to return to his/her country of origin. In that case he/she might lose his/her acquired rights. This would imply that citizens of the European Union would, as a matter of fact, be compelled to stay all their life in one and the same country if they want to get social security benefits. This is clearly an impediment to the free movement of persons. For this reason, the Regulation provides that “cash benefits payable under the legislation of one or more Member States or under this Regulation shall not be subject to any reduction, amendment, suspension, withdrawal or confiscation on account of the fact that the beneficiary or the members of his/her family reside in a Member State other than that in which the institution responsible for providing benefits is situated”. However, EU law contains some exceptions to the principle of exportability of benefits.

ISSN: 2688-8653

2.3. Personal Scope in Nutshell

The large majority of Europeans are covered by the Regulation. Regulation 883/2004 applies to persons who are either nationals of an EU Member State or who are stateless persons and refugees, if they reside in a Member State and if they are or have been subject to the social security legislation of one or more Member States. This means that, if a person is a Union citizen who resides in the EU and who is insured in a Member State, the regulation is applicable to him/her.

The family members and the survivors of the persons in the previous category are also covered, irrespective of their nationality, as well as certain other survivors. Nationals from Iceland, Liechtenstein and Norway are covered via the European Economic Area (EEA) Agreement. On 1 June 2002, the Agreement between the European Community and its Member States, of the one part, and the Swiss Confederation, of the other, on the free movement of persons was signed, so that the coordination rules also apply in relation to Switzerland.

Since May 2003 third-country nationals as well as the members of their families and their survivors can rely on the EU provisions on coordination of social security, provided they are legally resident in the territory of a Member State and are in a situation which is not confined in all respects within a single Member State.

2.4. Material Scope (Risks Covered)

Regulation 883/2004 lists the social security benefits covered by the Regulation. These largely correspond to the general traditional risks of social security: 1. sickness benefits; 2. maternity and equivalent paternity benefits; 3. invalidity benefits, including those intended for the maintenance or improvement of earning capacity; 4. Old-age benefits (including early Old-age benefits);[11] 5. survivors benefits; 6. benefits in respect of accidents at work and occupational diseases; 7. unemployment benefits; 8. family benefits; 9. pre-retirement benefits;[12] and 10.Survivors' pensions and death grants benefits

There are some additional general considerations on the material scope of the Regulation 883/2004: 1. it only covers statutory social security schemes (occupational social security schemes, established by collective agreement, basically are not covered); 2. it applies regardless of whether the benefits are contributory or non-contributory and 3. it applies irrespective of whether the benefits are provided generally or only in certain sectors or for certain categories of persons.

In general, social assistance does not fall within the scope of Regulation 883/2004. A benefit is social assistance if: 1. it is discretionary; or 2. it is a benefit which is general in nature, which implies that it covers the risk of general need and grants a minimum income to all citizens.[13]

3. Coordination of Old-age Pensions in the EU

According to the basic concept of EU social security coordination every person who during his/her working life, worked in more than one EU Member State and involved countries,[14] may be eligible to claim an Old-age pension from each of these countries. In each country, the insurance record is preserved until the person reaches the pensionable age. Every country where a person has been insured [15] for at least one year will pay an Old-age pension, when the person reaches his/her national pensionable age.

The Old-age pension will be calculated according to the insurance record in each country. The sum payable from each of these countries will correspond to the length of the person’s social security coverage in that country. Once awarded, the person will receive a ’Summary note’ (officially it is called: Structured Electronic Document P1) which will provide an overview of the decisions made by each country.

ISSN: 2688-8653

In accordance with the provisions of the coordination regulations, applications for the Old-age benefits must be submitted at the competent institution of the Member State of residence. This Member State institution will send the SED forms filled in according to the application, along with the certificate proving the service/insurance time acquired in the given Member State, to the competent institution(s) of the Member State(s), in which the applicant has accumulated additional service/insurance time. Via a single application, the applicant will be entitled to the given benefits in all related States, in which he/she has met the eligibility criteria. In the case of claims for Old-age pension, the postponement of the settlement of claims may be requested from the institution of the Member State in which the applicant would otherwise be eligible for the benefits. In this case, or, if one became entitled to benefits in another Member State only at a later date, a new application must be submitted.

Even if a person worked in several countries, the pension application for each country should be lodged in the country of residence. The only exception is when the person never worked in the country of residence. In that case, the application should be lodged in the country of last employment.

The competent institution[16] of each involved States evaluate applications in accordance with its own internal (national) laws and the provisions of the EU social security coordination regulations. If an applicant is eligible for benefits on own right in line with the internal regulations of a given Member State, the benefits must be calculated according to a so-called double settlement procedure: The first method is when the benefits due according to *national Old-age pension rules* must be calculated on the basis of the service time acquired and the salary received in the given Member State. The second method is when the *proportionate pension* must be calculated according to the following: 1. the *'theoretical' amount of the pension* must be calculated, that is, the pension amount that would be due if the applicant had acquired all his/her pension insurance service time (actually accumulated in several Member States) in this Member State; 2. the *proportionate pension* must be then calculated so that the ratio of service time acquired in the given Member State to total service time shall be applied to the theoretical amount. As a final step is to compare the amount of two calculated benefits (calculated on national provisions or proportionality provisions). Finally the one that is more advantageous i.e. the higher amount will be awarded and disbursed.

For example, A is a french man, who has worked in France for 30 years and in Spain for 10 years. Now that he is retired, he has to start applying for pensions from France and Spain respectively. Both countries require a minimum of 15 years of work to receive a pension. In each country, A's pension will be calculated.

The French authorities will do a double calculation. It will calculate A's state pension for 30 years of work in France - let's say €1,000. It will also calculate a theoretical amount of pension that A would have had if he had worked in France for the full 40 years - let's say €2,000. It will then determine the pro-rata pension. A part of this amount should be paid for the number of years working in France: 2000 x 30 years in France / total 40 years = 1,500 euros. A is entitled to a higher amount - €1,500 per month.

The Spanish authorities will not calculate the national pension because A has worked in Spain for less than the minimum time required. It will only calculate the EU equivalent rate starting with the theoretical amount that A would have had if he had worked in Spain for 40 years - for example, €1,500.Then, it will determine the pro-rata pension. the part of that amount that should be paid for the years worked in Spain: 1500 x 10 years in Spain / 40 years in total = 375 euros. Finally, A will receive a pension of €1,875.

The pension determined for pensioners residing in EU member states, and if an application to this effect has been submitted, such pensions shall be disbursed in the member state of

ISSN: 2688-8653

residence, different from the member state obliged to make the pension payment (direct transfer).

The insurance facts occurring on the territory of EU/EEA and relevant from the perspective of eligibility for benefits and the amount of benefit shall be taken into account as if they had occurred on the territory of the member state that established the pension benefit or within the scope of its insurance system.[17]

One more important eligibility factor is that the retirement age across the EU countries varies considerably. A pension from the country of residence or employment will be payable once the person reaches the legal retirement age in that country. If a person accumulated pension rights in other countries, those parts of pension rights will be payable once the person reaches the legal retirement age in those countries. Therefore, there might be a gap in the payment of all the pension entitlements accumulated during the years.

The following chart shows the differences in the retirement age across the EU, as well as the differences in the retirement age for men and women.

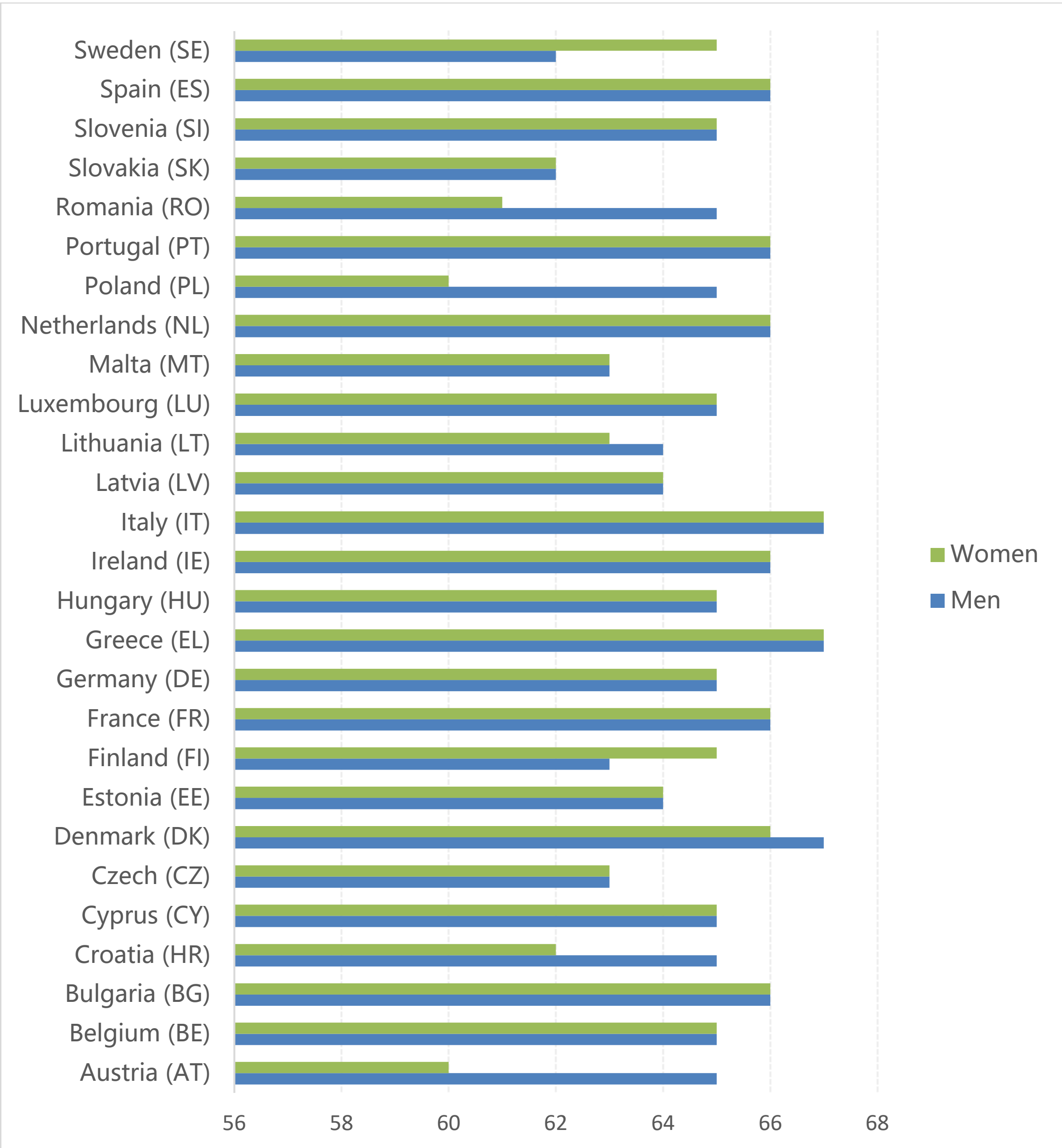

Figure 1. Retirement ages(Old-age pension) in different EU countries (2021)
Data Source: https://www.etk.fi/en/work-and-pensions-abroad/international-comparisons/retirement-ages/

ISSN: 2688-8653

The *portability principle in practice* (retiring abroad) means that the pension entitlement is payable in any European Member State (EU 27 + Iceland, Liechtenstein, Norway, Switzerland or the United Kingdom) in which a person resides. The Regulations in fact provide for the principle of exportability.

4. Digitalisation in Social Security Coordination

This follows the objectives of Europe's Digital Decade that sets out the objectives and measures to support the digital transformation of public administrations, achieve cross-border interoperability and facilitate the interaction with citizens.[18]

EU rules on social security coordination call on the Member States to use digital technologies for the exchange, access and processing of the data required for the application of these rules as well as to offer user-friendly services to citizens enjoying their right to free movement across Europe.

The Electronic Exchange of Social Security Information (EESSI)[19] is an IT system helping social security institutions exchange social security information across Europe.[20] Using this system, national institutions are able to process citizens' claims for social security benefits (such as unemployment benefits, reimbursement of healthcare costs, family benefits, and Old-age pension) in a faster and more efficient way.[21]

As for the operation of it, all communication between national institutions on social security files are to take place through EESSI: social security institutions exchange structured electronic documents (SED) and follow commonly agreed procedures to process them. These documents are routed through EESSI to the correct destination in the right institutions in another Member State. Staff in social security institutions are able to find the correct destination in participating countries by consulting a repository of national institutions.

The EESSI has many advantages: 1. speeds up and simplifies in a secure way the information exchange between social security institutions; 2. provides more correct and complete data thanks to standard electronic forms and procedures; 3. might help to combat with fraud and error; 4. more efficient implementation of social security coordination rules 5. secure handling of personal data; 6. collect statistics about social security coordination and verification of social security rights.

There is a relating pilot project on the feasibility of an European Social Security Pass[22] to simplify citizens' interactions with social security institutions, healthcare providers and labour inspectorates. Such a solution will be developed by leveraging the European Blockchain Services Infrastructure (EBSI) platform, the first EU-wide blockchain infrastructure supporting the delivery of cross-border services, for instance for citizens to manage their own identity, educational credentials and register documents.

The pilot project, which started in March 2021, involves around a dozen of interested countries and remains open to participation from other interested Member States. It will address the most relevant technical, organisational and legal issues of the envisaged solution, also in view of a possible large-scale deployment. In a first phase, the pilot focuses on the digitalisation of the procedures related to the Portable Document (PD),[23] which certifies the legislation applicable to the holder, and is used for example when a person is temporarily posted by her/his employer to another Member State. An extension to implement further social security coordination procedures (e.g. the European Health Insurance Card[24]) would take place in a second phase.

With regard to aspects related to people identification/authentication, there will be no need to introduce a unique identifier, since existing or forthcoming digital solutions, such as the proposed framework for a European Digital Identity,[25] could be reused. Consequently exploring the introduction of a European Social Security Number was discontinued.

ISSN: 2688-8653

As for the key features of the solution: 1. A digital wallet owned by mobile people handling social security credentials issued by trusted authorities and verifiable online across borders. 2. Mobile people in control of their own personal data. and 3. More efficient cross-border verification and reduction of social fraud.[26]

It will deliver its first results during the first half of 2022.

5. Conclusion

The EU social security coordination legislation and practice is a difficult and technical matter and it will remain so in the future. The basic reason is in particular the important number of differences between national legislations and the complexity of these national rules to be taken in account each time there is an international situation. However, the Regulations managed to take away the most important impediments for migrant persons in the field of social security and, in so doing, to help guaranteeing the free movement of persons. As such, these Regulations improve those aspects of national legislation that could impede cross-border movement. In this sense they guarantee for migrant workers a continuous social protection coverage while moving in EU and EEA states.

References

[1] As for curiosity, the first bilateral social security convention aimed at the protection of migrants was that between France and the Dukedom of Parma in 1827, this guaranteed the payment of pensions owed by one of these nations to subjects of the other. Source: N. Valticos, Droit international du travail, 2e ed., Paris, Dalloz, 1983, paragr. 153 and 219.

[2] In a simplified definition, social security schemes are those that protect people against one or more of the nine recognised social risks contained within the ILO Convention No. 102 in 1952 and the claimants have an absolute right to benefits.

[3] For example, there are minimum 27 different statutory Old-age pension ystems in the 27 EU MSs.

[4] It means that the amounts of benefit, conditions of entitlement and duration of payment within social security schemes, financing are determined by national law.

[5] As EU citizens, all nationals of the Member States of the European Union have the right to move freely within the European Union and to enter, reside and work or being entrepreneur (self-employed) in any EU Member State. This right to freedom of movement is guaranteed by Article 21 of the Treaty on the Functioning of the EU (TFEU).

[6] Free movement of persons (2021) https://www. europarl. europa.eu/ factsheets/ en/sheet/ 147/ free-movement-of-persons.

[7] The legislations in force are the Regulation 883/2004 (Basic Regulation, hereinafter: BR) and Regulation 987/2009 (Implementaing Regulation, hereinafter: IR). Source: EU social security coordination, https://ec.europa.eu/social/main.jsp?catId=849.

[8] EU social security coordination (2016) https://ec.europa.eu/social/main.jsp?catId=849.

[9] Treaty establishing the European Economic Community (EEC) in Italy, in 25 March 1957. Source: treaty of Roma https:// www. europar l.europa.eu/ about-parliament/ en/ in -the-past/the-parliament -and-the-treaties/treaty-of-rome.

[10] Take an example: if somebody lives in Hungary, where working is a criterion for being insured, but who works in the Netherlands, where residing is the criterion. This person would be subject to no social security legislation at all and would therefore have no entitlement to benefits. In Hungary, he/she is not insured, because he/she is not working there and in the Netherlands he/she is not insured, because he/she is not living there. This is referred to as a negative legal conflict. Conversely, if that person works in Hungary and resides in the Netherlands, he/she would fulfil the conditions of both legislations and he/she would be simultaneously insured in both countries, which implies having to pay contributions twice. This is referred to as a positive legal conflict.

ISSN: 2688-8653

[11] According to the Article 1 (x) of the BR, the early Old-age benefit means a benefit provided before the normal pension entitlement age is reached and which either continues to be provided once the said age is reached or is replaced by another Old-age benefit.

[12] According to the Article 1(x) of the BR, pre-retirement benefit means: all cash benefits, other than an unemployment benefit or an early Old-age benefit, provided from a specified age to workers who have reduced, ceased or suspended their remunerative activities until the age at which they qualify for an Old-age pension or an early retirement pension, the receipt of which is not conditional upon the person concerned being available to the employment services of the competent State.

[13] Short introduction to the European Coordination of social security schemes, http://www.tress-network.org/TRESSNEW/PUBLIC/ELEARN/intro%20text%20e-learning.pdf.

[14] In fact the following countries are covered by the EU social secuity coordination regulations: EU 27 + Iceland, Liechtenstein, Norway, Switzerland or the United Kingdom.

[15] For example, if a person worked in three countries, he/she will get three separate Old-age pensions.

[16] The competent institution means: 1. the institution with which the person concerned is insured at the time of the application for benefit; or 2. the institution from which the person concerned is or would be entitled to benefits if he/she or a member or members of his/her family resided in the Member State in which the institution is situated; or 3. the institution designated by the competent authority of the Member State concerned; or 4. in the case of a scheme relating to an employer's obligations in respect of the benefits set out in Article 3(1), either the employer or the insurer involved or, in default thereof, the body or authority designated by the competent authority of the Member State concerned. (Article 1(q) of the REGULATION (EC) No 883/2004 of the European Parliament and of the Council of 29 April 2004 on the coordination of social security systems.

[17] Under EU coordination regulations (2017) https:// nyugdijbiztositas. tcs.allamkincstar. gov.hu/ en/ international-pension-transaction/under-eu-coordination-regulations.html.

[18] Social Security Coordination Digital Information Exchange System https:// ec.europa. eu/social/ BlobServlet? docId=17938&langId=en.

[19] The Electronic Exchange of Social Security Information system (EESSI) connects electronically around 5.000 social security institutions of the 27 EU Member States plus Iceland, Liechtenstein, Norway and Switzerland and the United Kingdom. It replaces the paper-based exchanges to the benefit of citizens who have lived and worked in several of these countries.

[20] Precisely, social security institutions across the EU plus Iceland, Liechtenstein, Norway, Switzerland and the United Kingdom are able to exchange information digitally through EESSI.

[21] Expected date to have EESSI in full production by all 32 Participating Countries.

[22] A European Social Security Pass helps to improve the portability of social security rights across borders through the digital verification of citizens' social security coverage and entitlements by competent actors and institutions. It was announced in the European Pillar of Social Rights Action Plan in March 2021. This is a direct digital experience between a citizen and an institution in an EU MSs.

[23] Portable documents replace the old E-forms. They are issued by the competent social security institutions where you are insured. Each document is about an individual person (possibly including family members) and contains your name and other identifiers. The social security office that issues the document also duly signs and stamps it.

[24] A free card that gives you access to medically necessary, state-provided healthcare during a temporary stay in any of the 27 EU countries, Iceland, Liechtenstein, Norway and Switzerland under the same conditions and at the same cost (free in some countries) as people insured in that country. The benefits covered include, for example, benefits provided in conjunction with chronic or existing illnesses as well as in conjunction with pregnancy and childbirth. Cards are issued by your national health insurance provider.

[25] The European Digital Identity will be available to EU citizens, residents, and businesses who want to identify themselves or provide confirmation of certain personal information. It can be used for both online and offline public and private services across the EU. Every EU citizen and resident in the Union will be able to use a personal digital wallet.

ISSN: 2688-8653

[26] Social Security Coordination Digital Information Exchange System https:// ec. europa. eu/social/ BlobServlet? docId=17938&langId=en.

[27] Short introduction to the European Coordination of social security schemes, http://www.tress-network. org/TRESSNEW/PUBLIC/ELEARN/intro%20text%20e-learning.pdf.