

# The Coordination of Benefits with Activation Measures

**Thematic report 2012**

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## INTRODUCTION

Activation measures have become very common. Instead of only playing the role of ‘provision provider’, social security institutions are now trying to find incentives to facilitate the return to work or stay at work of their beneficiaries. One of the consequences of this trend is that the nature of the social security activities is changing. Their purpose is now:

- to provide alternative sources of income for persons outside the job market (for a short- or a long-term period, provisionally or definitely);
- to cover extra costs in relation to the occurrence of some predefined risks (for instance, costs related to care);
- and also to participate in the public employment policies designed to encourage everybody's participation in the job market.

The third objective, which is the focus of this report, is usually associated with the concept of activation measures. The idea behind this concept is quite simple to understand: social measures should actively contribute to the stay at work or return to work. However, the concept of activation is flexible and can be subject to various definitions depending not only on the country concerned, but also on the context. It was therefore necessary to set a common definition for the 31 reports. The presentation of the methodology followed in this report (B.) requires to briefly recall the main challenges relating to the classification of social benefits under the Coordination Regulations (A.).

### A. Social benefits under the Regulation

The material scope of the Coordination Regulation is constantly challenged by member countries' different systems and new types of benefits introduced by all member countries. Because of the limitative list based on ILO Convention No 102, the classification of new benefits has at times proved problematic. A particular problem is that social assistance is excluded from coordination. However, in most member countries social assistance is no longer given at the discretion of the competent institution, but is increasingly a rule-based entitlement.<sup>1</sup> Furthermore, many countries have introduced non-contributory categorical benefits, for example to meet the specific needs of disabled people, which have blurred the demarcation lines between contributory social insurance and non-contributory social assistance and straddle the traditional criteria to establish entitlement. The question of the meaning of social assistance has been challenged before the courts, and the Court of Justice of the European Union (CJEU) formed a series of judgements from Frilli<sup>2</sup> (C-1/72) to Newton<sup>3</sup> (C-356/89) which brought benefits, whether or not they were categorised as social assistance by the Member State, within the Coordination Regulations if they were entitlement based (Frilli, C-1/72) and related to one of the contingencies enumerated in Article 4 (1) of Regulation (EEC) No 1408/71 (Hoeckx,<sup>4</sup> C248/83). Nevertheless, the reasoning of the CJEU in this series of judgements had opened up an ‘unintended and unwelcome development in case-law’ and on 30 April 1992, following Newton, the Council adopted Regulation (EEC) No 1247/92 to ‘rein in’ this unwelcome development.<sup>5</sup> However, on this occasion the CJEU's line of reasoning concentrated minds and Regulation (EEC) No 1247/92 introduced a new category of ‘special non-contributory benefits’ to

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<sup>1</sup> S. Roberts, (2010) ‘A short history of social security coordination’, in Y. Jorens (ed), *Fifty Years of Social Security Coordination*, Luxembourg Publications Office of the European Union, (2010), European Commission, Luxembourg, 21-23.

<sup>2</sup> Case C-1/72, Frilli [1972] ECR 471.

<sup>3</sup> Case C-356/89, Newton [1991] ECR 3017.

<sup>4</sup> Case C-249/83, Hoeckx [1985] ECR 982.

<sup>5</sup> D. Martinsen, ‘The Social Policy Clash: EU Cross-Border Welfare, Union Citizenship and National Residence Clauses’, in European Union Studies Association (EUSA) Biennial Conference 2007 (10th), May 17-19, 2007, Montreal.

coordination. These benefits were defined as benefits granted to provide substitute, supplementary and ancillary protection against social contingencies covered by the branches referred to in Article 4 (1) (a) to (h) or intended solely for the specific protection of disabled people. The benefits considered to be special non-contributory benefits are agreed between the Member State and the legislature and are listed in Annex II (a) of Regulation (EEC) No 1408/71.

Special non-contributory benefits are not exportable under Regulation 883/04. The CJEU subsequently confirmed this position in two UK cases, i.e. *Snares*<sup>6</sup> (C-20/96) and *Partridge*<sup>7</sup> (C-297/97). However, the non-exportability of special non-contributory benefits has been challenged and the CJEU has further clarified the demarcation lines between social security, social assistance and special non-contributory benefits in a series of cases, which has eroded the content of the Annex and expanded the content of the category of 'social security'.<sup>8</sup> In the *Jauch* case<sup>9</sup> (C-215/99), the CJEU found that for a benefit – in this case an Austrian care benefit (*Pflegegeld*) – to be a non-exportable special non-contributory benefit, it is not sufficient to simply be listed in Annex II (a) (now Annex X); the benefit must meet the criteria of 'special' and 'non-contributory'. This point has been reiterated in subsequent cases, for example *Leclere and Deaconescu*<sup>10</sup> (C-43/99), *Hosse*<sup>11</sup> (C-286/03), and *Hendrix*<sup>12</sup> (C-287/05).

Since 1 May 2010, Regulation 883/04 has replaced Regulation 1408/71. Regulation 883/04 is a 'modernised' version of the earlier regulation. The principles and case law described above continue to apply.

What has to be considered as an unemployment benefit is of a particular importance in this report. In the CJEU's view, unemployment benefits are in the first place intended to replace the remuneration which a person has lost for reason of unemployment and thereby provide for the maintenance of that person.<sup>13</sup> However, according to the CJEU unemployment benefits not only comprise cash benefits but also (service) benefits intended to encourage vocational training for persons who are already unemployed or for persons who are still employed but who are threatened by unemployment.<sup>14</sup>

The complexity of social benefits classification is reinforced by the impact of Directive 2004/38, which refers to the central concept of 'social assistance'. In case C-22/08, *Vatsouras*, the CJEU stated with reference to Directive 2004/38 that 'benefits of a financial nature, which, independently of their status under national law, are intended to facilitate access to the labour market, cannot be regarded as constituting 'social assistance' within the meaning of Article 24(2) of Directive 2004/38'.<sup>15</sup> How to compare the concept of social assistance in the Coordination Regulations and in Directive 2004/38? The CJEU has been asked to address this matter.<sup>16</sup>

## B. Methodology

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<sup>6</sup> Case C-20/96, *Snares* [1997] ECR I-6057.

<sup>7</sup> Case C-297/96, *Partridge v Adjudication Officer* [1998] ECR I-3467.

<sup>8</sup> D. Martinsen, 'The Social Policy Clash: EU Cross-Border Welfare, Union Citizenship and National Residence Clauses', in European Union Studies Association (EUSA) Biennial Conference 2007 (10th), May 17-19, 2007, Montreal; Y. Jorens & J. Hajdú, 'European Report', Training and Reporting on European Social Security (trESS), European Commission/Ghent University, 2008.

<sup>9</sup> Case C-215/99, *Jauch*, [2001] ECR I-1901.

<sup>10</sup> Case C-43/99, *Leclere* [2001] ECR I-4265.

<sup>11</sup> Case C-286/03, *Hosse* [2006] ECR I-01771.

<sup>12</sup> Case C-287/05, *Hendrix* [2007] ECR I-00000.

<sup>13</sup> Cases C-102/91, *Knoch* [1992] ECR I-4241, point 44; C-406/04, *De Cuyper* [2006] ECR I-6947, point 27; and C-228/07, *Petersen* [2008] ECR I-6989, point 28.

<sup>14</sup> Case C-375/85, *Campana* [1987] ECR I-2387.

<sup>15</sup> Cases C-22/08 and C-23/08, *Vastouras and Koupatantze* [2009] ECR I-4585, paragraph 45.

<sup>16</sup> Pending case C-140/12.

After exchanges with the Commission, it was agreed that the report would deal with two categories of activation measures:

- measures looking at the availability of the beneficiary on the labour market;
- advantages in kind, e.g. apprenticeship, educational measures.

Consequently, the scope of the report is broad, since the concept of activation measures is understood as measures aimed at facilitating/encouraging the return to work or stay at work of people of working age who are outside the labour market due to unemployment, poverty, incapacity for work and/or dependency, or the stay at work of those who are at immediate risk of becoming excluded from the labour market. This definition includes return-to-work or stay-at-work measures the compliance with which is a condition for entitlement/retention of cash benefits. For the purpose of the report, these cash benefits are limited to the following social security risks:

- unemployment;
- invalidity;
- accident at work and occupational disease benefits;
- long-term care benefits.

The report covers measures that allow people to combine social security benefits with a job, whether in full or partly. However, activation measures which are only related to contributions or making jobs available by reducing labour costs are not discussed, unless these measures foresee a combination of a reduction of contributions and the receipt of benefits (e.g. in some countries it might be that the contributions to be paid are reduced, but that at the same time the unemployed person receives a lump sum allocation; in such circumstances these measures should also be described).

The report deals with activation measures provided by social assistance (at national or local level). For some countries where social assistance plays a great part in the organisation of welfare, it is impossible to give an exhaustive list of these measures. The most relevant and interesting for the purpose of this study are reported.

Not all forms of activation measures are dealt with in the Thematic Report, as some of them are clearly beyond the report's remit. National experts were therefore informed not to include those measures in their study. The following activation measures were excluded:

- advantages concerning social security taxes and contributions awarded to employees/employers for the (re-)employment of persons. Social security contributions exemptions or reductions will thus not be found in this report. The reason is that these measures raise specific questions which would justify an ad hoc report. It would also have been a great challenge to list them all;
- measures aiming to raise the pensionable age/extend working lives (e.g. tackling early retirement);
- measures related to health protection/prevention;
- measure related to health & safety at work;
- measures aimed at reconciling family and work, such as childcare;
- measures which find their origin in contractual agreements.

A questionnaire, divided into two parts, was sent to all national experts on 1 April 2012. The deadline for completion was set on 1 September 2012. The objective of the first part of the questionnaire was to get a full description of national activation measures that fall within the scope of the report. The responses from the national experts were assembled in order to write the first part of this Thematic Report.

For each risk falling within the scope of the report, national reporters were asked to indicate:

- the name of the benefit and its legal ground;
- a short description of the activation measure;
- conditions for obtaining the activation measure (with special emphasis on 'nationally oriented' conditions);
- consequences of the non-compliance with the activation measure.

The questions raised were quite broad. The objective was to leave as much room as possible for all types of responses taking into account the potential diversity of national policies with respect to activation measures.

One major difficulty indeed concerned the concept of 'activation measures' itself. Due to the fact that this concept may or may not exist, or may have various meanings in different countries, it was decided to send the national experts some guidelines. The experts were told that they should not base their work on the national definition of activation measures, but on an agreed and uniform concept defined for the purpose of this survey (the concept of activation measures understood 'as measures aimed at facilitating/encouraging the return-to-work or the stay-at-work of people of working age who are outside the labour market due to unemployment, poverty, incapacity for work and/or dependency, or the stay-at work of those who are at immediate risk of becoming excluded from the labour market'). It was also clearly stated that measures allowing people to combine part-time benefits with a job are covered (even if, for some countries, the right to accumulate is not related to any activation measure policies). Several exchanges between the writers of the Thematic Report and the national reporters during the period of drafting of the national reports (April-September) and after reception of the first draft (September) helped clarify the scope of the study. As a result, and as we will point out later on, many forms of activation measures have been reported, from financial aids or incentives to measures in kind (where training or re-training plays a central role).

Another difficulty encountered was related to the distinction between labour and social security measures. This distinction indeed influences the determination of the EU sources of applicable law. In other words, it was not sure that all activation measures, even though they would be associated with social security benefits, would be subject to rules of coordination. Since we wanted to have the most exhaustive overview of activation measures in the 31 countries, we only asked national experts to describe all types of activation measures applicable in their country, without eliminating those which would not be subject to coordination rules. It is only when drafting the Thematic Report that the matter of the classification was introduced, especially in relation to the unemployment risk (see Part II).

Finally, the spirit of the questionnaire was also to leave much room for the listing of 'country-oriented elements'. As we know, besides the obvious and well-known conditions of nationality and residence, many requirements may be indirectly associated with 'national elements'. With respect to activation measures, we suspected that we would discover new forms of potential indirect discriminations. The national reports have confirmed this impression. For instance, as we will see in Parts I and II, the condition for a service provider to be 'accredited' or 'listed' for the purpose of providing an 'activation measure' is mentioned in several reports. Other conditions, which we will discuss later, are also interesting to analyse.

The mapping of activation measures (part I) makes it possible to envisage the interaction between national activation measures and EU coordination rules (part II).

## PART I

### A MAPPING OF ACTIVATION MEASURES

It appears that the 31 countries have different attitudes towards activation measures. A minority of the countries still does not consider them part of the 'social security culture'. There is, however, a growing awareness and a trend towards the introduction of such measures everywhere in Europe. In some other countries, for various reasons, the concept of activation is already very developed. The information collected makes it possible to notice certain trends.

A variety of activation measures can be found throughout the different risks; for an overview see the Annex to this report. For most countries, if not all of them, the unemployment risk is the main field where activation measures can be found (point 1 below). Activation measures may also interact with invalidity (point 2), accidents at work or occupational diseases (point 3) and long-term care benefits (point 4), as well as with social assistance (point 5).

#### 1. *Activation measures and unemployment*

A vast majority of the countries subject to the survey offers a range of activation measures in combination with unemployment benefits. It is usually when specific circumstances are met or for jobseekers with a particular profile (long-term jobseekers, low-qualified persons, older jobseekers, etc) that these measures are provided.

In some cases, it may be difficult to distinguish between measures which reflect purely labour law policies and those which are indeed connected to social security unemployment allowances. Our presentation concentrates on the second alternative only. In this respect, the national reports show that a wide range of activation measures are implemented. To clarify the policies applicable in the 31 countries, it is necessary to adopt a classification of the measures concerned. They can be distributed into three categories: a category, which deals with 'training measures' and other services in kind (a.); a second category with various types of financial aids (b.); and a third category which covers the right to accumulate an employment allowance and a job (c.). Furthermore, it is necessary to assess the consequences which the non-compliance with the activation measures has on the entitlement or the calculation of the unemployment allowance (d.).

##### a. **Training measures and other services in kind**

Many reports list training measures as means to activate unemployment benefits. The nature of the training measures and the beneficiaries vary depending on the countries concerned. The requirements provided to access training measures are specific to each country reported.

##### ➤ **Training measures**

A wide variety of forms of training are reported. Whatever form it takes, training principally aims at improving and adapting the beneficiaries' professional and personal skills and at **improving job search capabilities** (DE, EE, FI, IS, SK), for instance getting a driving licence (HU).

Training may particularly refer to typical studies (IS, SK) that lead to a diploma. This may concern all levels of qualification, from **literacy skills** (BG), to national language proficiency (DK), to **post-graduate studies** (PL). Therefore, training may also refer to **full-time studies** which are approved on the basis of an individual employment plan at the discretion of the employment office (FI). Furthermore, in many countries there are training sessions are provided designed to fit the needs of jobless persons (IS). The training provided may be based on a short-term or a long-term programme.

Training can also be associated with **apprenticeship** (PL, LI). This type of training is usually collective, but it can also be carried out on an individual scale. In this respect, actions undertaken may include **coaching** (SE). The apprenticeships may be possible only with employers who participate in the scheme (IE). The service may also be provided by institutions from the country (FI). Some countries also offer '**vocational guidance**' (DE, IE). It may furthermore cover a set of services provided to individuals who seek employment, by specialised centres organised within employment agencies and by service providers belonging to the public or private sector. It is interesting to note that such providers may need to be accredited (RO). In addition, it is interesting to underline that candidates are sometimes selected by schools located in the country (MT).

An original form of training is gaining **work experience** (EE), sometimes through 'community work' (IE). Some reports mention the existence of 'specific employment contracts', which target unemployed persons who experience great difficulty returning to or entering the job market (AT, BE, CZ, FI, LU, MT, PL, SI). In order to be eligible, persons may, however, have to reside in the country (MT). Furthermore, so-called 'sector-based work academies', which operate within the country only, offer pre-employment training and work experience placements in sectors with high volumes of local labour market vacancies (UK). In one country, a scheme called 'work experience support' aims to give beneficiaries work experience which is directly related to his or her individual programme. Persons who use this programme shall not be assigned independent tasks and the contract must indicate the place where the work is performed (HU). For senior workers, a 'municipal senior job' may be provided (DK).

Another way to facilitate the return to work is to provide **individual counselling** (DE, DK, EE, IS). In one country, an action plan is proposed and the jobseeker is requested to conform to the measures (to contact the regional employment service, to consult job offers, etc) stated in the plan (BE). In other countries, counselling and assistance is made available to start self-employment or a business (AT, RO). Or, programmes are offered to support entrepreneurship and the creation of self-employment (PT). Another example of this type of measures are so-called '**orientation measures**', which are similar to coaching. These may take the shape of interviews carried out in various phases of the development of the jobseeker's status (IT) or they may include activities enabling the identification of the unemployed persons' abilities, competencies and interests (SI).

Some countries include '**trial engagement**' in their activation measures policy. This is designed to facilitate access to work by leaving both parties (employer and employee) the possibility to end the work relationship if it does not meet their expectations (IS).

A more informal type of training is the 'Work Club' programme. Its goal is to encourage, on a voluntary basis, unemployed people to **exchange skills and share experiences**. The 'Work Experience' programme is focused on young people aged 18-21 who are first-time jobseekers and/or who are farthest away from the labour market. The 'Work Experience' opportunity may be in a foreign company with a business in the country, but are not designed to take place outside the country (UK).

One country applies a system called '**job alternation**'. This is a form of work-sharing, whereby the idea is that an unemployed person temporarily substitutes an employee who wishes to take a voluntary leave. One of the purposes of 'job alternation' is to improve the employment potential of unemployed jobseekers by means of fixed-term work experience (FI).

Finally, a company which proceeds to collective dismissals may have to provide '**outplacement services**', which are designed to help jobseekers re-enter the job market (BE, DE, FR). These measures may include periods of training, coaching or skills assessment (BE, FR, MT).

## ➤ **Beneficiaries**

All unemployed persons may be subject to training measures, but usually they are directed at the persons who really need them and who are not able to re-enter or enter the job market on the basis of their current skills.

A typical target group are **young people**. Programmes may even refine this category by reserving measures for 'early school leavers' (MT) or for young people who have just completed their studies and who are seeking employment (BE, HU). With regard to eligibility, legislations may set conditions relating to the studies completed. For instance, youngsters who completed their secondary studies outside the country may be admitted to the programme if their diploma is declared equivalent to a qualifying national diploma or if they pass an entrance examination for higher education in the country or pursued such education in the country (even if not completed), provided (in both cases) that at least six years of study have previously been completed at a national educational establishment (BE). Access to the programme may be restricted to young people residing and seeking a job in the country (MT).

Training may finally target other categories of jobseekers, like **unskilled persons or jobseekers living in areas with a particularly high unemployment rate**. The measures can also be reserved for persons who lost their job due to globalisation (LT). An unemployed person may receive the training benefit only if he or she possesses basic communication skills in the national language (CY).

#### ➤ **Country-related requirements**

The reports provide several examples of requirements which imply, more or less explicitly, '**country-related conditions**'. For instance, in some countries, training is compulsory: following the programme is a condition to receive unemployment benefits. Unjustified refusals may lead to the suspension of the benefits (IT, FR). However, training may be compulsory only if they are located within a maximum distance (or reachable within a certain time limit) (IT). It may be required that the **training is completed in the funding country** (UK). Activation must as a main rule take place in the country itself, even if a benefit may be retained for a job interview abroad, provided that the beneficiary returns to the job centre within five days (DK). On the contrary, training may be supported even if it takes place outside the EU (DE).

The obligation **to be registered as a jobseeker** at the country employment office in order to benefit from activation measures and training measures in particular is usually required (BG, CY, DK, EE, ES).

In principle, the beneficiary must **reside in the country** which provides for the training programme or the activation measure (CZ, CY, DK, IS). However, this does not necessarily imply that the training cannot be done abroad. Entitlement can require satisfaction of the 'Habitual Residence Test' (UK). One country indicates that the training must take place in one of the 31 European Union countries (NL).

Training may be possible only if it is **provided by a national institution**. The approval process can be run by the State (SI), by local authorities (IT), or by the national unemployment institution (FR). Training may require an agreement between the beneficiary and the unemployment institution (CZ).

Some reports mention conditions which involve the **nature of the job exercised before unemployment**. For instance, in order to benefit from activation measures, it is required to have been employed for the last twelve months in a job which is not subject to special labour market measures (IS).

When the activation measure corresponds to a job activity, it may be required that the **job be exercised in a city of the country** (DK).

## b. Financial aids: a variety of measures and country-related conditions

Another way of encouraging jobseekers to go back to work is to provide financial incentives in relation to the unemployed status.

Some reports mention the **reimbursement of costs related to the job search**, which may be incurred as a result of training (BG, CH, HU, LI) or attending job interviews (AT, BG, SK, UK). The reimbursement may be limited to costs related to job interviews in the country (SK, UK), but in most cases there is no explicit indication in the law as to whether the interview should take place in the country or may also be abroad. For instance, it may be provided that the training is located 'outside the limits of the employee's nucleate settlement' (BG). However, this is unlikely to refer to a place which is located outside the national borders, as far as only inland situations may only fall within the scope of activity of the national employment institution (BG). The total or partial reimbursement of postal service costs and travel expenses related to the job search may be made available (SI). Teaching materials, examination fees, psychological and medical estimates, school uniforms and participation costs for school books may also be paid back (AT). Sometimes, training measures are supported by loans (BG) or free-interest loans (PL). An additional benefit may be granted up to the amount of the difference between the average income before the training and the wages received during the training (HU).

An alternative tool to encourage the unemployed persons' return to work is to cover the **costs of meals during work and travelling to and from work** (SI, SK). Costs of transportation to attend training sessions may be covered, as well as the costs incurred due to medical tests required for attending trainings. Services may be free of charge for persons who perform activities in the rural areas and do not have any monthly income or whose monthly income is lower than the unemployment benefit. They also have to be registered with the county agencies for employment benefits (RO). All or part of the travel costs related to the training, as well as accommodation can be refunded if the training takes place away from the person's residence (PL).

In order to encourage jobseekers to take up a job in an area other than where they live, a '**mobility compensation**' may be awarded. Usually, no indication is provided as to whether the job location can be outside the country (LT, RO), but the employment agency has to give prior approval (BG). One report indicates that the location must be inside the country (SK). A contribution to the costs of commuting covers the necessary and proven travelling expenses of an insured person who returns daily from his or her new place of work to his or her place of residence (CH). The 'mobility allowance' may be used only for transport costs within the country (AT).

Financial aids may take the form of **benefits as such**. Unemployed workers may for instance receive a lump sum benefit, which is made conditional upon a commitment to carry out actions that favour their work insertion. Residence in the country is set as a condition: the benefit will be lost in case of moving abroad, except when working or receiving further training for less than six months (ES). Financial support may be connected to a vocational training programme. A grant is indeed paid to unemployed persons (or to persons threatened to be dismissed who still work part-time) who attend vocational training. The grant is equal to a percentage of the minimal wage. If a person is entitled to unemployment benefits he or she may choose to receive the grant instead. The training is organised according to a tripartite agreement between the local labour office, the beneficiary and the employer (who commits to employ or not to dismiss the attendee of the training) (LT).

The financial aid may target persons who **start up a new business**. This aid may be in the form of a loan (RO, HU), a lump sum (BG, DE, HU, MT, LT, SE, SI, SK), an amount of money to cover the starting costs (BG, EE, EL, IE, PL), an allowance provided for a limited amount of time (CH, FI, LI), or an assumption, in favour of the guarantee institution, of 20% of the risk of loss for a specific type of guarantee (CH). The amount may correspond to the equivalent of the unemployment allowance the person is entitled to (PT). The aid may be subject to 'national oriented conditions': it may be given only to persons residing and seeking employment in the country (EE, MT); it may be conditional upon starting up a business in the country (EL, PL); it may be subject to prior approval of the competent

division of the national employment agency and to the submission by the claimant of an application to the competent division of this agency (BG). In some cases, the benefit is reserved for unemployed persons who were registered as jobseekers at the unemployment office for at least a certain amount of time (SK).

Financial incentives may also have **other specific target groups**. One example is the 'integration allowance', which may be paid to an employee/beneficiary every month while the employer may deduct it from the net wage. This is specifically aimed at the re-employment of **long-term unemployed persons** (BE). A 'work resumption bonus' (equivalent to a monthly lump sum) may under certain conditions be granted by the unemployment institution to **older unemployed** persons who take up (employed or self-employed) work. In principle, the beneficiary must have his or her main residence and actual place of stay in the country (subject to exceptions in case of frontier work abroad or posting to another country). The beneficiary who works in the country and goes to reside abroad loses entitlement (BE).

The financial aid may consist of the guarantee that the national employment office **pays part of the net wage directly to the employee**. Some conditions may be required, like the need to have been registered as a jobseeker with the regional employment service. If the jobseeker is (was) not necessarily registered with a national employment service, he or she may be registered as a jobseeker in any EU/EFTA country. However, the jobseeker must have his or her main residence in the country and effectively reside here at the start of his or her employment (he or she retains the right to the work allowance if he or she moves to another country afterwards). Also, this person should be entitled to a national unemployment benefit on the date of claiming the work allowance. The advantage is not granted in case the jobseeker finds work outside the country (BE).

Furthermore, financial aids may be provided during a **collective dismissal process**. The former employee may receive (for a limited period of time) a financial benefit which replaces the social security unemployment benefit. In return, the recipient is obliged to accept the assistance offered. The purpose is to help jobseekers re-enter the job market (BE, FR). One country explicitly deals with the status of this benefit from a cross-border point of view: it may be granted in another EU Member State for a maximum period three months and may be extended to posted and expatriated workers who are nationals of a Member State, of Switzerland or of EEA countries as long as they are employed by companies that fall within the territorial scope (France) of the unemployment intersectoral agreement of 6 May 2011 (FR).

An unusual way to activate unemployment benefits is to grant a **bonus to unemployed persons** who, without any institutional help and less than two months after being registered at the 'labour exchange', were able to find a job for an indefinite period of time or for a fixed term of at least three months (BG) (LT). This measure may indirectly only concern persons living in the country permanently, since the entitlement may be limited to unemployed persons receiving social assistance which is granted only to residents (BG).

### c. **A combination of work and an employment allowance: applicable rules and country-oriented requirements**

With regard to the rules related to the **right to accumulate a job income and unemployment allowances**, the national reports show the following trends:

- A few countries **do not at all allow any accumulation of a job income and unemployment allowances**. For these countries (BG, CZ, CY, EE, IT, LV, LT, HU, IT, MT, RO), as soon as the person goes back to work, whether the job is full-time or part-time, the unemployment allowances cease to be granted.

- A few countries provide as well that the **accumulation is not permitted if the person takes up a full-time job** (ES, FR, IS, PT, UK).
- Some countries allow for a **full accumulation**, provided that both situations are independent from one another (IE) or provided that the full-time job is concluded for a short term (FI). The earnings that correspond to the part-time working hours may be fully accumulated with the partial unemployment benefits (NO). In some other cases, the amount from a secondary activity or from a marginal activity can be entirely taken into account (AT, DE).
- In several countries, **accumulation is possible but is normally subject to variable conditions**. The simplest solution may be that unemployment allowances are proportionally reduced (ES, SI). Other countries set different forms of ceilings. For instance, the income derived from a job exercised for at least three months before unemployment and continuing after unemployment can be accumulated with unemployment allowances up to 130% of the maximum daily amount of the unemployment benefit (BE). The first € 100 of the monthly earnings are not fully taken into account when benefits are calculated, whereas for earnings between 100 and € 800, 20% of the benefit is retained by the beneficiary (DE). Accumulation may be possible as long as the earnings from work do not exceed 50% of the minimum wage (PL). Some countries set rules which aim to ensure the maintenance of a certain level of income: when the work income is lower than the unemployment allowance, for 12 months the person is entitled to 'compensatory allowances' that amount to 80 or 70% of the difference between the work income and the allowance (CH). Pursuing the same goal, another national system provides that in case the job income is lower than the unemployment allowance, the employer's contribution amounts to 20% of the income loss whereas the unemployment insurance contributes up to 60% (LI). Accumulation may also be possible with earnings from part-time employment unless they exceed 75% of the minimum wage (ES). Income from partial gainful activity reduces the unemployment allowance amount unless certain conditions are met, such as that the partial work is 50% or more and this gainful activity is reduced by at least 20% (IS). Another system applied is the 'limitation method': if the income from a gainful professional activity exceeds by 10% the maximum threshold for compensation, the unemployment benefit is reduced by the amount that exceeds the ceiling (LU). Also, accumulation is allowed if the monthly net income from occasional work is lower than a certain percentage of the national subsistence minimum (SK).

Various '**country-oriented requirements**' may be determined in order to allow to use accumulation, such as the need to remain registered with the public employment service, to remain available for the labour market and to accept a suitable job offer (BE). The applicant may also be required to meet certain obligations, such as to actively seek employment, to accept a suitable job and to participate in specific actions related to motivation, information, career advice, re-training and occupational placement to increase employability, as well as other established obligations (ES). Jobs taken into account may be exercised in the country or abroad, but the beneficiary must reside in the paying country (FR).

The **right to accumulate a jobseeker's allowance and a job income may be extended to self-employed activities**. In this respect, unemployed persons may retain their unemployment allowance if they receive other income from a job or other gainful activity (PL). A 'bridging benefit' may be provided to a self-employed person who has ceased to be a 'job applicant' and has organised a 'socially desirable job' for him or herself (CZ).

Some countries try to encourage **jobseekers to take up a job by providing that they remain listed as jobseekers**. If the allowance is suspended, the working days are not counted for the purpose of determining the unemployment allowance entitlements (IT). When the person who has taken up a job has been removed from the 'jobseeking list', he or she has the right to be reinstated if he or she lost the job before completing the trial period (IT).

The **work carried out by the unemployed person may be unpaid**. In some cases, the employment agency may authorise the beneficiary to conduct unremunerated work activities with an employer during a trial work placement, while retaining the right to receive an unemployment benefit. There is no indication as to whether these work activities may be carried out outside the country (NL). A 'work trail allowance' aims at giving a prospective employer the possibility to check the qualifications and skills of the person concerned. Work trails are mainly directed towards persons who cannot prove their skills (e.g. migrant workers who have no certification) or who have special difficulties to reintegrate into the labour market (e.g. because of alcoholism, psychological disease, etc). During a work training or work trail, the claimant receives an unemployment cash benefit or a subsistence allowance, but no salary from the employer. The 'work trail' can be performed with any employer, however not in foreign companies (AT).

In one country, spouses of social assistance beneficiaries are sometimes refrained from taking up employment, even on a part-time basis since this could possibly affect their unemployment/social assistance entitlements. Since 2011, part of the income from work by the spouse of an unemployment/social assistance beneficiary is no longer taken into account in the means test for the family to qualify for social assistance. This applies to the country's citizens or to persons who are considered equal, such as EU citizens (MT).

#### **d. Consequences of the non-compliance with the activation measures on the entitlement to or on the calculation of the unemployment allowance**

Violating or not complying with all or some requirements set for the activation measures may have various consequences depending on the goal and on the circumstances which lead to the setting up of the activation measures.

One usual consequence is that, if the activation measure is not followed, **the person loses the unemployment allowance** (AT, CY, EE, ES, IT, LT, MT, NL, PL, RO, SE). The payment may be merely suspended, which entails that if the conditions are again met, the payment of the allowance will resume (CH, FR, LI). In some cases, the payment of the unemployment allowance may be suspended for a certain amount of time (LT, IS, FI, NO) or only if the person's income is above a certain amount (AT). For instance, in the context of activation measures provided by a social plan (see below 2.2), the dismissed employee who refuses to register or who cancels registration too soon, may be excluded from the right to benefits for a period of four weeks up to 52 weeks (BE). No benefit may be paid to a person enrolled in a training course for those days on which this person failed to attend the training session (HU). Some countries alternately apply both sanctions (temporary/permanent exclusion from the benefit). For instance, a jobseeker who does not participate in a training/trial engagement/job introduction he or she is invited to, loses his right to unemployment benefits for two months. Moreover, if he or she repeatedly refuses such an offer he or she may permanently lose his or her right to unemployment benefits (IS). The benefit may be regained after a certain amount of wage hours (DK).

The allowance is sometimes maintained despite the non-compliance with activation measures; nevertheless, its **amount may be reduced for a period of time** (BE, DE, FR, NL, SE, UK). For instance, a significant reduction in the benefit payment is provided if a person refuses an appropriate offer of training: the top weekly rate of the jobseeker's benefit may be cut from € 188 to € 144 (IE). The length of the sanction may be increased for each episode of non-compliance (UK). In some cases, the financial incentive related to the activation measure is to be reimbursed by the recipient (RO).

The sanction may also be the **removal of the jobseeker's registration**, with all the consequences for the person's status and rights which this decision may entail (CZ, EE, IT, PL). For instance, if a jobseeker is registered in the 'lifelong career orientation' scheme (in order to be entitled to certain benefits) and not once in six months presents him or herself at the employment service, he or she is

deleted from this scheme (SI). Also, if a jobseeker declined suitable job offers or, after a certain time, other appropriate (lower) propositions, or if he or she shows no effort at the employment interview, the right to an unemployment benefit ceases and the person is deleted from the registry of unemployed persons. Hence, he or she also loses all rights linked to the status of an unemployed person (SI). In some cases, the rights which jobseekers have concerning services available are only suspended for a certain period of time (IT, LT, SE).

Sometimes, failing to comply with activation measures does not lead to **penalties or sanctions other than the termination of the activation measure** (AT, BG). Indeed, the activation measure concerned may not consist of a positive action to be undertaken by the person concerned or may not be compulsory (BE, CZ, NL, UK). The scope of activation measures which are mandatory or provided voluntarily is based on national policies and therefore varies from one country to another. Another reason for the absence of sanctions may be that activation measures often rely on mechanisms of positive incentives (rewarding desired behaviour) rather than negative ones (penalising undesired behaviour) (BE).

Where the activation measure implies the right to accumulate the unemployment benefit and a job income, the non-compliance with the activation measure will lead to the **suspension of the right to accumulate both sources of income** (FR).

Also, the non-compliance with the activation measure may have no consequences for the unemployment allowance, but may **only impact the activation measure itself**: the beneficiary must reimburse the financial aid he received. For instance, trainings which would be free of charge may become charged (AT, CZ, LT, RO, SK); financial support to start up a business or to cover the costs related to a new job may have to be refunded (BG), loans may have to be refunded with interests (PL).

## **2. Activation measures and invalidity**

According to the country reports, two categories of activation measures (other than medical measures, which are not covered by this report) are made available: rehabilitation measures (a.) and accumulation of an invalidity pension and a job income (b.). The reports also draw the attention to sanctions applicable in case of violation of the activation measures (c.).

### **a. Rehabilitation measures**

Except for a few countries (EL, MT, PT), rehabilitation measures are offered in relation to a state of invalidity. Some countries give **formal priority to rehabilitation** (CH, DE), applying a principle called 'rehabilitation before pension' (LI, AT). Access to an invalidity pension is made conditional upon having tried appropriate rehabilitation measures (AT, NO). In this respect, the claim for an invalidity pension is always combined with the claim for rehabilitation measures (AT). In this context, it may be compulsory to attend 'recovery programmes' (RO).

Several types of rehabilitation measures are available in the 31 countries. Besides functional and occupational retraining measures, 'socio-professional' measures and specific cash allowances may be provided. These measures often ignore 'country-related elements'. These assertions will be developed below.

#### **➤ Functional and occupational retraining**

Such measures may be taken in accordance with a decision of a panel of doctors, or may be offered by specialised institutions (BE). Many reports refer to the existence of specialised rehabilitation centres, but it is unclear whether these centres must be located in the country or whether they may

be located abroad (FR). Trainings may be aimed at facilitating the return to an activity for the same job or a different activity (CH, CZ, DE, ES, IE, IS, FI, SI, SE, NL, PL, UK). Training costs are normally covered by the social security institutions (CY, FI). Support may also be offered in the form of the provision of equipment related to the invalidity (CH, EE, LV, NO, SE, SK, SE, UK), of assistance of a third person (DK), of the use of an adapted vehicle (EE, LV), or of additional expenses related to the job or the training (BE, FI, LI, NO). A 'back to work' plan may be provided, including various actions (coaching, job hunting, etc) (EL, HU, NL, NO). Such a plan may result in the conclusion of cooperation agreements between the different actors. This plan's ultimate aim is to improve the professional reintegration of people with reduced labour/earning capacity (BE).

#### ➤ **'Socio-professional' measures**

Rehabilitation measures may include '**socio-professional**' measures, such as career advice, trainings, job placement services and other work-related activities (BE, CH, LI, LT, SI, UK). For instance, the beneficiary may conduct unremunerated work activities for an employer during a trial work placement, while retaining the right to receive the labour incapacity benefit (CH, LI, NL). Support may be offered for starting or expanding a self-employed activity or for financing the restructuring of a business due to invalidity (LI, CH). Measures may be adapted to the state of invalidity and the capability to work (SI, UK). Measures related to the adaptation of the work place are also possible (LI, CH). A 'flex job' is available for persons according to their invalidity rate (DK).

#### ➤ **Specific cash allowances**

Rehabilitation measures may be completed with **specific cash allowances** (BG, DK, DE, EE, IE, LI, PL). At least three models are applicable within the countries:

- A cash allowance may accompany the actual participation in various programmes. For instance, a rehabilitation allowance may be paid for up to 18 months if the beneficiary participates in a rehabilitation programme which has been accredited (IS).
- The cash benefit may also be an incentive for a return to work: the 'return to work credit' is a weekly payment payable for up to 52 weeks for people that have, or have had, a health condition or disability and have been getting an incapacity benefit for 13 continuous weeks or more and are entering work of at least 16 hours a week earning at least the minimum wage. It may be payable for up to 52 weeks (UK). A 'wage subsidy' may be granted in case of a new employment relationship during the first six months: the wage subsidy amounts to no more than 60% of the relevant salary which the employer pays to the person concerned (LI).
- The cash benefit may aim to maintain the beneficiary's overall income. For instance, a special allowance may be granted if during the rehabilitation period, the entitlement to the pension invalidity ceases (NO). A rehabilitation allowance of 75% of the earnings is payable after a waiting period when the period of rehabilitation lasts more than 30 days (FI).

#### ➤ **Country-related elements**

'**Country-related elements**' are usually not visible. Nevertheless, three main issues may be raised:

- A first issue is whether the activation measure – trainings or 'adapted jobs' for instance – could be completed outside the country. In some cases, the answer is clearly negative. Hence, the access to a programme called 'work choice', which offers more intensive specialised support to disabled people who have complex barriers to employment, is not possible in another EU member country (UK). Similarly, trainings outside the country may not be funded

(UK). 'Flex jobs', which are offered to disabled persons, may only take place in the country (DK). One report states that, in principle, the activation measure must take place in the country, but in exceptional cases rehabilitation measures may be granted abroad (CH). The same report stresses the fact that the reimbursement of transport, catering and accommodation are limited to costs incurred in the country for the implementation of certain rehabilitation measures (CH).

- Secondly, systems of accreditation of the service provider may also be an indirect obstacle to access to services outside the national borders. For instance, persons who receive an invalidity allowance may engage in work of a rehabilitative or therapeutic nature; however, this option is subject to prior approval (IE). One report, on the contrary, refers to a situation where the programme may be carried out outside the country: 'job grant payments', which are provided for claimants who are entitled to an incapacity benefit and who start working for at least 16 hours a week, can be made to claimants entering work in another country. Indeed, the location of the job is not checked upon the grant being paid and so no distinction is made between claimants finding work in the country and those finding work abroad (UK).
- A third issue is to know whether residence in the country is required. This is usually not clarified, even if some reports specify that the residence in the country is compulsory in order to benefit from the activation measure (CH, IS). This condition of residence on the national territory may be waived for EU citizens (CH). In some countries, access to rehabilitation measures may be based on periods of prior insurance. For instance, a person may be eligible for the support if he or she was insured for at least 1095 days in the five years preceding the submission of the claim (HU). Would periods of insurance abroad be assimilated to periods in the country?

#### **b. Accumulation of an invalidity pension and a job income**

The country reports show three applicable situations in which a job income and an invalidity benefit are accumulated:

- **Full accumulation** may be allowed without any condition (BG, CH, CZ, EE, LV, LT, SK). It is important to note that this right of unlimited accumulation may not be the result of an 'activation policy', but it may also be the consequence of the lack of structural interaction between social security institutions within the country. There is no indication as to whether this right applies even if the job exercised is located abroad.
- **Accumulation is permitted, but is subject to the fulfilment of requirements.** For instance, a professional activity during the period of disability may be authorised by the medical advisor (BE) or is possible if it is compatible with the beneficiary's physical condition (ES). It may be allowed only in case of partial invalidity (PT, SI) or according to the invalidity rate (IE, RO). The payment may be suspended or reduced if earnings exceed a certain amount (AT, CY, DK, DE, FI, FR, IS, IT, LU, NL, NO, PL, UK), which may be equivalent to the income of a 'healthy person' (EL). For instance, in case of an accumulation of a pension with earnings from work, the pension is reduced if such earnings exceed a fixed additional earnings ceiling. The payment of the pension is fully suspended if such earnings exceed an upper ceiling (DE). The amount of the benefit granted may not exceed the daily amount that would be allocated if there were no accumulation (BE). The accumulation of the pension with earnings from work may also be possible as long as it does not make the invalidity rate go under a certain percentage (LI) or if the job earnings are at least 30% lower than the monthly average of the person's salary or income in the last four months before the damage on health occurred (HU). Receiving a full

permanent disability invalidity pension is incompatible with carrying out a job in the same occupational category or group (ES).

- In rare cases, accumulation is **never allowed** (MT), for example when the invalidity requires a state of full incapacity (IE).

### c. **Applicable sanctions**

Depending on the nature of the activation measure provided and the overall context of this measure, the sanction may vary.

The beneficiary who fails to stick to the activation measure may have to **reimburse the benefits**. For instance, in case of accumulation of an invalidity benefit with unauthorised work, the insured person may have to reimburse the benefits unduly received. The days for which benefits were unduly received are nevertheless taken into account for social security purposes. In cases 'worthy of interest' without fraudulent intent, recovery may not be required (BE). If the rehabilitation support is terminated under certain circumstances, the cash benefit paid for the 12 months that preceded the date of termination qualifies as a benefit received without legal grounds and must be paid back (HU). A person who unduly collected a benefit is obliged to repayment (PL).

When the activation measures consist of various actions of trainings and work-related activities, the **benefit may be reduced** (CH, LI). For instance, claimants who fail to comply with an obligation to carry out a 'work-related activity' will have their benefit reduced by 50% of the amount of the work-related activity component for the first four weeks, and by 100% of the amount of the work-related activity component after the first four weeks. The sanction will end when the claimant complies with the requirements (UK). Another example is that a sanction will be imposed if the insured person does not collaborate or does not comply with the obligations specified in the reintegration plan sufficiently. Depending on the circumstances, this may imply a temporary reduction of the benefit (at least 5% during one month; at the most 100% during a longer period) (NL). The reduction may also concern situations where the beneficiary accumulates a job income and an invalidity pension. Hence, if the contract of employment of a partially disabled person is terminated due to his or her will or fault, the partial invalidity pension is reduced by 30% (SI).

Furthermore, the **payment of the cash benefit may be cancelled**. For instance, an employer may have the duty to provide his or her disabled employees the right to a reassignment to another working place, whereby the disabled worker has the right to an invalidity (cash) benefit. However, if the reassignment is not taken up with no legitimate reason, the payment of the cash benefits may cease (SI). Similarly, if a beneficiary does not show up for the periodical reassessment of his or her degree of invalidity, the benefits on the grounds of invalidity may be suspended (HU, SI). Further benefits can be denied if the individual does not collaborate with regard to the process of planning or investigation and/or to rehabilitation measures (AT, FI, LI, SE). The payment may also be suspended in a situation where accumulation of a job income and an invalidity pension is allowed. For instance, if the recipient of a partial disability pension works more than 60% of his or her earlier earnings level, he or she is no longer qualified for the pension (FI). The rehabilitation programme may be subject to the **signature of a contract** between the beneficiary and the social security invalidity institution. If the insured person declines to sign the contract on occupational rehabilitation or does not properly execute it, the right to the benefit is lost (CZ, LT, SI). In addition, there is no possibility to again claim invalidity benefits on the grounds of the same invalidity in the future (SI).

It may happen that **activation measures are voluntary**, in which case failure to follow the measures is not subject to sanctions.

### 3. Activation measures and accidents at work or occupational diseases (AAW-OD)

On the basis of the data collected by the country reports, it may be deduced that the status of AAW-OD is close to the one of invalidity. Two categories of activation measures are foreseen: rehabilitation measures (a.) and accumulation of an invalidity pension and job income (b.). The system of sanctions is also closely related to the one provided for invalidity (c.).

#### a. Rehabilitation measures: mapping and country-related elements

Except for a few countries (EL), rehabilitation measures are always available. In most countries, rehabilitation measures related to AAW-OD are similar to those provided in case of invalidity (BG, CH, DK, ES, IS, IE). Some reports insist on the **training policy** (NL, RO, CZ, DK, DE, ES, CY, LV, LI, LT, HU, AT, UK, SI, PL), on **social rehabilitation** measures (EE), on measures of **adaptation of the working place** (EE) or on the payment of equipment (IT). Professional retraining includes occupational reintegration and can cover all kinds of expenses, including costs related to training, maintenance costs, accommodation costs, transport costs and costs for maintaining cash benefits (BE, FR). However, in case of AAW-OD, the coverage of costs may be more comprehensive than in case of invalidity or the costs of rehabilitation may even be paid in full (FI).

Rehabilitation measures may include **financial aids**. The AAW-OD institution may for instance grant a 'tide-over annuity', the purpose of which is to compensate the loss of earning capacity suffered by a worker who is relieved from his or her job in case of professional rehabilitation following an accident at work (LU). If the beneficiary needs to change work because of his or her state of health and, as a matter of fact, receives a lower salary, he or she may be entitled to a 'compensatory' allowance (DE, NO). Finally, support is sometimes related to training. The payment of the wage during the period of vocational rehabilitation may also be guaranteed (DE). In case of vocational rehabilitation, a transitional benefit of 60% of the annual earnings is granted (AT).

Concerning the **AAW-OD cash benefit**, some more favourable provisions may apply (compared to invalidity) with regard to the conditions to access benefits or payments (SI): for instance, no waiting period, a higher income base in certain cases, a lower incapacity level requirement (NO). During the rehabilitation process, the insured person may receive full cash benefits (FI, SK, SE). The benefit for temporary incapacity continues to be paid in full to the partially incapacitated victim for as long as he or she is not re-employed and the offer for a suitable re-employment has not expired (BE). Supplementary benefits may also cover specific expenses in relation to vocational training or extra travel costs due to the state of health (NO). A compensation may be paid to insured persons who have lost 30% or more of their work capacity due to an accident at work or occupational disease. The compensation is paid monthly together with the invalidity pension (if a person is entitled to this pension). If the work capacity lost is less than 30%, the person receives a lump sum compensation (LT).

Few reports refer to '**country-related elements**'. The same issues arise as for invalidity benefits (see 2.a). It is also interesting to note that a 'reduced earnings allowance', which aims to compensate the loss of income due to the change of activity, can be payable in the case of a job abroad (UK). On the contrary, access to rehabilitation measures is sometimes subject to the residence in the country (IS). More indirect 'country-related elements' may be underlined. For instance, when trainings are organised by an institution other than the national training institute, the amount of the allowance is limited to a certain monthly amount (PT).

#### b. Accumulation of an AAW-OD allowance and a job income

With regard to the matter of accumulation of a job income and an invalidity benefit, country reports show that usually the same principles are applicable as for invalidity (NL, NO, PL, RO). Still, some differences are reported. Three situations can be observed:

- **Full accumulation may be allowed without any condition.** A majority of countries apply this unlimited right of accumulation (AT, BE, BG, CH, DK, DE, FI, FR, HU, IE, IT, LT, LV, PT, SE, SK, UK), which is more than in the case of invalidity. This right of unlimited accumulation may not be the result of an 'activation policy', but the consequence of the independence of social security institutions within the country. There is no indication as to whether the 'full application right' applies even if the job exercised is located abroad.
- **Accumulation is permitted but is subject to the fulfilment of requirements.** For instance, the compensation varies according to the amount of earnings obtained after the accident at work or occupational disease (CZ). Permanent incapacity may be compatible with earnings if the activity is consistent with the pensioner's physical condition (ES). Likewise, a full accumulation may be permitted as long as the degree of invalidity does not change (LI). The pension may also be reduced if the overall income exceeds a certain amount (IS).
- **Accumulation is not permitted** in a minority of countries (CY, SI). It may not be allowed if the pensioner is considered totally incapable to work (MT). No accumulation may be allowed only in specific circumstances: for example, it is prohibited with 'full employment injury annuity' and with the 'tide-over annuity', which aim at compensating income loss (LU).

### c. **Applicable sanctions**

The sanctions related to the non-compliance with activation measures are often the same for invalidity as for AAW-OD. Hence, depending on the nature of the activation measure provided and the overall context of this measure, the beneficiary who fails to follow the activation measure may have to **reimburse the benefits**. When the activation measures consist of various actions of training and work-related activities, the **benefit may be reduced**. **The payment of the cash benefit may also be cancelled**. When **activation measures are voluntary**, the failure to complete these measures is not subject to sanctions.

It nevertheless seems that non-compliance with the activation measures is less severely sanctioned in the context of AAW-OD than in case of invalidity: it may indeed have no effect on the benefit (IT, FR). Another country report indicates that a re-employment failure should not result in a loss of income. However, in case the victim, without a legitimate reason, declines an offer for reemployment, for professional readaptation or for retraining, or if he or she prematurely abandons such re-employment, readaptation or retraining, he or she is only entitled to the benefit that corresponds to his or her degree of incapacity. The incapacity degree will be assessed based on the work capabilities in the previous or in the newly offered position (BE).

## **4. Activation measures and long-term care benefits**

A vast majority of country reports consider that there is no connection between activation measures and long-term care benefits. This report is therefore based on a limited number of situations where such a link has been established.

Activation measures may be related to **rehabilitation**. One principle that is applied is that of 'rehabilitation before receipt of the benefit' (DE), where the applicant is to undergo rehabilitation aimed at recovering the working capacity. This measure is available to persons who have been resident in the country for at least three years immediately preceding their application, or for six months if their working capacity was unimpaired when they took up residence in the country (IS). An

allowance may also be granted to persons with a severe handicap. This aid, which is based on residence in the country, is designed to enable auto-sufficiency, or to enable the beneficiary to work. It is possible to use the allowance to buy a car or, for instance, cover the costs for a guide dog (CZ). Another scheme aims at the creation of small units for the self-employment of persons with heavy disabilities who are having difficulties finding a job. A grant for and/or financing of certain projects proposed by the person concerned is provided. This scheme also provides opportunities of practical training or acquisition of professional experience in matters connected with the proposed self-employment scheme. The claimants must reside in the country for at least 12 consecutive months (CY).

The **beneficiary of the activation measure can be the carer** of the dependent person as well. For instance, a partial compensation for the loss of income may be paid to one of the carers who has terminated his or her employment or started to work part-time in order to be able to provide nursing and care for a child with severe mental or physical disabilities. Under the same conditions, a compensation may also be granted to one of the parents who provide nursing and care to two or more children with moderate or severe mental or physical disabilities (SI). A similar system exists in another country (FR). Compensations may be paid to one of the parents of a disabled child; no reduction applies if the parent works (LT). Support can take the shape of a weekly payment to lone parents providing full-time care to their children (IE). The 'carer's allowance' allows to engage in limited self-employment, or employment up to a maximum of 15 hours, provided it does not affect the care provided (IE).

Another form of an activation measure that targets the carer is the **right to have access to the services of a third person** if an adult person with heavy mental or/and physical disabilities requires help for all basic daily activities. One report mentions that the third person, who is habitually a family member, is entitled to a partial compensation for the loss of income in the amount of the minimum salary (or its corresponding part in case of part-time work) (SI). It is interesting to observe that the third person may only be a person who has the same permanent residence as the person with disabilities who requires assistance.

The activation measure may take the shape of the **right to accumulate advantages relating to the state of dependence and income from work**. For instance, a person may combine schemes related to home-based services for sick and old people with an income from work to cover life expenses (NO). In the same spirit, a benefit may aim to cover the expenses related to the transportation of the disabled person between his or her domicile and his or her work. Eligible persons are disabled persons who work in the country (CY).

## **5. Activation measures and social assistance**

Some country reports refer to the existence of a very high number of activation measures in the area of social assistance. This may be explained by the fact that social assistance is active at local level. These reports focused on the most significant activation measures available. More generally, the great diversity of systems of social assistance and the variety of institutional stakeholders make it difficult to give an exhaustive picture of the situation. However, some trends can be highlighted.

One conclusion which can be drawn from the reports is that social assistance provides more or less the same types of activation measures as unemployment schemes (BE, see 1. above). The promotion of benefits in kind is common: measures that aim to develop occupational and personal skills are shared by many countries (a.). Benefits in cash are also necessary since the population targeted by social assistance encounters financial problems (b.). In the light of 'activation policies', the purpose of social assistance is not only to insure that persons out of the job market be provided decent resources, but also to facilitate their return to work. The most striking observation derived from the

country reports is the importance of ‘country-related elements’, which are required to be eligible to advantages in kind or in cash (c.).

#### a. **Benefits in kind**

Social assistance often includes the **promotion of trainings**, their payment being covered by a lump sum, by a monthly amount or by the funding of the actual costs (CH, ES, LI, NL, NO, SI, SK). The aid encourages the unemployed workers to participate in orientation activities, placement and job search (CH).

**Several forms of rehabilitation measures** and employment policy programmes are undertaken by social assistance (e.g. BG, CZ, DK, FI). Social assistance may also provide counselling and individual assistance in order to increase capacities to find a job (IS, NL, NO, PL). During the rehabilitation process, a ‘personal rehabilitation plan’ is prepared. ‘Work testing’ can be offered (DK). The need for personal assistance is evaluated; proposals are made for adjusting the (home) environment, receiving and using technical aid (EE).

Social assistance may also include ‘work experience’ programmes; these activities are not supposed to be gainful (CH, NL, NO).

#### b. **Benefits in cash**

**Financial aids** can have multiple aspects. They may try to reach a specific target, such as access to free loans for starting up an activity (PL) or for the purchase of work equipment (PL). A work allowance is a social benefit to be paid due to additional work-related costs to employed disabled persons who are at least 16 years old (EE). A monthly aid is granted to persons who make a special effort in favour of his or her own social and/or professional integration and of that of others around them (CH).

Some countries link the **entitlement to a minimum income support to the completion of activation measures**. For instance, the assistance in cash can be conditioned upon the participation in job training or practice and/or other activities to further the competences of the individual. A typical form of an incentive is to allow for the partial accumulation of a job income and a minimum income support when the person takes up a job. This right of accumulation is limited in time (AT, LT, PL). A minimum income granted to persons who are disabled may be accumulated with a job income. A full accumulation may be allowed for six months, after which the accumulation becomes partial (FR). Another form of a work incentive can be illustrated by a scheme where families and single persons with a monthly net income up to the guaranteed minimum income can benefit from a 15% increase of the amount of social support, if at least one family member establishes that he or she works based on individual contract work, that he or she has the status of civil servant or that he or she performs an activity earning a salary (RO).

A ‘supplementary allowance for the working poor’ may also be granted in order to set the overall income at the minimum level (LI).

#### c. **Country-related elements**

According to country reports, social assistance is often linked with ‘**country-related elements**’. Residence in and/or nationality of the country providing the benefit may be required. National elements may also be indirectly imposed.

### ➤ Residence

When the **aid is granted by local authorities**, like regions or cities, it may be conditional upon the residence in this area or even a minimum duration of prior residence in this area (AT, BG, CZ, ES, IS, PL, SE).

Furthermore, even when the **aid is provided at national level**, a condition of residence in the country may apply: for instance, the right to social integration is made conditional upon, among other things, residence in the country (BE, DE, EE, NL). EU nationals should be entitled to social assistance, even if they have not yet established permanent residence in the country, providing they meet the condition of at least five years of uninterrupted residence in the country (SI). Another example: social assistance rehabilitation measures are subject to a residence in the country for at least three years immediately preceding the application, or for six months if the working capacity was unimpaired when the claimant took up residence in the country (IS).

### ➤ Nationality

In principle, nationality is not a criterion for receiving benefits from a social assistance programme (BE, CZ, ES, NL, SI). The condition of residence is more common and can be met by any person irrespective of his or her nationality (BG, CZ).

However, in some cases, the nationality of the country is required in order to be covered by the social assistance (LI).

### ➤ Indirect country-related elements

Many social assistance programmes implicitly refer to country-related elements. Systems of accreditation, for instance for service providers, may even be designed for local or national providers. For instance, social assistance can be conditional upon participation in programmes endorsed by the national authorities (BG). All activation measures must as a main rule take place in the country (DK).

Another indirect reference to country-related elements concern aids provided at local level by local authorities. It seems natural to combine this aid with 'local requirements' (other than the residence requirement, which has already been analysed above). For instance, a condition of residence may apply implicitly when the aid is conditional upon performance of duties by the recipient in the city of residence (NO).

Some situations are more ambiguous. For instance, the person who benefits from the social assistance programme may be required to actively seek employment. One report indicates that it may be in the country or abroad (LT). The question is, however, whether investigations can be carried out across the borders. The same question arises when aids are reserved for persons who are registered as jobseekers (e.g. DK, ES). Does this imply that they must also reside in the country?

The same ambiguity applies to situations where the social assistance programme includes measures such as training and other services to the person provided by an organisation. Can this organisation be located in another country? On the contrary, one report reveals that some aids target 'transnational training': a specific grant is awarded for those who go abroad for a training period (ES).

## PART II

### THE CROSS-BORDER CONTEXT: THE INTERACTION BETWEEN NATIONAL ACTIVATION MEASURES AND EU COORDINATION RULES

#### A. Activation measures seen as problematic or not

At an earlier stage,<sup>17</sup> it was already mentioned that the influence of the ‘active’ welfare state on coordination might be expected to play a growing role. Activation is a prominent paradigm to both labour market and social security policy, also fitting in a policy of flexicurity. In many Member States, new measures are introduced that deal with an active labour market policy, including assistance for vocational training, not only for unemployed but also for employed persons. The promotion of the active welfare state is leading a movement away from social security schemes aimed at compensating losses that are consequent upon the realisation of specified risks and contingencies, and towards schemes primarily concerned with preventing the risk from occurring in the first place. Many employment-related schemes require participation in work-related activities as a condition for entitlement to benefits. Examples of such measures can be found throughout different risks and the national legislations, however, with a primary focus on the risk of unemployment and invalidity. These developments, as described in the previous part of this report as well, might clearly raise new issues around the proper coordination of these benefits.

Notwithstanding the increasing number of activation measures in national legislations, most reports remain silent about issues of coordination.

Indeed, it may regularly be noticed in the reports that the competent institutions that were interviewed do not observe special problems with regard to activation measures in a cross-border context. The reasons for this silence are diverse. One possible explanation could be that (potential) beneficiaries and employers fail to report the problems and issues they encounter in practice (BE). Other countries mention that activation measures have until now not caused any problems in connection to the coordination of social security (CZ), or that the actual financial crisis has pushed the government, as well as national and local authorities, to focus on national measures in the social field (EL), and also on measures more related to the labour market field than to social security (ES). But the active employment policy, which nowadays in some countries is a competence of the local authorities and regional government, rather than of the central government, is also considered to limit the appearance of problems (ES, DK, PT).

The fact that practical problems are not immediately encountered does not imply that no problems could be imagined. As some reports clearly point out, due to this lack of observance of problems in a cross-border context, some theoretical questions could be posed and some theoretical problems might be considered to appear (AT, CH).

A notable exception to this lack of ‘officially’ described challenges may be found in Finland. The Finnish report mentions that challenges related to cross-border rehabilitation or activation measures have been on the agenda for several years in the cooperation between the Nordic Liaison Offices as well as the ministries. As the coordination of rehabilitation or cash benefits from a competent State with benefits in kind from the Member State of residence seems to be very challenging in practice, the Nordic countries have tried to solve these problems by making bilateral agreements on administrative procedures in cross-border rehabilitation situations. There have been bilateral pilot projects involving regions in Sweden and Norway on the one hand, and Sweden and Finland on the

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<sup>17</sup> Y. Jorens & J. Hajdu, ‘Training and reporting on European Social Security – European report 2009’, Project trESS (Training and Reporting on European Social Security, European Commission, DG Employment, Social Affairs and Equal Opportunities, Brussels, 2009, 125 p.

other. It could also be mentioned that in the proposal for the new Nordic Convention on Social Security, which has still not entered into force, rehabilitation issues are dealt with in Section III, Chapter 5, Article 12. This article states that the relevant institutions in the countries concerned should co-operate on support and activation measures with a view to providing opportunities for the entry into or return to work. The proposal also provides that if such efforts involve the transfer of insurance cover, the countries involved should, as far as possible, resolve the situation to the advantage of the individual concerned. The new Nordic convention has been signed in June 2012 and is likely to enter into force in 2013. The administrative agreement further states that the countries should bilaterally agree on administrative routines for rehabilitation. Where the rehabilitation circumstances in a particular country affect entitlements to pensions or other benefits in another country, the latter country should be informed of measures that have commenced, that have been completed or even that are considered as feasible.

Yet, case law is rather silent as well. It is indeed surprising to notice that hardly any national case law can be found on this. Only exceptionally have some countries mentioned national case law that deals with activation measures. Exceptions are Denmark and Switzerland. In Denmark, the following situation was described: a man residing in Denmark wanted to pursue an internship in Sweden, while still residing in Denmark and returning home every day. He was not allowed to do this since under national law he was not allowed (he did not qualify as a 'special case'). As he could get an internship in Denmark, there was no need to go abroad. Also, it was difficult for the Danish authorities to check whether the labour environment fulfilled Danish conditions and whether the internship was not an anti-competitive subsidy. In another case, a man residing in Denmark in the border region with Germany was found eligible for a flex job. He found a job himself at a Danish school in Germany. However it was not possible to export the flex job benefit to a work place situated in Germany. The reason was that, as a border worker, he was subject to German social security and labour law. Under Danish law, a condition for a flex job benefit was employment in accordance with Danish collective agreements.

The Swiss report mentioned the following situation. According to Swiss legislation, in case of compensatory payments for lower paid employment and in case of labour market measures of unemployment insurance, certain exemptions are foreseen from the payment of contributions for at least 12 months within the two years preceding the unemployment. This is the result of conditions which are often nationally determined. An exemption is e.g. foreseen in case of sickness, if the person concerned was domiciled in Switzerland during this period. The Swiss federal supreme court had to deal with the case of a Swiss citizen who, after having worked in Switzerland for the same employer for at least 26 years, spent 1 ¾ years in Greece, Italy and Austria for medical reasons (medical treatment under favourable climatic conditions) and finally – fully able to work again – returned to Switzerland, where he was looking for a job in his previous field of activity and applied for an unemployment allowance. This person qualified as a worker under national legislation. The court, providing a detailed explanation of the reasons for its decision, ruled that the condition of being domiciled in Switzerland during the period of illness constitutes indirect discrimination (against the person concerned) forbidden by this provision. This case law already paves the way under national law for equal treatment of facts and thus for the waiving of typically 'national' conditions in the context of exemptions from the contribution period requirement. However, it does not yet resolve all the 'European law' problems related to the exemptions from the contribution period requirement.

Until now, activation measures have not only been missing before the national courts, but also before the Court of Justice of the European Union (CJEU) it has not frequently been the subject of discussion. As this case law of the CJEU is, however, important to understand the impact EU law may have on national activation measures, we believe it is necessary to give a short description.

In the absence of the application of the Coordination Regulations, the EU provisions that deal with the free movement of persons will constitute the reference legal framework for the cross-border operation of activation measures. Two cases from the CJEU are relevant here. In the Clean Car Autoservice case (C-350/96), the CJEU confirmed that, in order to be truly effective, the right of

workers to be engaged and employed without discrimination necessarily entails as a corollary the employer's entitlement to engage them in accordance with the rules governing the freedom of movement for workers. For that reason, a requirement that nationals of other Member States must reside in the State concerned in order to be appointed managers of undertakings constitutes an indirect discrimination.

In a second case, ITC (C-208/05), a German private-sector recruitment agency, acting as a mediator and intermediary between those applying for and those offering positions of employment, was refused a fee for an unemployed person's recruitment. The agency was to receive such a fee if it found a job. This German agency, however, helped the unemployed person concerned to a contract of employment of the Netherlands. By applying the coordination provisions, the person concerned and the employer became subject to compulsory social security contributions in the Netherlands and not in Germany, as a result of which the fee was refused. The CJEU considered that this condition to be subject to the German social security in order to obtain a fee was contrary to the provisions of the freedom for workers. It further considered that the right of workers to take up an activity as an employed person within the territory of another Member State, without discrimination must also entail, as a corollary, the right of intermediaries to assist them in finding employment in accordance with the rule governing the freedom of movement for workers. A measure which constitutes an obstacle to this freedom of movement can only be accepted if it pursues a legitimate aim compatible with the Treaty and is justified by pressing reasons of public interest. The CJEU did not accept the German government's arguments: that such a system represents a new instrument of the national employment policy, which aims to improve workers' recruitment and to reduce unemployment; secondly, that its purpose is to protect the national social security system, which can be done only if contributions are paid on a national basis and where contributions would be lost if persons seeking employment were to be recruited in other Member States; and thirdly, that it seeks to protect the national labour market against the loss of qualified workers. The CJEU confirmed that the risk of seriously undermining the financial balance of the social security system may constitute an overriding reason in the general interest; however, this is not the case here. Furthermore, the contributions that the German social security system would lose can be reduced. First, as a person seeking employment who is recruited in another Member State is no longer required to pay social security contributions in his or her Member State of origin, that State is no longer required to pay him or her an unemployment benefit. Secondly, it is of the essence within the freedom of movement for workers that the departure of a worker to another Member State may be counterbalanced by the arrival of a worker from another Member State. Consequently, the clear result of this case law is that activation measures, which should not be considered as unemployment benefits within the meaning of the Regulation nevertheless also apply to persons subject to the social security legislation of another Member State, as a result of the application of the primary provision of the freedom of movement for workers.

The Court of Justice of the European Union has recently rendered a judgement in a case concerning activation measures. The case, *Krier* (C-379/11), deals with activation measures related to contributions aimed at making jobs available by reducing a labour cost. It concerns a Luxembourg measure that makes employers who recruit unemployed workers aged 45 and over eligible to receive a recruitment subsidy through the reimbursement of social security contributions paid in respect of the worker recruited. The condition is that the worker concerned must be registered as a jobseeker with a placement office of the Luxembourg employment administration. Mrs Krier was, however, subject to the German authorities. Attorney-General Sharpston is of the opinion that, as residence in Luxembourg is a condition for registration with the employment agencies and as registration is a condition for the availability of a recruitment subsidy, such a condition is a restriction on the freedom of movement for workers within the European Union. A residence condition for registration is therefore not acceptable, as it prevents a person from being able to register with the competent authorities, and can certainly not be proportionate. Such a recruitment subsidy is clearly not a social security benefit that is covered by the Coordination Regulations. According to the ruling of the CJEU of 13 December 2012, "Article 45 TFEU must be interpreted as precluding legislation of a Member

State which makes the grant to employers of a subsidy for the recruitment of unemployed persons aged over 45 years subject to the condition that the unemployed person recruited has been registered as a job seeker in that same Member State, in the case where such registration is subject to a condition of residence in the national territory, this being a matter for the referring court to verify”.

## **B. Challenges and issues with activation measures**

Where could one, when looking at the existing national activation measures, expect problems?

As a preliminary remark, it has to be mentioned that activation measures could be found mostly in two fields, i.e. unemployment benefits and rehabilitation benefits in case of invalidity. More in particular, with respect to unemployment, one could in general find three types of activation measures. The first category deals with measures that control persons’ passive and active availability to the labour market. These measures want to investigate to what extent the persons are looking for a job. A second category in principle covers measures in kind that should prepare the persons for the labour market and wants to increase the capacities of these persons by means of measures such as vocational training, apprenticeships or internships. Thirdly, there is a category of measures that provide financial benefits either to the employer and/or to the employee in case of re-employment.

### **1. Qualification as social security benefits**

Most often it is considered that activation measures are in principle as such not coordinated by the European Coordination Regulations, as they do not fall under the material field of application. One of the most difficult issues indeed relates to defining the different activation measures and to seeing whether they could be considered as unemployment benefits or not, or as invalidity benefits. Quite often, national reports mention that national benefits are not covered by the Coordination Regulations. Whether this is always the case, could however be questioned.

The UK e.g. does not consider that activation measures in kind for unemployment fall under the EU Coordination Regulations, as benefits guaranteed to unemployed persons under these Regulations is limited to benefits in cash. Also Poland indicates the problem related to the fact that only benefits in cash are covered under the Coordination Regulations.

In Sweden, it is mentioned that the national institutions consider the Swedish benefits in cash as the activity support, and not as an unemployment benefit under the Regulation. Today, the right to activity support is a reflection of participating in a labour market policy programme. As a consequence, incoming unemployed EU citizens risk not to be provided with activation measures in kind to avoid the payment of activation support. Sweden therefore considers this support as being regulated outside social security as such. This qualification is however questioned.

### **2. Unemployment benefits**

What are unemployment benefits according to the Regulation? It might indeed not be excluded that some of these activation measures could be considered as benefits, falling under the field of application of the coordination provisions. We know that according to the Court of Justice of the European Union, the distinction between benefits excluded from the scope of the Coordination Regulations and those which fall within its scope, is essentially based on the constituent elements of the particular benefit, in particular its purposes and the condition on which it is granted and not on whether it is classified as a social security benefit by national legislation.<sup>18</sup> The notion of social security in EU coordination law not necessarily coincides with the definitions and the concepts as

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<sup>18</sup> Case C-78/91, Hughes, point 14.

known under national law. The CJEU might start with the definition of an unemployment benefit under national law of the Member State, but it does not require that all the features of such benefits are met. In its case law (see Cases C-102/91 (Knoch); C-66/92 (Acciardi); C-25/95 (Otte); C-57/96 (Meints); C-41/79, C-121/79 and C-796/79 (Testa et al); C-171/92 (Val-entini); C-406/04 (De Cuyper); C-228/07 (Petersen)) the CJEU has classified different categories of social benefits granted in the Member States to unemployed persons as falling in or out of the material scope of Regulation 884/04 as unemployment benefits within the meaning of Article 3 (1) (h) of the Regulation.

As the CJEU has mentioned, unemployment benefits are in the first place intended to replace the remuneration which a person has lost for reason of unemployment and thereby provides for the maintenance of that person.<sup>19</sup> A contrario, if the claimant engaged in paid employment, the employment benefit may no longer be payable. On the other hand, however, other typical national conditions, e.g. the criterion of availability of the unemployed for the labour market, may not be seen as an unconditional pre-requirement of an unemployment benefit.<sup>20</sup> However, a benefit is not considered an unemployment benefit if it is not a recurrent payment, but paid as a single fixed sum, only varying in relation to the age of the applicant, where neither the entitlement to nor the amount of the benefit is related to the length of the period of unemployment, and where the benefit must be repaid if the unemployed is re-employed by his or her former employer.<sup>21</sup>

Although the CJEU considered that, as an additional function, unemployment benefits are to replace wages lost and are therefore cash benefits, already in the eighties did it not only limited itself to cash benefits; it was also of the opinion that the unemployment benefits could comprise benefits including service provision, taking into account the more active role unemployment benefits have. In its *Campana* case, the CJEU indicated that in the light of the present economic situation, the Member States established assistance for vocational training intended both to enable persons in employment to improve their qualifications to avoid the threat of unemployment, and to enable unemployed persons to retrain and find new employment. For the CJEU, unemployment benefits also comprise benefits intended to encourage vocational training for persons who are already unemployed or for persons who are still employed but who are actually threatened by unemployment. Unemployment benefits do therefore not only comprise cash benefits, but also services intended to prevent or end unemployment. Benefits providing vocational training for persons and individual (re)integration measures for those people who are already unemployed or actually threatened by unemployment, should therefore also be labeled as unemployment benefits; this in contrast to general job promotion policy measures. The case law of the CJEU in *Campana* does therefore not only extend unemployment benefits to benefits in kind and services, but also makes clear that measures which would most often be seen as labour law measures under national law, can also be covered under the Coordination Regulations.

Paradoxically, this inclusion of benefits in the material field of application of the Regulation allowed an Italian citizen to rely on the coordination provisions and, in particular, the provisions on aggregations of periods to obtain these German services. At the same moment, however, the application of the Regulation to this kind of services might also be seen as limiting some of the rights of the persons concerned. One of the best known examples in this respect are the limitations that exist for unemployment benefits with respect to exportation. Such restrictions could be seen as limiting the freedom of movement of workers and is also questioned under the provisions of the European citizenship. Although the CJEU confirms that the Regulation does not preclude the legislation of the Member States for making entitlement to unemployment benefits conditional upon residence in the territory of that State, residents' conditions might also be seen as directly discriminatory for migrant workers. This proportionate measure is objectively justified.<sup>22</sup> The

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<sup>19</sup> Cases C-102/91, Knoch, point 44; C-406/04, De Cuyper, point 27; C-228/07, Petersen, point 28.

<sup>20</sup> Cases C-25/95, Otte; C-406/04, De Cuyper.

<sup>21</sup> Case C-57/96, Meints, point 28-31.

<sup>22</sup> Case C-228/07, Petersen.

condition of non-exportability under the Coordination Regulations perhaps remains an accepted principle; its absolute application is nevertheless more and more coming under pressure.

### **3. Rehabilitation measures**

Problems also occur with respect to rehabilitation measures. The Austrian report e.g. raises the question if occupational rehabilitation and rehabilitation money must be considered as an unemployment benefit or still as an invalidity benefit. Qualification as an unemployment benefit would facilitate the situation, as according to the current coordination rules, a closer collaboration obligation of the claimant with the unemployment institution of the prior State of employment could be required. The Swiss report clearly states that rehabilitation measures preparing for occupational rehabilitation and occupational measures are considered as invalidity benefits. However, the Swiss report also mentions that there is a striking difference, at least in the text, between the old Regulation 1408/71 and the new Regulation 883/2004, as this last one does not explicitly mention the benefits intended for the maintenance or improvement of earning capacity. Was the former reference to the benefits intended for the maintenance or improvement of the earning capacity not transferred into the new Regulation because it was considered superfluous? This would mean that nothing has changed. Or, are the benefits intended for the maintenance or improvement of the earning capacity no longer mentioned in the context of invalidity benefits because they (now) ought to be qualified not (or no longer) as invalidity benefits (under Article 3 (1) (c) of Regulation 883/2004), but as sickness benefits within the meaning of Article 3 (1) (a) of Regulation 883/2004, or, respectively, as benefits in respect of accidents at work and occupational diseases under Article 3 (1) (f) of this Regulation? Conceivable reasons for the latter solution might be that rehabilitation measures that aim at vocational (re-)integration are classified as sickness benefits (or, respectively, as benefits in respect of accidents at work and occupational diseases) in most Member States' national law; that the special provisions of Regulation 883/2004 concerning invalidity benefits (Title III, Chapter 4) only apply to benefits in cash; and/or that such rehabilitation measures should belong to the same category of benefits, under European law, as benefits in cash accompanying them?— This last reason appears unlikely, because if this were true, non-medical rehabilitation measures aiming at improving or maintaining a pensioner's earning capacity would still qualify as invalidity benefits, whereas the special provisions of Regulation 883/2004 concerning invalidity benefits on the contrary do not contain any provisions for benefits in kind.

However, it is not only the qualification of rehabilitation measures in a European perspective that poses problems. Specific problems might also be the result of how national States fill in benefits related to work incapacity due to illness. A typical example can be found in the Netherlands. The Dutch concept of 'work incapacity' differs from how this concept is interpreted in many other EU Member States, which may cause problems in a cross-border context. Whereas, in many other countries of the EU/EEA, persons who receive a work incapacity benefit are often seriously impaired to perform work, this need not be the case in the Netherlands. According to the Dutch legislation, persons who receive a work incapacity benefit may still have a remaining earning capacity which they are expected to transform into gainful employment on penalty of a reduction of the benefit level. In comparison with other countries of the EU/EEA, the threshold for benefit entitlement is, in other words, rather low in the Netherlands (35%). In consequence, persons who are entitled to a Dutch work incapacity benefit may not be entitled to such a benefit in other countries. It is quite possible that the same person would be labeled as an unemployed person and therefore has to fall back on unemployment benefits in other countries.

Differences in the national concept of invalidity or work incapacity may thus give rise to misunderstandings when it comes to the application of activation measures in a cross-border context. Because of these differences, local institutions in other countries often do not really know how to deal with persons with a Dutch work incapacity benefit who live on their territory. Often, they are hesitant in engaging local employment offices because, in their country, these offices only target the unemployed. What they do not see is that persons with a Dutch work incapacity benefit are often less limited in their ability to work than people who would qualify for such a benefit in their own

country and therefore should be eligible for the same sort of assistance as would be offered to those who, in their country, are registered as unemployed and serviced by the employment offices for that reason. To solve this problem, awareness of this problem and an adequate exchange of information about the particularities of the Dutch system with local authorities abroad could perhaps help.

## C. Challenges and issues

So, which problems and challenges may be encountered?

In general, when analysing the national reports, complications might arise from the issues below.

### 1. *Activation measures and national conditions*

Problems stem from the fact that activation measures are often linked to, or conditioned by, national concepts, irrespective of whether they relate to the national territory (residence, work in the country) or to the national legislation or system (registration with or recognition by a designated national body, receipt of a national benefit, etc). Many of the reports clearly focus on problems that might arise from the fact that national legislation often sets national conditions for having access to activation measures (BE). One typical example of this is place of residence: exemptions from the contribution period; the conditions of residence in CH and LI; the condition of residence in CZ; the training programmes in NL; the professional transition allowance in FR. In this last country, the condition of residence may also apply to the employer, as for example for the allocation de retour à l'emploi, whereby an agreement between the person concerned, the local unemployment institution and the employer must be concluded, and whereby the agreement may be reserved for employers established in France. Other nationally oriented conditions relate to elements like the condition to be registered at national 'certified' institutions: BE; the local unemployment institution in FR; accredited medical institutions with respect to rehabilitation measures; the condition that the unemployed person has to be lastly insured in the local insurance institution in order for companies to receive the business grant benefit in EL; the assimilation of periods of inactivity to fulfil a minimum condition of period employment in the country concerned in FR.

When looking at unemployment benefits, one of the most common problems encountered is that these measures are only open to unemployed persons or those who fulfil all or part of the conditions required for obtaining unemployment benefits. A typical example with respect to unemployment is being available to the labour market. It is worth noticing, however, that in Sweden the acceptance of available work, also in neighbouring states such as Denmark and Norway, is a requirement under the national unemployment insurance scheme.

In the UK for example, entitlement to the 'employment and support allowance', a sickness/disability benefit, for most people in the 'work-related activity group' is conditional upon taking part in 'work focused interviews' and 'work-related activity'. For people who have exported their 'employment and support allowance' to another Member State, this condition is waived due to the impracticality of applying the conditions. The UK has explored the possibility of entering into bilateral arrangements with other EU member countries with similar programmes, but these exploratory discussions have so far not been fruitful. The UK considers that it would be unreasonable and unlawful to require claimants of 'employment and support allowances' to return to the UK to take part in 'work focused interviews' and 'work-related activity' as a condition to receive their benefits. However, the UK considers that it would be impractical and disproportionately expensive to try to deliver these services in another member country.

The Dutch report as well mentions practical issues that may hinder the effective application of these measures. Most often, Dutch reintegration agencies rarely operate abroad. Outside the Netherlands, there are only a few agents that offer comparable services, mainly due to a lack of solid knowledge about the local labour market. However, also language problems and distances limit the possibilities for applying activation measures to those who are, in principle, entitled to receiving them outside

the Netherlands, taking into account that benefits related to work incapacity due to illness are not affected by export restrictions. So, activation instruments are in principle exportable. A person entitled to a Dutch benefit can therefore, at least in theory, benefit from activation measures, irrespective of the place of residence. In theory, these practical issues could be solved by engaging local parties in the State of residence who do have knowledge about the functioning of the local labour market. They could support foreign beneficiaries in finding their way back to the labour market in compliance with the working method customary in the Member State where the beneficiary resides. By analogy to the EU coordination system for health care and corresponding sickness benefits, the cost incurred in the State of residence could be compensated by the competent State where the beneficiary is insured. In principle, such a system could enhance the effective application of activation measures abroad.

Also Sweden mentions issues related to the application of the chain of rehabilitation and the difficulties to have rehabilitation assessments and rehabilitation measures carried out in the State of residence.

These different national conditions raise the issue whether the principle of assimilation of facts requires that all these national conditions that occurred in another Member State should be considered as having occurred in the competent State (see e.g. FR, CH).

May institutions or facts that occurred in another Member State therefore be assimilated to institutions or facts that occurred in the competent state? The answer is, however, not always clear as, it remains questionable what should be assimilated, i.e. the capacity of an unemployed person (for that reason, it would be sufficient that one fulfils the conditions of unemployed person in another Member State) or some of the individual conditions of the Member State of the activation measures one would like to rely on. In this last situation, differences in unemployment systems might further complicate the application of activation measures. It would require an in-depth investigation of national conditions, e.g. the concept of being available to the labour market or having lost the job involuntarily.

As was mentioned above, when judging the situation whether or not people from abroad may have access to national activation measures, one should also look at the general application of EU law, and in particular at the principles of free movement of workers, .

Through the application of EU law, EU nationals will therefore also have to be treated equally in their rights and obligations under national activation measures. The Slovenian report illustrates this. It states that job placement services as well as some lifelong career orientation services (basic career consultancy, in-depth career consultancy, and the study of career guidance skills) are linked to the status of an unemployed person or a jobseeker whose employment is at risk. The latter is defined (by the competent institution, regulating services for the labour market and active employment measures; the 'ZUTD' or 'Labour Market Regulation Act') as a jobseeker during the notice period (when the employer is regularly terminating the labour contract), or as a person for whom it is clear from the business documentation of the employer that his or her employment will become redundant, or as a person employed for a fixed period of time and whose employment contract expires in the next three months. Hence, an EU, EEA or Swiss citizen whose employment is at risk would have the possibility to be included in certain activation measures in Slovenia (job placement, lifelong career consultancy and also inclusion in the active employment measures) even before becoming unemployed, if registered as a jobseeker according to the ZUTD. This is the case, even if he or she would (later on) not be entitled to an unemployment benefit in Slovenia (e.g. frontier worker with his or her centre of interests in the neighbouring country) or if he or she would only reside in Slovenia (but would be employed in another Member State).

The possible influence of European law can be discussed on the basis of the Belgian example of the activation measures that consists of a combination of a contribution reduction and an activated unemployment benefit. The social security contributions to be paid by an employer are reduced and at the same moment the employees receive a bonus (up to € 500 per month) which can be considered an activated employment benefit. Indirectly, this is a wage subsidy as the employer can

reduce the net wage he or she should normally pay to his or her employee with this bonus. The basic condition for the employee is that he or she was a (long-term) unemployed person. Basically the (twofold) question from a cross-border perspective is to know whether these measures can also be used: i) if a Belgian unemployed person is hired by an employer in another Member State; and ii) if a foreign unemployed person (drawing benefits from another Member State) is hired by a Belgian employer; in both cases assuming that the other relevant conditions are fulfilled. In the latter case, Belgian social security legislation will apply according to the *lex loci laboris* rule of Regulation 883/2004; in the former case the applicable legislation will be that of the other country. It should be noted at the outset that the activated unemployment benefit paid by the 'RVA/ONEM' (National Employment Office) or the trade union most probably cannot be qualified as an unemployment benefit for the purposes of social security coordination, as it does not constitute a replacement income for an unemployed person awaiting the successful completion of his or her search for work.<sup>23</sup>

Let us in the first place look at the situation of an unemployed person with unemployment benefits from abroad who finds a job in Belgium. With respect to the contributions the employer would receive, the Belgian social security legislation would apply due to the activities of employment in Belgium. Because of the assimilation, the unemployed person would be regarded as an unemployed person receiving unemployment benefits according to Belgian legislation. Non-payment of the reduced contributions, due to the fact that the unemployed person concerned would not fall under Belgian social security legislation, could be considered as an indirect discrimination on the grounds of nationality, which is in need of justification. It is unlikely whether it would be accepted as a (proportionate) grounds for justification. One argument would, however, certainly be that if the activated unemployment benefit would need to be paid in respect of foreign unemployed persons who found a job in Belgium, Belgian public funds would bear the burden (of paying the activated benefit) but would not reap the fruits (of no longer having to pay unemployment benefit – which supposedly was paid by the other country). A parallel could be drawn with the ITC case of the Court of Justice of the European Union, where it rejected the economic argument that it is the other country that enjoys the benefit, no longer having to pay unemployment benefits. Although this case dealt with an advantage of the home State, it could be applied by analogy. In addition, these employees of course have a close link with the Belgian State and are integrated in Belgium. As the CJEU clarified, this condition of integration in the national labour market, which may be required from jobseekers,<sup>24</sup> could be seen as fulfilled. If a person works on the territory,<sup>25</sup> this demonstrates the existence of a genuine and sufficient connection between this person and the competent Member State.<sup>26</sup> Such a person therefore has a sufficient link with the country concerned, for which reason it can generally be stated that an unemployed person who finds work in Belgium, should be able to benefit from this activation measure.

The same could be said for the bonus that the foreign unemployed person would obtain. Limiting these bonuses for people who are unemployed according to the Belgian unemployment legislation would also be seen as an indirect discrimination for which no real justification could be found. The same argument could be used here as the economic argument or sufficient link argument described above with respect to the reduction of the employer's contributions.

Another argument that could be used is perhaps that the financial balance of the social security system would be endangered by awarding this bonus. Already in the ITC case, the CJEU did not accept this economic argument of the financial sustainability, although a difference may be

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<sup>23</sup> Cf e.g. C-102/91, Knoch.

<sup>24</sup> See e.g. Case C-138/02, Collins, where the CJEU decided that the national State is able to require a connection between persons who claim entitlement to such a security allowance paid to jobseekers and the employment market.

<sup>25</sup> See joined cases C-22/08, *Vatsouras* and *Koupatantze*, about the fact that one is connected to the national social security system.

<sup>26</sup> Case 503/09, Stewart.

observed. Whereas the ITC case is about a lump sum fee, here a monthly wage subsidy is to be paid during a certain period. However, it remains extremely questionable whether this difference would be sufficient to accept the financial sustainability as a justification, not least as it might be expected that the number of people that would rely on these measures would be limited. It nevertheless remains questionable whether it is sufficient just to be entitled to unemployment benefits abroad to apply for the assimilation or whether one should fulfil all conditions and requirements to be able to obtain unemployment benefits. If all individual requirements were fulfilled, an unemployed person who does not meet all conditions for being allowed to obtain unemployment benefits after assimilation of all factual circumstances (e.g. being unemployed, not receiving wage, being available to the labour market, being involuntarily unemployed, etc) would have no right to this activation measure, although he or she would benefit from an unemployment benefit abroad.

Vice versa, the questions arise whether Belgium should pay contributions to an employer abroad who hires a Belgian unemployed person, as well as an unemployment bonus. As, in the first place, this unemployed person would start to work abroad and would therefore be subject to the legislation of that country, no reduction of the employer's contributions would be possible. The situation is however different with respect to an unemployed person who receives a Belgian unemployment benefit, finds work abroad and requests an activation of an unemployment benefit. Such a bonus could be seen as a social advantage of the previous country of employment. The non-payment of the activated benefit when Belgian unemployed persons find a job in another country could represent an obstacle to the free movement of workers, which also requires further justification. Requirements that the person concerned should be e.g. resident in Belgium at the moment he or she requests the benefit, that the employer should be established in Belgium, or that the labour agreement should be subject to Belgian labour conditions, could be considered as an indirect discrimination for which a justification should be found. As the ICT case has already shown, the economic argument that Belgium would not receive any social security contributions is compensated by the fact that Belgium is no longer obliged to pay an unemployment benefit. To the same extent, the CJEU rejected the argument that a vacancy would not be filled in, having regard to the high level of unemployment in the country. The CJEU stated that it is not clear whether a vacancy in that country would remain unfilled, because a person seeking employment is recruited in another Member State. The same could be said with respect to the argument of the financial sustainability of the social security system, however recognising that there is a difference with the situation in the ICT case, as the activated unemployment benefit is an indirect subsidy of wage and as in principle the labour conditions of the country of employment are applicable. In addition, it cannot be ignored that the person concerned has a close link with the Belgian social security system, as he or she received a Belgian unemployment benefit (see e.g. the Stewart case), following a former employment in Belgium. Although it cannot be ignored either that this link is in particular more closely related to the past than to the current situation.

## ***2. Differences in the financing of measures***

There are certain differences in the financing of the measures, fully to the account of the organising Member State (the Member State responsible for the employment benefit, or the Member State where the person concerned is looking for his or her job) and in the benefits that should be available for migrant persons who are looking for a job.

In this respect we can also refer to some problems that might arise when applying the existing coordination framework to jobseekers. The application of activation measures to jobseekers under the current coordination framework poses different challenges. In the Polish report it is mentioned that foreign unemployed persons who are registered at the Polish local labour office (pup) are not eligible for activation measures like the Polish unemployed persons are. As it was stated in Article 55 (5) of Regulation 987/2009, the institution in the Member State which the unemployed person has gone to shall carry out or arrange for checks to be carried out, as if the person concerned were an unemployed person obtaining benefits under his or her own legislation. As the Polish competent authority has explained, this means that this Regulation only obliged Polish institutions to register

and check 'the foreign' unemployed person, but not necessarily to provide them the right to the activation measures financed by the 'labour fund'.

These persons are only searching for a job in Poland and are still subject to the law of the country of previous employment. The activation measures financed by the 'labour fund' are only addressed to the persons registered in the local labour fund as unemployed persons, and not to jobseeking persons.

Although, as it was stated in Article 55 (6) of the above mentioned Regulation, the competent institution of two or more Member States may mutually agree on specific measures to facilitate the jobseeking activities of unemployed persons who go to one of those Member States. However, as the Polish competent authority has explained, so far there are no such agreements.

Also in the Netherlands problems is mentioned, more in particular in relation to Article 65 of Regulation 883/2004. According to this Article, those who, during their last employment activity, lived in another State than the State of last employment, have to be available to the labour market in the State of residence. However, as a supplementary step, they can also make themselves available to the employment services of the State of last employment in order to increase their chances to find new employment. In practice, this extra option may be thwarted by Article 55 (3) of Regulation 987/2009, which prescribes that, in these cases, precedence is to be given to the activation measures of the competent State (i.e. the State of residence). As the competent institution in the State of residence may require participation in various activation programmes, this may reduce the opportunities for active jobseeking in the State of last employment. The competent institution in the State of residence may, furthermore, not accept the measures taken by the State of last employment. Active jobseeking in the State of last employment may thus result in a 'verdict' of non-compliance with the duty to seek employment in the State of residence. All in all, this may end up in reduced chances to find new employment and may therefore have a contra-productive outcome.

### ***3. Labour law and social security law***

The relation between labour law and social security law as well often complicates the designation of a competent Member State.

### ***4. Activation measures and a change in the applicable legislation***

Some of the activation measures may lead to a change in the applicable legislation. A typical example is the paid apprenticeship performed in another Member State or in a State other than the competent one. Or, what to say of a possible combination of a benefit with partial employment in another Member State. An example is the guaranteed income allowance for partially unemployed persons in Belgium. The basic intention of this allowance is to guarantee a higher net salary, which is higher than a full-time unemployment benefit, trying to avoid the risk of becoming unemployed. According to the Regulation, the country of employment is the competent State for partially unemployed persons. As a result, a Belgian unemployed person who takes up partial employment in another Member State would not, by virtue of Article 65 (1) of Regulation 883/2004, be entitled to the GIA. As the person concerned is no longer subject to Belgian social security due to his or her employment in another Member State, he or she will not qualify for this Belgian unemployment allowance. This might have an effect on the situation of unemployed persons, as unemployed persons in Belgium will not want to accept a partial job in another Member State if they would lose the guaranteed income allowance. In situations connected to the Netherlands, however, this situation is remedied through the conclusion of an Article 16 agreement. This keeps the person subject to Belgian legislation. In such case, the Dutch employer has to pay Belgian contributions, and the beneficiary needs to remain available to accept full-time work in Belgium. In situations connected to Luxembourg, this solution is more institutionalised, as both countries have concluded a bilateral

agreement acting upon CASSTM Recommendation No 18.<sup>27</sup> The Swedish report mentions the typical example of a Swedish resident receiving unemployment benefits (a work-based benefit, making Sweden the competent State) who takes up a part-time position in, for example, Denmark. In these situations, the problem does not necessarily relate as much to the question of which the Competent state is, but rather to the far from swift decision process, as well as to the 'risk' of double compensation and the difficulty for the individual to be able to foresee what is applicable. Moreover, in Sweden some problems exist related to the fact that there are two competent authorities involved in the decision-making with regard to people who work part-time in another Member State while residing and receiving an unemployment benefit in Sweden. Försäkringskassan is the institution to decide whether Sweden is the competent State – possibly after an agreement with the other Member State in accordance with Recommendation 18/86 of the Administrative Committee – whereas the 'unemployment fund' is the one who decides on the partial unemployment benefit and thus the one to be informed about the work in the other Member State. All these problems are of special relevance to the Swedish practice with regard to part-time unemployment benefits.

Sweden mentions a particular problem when dealing with the rehabilitation of a person who receives a sickness benefit in cash from Sweden while residing abroad. Sweden is the competent State, since the individual concerned is or was employed here, but is resident in another Member State. This should not be too difficult to begin with, since at least early on, the rehabilitation in kind requires co-operation with the employer who in this case is situated in Sweden. However, if the sickness benefit in cash is withdrawn and if the person is unemployed full-time, the residence country becomes the competent State as a general rule. Yet, in practice, it seems that the Swedish local social insurance agency in these cases – following domestic regulation –arranges 'a transfer meeting' with the Swedish 'public employment service'. Here, the individuals concerned are nevertheless informed that the residence State is responsible for unemployment benefits and it is the experience, so far, that in this situation all of these individuals choose the country of residence from this point onward. While sickness benefits are being paid out in Sweden, it may become possible to have rehabilitation benefits paid out instead during a period of on the job training. It is the experience that it is very difficult to have such activation measures in kind (on the job training) arranged in the country of residence in these cases.

#### **5. Activation measures and the accumulation of benefits**

In certain situations, an accumulation may be possible of benefits of the Member State responsible for the unemployment benefit with benefits of the Member State where the person is looking for a job. As the Coordination Regulations do not apply, it is not possible to decide which Member State is in a position to apply its anti-accumulation rules. Where unjustified accumulation of benefits must be avoided, a carousel of anti-accumulation provisions, where both Member States would apply their national rules without limitation, is not desirable either.

### **D. Some general lessons that could be drawn**

On the basis of the different reports, some general challenges and issues could be deduced:

- A wide variety of activation measures are common to and exist in the Member States throughout all risks, although most of these are encountered in the field of unemployment and invalidity benefits. These measures are often considered to belong to labour law rather than to social security law;

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<sup>27</sup> Agreement of 28 October 1986 (M.B. 20 August 1987) (entry into force: 1 September 1987). See also Recommendation No U1 of the A2C3S.

- Activation measures are hardly seen as problematic by the Member States, most of the time as the cross-border impact has hardly been investigated;
- Although it is generally believed that activation measures are not covered under the Coordination Regulations, as they operate in national systems as unemployment and social assistance or under labour law, this non-applicability is questioned;
- It is recommendable to clarify to what extent benefits in kind are covered under the risk of unemployment benefits;
- It should be emphasised that the application of the general EU framework on free movement of workers will lead to a considerable unexpected cross-border application of national activation measures pushing Member States to open up these measures for foreign employees or employers;
- Activation measures often require the fulfilment of national conditions, questioning the correct application of the principle of assimilation of facts;
- Activation measures may lead to a change in the applicable legislation, which is often considered as not desirable;
- The accumulation of activation measures from several Member States needs to be further regulated;
- The current rules of the Coordination Regulations supporting jobseekers are not adapted to activation measures.

## ANNEX

### OVERVIEW OF NATIONAL ACTIVATION MEASURES<sup>28</sup>

Country	Unemployment			Invalidity	Accidents at work / occupational diseases	Long-term care	Social assistance
	Passive/active availability	Preparation labour market	Financial benefit in case of re-employment				
	Total accumulation without conditions, accumulation under certain conditions, no accumulation allowed			Total accumulation without conditions, accumulation under certain conditions, no accumulation allowed	Total accumulation without conditions, accumulation under certain conditions, no accumulation allowed	Total accumulation without conditions, accumulation under certain conditions, no accumulation allowed	Total accumulation without conditions, accumulation under certain conditions, no accumulation allowed

<sup>28</sup> This overview is based on the questionnaires filled out by the national experts.

<b>Austria</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Mobility allowance - Job interview allowance - Allowance for removal costs	- Educational allowance - Allowance for the costs of educational measures - Subsistence allowance (while in educational measure) - Programme for the foundation of enterprises for unemployed persons - Labour foundation (outplacement or emplacement) - Non-profit work projects - Socio-economic companies - Allowance in case of partial unemployment combined with qualification measures	- Old age part-time allowance - Combined wages allowance - Reintegration allowance 'come back' - Work [trial] and work training - Childcare allowance - Guaranteed income allowance	- Transitional allowance	- Transitional allowance	No activating measures provided	- Lump sum allowance
	Depending on measure: accumulation under conditions or no			No accumulation	No accumulation	/	Accumulation under

	accumulation				conditions
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Belgium	Unemployment			Invalidity	Accidents at work / occupational diseases	Long-term care	Social assistance
	Passive/active availability	Preparation labour market	Financial benefit in case of re-employment				
	<ul style="list-style-type: none"> <li>- Job search activation</li> <li>- Professional integration period for young unemployed</li> </ul>	<ul style="list-style-type: none"> <li>- Transition programme for unemployed entitled to benefits</li> <li>- Restructuring</li> </ul>	<ul style="list-style-type: none"> <li>- ACTIVA</li> <li>- ACTIVA Start</li> <li>- Transition programme for unemployed entitled to benefits</li> <li>- SINE</li> <li>- Work resumption bonus</li> <li>- Local employment agencies</li> <li>- Service vouchers</li> </ul>	<ul style="list-style-type: none"> <li>- Partial work resumption</li> <li>- Occupational retraining</li> <li>- 'Back-to-work plan'</li> <li>- ACTIVA</li> <li>- ACTIVA Start</li> <li>- Special employment measures of the Flemish Public Employment Service VDAB for 'labour-disabled'</li> </ul>	<ul style="list-style-type: none"> <li>- Professional reintegration programme</li> <li>- Accumulation of benefits with income from work</li> </ul>	/	<ul style="list-style-type: none"> <li>- Right to social integration</li> <li>- Transition programme for CPAS beneficiaries</li> <li>- Local employment agencies</li> <li>- ACTIVA</li> <li>- SINE for PCSA beneficiaries</li> </ul>
Depending on measure: accumulation under conditions or no accumulation				Accumulation under conditions	1st bullet: no accumulation 2nd bullet: total accumulation without conditions	/	Accumulation under conditions

<b>Bulgaria</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Sums for travel expenses to present him/herself to an employer to be hired to work	- Study grant - Travel and accommodation allowances for study	- Lump sum for travel expenses - Monthly sums for unemployed persons who have monthly been receiving social assistance and who start work without intermediation of the Employment Agency - Monthly sums for commuter travel expenses - Entrepreneurship promotion	no special activation measures	no special activation measures	no special activation measures	- Monthly social allowances to unemployed
	Acumulation under conditions			/	/	/	No accumulation

<b>Cyprus</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
		<ul style="list-style-type: none"> <li>- Training benefit by virtue of the scheme on the accelerated programme for initial training</li> <li>- Benefit by virtue of the special scheme on the training of unemployed persons</li> <li>- Benefit in the framework of the scheme on the improvement of employability of unemployed persons</li> <li>- Benefit in the framework of the scheme on the improvement of employability of economically inactive women</li> </ul>		- Training benefit by virtue of the scheme on the accelerated programme for initial training	- Training benefit by virtue of the scheme on the accelerated programme for initial training	<ul style="list-style-type: none"> <li>- Grant in the framework of the scheme for the creation and operation of small units for self-employment purposes of persons with disabilities</li> <li>- Transportation-for-disabled benefit</li> </ul>	- Training benefit by virtue of the scheme on the accelerated programme for initial training
	No accumulation			No accumulation	No accumulation	1st bullet: no accumulation 2nd bullet: total accumulation	No accumulation

			without conditions	
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<b>Czech Republic</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Registration as job applicant - Bridging benefit	- Retraining and retraining support - Investment incentive	- Community service - Socially beneficial jobs - Bridging benefit - New-worker-training benefit - Benefits in case of transition of a new entrepreneurial programme	- Vocational rehabilitation - Sheltered work place - Obligation of bigger employers to employ a certain percentage of people with disabilities - Individual action plan	Czech legislation is still in a 'transitional period' as regards accident insurance	- Mobility allowance - Special instrument allowance - Personal assistance	- Negative legislative definition of a person in material need
Depending on measure: accumulation under conditions or no accumulation				1st bullet: total accumulation without any conditions 2nd bullet: accumulation under conditions 3rd bullet: / 4th bullet: total accumulation without any conditions		Total accumulation without any conditions	/

<b>Denmark</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Unemployment benefit - Social assistance - Senior jobs	- Unemployment benefit - Social assistance	- Unemployment benefit - Social assistance - Senior jobs	- Pre-retirement pension - Flexjob	- industrial injury compensation (work damage)	Not relevant since not linked to activation	- Social assistance for unemployed that are not 'Labour market ready' - Rehabilitation - Special unemployment benefit (not social assistance)
	No accumulation			1st bullet: no accumulation 2nd bullet: accumulation under conditions	Total accumulation without any conditions	/	- Accumulation for 'wage subsidies to private employers' - Other measures: no accumulation

<b>Estonia</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Job mediation	- Labour market training - Work practice - Coaching for working life	- Public work - Wage subsidy (Palgatoetus) - Business start-up subsidy	- Adaptation of premises and equipment - Special aids and equipment - Working with support person	no specific legislation	/	- Rehabilitation service - Work allowance
	No accumulation			Total accumulation without any conditions	/	/	Total accumulation without any conditions

Finland	Unemployment			Invalidity	Accidents at work / occupational diseases	Long-term care	Social assistance
	Passive/active availability	Preparation labour market	Financial benefit in case of re-employment				
	- Rehabilitative work experience	- Labour market training - Payment of unemployment benefit during self-motivated studies - Work try-out - Coaching for working life, practical training - Immigrant's self-motivated studies - Job alternation substitution	- Work try-out - Subsidy for arrangement of working conditions - Salary subsidy - A start-up subsidy - Job alternation substitution	- Vocational rehabilitation within earnings-related pension scheme - rehabilitation allowance - a discretionary rehabilitation assistance - rehabilitation increment - Partial disability pension - Part-time pension - Disability contribution category model for large businesses	- Work and training try-out - Work training - Adequate training - A loan for carrying on a business or profession or for appliances - Assistive devices and equipment that allow the person to work	/	- Rehabilitative work experience (Persons obtaining social assistance)  ⇔ other persons: - Partial sickness allowance - Vocational rehabilitation provided by Kela - Work place health promotion (WHP) - Work and training try-outs and job coaching - Education and training - Assistive devices needed in work and study - Business subsidies - Examinations preceding vocational rehabilitation - Vocational courses

							<ul style="list-style-type: none"> <li>- Rehabilitation allowance for a young person</li> <li>- Discretionary rehabilitation</li> <li>- Occupational healthcare</li> </ul>
	Depending on measure: accumulation under conditions or no accumulation			Accumulation under conditions	Total accumulation without conditions		<p>1st bullet: no accumulation</p> <p>Other measures: accumulation under conditions</p>

<b>France</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Unemployment benefit - Professional transition allowance (no longer provided) - Special solidarity allowance - Unemployment temporary waiting allowance - AER/ATS (equivalent to old age pension allowance)	- Unemployment benefit - Professional transition allowance (no longer provided)		- Invalidity pension	- Accident at work and occupational diseases	/	- disabled adults allowance - active solidarity income
	Depending on measure: accumulation under conditions or no accumulation			- First 6months: total accumulation without conditions - Afterwards: accumulation under conditions	- In case of permanent incapacity: total accumulation without conditions	/	- First 6 months: total accumulation without conditions - Afterwards: accumulation under conditions

<b>Germany</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Basic security benefits for jobseekers - SGB III measure	- Temporary agency work / Personnel service agencies - Training courses - SGB III measure	- Minijobs - Midjobs - Active employment promotion - Temporary agency work / Personnel service agencies - SGB III measure	- Statutory pension insurance	- The statutory occupational accident insurance	- Long-term care insurance	- Guaranteed minimum resources: social assistance
	Depending on measure: accumulation under conditions or no accumulation			Accumulation under conditions	Total accumulation without conditions	Total accumulation without conditions	Depending on measure: accumulation under conditions or no accumulation

<b>Greece</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Unemployment benefit - Special benefit for those who remain unemployed and registered for at least three months - Special benefit for those who still remain unemployed after the end of granting the unemployment benefit		- Business grant benefit for unemployed people who are potential pensioners - Business grant benefit available to municipalities and districts for unemployed people between 55-64 years old - Establishment of new business in Greece by the unemployed and young entrepreneurs	- Programme grant 50 seats ergonomic work place adaptations for persons with disabilities			
	Depending on measure: accumulation under conditions or no accumulation						

<b>Hungary</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
		<ul style="list-style-type: none"> <li>- Training assistance</li> <li>- Start Card</li> <li>- Work experience support for career starters</li> </ul>	<ul style="list-style-type: none"> <li>- Assistance to employers for the creation of new jobs</li> <li>- Self-employment support</li> <li>- Assistance for the creation of new jobs and for maintaining existing Jobs</li> <li>- Support for labour market programmes</li> <li>- Start bonus card</li> <li>- Support for part-time employment</li> </ul>	<ul style="list-style-type: none"> <li>- Rehabilitation support</li> <li>- Rehabilitation card</li> <li>- Disability support</li> </ul>	<ul style="list-style-type: none"> <li>- Rehabilitation support</li> <li>- Rehabilitation card</li> <li>- Disability support</li> </ul>	/	<ul style="list-style-type: none"> <li>- public employment programme</li> </ul>
	Depending on measure: accumulation under conditions or no accumulation			No accumulation ⇔ last bullet: accumulation under conditions	No accumulation ⇔ last bullet: accumulation under conditions	/	No accumulation

Iceland	Unemployment			Invalidity	Accidents at work / occupational diseases	Long-term care	Social assistance
	Passive/active availability	Preparation labour market	Financial benefit in case of re-employment				
	<ul style="list-style-type: none"> <li>- Unemployment benefits paid up to three months while seeking a job in another EEA country</li> <li>- Individual courses</li> <li>- Vocational trainings</li> <li>- Study remedies</li> </ul>	<ul style="list-style-type: none"> <li>- Labour market remedies: individual courses</li> <li>- Jobseekers participation in labour market: vocational trainings</li> <li>- Labour market remedies: counselling</li> <li>- Study remedies</li> <li>- Employment-related rehabilitation</li> </ul>	<ul style="list-style-type: none"> <li>- A grant to employers</li> </ul>	<ul style="list-style-type: none"> <li>- Work with support</li> <li>- Working agreements of persons with a disability</li> <li>- ACTIVE, work-rehabilitation</li> <li>- Priority for employment to persons with disability</li> <li>- Sheltered employment for disabled people on the private-sector labour market</li> </ul>	<ul style="list-style-type: none"> <li>- ACTIVE, work-rehabilitation</li> <li>- Working agreements of persons with disability</li> <li>- Rehabilitation pension</li> </ul>	<ul style="list-style-type: none"> <li>- Rehabilitation pension</li> </ul>	<ul style="list-style-type: none"> <li>- Rehabilitation pension</li> <li>- Employment measure for young people</li> </ul>
Depending on measure: accumulation under conditions or no accumulation				No accumulation	No accumulation	No accumulation	<ul style="list-style-type: none"> <li>1st bullet: no accumulation</li> <li>2nd bullet: financial support to the employers</li> </ul>

<b>Ireland</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Jobseekers benefit - Jobseekers allowance (social assistance)	- Jobseekers benefit - Jobseekers allowance (social assistance) - Educational training supports	- Incentivising employers	- Invalidity pension - Illness benefit - Partial incapacity benefit - Disability allowance	- Injury benefit - Disablement pension	- One parent family payment (OPFP) - Widows', widowers' and surviving civil partner, contributory, and (non-contributory) pension - Carer's allowance	- Jobseekers allowance - Disability allowance - Supplementary welfare allowance
	Depending of measure: accumulation under conditions or no accumulation			Depending of measure: accumulation under conditions or no accumulation	No accumulation	accumulation under conditions or no accumulation	No accumulation

Italy	Unemployment			Invalidity	Accidents at work / occupational diseases	Long-term care	Social assistance
	Passive/active availability	Preparation labour market	Financial benefit in case of re-employment				
	<ul style="list-style-type: none"> <li>- Removal of the worker from the 'mobility list'</li> <li>- Removal from the 'mobility lists'</li> <li>- Possibility of re-enrolling in the mobility list</li> <li>- Declaration of immediate availability to work in order to obtain the 'unemployment' status»</li> <li>- Essential levels of provisions concerning 'employment services' on behalf of individuals with an 'unemployment status'</li> <li>- Withdrawal of a disabled worker</li> <li>- Lapse of the provision of income support in the</li> </ul>	<ul style="list-style-type: none"> <li>- Essential levels of provisions concerning 'employment services' on behalf of individuals with an 'unemployment status'</li> <li>- Lapse of the provision of income support in the presence of employment</li> <li>- Active policies through agencies of work management</li> <li>- Mandate to the government for the reform of employment services, active policy and social safety nets (apprenticeship)</li> </ul>	<ul style="list-style-type: none"> <li>- Suspension of salary, with the preservation of inclusion in the mobility lists</li> <li>- Cancellation of the 'unemployment status'</li> </ul>	<ul style="list-style-type: none"> <li>- Invalidity allowance</li> </ul>	<ul style="list-style-type: none"> <li>- Rendita INAIL</li> <li>- Indennizzo del danno biologico</li> </ul>	/	/

	<p>presence of employment</p> <ul style="list-style-type: none"> <li>- Forfeiture of allowances or benefits, the payment of which is linked to the unemployment status</li> <li>- Active policies through agencies of work management</li> </ul>						
	Depending on measure: accumulation under conditions or no accumulation			Accumulation under conditions	Total accumulation without conditions		

Latvia	Unemployment			Invalidity	Accidents at work / occupational diseases	Long-term care	Social assistance
	Passive/active availability	Preparation labour market	Financial benefit in case of re-employment				
	<ul style="list-style-type: none"> <li>- Placement and job search assistance</li> <li>- Career counselling and vocational guidance</li> <li>- Project 'Training and working practice for assistants of SEA inspectors'</li> </ul>	<ul style="list-style-type: none"> <li>- Vocational training, requalification, qualification improvement and non-formal training</li> <li>- Measures to enhance competitiveness</li> <li>- Career counseling and vocational guidance</li> <li>- Project 'Training and working practice for assistants of SEA inspectors'</li> <li>- Training with an employer</li> </ul>	<ul style="list-style-type: none"> <li>- Subsidised employment for the most vulnerable groups of unemployed</li> <li>- Measures to support the unemployed to enter self-employment or entrepreneurship</li> </ul>	<ul style="list-style-type: none"> <li>- State Social Security Benefit</li> <li>- Disability Pension</li> <li>➤ <u>no specific activation measures</u></li> </ul>	<ul style="list-style-type: none"> <li>- Insurance indemnity related to accidents at work and occupational diseases</li> <li>➤ <u>no specific activation measures</u></li> </ul>	/	<ul style="list-style-type: none"> <li>- Guaranteed minimum income benefit</li> <li>➤ <u>no specific activation measures</u></li> </ul>
	Depending on measure: accumulation under conditions or no accumulation			/	/	/	/

<b>Lithuania</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Unemployment insurance benefit - Lump sum employment benefit - Compensation of job seeking expenditures - Compensation for attendance expenses	- Vocational training grant - Benefit for compensation of expenditures for improvement of qualification	- Subsidy for establishing of work place - Compensation of travel and accommodation cost - Compensation of difference of wage in former and new work place	- State social insurance incapacity for work (invalidity) pension - Social assistance pension (invalidity case) - Professional rehabilitation benefit	- Compensation of the lost capacity for work	- Special compensation for care expenses - Special compensation for attendance expenses	- Social benefit - Compensations for heating costs, drinking water costs and hot water costs
	Depending on measure: accumulation under conditions or no accumulation			1st and 2nd bullet: total accumulation without conditions 3rd bullet: no accumulation	Total accumulation without conditions	Total accumulation without conditions	Accumulation under conditions

<b>Luxembourg</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
		<ul style="list-style-type: none"> <li>- Training scheme for professional reintegration of jobseekers receiving an unemployment benefit or without an unemployment benefit</li> <li>- Contract to support young jobseekers</li> <li>- Contract 'job initiation' for young jobseekers</li> <li>- Contract 'job initiation – practical experience' for young jobseekers</li> <li>- Apprenticeship for adults</li> </ul>	<ul style="list-style-type: none"> <li>- Pool of assistants (public contracts)</li> <li>- Temporary occupation with compensation (public contracts)</li> <li>- Divers measures in relationship with work organisation or reintegration into active life</li> <li>- subsidy for hiring jobseekers</li> <li>- Aid/credit for employers hiring older and long-term unemployed persons</li> </ul>	<ul style="list-style-type: none"> <li>- Placement of workers incapable to hold their last employment position</li> </ul>	/	/	<ul style="list-style-type: none"> <li>- Professional integration activities for beneficiaries of the guaranteed minimum income organised by the National Service of Social Action (SNAS)</li> </ul>
	Depending on measure: accumulation under conditions or no accumulation			No accumulation	/	/	No accumulation

Malta	Unemployment			Invalidity	Accidents at work / occupational diseases	Long-term care	Social assistance
	Passive/active availability	Preparation labour market	Financial benefit in case of re-employment				
	<ul style="list-style-type: none"> <li>- Community work scheme</li> <li>- Employability programme</li> <li>- Employment of a disability pensioner (in a way that only those who request it, get the benefit)</li> </ul>	<ul style="list-style-type: none"> <li>- Community work Scheme</li> <li>- 'Start your business' programme</li> <li>- Employment aid programme</li> <li>- Youth employment programme</li> <li>- Apprenticeships</li> <li>- Employability programme</li> <li>- Work trial scheme</li> <li>- Bridging-the-gap scheme</li> </ul>	<ul style="list-style-type: none"> <li>- Spouse income from employment no longer taken into consideration for means tested social assistance (benefit for the spouse, rare!)</li> <li>- Tax incentives to attract more inactive women to the labour force (financial benefit = tax benefit for women)</li> <li>- 'Start your business'</li> <li>- Encouraging older Workers to Continue Working</li> <li>- Employment of a disability pensioner (1)</li> <li>- Employment of a disability pensioner (2)</li> </ul>	/	/	/	The majority of benefits mentioned under the 'unemployed' category can also relate to persons in receipt of social assistance
	Depending on measure: accumulation under conditions or no accumulation			/	/	/	/

<b>Netherlands</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Unemployment benefit - Necessary education/training - Necessary education/training abroad - Trial work placement	- Necessary education/training - Necessary education/training abroad - Trial work placement	- Business start-up (benefit = retaining of unemployment benefit) - Reduction of social security contributions	- WGA benefit - Reintegration programmes - Combined education and work path - Education/training - Trial work placement - Start-up loan - Work place adaptation provisions - No risk policy	/	/	- Social assistance benefit - Reintegration programmes - Participation job (Participatieplaats) - Obtaining the basic qualification (startkwalificatie)
	Depending on measure: accumulation under conditions or no accumulation			Depending on measure: accumulation under conditions or no accumulation	/	/	Depending on measure: accumulation under conditions or no accumulation

<b>Norway</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Labour activation market measures (unreasonable refusal = denial of subsistence allowance)	- Labour activation market measures (training, work experience)	- Work placement (benefit = the combination with other part-time work) - Labour activation market measures (time-limited salary contributions)	- Rehabilitation allowance - Supplementary allowances to work clarification allowance - Assistance from NAV, work capacity assessment and activity plan	- Rehabilitation allowance - Supplementary allowances - Assistance - Work capacity assessment - Activity plan	- Schemes related to home-based services for sick and old people - Schemes linked to long-term hospital stays and other specialised services, including mental health care - Schemes related to refunds of expenses for health services	- Schemes related to social assistance which will cover living expenses for people who are not entitled to social security benefits or have other funds from which to live - Qualification programme - Introductory programme
	Depending on measure: accumulation under conditions or no accumulation			Total accumulation without any conditions	Total accumulation without any conditions	Total accumulation without any conditions	Total accumulation without any conditions

Poland	Unemployment			Invalidity	Accidents at work / occupational diseases	Long-term care	Social assistance
	Passive/active availability	Preparation labour market	Financial benefit in case of re-employment				
	<ul style="list-style-type: none"> <li>- Unemployment benefit</li> <li>- Non-interest loan</li> <li>- A Lump sum for starting a business</li> </ul>	<ul style="list-style-type: none"> <li>- Non-interest loan (Postgraduate studies funding)</li> <li>- Professional Trainings</li> <li>- Scholarships for the unemployed during their training</li> <li>- Internship</li> <li>- Scholarships for the unemployed persons during internship</li> </ul>	<ul style="list-style-type: none"> <li>- Activation supplement</li> <li>- Reimbursement of expenditures of child care</li> <li>- Benefit for undertaking socially useful work</li> <li>- Scholarships for the unemployed during their training</li> <li>- Public works</li> <li>- Reimbursement of the cost of equipment of a work place</li> <li>- A lump sum for starting a business</li> </ul>	<ul style="list-style-type: none"> <li>- A training pension</li> </ul>	<ul style="list-style-type: none"> <li>- Rehabilitation benefit</li> <li>- Compensatory allowance</li> <li>- Training pension</li> </ul>	<ul style="list-style-type: none"> <li>- Health rehabilitation benefit</li> </ul>	<ul style="list-style-type: none"> <li>- Temporary benefit</li> <li>- Purpose benefit as a part of realisation of social contract</li> <li>- Support in cash for the economic empowerment</li> <li>- Support in kind for the economic empowerment</li> <li>- Assistance in cash or in kind for persons taking part in individual empowerment programmes</li> </ul>
Depending on measure: accumulation under conditions or no accumulation				No accumulation	Depending on measure: accumulation under conditions or no accumulation	No accumulation	Accumulation under conditions

<b>Portugal</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Unemployment benefit - Lump sum creation self-employment job	- Professional training	- Lump sum creation self-employment job - Part-time job can cumulate with partial unemployment benefit - maintenance of the benefit during a period of occupational activity - Programme supporting entrepreneurship and creation of self-employment	- Invalidity pension	- Pension for accident at work - Pension for professional disease - Death grant	- Long-term care - Integrated care for dependent person - Unit of palliative care	- Programme towards social inclusion and development
	Depending on measure: accumulation under conditions or no accumulation			Accumulation under conditions			

Romania	Unemployment			Invalidity	Accidents at work / occupational diseases	Long-term care	Social assistance
	Passive/active availability	Preparation labour market	Financial benefit in case of re-employment				
	- Labour exchange	- Information and vocational guidance - Vocational training services (no longer free of charge) - Counselling and assistance for starting self-employment or starting a business	- Employment bonus - Bonus for employment for young graduates - Bonus for employment in another city, town or village - Employment bonus for jobs accepted at more than 50 km of the residence place - Credits under favourable conditions for employment of unemployed persons in newly created jobs - Exemption to employers who employ unemployed people by reducing the amount of their contribution due to the unemployment insurance budget. - Bonus for	/	- Rehabilitation and retraining	/	- Bonus for social aid receiver if one person in family is employed - Obligation of active jobseeking for recipients of social aid

			employers hiring young graduates - Exemption of the amount of the contribution to be paid by the employer if hiring young graduates - Reducing the amount of the contribution to be paid by the employer if hiring persons under social risk				
	Depending on measure: accumulation under conditions or no accumulation			/		/	1st bullet: accumulation under conditions

<b>Slovakia</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	<ul style="list-style-type: none"> <li>- Unemployment benefit</li> <li>- The refund of travel costs related to the interview or the tender for the employer</li> </ul>	<ul style="list-style-type: none"> <li>- Education and training for the labour market of a jobseeker and job applicant</li> <li>- Benefit during education and training for the labour market and during vocational training of persons with a disability</li> <li>- Contribution to the graduate practice</li> <li>- Contribution for activation activity in the form of voluntary service (objective = practical experience)</li> <li>- Preparation to improve the employment prospects of a disabled citizen</li> </ul>	<ul style="list-style-type: none"> <li>- Contribution for self-employment</li> <li>- Contribution to work in a disadvantaged jobseeker</li> <li>- Contribution to support employment of a disadvantaged jobseeker</li> <li>- Contribution for the retention in employment of employees with a low wage</li> <li>- Support to employment of a disadvantaged jobseeker in a social enterprise</li> <li>- Allowance to encourage employment in relation to measures preventing floods and dealing with the</li> </ul>	defined in the Act on Employment Services	defined in the Act on Employment Services	no specific activation measures	Activation allowance

			<p>consequences of an extraordinary situation</p> <ul style="list-style-type: none"><li>- Contribution for commuting to work</li><li>- Contribution for transport to the place of employment</li><li>- Contribution for the creation of a new job</li><li>- Contribution for the establishment of a sheltered workshop or sheltered work place</li><li>- Contribution to retain a disabled citizen in employment</li><li>- Contribution for a disabled citizen to operate or perform a business activity as a self-employed person</li><li>- Contribution for the replacement of or investment in the tangible assets of a sheltered workshop or sheltered work place</li><li>- Contribution for activities of the assistant at work</li><li>- Contribution to cover operating costs of a sheltered</li></ul>				
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			workshop or sheltered work place and to cover transport costs for employees				
	Depending on measure: accumulation under conditions or no accumulation			/	/	/	Accumulation under conditions

<b>Slovenia</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Lifelong career orientation - Job placement	- Lifelong career orientation - Job placement - Training and education - Replacement of a worker at a job position and job sharing - Public works	- Activity allowance - Replacement of a worker at a job position and job sharing - Public works - Promotion of self-employment (subsidy)	- Occupational rehabilitation - Reassignment and invalidity benefit - Part-time work and partial invalidity pension - Medical checks	No special scheme. Same benefits as under invalidity	- Partial compensation for lost income - Family assistant	- Agreement on active solution of social problems - Activity supplement
	Depending on measure: accumulation under conditions or no accumulation.			Accumulation under conditions	/	Accumulation under conditions	Accumulation under conditions

<b>Spain</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Active insertion income	- Retraining programme - Training workshops - Skills centres	- The employment contract of indefinite duration - "support to entrepreneurs - Contributory unemployment benefits and unemployment subsidies	- Non-contributory invalidity pension - Partial permanent disability - Total permanent disability - Absolute permanent disability or severe disability pension	/	/	- Aids for unemployed workers participating in personal integration programmes - Aids to unemployed workers participating in transnational training actions in other States - Artisans network
	Depending on measure: accumulation under conditions or no accumulation.			1st , 3rd and 4th bullet: accumulation under conditions 2nd bullet: total accumulation without any conditions			No accumulation

Sweden	Unemployment			Invalidity	Accidents at work / occupational diseases	Long-term care	Social assistance
	Passive/active availability	Preparation labour market	Financial benefit in case of re-employment				
	<ul style="list-style-type: none"> <li>- Job and development guarantee</li> <li>- Youth job guarantee</li> </ul>	<ul style="list-style-type: none"> <li>- Labour market policy programmes</li> <li>- Job and development guarantee</li> <li>- Youth job guarantee</li> <li>- Activity support/development support</li> <li>- Establishing benefit</li> </ul>	<ul style="list-style-type: none"> <li>- Part-time unemployment benefit</li> <li>- Labour market policy programmes</li> <li>- Youth Job Guarantee</li> <li>- Activity support/development support</li> <li>- Employment support</li> </ul>	<ul style="list-style-type: none"> <li>- Sickness benefits in cash</li> <li>- Rehabilitation and rehabilitation benefit</li> <li>- Work supportive means</li> <li>- An invalidity pension</li> <li>- <b>Activities</b> when receiving activity compensation benefit</li> <li>- Sleeping sickness and activity compensation benefit</li> </ul>	/	/	<ul style="list-style-type: none"> <li>- Activating measures in kind</li> </ul>
	Depending on measure: accumulation under conditions or no accumulation			Accumulation under conditions	/	/	Accumulation under conditions

Switzerland	Unemployment			Invalidity	Accidents at work / occupational diseases	Long-term care	Social assistance
	Passive/active availability	Preparation labour market	Financial benefit in case of re-employment				
	<ul style="list-style-type: none"> <li>- Counselling interviews</li> <li>- Job placement service</li> <li>- Educational programmes</li> <li>- Employment programmes</li> <li>- Induction allowances</li> </ul>	<ul style="list-style-type: none"> <li>- Educational programmes</li> <li>- Employment programmes</li> <li>- Induction allowances</li> <li>- Training allowances</li> </ul>	<ul style="list-style-type: none"> <li>- Compensatory payments in case of lower paid employment</li> <li>- Reduced working hours allowance</li> <li>- Contribution to the costs of commuting or weekly residence</li> <li>- Support to insured persons who start a self-employed activity</li> </ul>	<ul style="list-style-type: none"> <li>- Early detection</li> <li>- Early intervention measures</li> <li>- Rehabilitation measures</li> <li>- Reintegration measures preparing for occupational rehabilitation</li> <li>- Socio-professional measures</li> <li>- Occupation programmes</li> <li>- Occupational measures</li> <li>- Vocational counselling</li> <li>- Initial occupational training</li> <li>- Occupational retraining</li> <li>- Job placement service</li> <li>- Trial work period</li> <li>- Induction allowance</li> </ul>	/	/	<ul style="list-style-type: none"> <li>- Reimbursement of additional expenses due to being gainfully employed or performing non remunerated work</li> <li>- Integration allowance for persons who do not pursue a gainful activity</li> <li>- Measures for social and occupational integration</li> </ul>

				<ul style="list-style-type: none"> <li>- Compensation for an increase in insurance contributions</li> <li>- capital grant</li> <li>- Advice and support for pensioners and for their employers</li> <li>- Daily cash benefits</li> <li>- Child-care and assistance allowance</li> <li>- Reimbursement of travelling expenses</li> </ul>			
	Depending on measure: accumulation under conditions or no accumulation			Depending on measure: accumulation under conditions or no accumulation	/	/	No accumulation

<b>United Kingdom</b>	<b>Unemployment</b>			<b>Invalidity</b>	<b>Accidents at work / occupational diseases</b>	<b>Long-term care</b>	<b>Social assistance</b>
	<b>Passive/active availability</b>	<b>Preparation labour market</b>	<b>Financial benefit in case of re-employment</b>				
	- Jobseeker's allowance / work programme	- Apprenticeship Programme - Work experience - Work clubs - Enterprise clubs - 'Work Together' - Sector based work academies - New enterprise allowance - Training - Further education - The youth contract	- Job grant (ended 1 October 2012) - Working tax credit	- Employment and support allowance - Incapacity benefit - Severe disablement allowance (SDA)	- Industrial injuries disablement benefit	/	- Income Support
	Depending on measure: accumulation under conditions or no accumulation			Accumulation under conditions	Accumulation under conditions	/	Accumulation under conditions