



„Current social and health insurance regulations as problem for borderland inhabitants working on both sides of border at this same time”

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Who I am

Engineer

Economist

Scientist

An activist for cooperation and dialogue on the Lithuanian-Polish border

- Since 2015 voluntary adviser of Seiny city mayor
- 2015 – 2017 CEO of Suwalki Science and Technology Park
- Volunteer acting for establishing of LT-PL Borderland Functional Area
- 2019 – now Interreg V-A Lithuania-Poland Programming task force member (social partner)

Well integrated internal borders – the best receipt for stable and prosperous EU

People who cross border every day for, work, business, education are important “gluing” actors of EU -> **Case Northern Ireland**

Only true real contacts of “simple” people are most effective way to “build bridges” between different nations -> **Easier to create an Enemy, if we do not know even one member of this nation**

Transborder cooperation is the best test if regulation in different countries are really regulated from the top to the bottom and if there are no any obstacles -> **“B-solutions” instrument**



LT-PL borderland - features

- Lack of big cities
- Mostly rural areas
- Low level of infrastructure
- Unhabituated with missing local infrastructure belt 2-4 km wide on Lithuanian side of border due to Russian politics in the times of USSR.
- Mostly small companies in the area
- Specialists are working in partial time on both sides of border (teachers, artists, lawyers, high level specialists)





Facing with new
megatrends on
LT-PL borderland
level

- Rising role of remote work
- Push on cost reduction in companies
- Private time is getting more valuable – no wish to “waste time” in “traffic jams”
- Reduction of travel distance due to higher ecological awareness and high fuel costs
- Preference of short in time and not obligating types of employer-employee relationships

Case: Current social and health insurance regulations as problem for borderland inhabitants working on both sides of border at the same time

Problem

Current EU and national regulations in case of transborder workers is focused on people living in one country and working in another. Status of people working for 2 employers in two different Member States is not described.

Current EU legislation requires to have health and social insurance only in **ONE member state** (Article 11 (1) Regulation 883/2004)

Pandemic situation and popularisation of remote work increase no. of employees, which face problem to be employed in more than one member state.



Case: Current social and health insurance regulations as problem for borderland inhabitants working on both sides of border at the same time

Problem

Current system of transferring instalments for social security by employers located in different Member state is complicated, especially, if in these two countries is different currency

For small companies it is too big burden. As result they do not hire for part work specialists and therefore economical grow is lower.

Case: Current social and health insurance regulations as problem for borderland inhabitants working on both sides of border at the same time

Possible Solutions (?)

Change regulation 883/2004, and foreseen more flexible approach to health and social insurance. E.g. Let (if it will be employee wish) to have health and social insurance in both countries.

Remove (decision made by social insurance offices) assignment to social system. Employee should choose country where she/he is insured by her/him self. Let's promote citizens decisions!

Set up on EU level rules for transfer of health and social instalments between countries (especially in situation if countries do not use single currency). This rules should be simple, should minimize burden to employers. Let's promote small and middle size companies!



- Possible solutions (?)
- To add additional category of employees/ businessmen – border area inhabitant with social laws on both sides of border, regulated by EU regulations or local Lithuanian – Polish agreement (see. Article 16 (1) of EU Regulation 883/2004)
- To create a third social security system on the Polish-Lithuanian border, which would cover only workers having the status of a cross-border worker. It would be a system of insurance independent of 883/2004 and similar to “Joint Sickness Insurance Scheme” of the European Union (JSIS)

Thank You for your attention!

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