

FIVE QUESTIONS AND ANSWERS ABOUT THE A1 FORM



An employee is generally affiliated to the social security system of the country in which he or she carries out his or her occupational activity. If the employee carries out his/her occupational activity(ies) in several countries of the European Economic Area, in Switzerland or in the United Kingdom, a European regulation on the coordination of social security systems stipulates that the employee is **affiliated in one country** only as if he carried out all his activities in the country in question and consequently received the related employment earnings there.

A person can only be subject to one national social legislation for the same period of work.

Formalities must therefore be completed when the employee is required to work temporarily or partially outside Luxembourg in order to obtain the **A1 certificate attesting to the social security scheme applicable to the worker**.

TO FIND OUT MORE...



1 IN WHAT SITUATION(S) IS FORM A1 REQUIRED?

A1 certificate is a document that has to be requested from the competent authority in the event of:

> SIMULTANEOUS EMPLOYMENT IN SEVERAL MEMBER STATES IN THE EUROPEAN ECONOMIC AREA

Example: an employee residing in Luxembourg works 50% in Luxembourg and 50% in Belgium for a Luxembourgish employer. In such a case, the Luxembourg social security system is applicable and an **A1 form** is required. In point of fact, on the basis of European regulations, employees who carry out a substantial part of their occupational activity in their country of residence must be affiliated in that country. Substantial activity in the country of residence is defined as representing more than 25% of the working time and/or remuneration in that country.

Good to know: The **teleworking of non-resident employees**, which has become common practice in many Luxembourgish companies following the health crisis, also constitutes a hypothesis of simultaneous employment in several Member States. At present, due to the derogation agreements concluded by and between Luxembourg and the neighbouring countries, the **A1 certificate** is not necessary for telework from the employee's home. Unless these agreements are extended beyond 31 December 2021, telework will have to be subject to an **A1 certificate** application as of 2022 for each non-resident employee.

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> IN CASE OF POSTING

Example: a worker who is usually employed in Luxembourg is sent to a host company in France for a period of 12 months. As this is a posting (temporary assignment abroad), the worker continues to fall under the Luxembourgish social security system, on condition that the foreseeable period of this assignment does not exceed 24 months and that the person is not sent to replace another posted person. **Form A1** is required. It is worth noting that the immediate posting is moreover subject to an additional condition: the recruited person to be posted must have been affiliated for at least one month with the Luxembourgish social security right before the start of his or her posting.

Example: a worker who is usually employed in Luxembourg goes to France for one day under the performance of his or her contract of employment. As this is a posting (temporary assignment abroad), the employee continues to fall under the Luxembourgish social security system. Even if the assignment is of a very short period, **Form A1** is required. The same applies to workers who will undergo training abroad in connection with their work.

2 WHAT IS THE PURPOSE OF FORM A1?

Form A1 attests to the social security system applicable in the event of international employment. The worker uses this form to show to the competent authorities of the country or countries where he works that he is already affiliated (and pays contributions) in another country.

The worker concerned must therefore be in possession of this document during the entire period of his or her employment. The employer must keep a copy thereof.

Example: A posted worker is subject to the Luxembourgish social security system. **Form A1**, issued by the Luxembourgish authorities, provides proof thereof.

Example: A worker employed in several Member States simultaneously falls under the Belgian social security system. **Form A1**, issued by the Belgian authority, provides proof thereof.

3 WHERE AND HOW TO APPLY FOR AN A1 FORM?

> IN CASE OF SIMULTANEOUS EMPLOYMENT IN SEVERAL MEMBER STATES WITHIN THE EUROPEAN ECONOMIC AREA

The practical arrangements differ depending on whether the employee concerned is resident or non-resident in Luxembourg.

FIVE QUESTIONS AND ANSWERS ABOUT THE A1 FORM

▶ YOUR EMPLOYEE IS RESIDENT IN LUXEMBOURG

In Luxembourg, the competent authority is the Centre Commun de la Sécurité Sociale (CCSS) [Joint Social Security Centre].

As of 1 November 2021, in order to obtain the **A1 certificate** for its Luxembourg resident employee who is going to work abroad, a Luxembourgish employer will have to file an application with the CCSS by means of **two documents**:

- ▶ the form entitled “Application for a certificate in case of work abroad for residents” ;
- ▶ and the new questionnaire entitled “Questionnaire in case of multiple employment” which the Luxembourg resident employee must fill in and which must be signed jointly by the employer and himself.

On the basis of Luxembourgish legislation and European regulations, the CCSS examines the employer’s application to determine the applicable social security scheme.

If it turns out that the resident employee is covered by Luxembourgish social security, the CCSS will send the **A1 certificate** to the employer.

If it turns out that the resident employee is not covered by Luxembourgish social security, the employer and the employee will be informed by letter of the decision taken by the CCSS. At the same time, the competent body of the foreign country will be informed by e-mail that its social security legislation is applicable to the employee.

▶ YOUR EMPLOYEE IS A NON-RESIDENT OF LUXEMBOURG

For a cross-border employee, the competent social authority will be the Caisse Nationale de l’Union de Recouvrement des cotisations de Sécurité Sociale et d’Allocations Familiales (URSSAF) [Union for the Collection of Social Security and Family Allowance contributions] for France, the Office National de Sécurité Sociale (ONSS) [National Social Security Office] for Belgium and the Deutsche Verbindungsstelle Krankenversicherung - Ausland (DVKA) [German Health Insurance Liaison Office – Abroad].

In order to obtain the **A1 certificate**, the employee who works in different countries of the European Economic Area, Switzerland or the United Kingdom, will have to **inform the competent social security body of his country of residence so that it can determine the applicable legislation**.

The employer may also take the place of the employee and carry out the procedure himself. In order to facilitate and perhaps accelerate the decision of the authorities of the country of residence as to the determination of the applicable legislation, it may be useful to attach to the application the new “Questionnaire in case of multiple employment” mentioned above.

If no action has been taken by the employer and the non-resident employee, the CCSS will notify the body in the employee’s country of residence when it is informed of the employee’s cross-border activity. This information will be given to the CCSS when the form entitled “Application for a certificate in case of work abroad for non-residents” is filled in by the Luxembourgish employer.

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> IN CASE OF POSTING

When an employee is posted abroad, the employer must apply for continued affiliation to Luxembourg social security by completing the "Application for a certificate in case of work abroad" form.

The various forms mentioned above can be downloaded from the CCSS website, under the heading "individuals", then "employees", and finally "working abroad."



WHAT IS THE PERIOD OF VALIDITY OF FORM A1?

> IN THE EVENT OF POSTING

The **A1 certificate** is issued for the period of said posting, with a maximum of 24 months. The posting can nonetheless be extended up to 5 years by way of exemption.

> IN THE EVENT OF SIMULTANEOUS EMPLOYMENT OR TELEWORK ON THE PART OF A NON-RESIDENT EMPLOYEE

The form is used for the period of such simultaneous employment with a maximum of one year as of the date of application. It may be renewed, each time for 12 months.

The application for an extension is to be filed before the expiry of the initial **Form A1**.



WHEN SHOULD THE APPLICATION FOR FORM A1 BE FILED? ARE YOU PENALIZED IF YOU APPLY LATE?

A1 certificate must in theory be requested before the start of international employment or before the start of the posting.

Some countries apply substantial fines. In France, for instance, you risk having to pay a fine of €4,000 if your worker is not in possession of his or her **Form A1**!