

ERASMUS+ PROJECT

RemotEU

EUROPEAN CITIZENS' REMOTE WORK SUPPORT

RESULTS REPORT

VOLVEMOS.ORG


HELPING NETWORKS

TORNIAMO



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1. CONTEXT

1.1. What is RemotEU

The lockdown caused by the COVID-19 pandemic and the measures taken to address it forced remote work. Both organizations that already had teleworking policies and those that did not had to adjust to an unprecedented situation that has changed the way we work.

This paradigm shift has had consequences not only in the professional sphere. People who have been teleworking during these months have considered the possibility of making changes in their lives. These changes include relocating to other territories, facilitated by the ability to work from anywhere. These movements of workers have been internal (within the country) or external (from one country to another).

Institutions have responded to this situation by developing or adapting existing legislation to regulate this scenario. However, this legislation does not address all the needs of companies and workers. **RemotEU** (February 28, 2022, to August 27, 2023) is a project created to address this reality, particularly focusing on **cross-border teleworking**, where a worker operates in a country different from that of their employer.

1.2. Objectives of RemotEU

- The promotion of a transnational mobility, free, safe and inclusive into the European Union.
- Offering public, open and accesible information about remote work and related bureaucracy to European citizens.
- One-stop-shop with all the regulation related to remote work for workers based in any European country.
- Raising awareness among Public Administrations in order to promote and regulate remote work through good practices and recommendations.

1.3. What we have done

When we conceived RemotEU, we were aware of the widespread misinformation surrounding remote work, both within the public administration and among businesses, as well as among workers and telecommuters themselves. It is a complex concept that refers to very diverse circumstances, all of which must be taken into account for its regulation.

For this reason, a substantial portion of the project has encompassed a **research phase**, during which we have examined the existing regulations and engaged with key stakeholders to understand the current state of affairs regarding remote work.

1.3.1. Methodology and phases

The research has been conducted in several phases, which we outline below. Throughout the process, we have maintained a focus on the essential involvement of key stakeholders: workers, companies, and public administrations. Thus, following the analysis of existing legislation, we conducted fieldwork to gain firsthand insights into the experiences of these three stakeholders.

I. Analysis of existing legislation

This has been the starting point of our analysis. Understanding the existing legislation in Europe, with a particular focus on Spain, Ireland, and Italy, concerning remote work, has enabled us to establish the foundations of our project and formulate the necessary hypotheses that we aim to address upon its completion.

We initiate our analysis with the 2002 [European Framework Agreement on Telework](#). This agreement was signed by various social agents from the Member States and outlines the fundamentals of what remote work should entail, including the obligations and rights for both employers and workers. While this agreement has served as a reference for states that have regulated telework, its content does not encompass the complexity of contemporary remote work, particularly in light of the circumstances brought about by the COVID-19 crisis.

What is most crucial for the scope at hand is the regulation of remote work carried out from a country different from that where the employer is based,

known as cross-border telecommuting. In this circumstance, one must refer to the legislation of each respective state and investigate whether there exists any form of bilateral agreement between the company's country and the employee's country concerning matters of Social Security or taxation. This is where the primary issue lies, as despite being part of the European space, **each country acts independently**, potentially leaving both the worker and the employer without adequate protection.

The arrival of COVID-19 marked a paradigm shift in the world of work, establishing remote work as a viable option for carrying out job responsibilities. This prompted certain countries, such as Spain, to address and regulate this situation by formulating **new regulations or expanding existing ones**. Once again, at this point, we observe how legislation has not been able to address the diverse scenarios. For example, when analyzing [Spain's Law on Remote Work](#), the regulations only cover remote work within the national territory, leaving out individuals working remotely from other countries.

Despite the lack of depth in the regulations, there is a noticeable interest among many states in attracting **digital nomads**. Countries such as the [Czech Republic](#), [Croatia](#), [Portugal](#), and [Estonia](#) have introduced special visas for this group. Their intention is to draw highly skilled professionals with financial resources to establish their fiscal residence in the country and, as a result, fulfill their tax obligations there.

Concurrently, there are other countries, those that have traditionally been recipients of skilled labor, which view remote work as a **threat**. The possibility of a worker performing their duties from another country has the opposite effect, namely, that they might leave and cease to contribute their taxes to the host country. Some, like Ireland, only consider remote work when it occurs within their borders, aiming to promote the repopulation of rural areas.

While this legislative dynamic unfolds, numerous individuals choose to work remotely for their current employer from another country, marking the onset of the next phase of our research.

II. Public consultation to workers

To make progress in RemotEU, it was crucial to understand the situation of people who are teleworking and those who intend to do so. RemotEU was born precisely from this demand because, following the health emergency, many

people reached out to the entities involved in the project to inquire about how they could work remotely.

In this round of public consultation, we provided various channels, both on the RemotEU website and through each of the entities, to allow interested individuals to share their experiences. This way, we have been able to identify the challenges they face, but also new opportunities for regulating remote work. As of the project's completion on August 31, 2023, we have received a total of 560 inquiries.

We also conducted an in-person [meeting with digital nomads](#) from different countries, which took place in Fuerteventura, Spain, in November 2022.

III. Interviews with workers

In parallel to this survey, we have also conducted in-depth interviews with workers, further expanding upon this information. These interviews have assisted us in identifying both the opportunities and barriers associated with remote work.

IV. Meetings with companies and public institutions

Similarly, to comprehend all perspectives, we have held meetings with companies and public administrations. Among other activities, we have taken part in a focus group on hybrid work at the [Dublin Chamber of Commerce](#) and engaged with public institutions such as the [EURES](#) network (EUROpean Employment Services), the cooperation network for employment and the free movement of workers in Europe. We have also reached out to intermediary companies (Employer of Record) to understand their role. These have included Oyster, Papaya, Remofirst, and Lano, among others.

Through this effort, we have identified the various methods available for hiring a worker from one country while being a foreign company and complying with current legislation.

1.3.2. Research Results

This fieldwork has allowed us to establish a general framework for cross-border telework in the European Union while identifying specific scenarios. The result of this research is the [Wikipedia of teleworking](#), a resource with valuable information for workers, businesses, and public institutions. It provides insights

into existing regulations, obligations regarding remote work, current limitations, and practical advice to ensure effective teleworking.

The content created in the Telecommuting Wikipedia is public and accessible for any user who wishes to consult it.

In addition to this resource, we have conducted a [webinar](#) on teleworking available in English, Italian, and Spanish with relevant information for professionals interested in remote work. We have also created a quiz, accessible in all three languages of the project, to test people's knowledge of telecommuting and expand the information they have.

Quiz: ¿Cuánto sabes sobre teletrabajo?

Quiz: How much do you know about remote work?

Quiz: Quanto sai di lavoro da remoto?

This work is completed with the present report, addressed to personnel in various levels of public administrations (regional, national, and European), so they can become aware of the reality surrounding cross-border telework in Europe, make decisions related to its regulation, and provide accurate and accessible information to the public.

This document outlines the scenario we have developed in RemotEU based on the research conducted to discover what teleworkers, companies, and public institutions are doing regarding this issue. It then presents our recommendations for comprehensive regulation and oversight of international teleworking in Europe.

2. SCENARIO IN REGARD TO INTERNATIONAL REMOTE WORK

2.1. Situation of Public Administrations

As we mentioned at the beginning, our work was based on the [European Framework Agreement on Telework](#) from 2002. This is the first European regulation that defines telework, and it does so as a *form of organization and/or execution of telework using information technologies, within the framework of a contract or employment relationship, in which work that could have been done on the employer's premises is regularly carried out outside those premises*. This agreement refers to issues such as employment conditions, health and safety at work, or data protection, although it is a regulation that does not delve into the details of telework regulation.

When we talk about telework or remote work, we can refer to various different situations depending on the specific characteristics of how it is carried out. It is not the same to telework one day a week as it is to work remotely for the entire workday, work as a self-employed individual or as an employee, or to do it from the same location where the company is based or from another country. The latter is what is defined as **cross-border remote work**, and it is the central focus of RemotEU.

This agreement has been followed by modifications to regulations, but a specific European regulation governing telework has not been developed. Below is a list of some of these regulations, which are relevant to telework not because they specifically address remote work issues but because they are related and have implications for it, as they are labor and social security regulations.

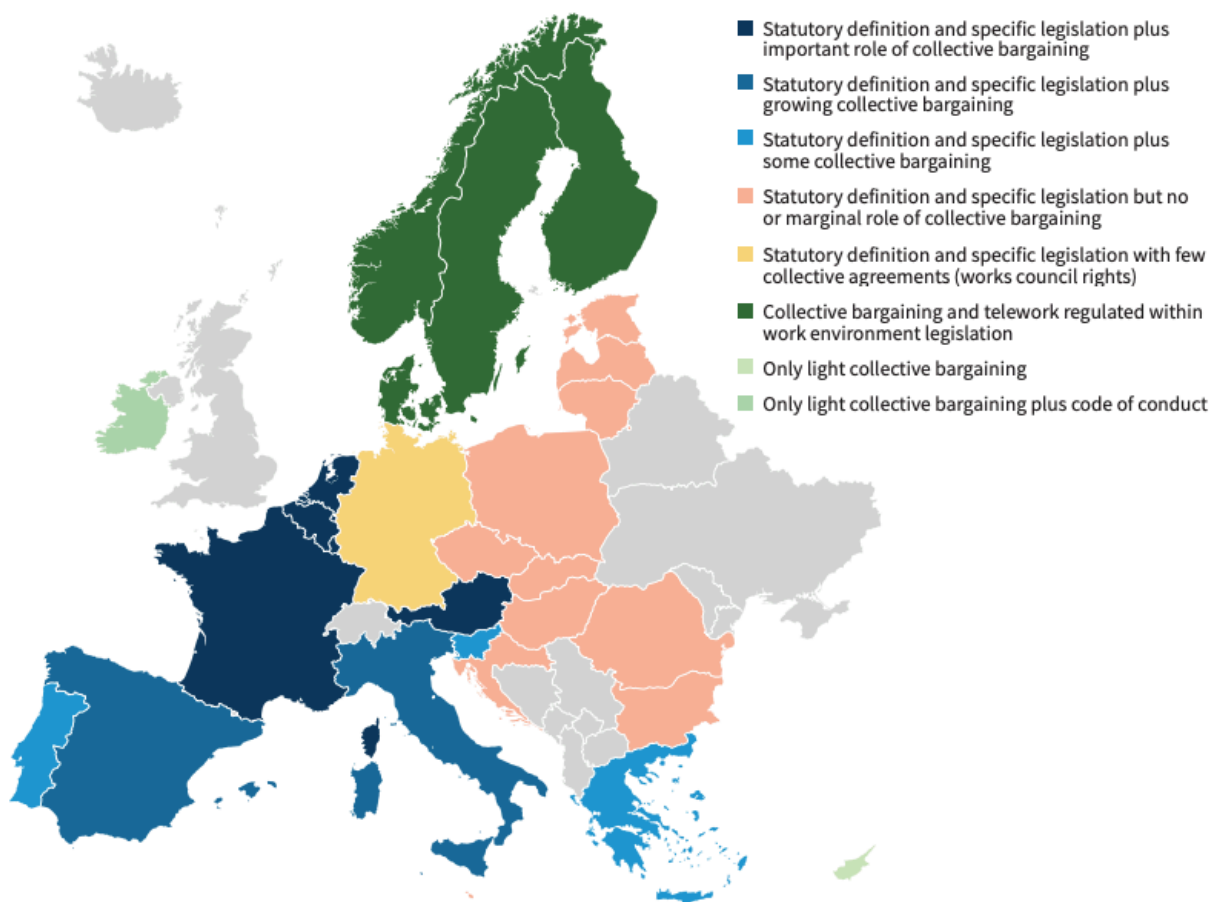
- European Union Treaty on the Functioning of the European Union.
- Regulation (EC) No. 883/2004 of the European Parliament and of the Council of April 29, 2004, on the coordination of social security systems.
- Regulation (EC) No. 987/2009 of the European Parliament and of the Council of September 16, 2009, adopting the implementing rules for Regulation (EC) No. 883/2004 on the coordination of social security systems.

- Regulation (EU) 2019/1149 of the European Parliament and of the Council of June 20, 2019, establishing the European Labour Authority, amending Regulations (EC) No. 883/2004, (EU) No. 492/2011, and (EU) No. 2016/589, and repealing Decision (EU) 2016/344.
- Regulation (EU) 492/2011 of the European Parliament and of the Council of April 5, 2011, on freedom of movement for workers within the Union.
- Directive 96/71/EC of the European Parliament and of the Council of December 16, 1996, concerning the posting of workers in the framework of the provision of services. Directive 2014/67/EU of the European Parliament and of the Council of May 15, 2014, on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services, and amending Regulation (EU) No 1024/2012 on administrative cooperation through the Internal Market Information System (IMI Regulation).
- Directive 2014/54/EU of the European Parliament and of the Council of April 16, 2014, on measures to facilitate the exercise of rights conferred on workers in the context of freedom of movement for workers.
- Regulation (EU) 2016/589 of the European Parliament and of the Council of April 13, 2016, on a European network of employment services (EURES), for the access of workers to mobility services, and for the further integration of labor markets, amending Regulations (EU) No 492/2011 and (EU) No 1296/2013.

It's worth noting that European regulations ensure the free movement of workers and the free provision of services by companies in another Member State, but these rights must also comply with the regulations of each country. In general, the provision of services by companies in another State involves the temporary posting of workers, but not permanent relocation. In this case, we need to revert to the regulations of each State, which will determine the obligations that the employer must assume.

Therefore, in addition to being familiar with these European regulations, it is crucial to consider the existing or non-existing bilateral agreements between states, which also govern matters related to Social Security, the mobility of workers, and so forth. Additionally, one must take into account the domestic regulations of each country, especially in the context of the COVID-19 pandemic. Many countries have developed their own legislation to address the surge in teleworking.

The following map, as featured in the "[Telework in the EU: Regulatory frameworks and recent updates](#)" report by Eurofound (the European Foundation for the Improvement of Living and Working Conditions), published in September 2022, illustrates the varying degrees of legislative development concerning telework. Most European Union countries have statutory definitions and specific legislation regarding telework (such as Germany, Austria, Belgium, Bulgaria, Croatia, Slovakia, Slovenia, Spain, Estonia, France, Greece, Hungary, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, and Romania). In most of these countries, legal regulations are supplemented by intersectoral, sectoral, and/or company-level collective agreements, albeit to varying extents.



Source: Authors, based on national contributions by the Network of Eurofound Correspondents

The rest of the countries lack statutory definitions and specific legislation addressing telework, although they may have telework agreements incorporated into other laws related to data protection, safety and health, working time, and

labor in general (such as Cyprus, Denmark, Finland, Ireland, Norway, and Sweden).

Furthermore, in addition to the various regulations mentioned, it is essential to highlight that during the execution of RemotEU, specifically in July 2023, the

Cross-border telework: any activity that can be carried out from any location and that could be done in the premises or at the employer's home, and:

1.- Is carried out in one or more Member States different from that in which the employer's premises or home are located, and

2.- Is based on information technologies to remain connected to the employer's or company's work environment, or clients assigned to the self-employed worker, in the case of self-employed workers.

Source: *Framework Agreement on the Implementation of Article 16(1) of Regulation (EC) No 883/2004 in cases of habitual cross-border telework.*

Framework Agreement on the application of Article 16(1) of Regulation (EC) No. 883/2004 in cases of regular cross-border teleworking was approved. This agreement has been signed by 18 countries and places cross-border telework at the forefront, defining it as follows:

This agreement arises due to the following circumstances, as stated in the agreement:

- 1. Given the flexibility and digitalization of the labor market, as well as the increase in cross-border teleworking following the COVID-19 pandemic, teleworking has become, for many workers, a structural form of employment.*
- 2. Considering that Regulation (EC) No 883/2004 was adopted at a time when teleworking was not as common;*
- 3. Given the desire to mitigate the impact of cross-border telework on the applicable social security legislation in the short term;*

4. *Given the great variety of teleworkers and the complexity of satisfying this desire in the short term with respect to such a diverse group of individuals;*
5. *Taking into account that Article 16(1) of Regulation (EC) No 883/2004 provides for the possibility of exceptions to the legislation specified in its Title II;*
6. *Agreeing on the conditions under which requests for exceptions to Article 13(1)(a) of Regulation (EC) No 883/2004 for the purposes of regular cross-border telework should be facilitated to the greatest extent possible;*

It is clear from these motivations that there is a need for current international telework regulation, given the date of Regulation (EC) No 883/2004 (April 29, 2004) and all subsequent technological, social, and labor advances that have fostered the rise and establishment of telework. There is a need to address international telework with a focus on social security legislation to ensure citizens' rights and to respond to the variety of existing telework models.

2.2. Situation of companies

Given the relative complexity of regulating telework, especially cross-border telework, it is not surprising that companies express skepticism and caution when implementing it in their organizations. In our fieldwork, we have observed that the problems or difficulties identified by companies in implementing this form of work can be categorized into two main blocks:

Block I - Legal Certainty

In the face of the possibility that a worker may travel to another country to carry out their activities, many questions arise: how can we do it? What regulations exist in this other country? What is the cost? What obligations does it impose on me? What happens if there is a problem with the worker?

Let's keep in mind that all these reasonable doubts are aggravated by a lack of knowledge of the local language, its legislation, and a lack of a network of contacts to do it as required by the relevant institutions. The fear of possible sanctions is therefore one of the major barriers.

Block II - Competitiveness and Work Organization

The other block refers to the company's own structure. During these months of work, we have encountered companies that had already implemented

international teleworking and had developed specific protocols to ensure its success. However, this is not the norm.

In general, companies have many concerns about the risks of implementing a model like this, and how it will affect their day-to-day operations. Firstly, it represents a loss of control over the employee and their performance. Some companies already have remote workers, but these workers are typically within the same country. Moving to another country increases distances and makes it more challenging to organize work and maintain personal relationships, not only with the company but also with colleagues.

Secondly, companies are hesitant about international telecommuting because of its impact on competitiveness. While this can be an advantage, it can also work against them, hence their skepticism. The possibility of hiring people from anywhere in the world provides new negotiation opportunities for companies, allowing them to offer lower salaries depending on the worker's location. However, this applies to all companies, so once again, we see that companies with more resources may benefit more from this situation.

2.3. Situation of workers

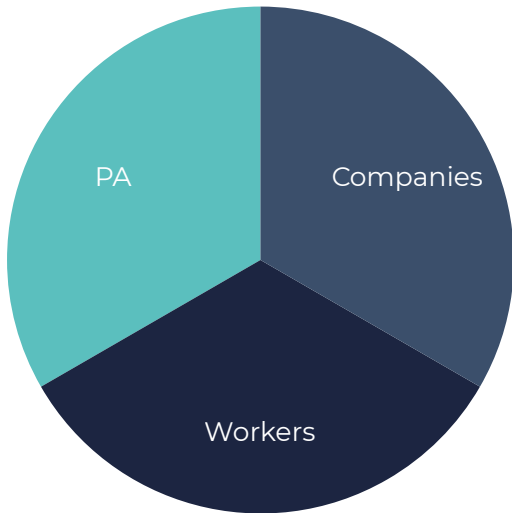
The situation of workers is quite different. The possibility of teleworking that emerged after the pandemic has opened a new scenario that many had not previously considered. The motivation and desire to work remotely from any location have been consistent in all the inquiries we have received. We have also observed the emergence of new products and services, such as Remote Rebellion, an initiative created by Michelle Coulson that offers training on telework.

These inquiries reflect a significant lack of awareness regarding the implications of their decisions. There is a substantial lack of knowledge about labor, social security, and tax regulations. In fact, some individuals have chosen to relocate to another country to work remotely from there without informing the authorities or making any changes to their conditions, resulting in false tax residencies and leaving them vulnerable in case of illness or accidents, among other issues.

Additionally, this lack of awareness is compounded by the skepticism we have identified in companies. Workers are compelled to seek out information and present the available options to their employers. This forces individuals to

navigate through complex and confusing legislation, making it difficult for them to comprehend their rights and responsibilities.

As a summary of the points discussed, we present the following chart:



Public Administration:

- Lack of Legislation
- Overwhelmed Capacity
- Complexity of Institutional Organization (local, regional, national, European, and bilateral)

Companies:

- Skepticism and Caution
- Fear of possible sanctions
- Fear of foreign bureaucracy
- Lack of legal certainty
- Unfair competition

Workers:

- Paradigm Shift
- Lack of Knowledge Regarding Bureaucratic Implications

3. MODELS OF CROSS-BORDER REMOTE WORK

During the development of RemotEU and as a result of the aforementioned research, we have identified the following models of cross-border telework being implemented by workers and companies. In the following pages, we will describe each of them with examples of situations that public employees may encounter in their daily work.

3.1. Self-employed working for a company located in another country or for several companies located in this and/or other countries

Example: Otto is a computer programmer, and he works as a self-employed individual in Germany for several agencies within the country. Intrigued by the opportunity to live in Portugal, he decides to move to Lisbon while continuing to provide his services to these agencies. To do this, he has informed his clients about his change of residence, explaining that his billing details will change because he will have to register in Portugal to commence his professional activities from there, resulting in deregistration from Germany.

In this model, we are discussing self-employed individuals or freelancers who invoice for their services to companies located in different countries. The motivations for this can be:

- The professional is currently self-employed and decides to relocate to another country, continuing their activity from the new location.
- The professional is an employee and, due to their desire to move to another location, agrees with their employer to continue providing their services as an independent professional and invoice the company from another country.

Each country regulates the requirements and conditions for self-employed workers. Furthermore, some EU member states have specific regulations to combat situations of abuse in the relationship between the professional and the company they provide services to. For instance, in Spain, the concept of an economically dependent self-employed worker is recognized, known in other

countries as a contractor, and efforts are made to prevent misclassification of employees as self-employed.

In either case, the worker must comply with the regulations of the country in which they reside and from which they conduct their professional activities. They need to be aware of the existing legislation and interact with the relevant authorities, which can pose challenges when establishing themselves in a new host country.

More information:

RemotEU Article: Differences between false self-employed and economically dependent self-employed

RemotEU Article: What is a Contractor?

Example: Cassia works as a customer service representative in a marketing agency in Dublin. Her intention is to relocate to Athens, and she discusses with her employer the possibility of retaining her job remotely. This is something she has been doing since the pandemic, but always within Ireland.

Her employer agrees, and Cassia begins organizing her move. However, one thing she has doubts about is her employment status. The company has informed her that they will not change her conditions, and her employment contract remains the same (the one she has in Ireland). But she is unsure about the implications of this for her in Greece, where she will need to file her taxes, what happens if she experiences a work-related accident or falls ill.

3.2. Employee working for a company located in another country

We have also identified cases of individuals who choose to relocate to another country while retaining their employment. A common factor in this model is the lack of information reported by both workers and companies, as, in most

instances, neither party knows how to navigate this process. It is observed that the responsibility of seeking this information typically falls on the worker who is interested in making the change, with the limitations that this entails.

The main problems we have observed in this modality are:

- The company does not have a presence in the worker's destination country.
- The company does not facilitate the relocation because it does not allocate resources to gather the necessary information.
- These issues can lead to fiscal and social security consequences, including the possibility of false tax residency and challenges related to social security coverage.

More information:

RemotEU Article: 1/3 Can I telework for a company abroad?
Working as an employee

RemotEU Article: How do I know my tax residence?

Example: Jules has been working for a cosmetics company in Milan for the past 5 years. He is considering relocating to France in a few months and has decided to share this desire with his manager. Upon learning of this news, the company has proposed the possibility of him continuing to work from the subsidiary they have in Paris. They will review the terms and sign a new contract in France. Jules feels that this is a great opportunity because it allows him to keep his job and work from France with all the necessary assurances.

3.3. Employee working for a company located in another country through a branch of the same in the territory

Continuing with the previous model, there is also the possibility that the person who relocates does so by joining a branch or subsidiary of the company in the destination location. This model provides more assurance, but it is not always feasible. According to feedback from professionals who propose this to their employer, it can happen that each of the branches has a different focus, and the person may not fit their profile (for example, one branch may be responsible for logistics while another handles sales). Additionally, budgetary constraints at the organizational level can be a barrier (for example, if branches compete for profitability, as the relocating worker may incur costs for the hosting branch while their work benefits another branch).

There is also the concept of a **posted worker**, regulated by European legislation. This term means that a company can temporarily send an employee to work in another European Union country. In this scenario, the worker acquires the status of a posted worker and enjoys the same labor rights and conditions as the workers in the destination country. The posting can last for the duration necessary to complete the task(s) for which it was initiated, and once it is completed, the worker must return to their place of work in the European Union country from which they were posted.

As stipulated by the regulations, this posting is temporary, so it is not an option for individuals who wish to permanently relocate their residence. Furthermore, the motivation for the posting must be on the part of the company, which has interests in another country and wishes to send an employee there to fulfill a specific objective. It is not a decision or motivation of the worker.

More information:

RemotEU Article: What is a worker moving abroad?

RemotEU Article: When can a company send a displaced worker to another country?

RemotEU Article: Obligations of companies posting workers to another country

3.4. Employee working for a company located in another country through an intermediary company

One of the most interesting aspects we've discovered in RemotEU is the existence of Employer of Record, known as empresas intermediarias (intermediary companies) in Spanish. These organizations enable companies to hire employees anywhere in the world while complying with the legislation of each country, without the need to establish entities in every territory. It's an option for companies that lack a physical presence in other countries but wish to have employees based there.

These intermediary companies have been operating in the job market for years and originally emerged to create remote teams. However, with the pandemic and the widespread adoption of teleworking, a multitude of intermediary companies have proliferated in the market. Their role has become essential for individuals who wish to telecommute from another country for their employers.



There are voices cautioning against the use of such companies, as, according to certain legislations, it could be considered illegal labor outsourcing. However, the reality is that there is no legislation that explicitly prohibits their use, and they have become a fixture in the job market and the only alternative for certain professionals who wish to work remotely.

Thanks to the use of an intermediary company, the worker can relocate to another country and be hired by this company, thereby complying with the legislation in that country. The professional continues to organize their work as

Example: Ana has been living in London for the past 8 years and wishes to return to Madrid, her hometown. She has explored her options for maintaining her job and learned about the existence of several Employer of Record (EoR) companies in the United Kingdom. Upon communicating her decision to leave the company, she proposed the possibility of working remotely from Madrid and introduced the concept of EoRs.

Her company is familiar with the dynamics of these companies, as they are common in the UK. Therefore, together with Ana, they decide to inquire about the costs and conditions associated with this model. After several meetings, both parties decide to proceed, and Ana relocates to Madrid, where she is hired by the intermediary company to continue performing her tasks for her current employer.

they did with their previous employer, with no significant impact on their day-to-day work routine. In exchange, the intermediary company charges a commission for the management costs associated with hiring that professional.

For workers who wish to work remotely, regardless of the model they apply, but especially if they use intermediary companies, it is crucial to engage in a negotiation process with their current employer. This negotiation should take into account the costs for the company in implementing this measure and the worker's position within the organization. In RemotEU, we have also addressed negotiation to provide professionals with the information and tools necessary to carry it out successfully.

More information:

RemotEU Article: What is an Employer of Record (EoR)?

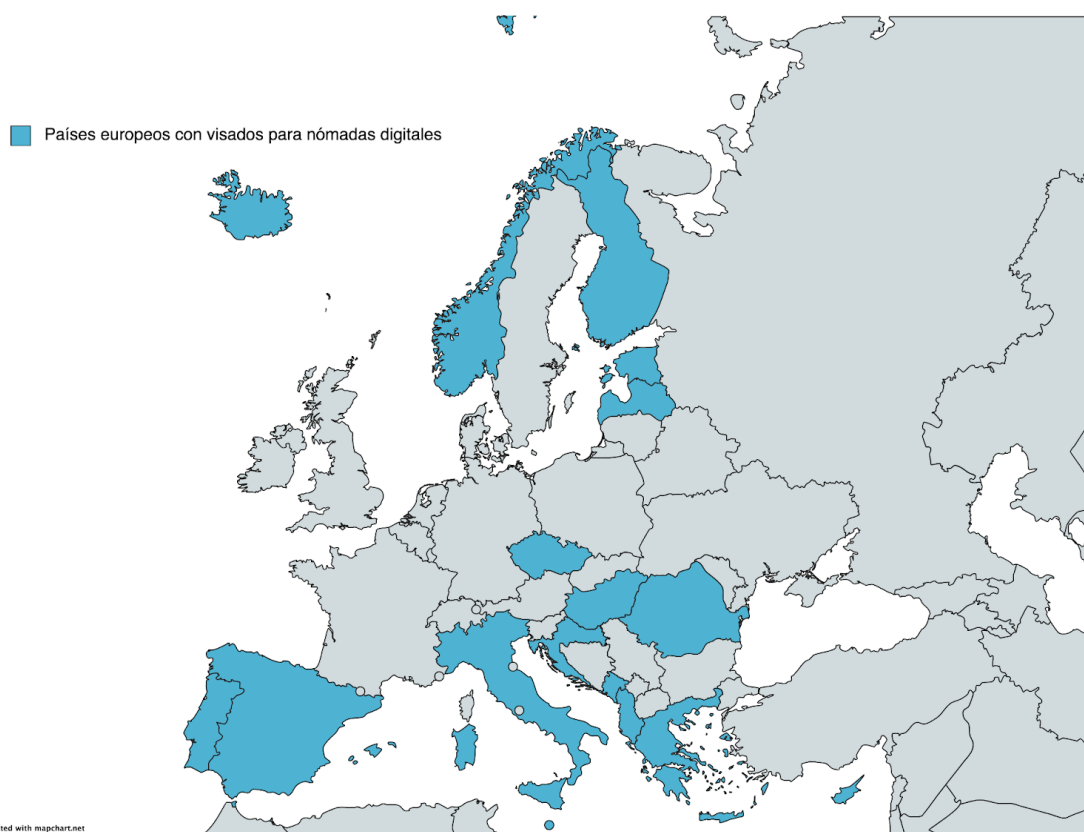
RemotEU Article: Advice for negotiating your method of working remotely

3.5. Digital Nomads

When discussing each of these models, it's inevitable to touch upon the term "digital nomad," which can be defined as follows:

Digital nomads are primarily individuals who work as self-employed, but it can also be the case that they are employees. Therefore, we can relate some of the cases seen in the previous models to digital nomadism.

The term digital nomad is particularly relevant due to the visas or residence permits that have emerged in recent years. Currently, in Europe, there are 17 countries with these types of visas in effect or approved for implementation.



European countries with visas for digital nomads: Albania, Cyprus, Czech Republic, Croatia, Spain, Estonia, Finland, Greece, Hungary, Iceland, Italy, Latvia, Malta, Montenegro, Norway, Portugal, and Romania. (Source: [Euronews](#))

In general, these types of visas grant residence for international teleworking to foreigners from countries outside the European Union, allowing them to engage in remote work for companies located outside the territory where they establish their residence.

Each country establishes its own conditions for granting these visas (access requirements, costs, duration, etc.).

In addition to these visas, the consideration of a digital nomad is relevant for European citizens and allows for future legislative development. For example, in Spain, the [Law 28/2022 of December 21, on the promotion of the startup ecosystem](#), contemplates the possibility for Spanish or European citizens who wish to move to Spain and meet the criteria established in the law to be considered digital nomads. This allows them to benefit from the special tax regime for impatriates.

A common question at this point is why these visas have emerged in these countries. The answer is simple: these visas are used by different states to attract highly skilled individuals to legally reside in the country, with the economic benefits that this entails. On one hand, some of these visas have an economic cost, and applicants must demonstrate a minimum income level, which means that these individuals typically have high purchasing power. Moreover, it's a way to attract professionals from the technology sector, who are in high demand in the job market compared to other profiles and may wish to establish their permanent residence in the country.

4. RECOMMENDATIONS

During the implementation of RemotEU, we have witnessed advancements in telework legislation, both at the national level, such as the issuance of visas for digital nomads, and at the European level. The most notable advancement is the Framework Agreement on the application of Article 16(1) of Regulation (EC) No 883/2004 in the case of regular cross-border telework.

This framework agreement, signed by Germany, Switzerland, Liechtenstein, Czech Republic, Austria, the Netherlands, Slovakia, Belgium, Luxembourg, Finland, Norway, Portugal, Sweden, Poland, Croatia, Malta, Spain, and France, came into effect on July 1, 2023, and applies to the signing states.

It highlights the need to expand telework legislation, as regulations like Regulation (EC) No 883/2004 were developed at a time when telework was not common. It also acknowledges the complexity of meeting the short-term needs of such a diverse group of teleworkers.

This agreement extends aspects covered in [Regulation \(EC\) No 883/2004 of the European Parliament and of the Council of April 29, 2004, on the coordination of social security systems](#), and [Regulation \(EC\) No 987/2009 of the European Parliament and of the Council of September 16, 2009, which establishes implementing rules for Regulation \(EC\) No 883/2004 on the coordination of social security systems](#). It specifically applies to individuals engaged in cross-border telework.

This agreement defines cross-border telework as any activity that can be carried out from any location and could be performed at the employer's premises or at the worker's home, and it:

1. Takes place in one or more Member States different from the one in which the employer's premises or domicile are located.
2. Relies on information technologies to remain connected with the employer's or company's work environment, as well as with stakeholders or clients, to accomplish tasks assigned by the employer or clients in the case of self-employed workers.

RemotEU's **first recommendation** would be **to continue in the direction of such agreements**. While it represents a significant step forward, this agreement is only applicable to the signatory countries. Moreover, the agreement's wording

does not facilitate its understanding, which prevents individuals from knowing whether they can benefit from it and how to do so. It is of no use to establish new regulations if they are complex and not communicated effectively to the public.

Beyond the agreement, we also propose the following recommendations that could be considered to promote cross-border telework and address the issues associated with this mode of work:

A. Promote a European directive that unifies the various telework laws in Europe.

We have observed the diversity of regulations in each Member State and the difficulties this poses for citizens in understanding cross-border telework and its associated rights and obligations. Unifying these laws under the umbrella of European institutions can help dispel uncertainties and facilitate the proper execution of international remote work.

B. Expand the conditions for obtaining a telework permit.

As we have seen, there are visas aimed at third-country nationals that permit teleworking from one country and legal residence. Some regulations contemplate the possibility of extending these permits to European citizens, but they are pending administrative development.

C. Create a registry of international teleworkers at the European level.

Remote workers conducting their activities in Europe should enroll in a registry that allows European institutions to obtain information about the dimension of cross-border telework. To keep this registry updated, individuals should have the option to manually unregister if they are no longer international teleworkers and should be obliged to periodically renew their presence in the registry. Maintaining this database can also serve as an interesting communication channel to inform teleworkers about legislative updates or general information of relevance to their European-level activities.

D. In line with the above, it could also be interesting to create a registry of companies that have cross-border teleworkers in their teams

to monitor whether the appropriate conditions for the worker are met and to ensure compliance with administrative obligations.

E. Establish cross-border telework information centers

in all EU Member States where companies and workers can receive guidance on the necessary procedures and conditions to be met.

- F. Introduce a fee for those who wish to telework from a location different from their employer's. This fee could be either at the national or transnational level, and it could be covered by the company for employees and by the individual for self-employed workers. The payment of this fee could help ensure the provision of services in the remote location.
- G. **Establish a digital European social security number.** This is a proposal from the European Parliament, as outlined in the [Resolution of May 20, 2021, regarding the impact of Union rules on the free movement of workers and services: worker mobility within the Union as a tool for aligning labor market needs and skills](#), ensuring legal security for mobile workers and respecting their labor rights. Article 21 highlights that *a digital data exchange system among Member States could facilitate fair and equitable free movement of workers, as well as compliance with Union regulations in this regard.*
- H. **Combat unfair competition from companies.** The irregular situations currently arising in cross-border telework are leading to unfair competition because a company that has an employee in another European country and is not meeting its tax and social security obligations there. This could be addressed by prosecuting such situations and implementing tax exemptions or benefits for companies to properly move these teleworkers.
- I. **Provide resources to public administrations** to respond to the existing need. Despite being faced with an exponentially growing phenomenon in the labor market, professionals and companies highlight the lack of official information as well as advisory services to comply with existing legislation. By equipping public personnel with the necessary tools, this gap can be filled. Moreover, it would serve as a source of information to identify new trends and needs within public institutions to work on.

5. GLOSSARY OF TERMS RELATED TO REMOTE WORK

To conclude this working document, we include a final section with a glossary of terms that we have compiled in RemotEU to facilitate the understanding of concepts related to telework:

- **Economically dependent self-employed (TRADE):** an individual working freelance but economically dependent on a legal or natural person being the one who invoices more than 75% of its sales to a single customer. In countries such as the United Kingdom, Italy or the USA this concept is usually called “contractor”.
- **EU Citizen Registration Certificate:** a document that recognizes the right of a European Union citizen to reside in another member state or in another state part of the European Economic Area.
- **Co-employment:** a contractual relationship in which a company and a professional employer organization (PEO) share certain job responsibilities. This arrangement is advantageous for organizations that want to mitigate some of the costs and liability associated with being an employer.
- **Contractor:** independent professionals who provide services to a particular company.
- **Coliving:** space that combines a workplace and a home. It's designed for temporary stays of digital nomads. For example, it can be a coworking included hotel.
- **Bilateral agreements:** agreements between two states (between two parties) that regulate a certain situation or put an end to a dispute.
- **Coworking:** shared office space where collaboration and networking outside the team is encouraged.
- **Offshoring:** the practice of reassign tasks and company's responsibilities to workers abroad.
- **Employer of Record (EOR):** legal employer; it's a company based in the country where the employee is going to work, from which it can directly hire the worker in that country in accordance with local regulations, taking care only of the legal aspects of the employee.

- **Schengen Area:** an area comprising 26 states, allowing its citizens to move freely to live, work and circulate through the area without internal controls or borders.
- **E-Work:** E-Work is a method of working using information and communication technology in which the work is not bound to any particular location. Traditionally this has been understood as working remotely away from the office, usually from home, either full-time or for a period during the working week.
- **Hubwork:** An arrangement where an employee works from a hub close to or within their local community, either exclusively or some of the time.
- **Co-working:** space is a shared office space where collaboration and networking outside of one's team or organisation are encouraged.
- **Home Office:** Refers to a work or office space set up in a person's home and used exclusively for business on a regular basis.
- **Digital nomad:** teleworkers that use the Internet for developing their work from all around the world, adopting a nomadic lifestyle that allows them to travel constantly.
- **Professional Employer Organization (PEO):** type of human resources outsourcing, PEO performs various employee administration tasks, such as payroll and benefits management, on behalf of a company. They also have strategic services, and it is important to research providers and compare their capabilities.
- **Platform work:** is a way of working whereby certain organizations or individuals use an online platform to access other organizations or individuals to resolve problems and issues or provide specific services.
- **Remote-first:** refers to a company or organization that prioritizes remote work over in-office work.
- **Remote-friendly:** said of a company or organization that accepts and supports teleworking by its employees.
- **Tax residence:** criterion of subjection to a tax power depending on the location where the individual or legal entity is located in a given territory, which means,

the place where both the income obtained and the assets must be declared and taxed there.

- **Startup:** newly created or early age company that presents great growth possibilities and commercializes products and services by using information and communication technologies. They go to market quickly to achieve the necessary growth and funding through digital transformation.
- **Asynchronous work:** a way of performing work in a deferred manner over time, that is, work is performed at different times of the day and performed, for example, at different schedules to other workers.
- **Mobile work:** mobile work refers to modes of work characterized by the worker (whether employed or self-employed) operating from various locations outside the employer's premises (for example, at home, at a client's premises or on the road).
- **Smart work:** a set of practices that add great flexibility to work methods through innovative solutions. Flexibility in areas such as location, schedule, hours worked and shared responsibility are some of the indicators of this way of working.
- **Telecommuting:** is a synonym for teleworking, that isa work style where physical labor and commuting are replaced by the use of telecommunications that enable remote work.
- **Flexible work:** describes a type of work arrangement that provides a degree of flexibility over how long, where, when and at what hours employees work.
- **Non-location work:** refers to jobs without a fixed location. Jobs are posted without a location and workers can live and work in the location of their choice.
- **Hybrid work:** a work mode that combines face-to-face work with telecommuting.
- **Virtual Office:** an office with address and phone number, communication and administration services, and access to meeting rooms without the need of dedicated space.

- **VPN (Virtual Private Network):** virtual network that guarantees the security and privacy of the company's information. This network can only be accessed by people within the company, thus protecting the information.
- **Visa:** a control measure established in international agreements to legalize the entry or stay of people in a country where they are not nationals or are in free transit.

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