

**MARIANNE THYSSEN**  
MEMBER OF THE EUROPEAN COMMISSION

Brussels, 13 07 18

Dear Ministers,

Thank you for your recent letter in which you argue that family benefits paid to children residing in another Member State should be indexed to take account of the cost of living in the Member State of residence of the children concerned.

In your view, it would not be fair to require family benefits to be paid in full to Member States where the value of these benefits is worth more than in the country that pays them. You indicate that when Member States make the amount of the family benefits dependent on the parents' income, other Member States that are secondary competent for a mobile worker may have to pay the full amount of family benefits rather than only a differential supplement. You take the view that such situations would be inconsistent with the rules of Regulation (EC) No 883/2004 and should be tackled at European level.

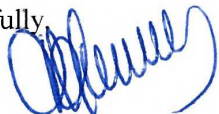
As you know, the Commission's proposal for a revision of the EU rules on social security coordination does not include any indexation of family benefits. Moreover, the Council adopted a general approach on this revision at the last EPSCO that does not provide for such indexation.

The Commission remains convinced that the current system for the export of family benefits is fully based on fairness. When a mobile worker contributes through contributions or taxes in the same way as local workers, he or she should be entitled to the same benefits regardless of the place of residence of his or her children. This principle of fairness is at the core of our single market and complements the principle of the same pay for the same job at the same place.

The situations you describe do not constitute a reason for introducing a system of indexation of child benefits in the secondary competent Member State, as this would be contrary to equal treatment. If mobile workers contribute in that Member State in the same way as local workers, they and their children should not be discriminated as compared to local workers and their children.

The proposal to revise the rules on social security coordination is a legislative priority and the Commission will do all it can to make sure that this reform will be adopted as soon as possible before the end of this mandate. I look forward to continuing this work during the upcoming inter-institutional negotiation.

Yours faithfully,



**Mr Troels Lund Poulsen, Minister for Employment, Denmark**  
**Dr. Juliane Bogner-Strauss, Federal Minister for Women, Families and Youth, Austria**  
**Mr Hubertus Heil, Federal Minister of Labour and Social Affairs, Germany**  
**Mr Wouter Koolmees, Minister for Social Affairs and Employment, The Netherlands**  
**Ms Regina Doherty, Minister for Employment and Social Protection, Ireland**