

# WORKING GROUPS REPORT

## DELIVERABLE D3.2

### Project 101102415: SP4SE

April 2025

#### Introduction

This document presents the final recommendations developed by the three Working Groups (WGs) within the framework of the SP4SE Project (Project 101102415), addressing the social protection needs of self-employed workers. The initiative stems from the lessons learned during the COVID-19 pandemic, which highlighted the urgent need for comprehensive and inclusive protection mechanisms, especially for those in non-traditional forms of employment.

Guided by Principle 12 of the European Pillar of Social Rights, which calls for social protection for all workers regardless of employment status, the Working Groups have identified, validated, and reported on best practices across three key areas:

- **WG 1: Best practices developed during the pandemic emergency as a model for social protection responses during emergencies;**
- **WG 2: Sector-Specific Supplementary Welfare Best Practices: Healthcare Assistance;**
- **WG 3: Sector-Specific Supplementary Welfare Best Practices: Income Support.**

Each section draws on evidence gathered during WP2, highlights existing national best practices, and offers models potentially adaptable across EU Member States. While some themes overlap—such as administrative simplification and mental health support—this reflects their transversal relevance. Recommendations are tailored, where possible, to different starting conditions and policy framework.

## **WG 1 - Best practices developed during the pandemic emergency as a model for social protection responses during emergencies**

In 2020, in response to the COVID-19 pandemic, Member States hastened to take emergency actions to protect their populations. The scale of the crisis and the lack of coordination highlighted the urgent need for the European Union and its Member States to establish structured response plans for future emergencies. Representing 13.2% of the EU workforce in 2022, self-employed individuals are a significant part of Member States' economic life and, in certain cases, essential to maintaining the basic services during emergencies.

As the Pillar 12 of the 2017 European Pillar of Social Rights (EPSR) affirms the necessity of providing social protection for all, regardless of the employment relationship, public authorities must guarantee an adequate and consistent level of protection for self-employed individuals during emergencies. Ensuring their protection in times of uncertainty provides strong incentives for the continuation of professional activity, benefiting both the self-employed and the broader economy in the short and medium term.

Drawing on the lessons on the COVID-19 pandemic and the varied responses of Member States, the following aspects should receive particular attention in future policy proposals:

### **1. Reducing Administrative Burden**

During emergencies, time is of the essence. Public authorities should ensure streamlined administrative processes for self-employed individuals, allowing them to access support quickly and efficiently. National crisis response frameworks should provide clear and accessible information platforms.

### **2. Moratorium on Financial Obligations**

To ease financial pressure on businesses forced to shut down partially or entirely, Member States should institutionalise a moratorium on loan repayments and social security contributions in all relevant cases.

### **3. Financial Assistance and Income Support Mechanisms**

Following the example of ad-hoc policies enacted in some countries, self-employed individuals should be eligible for financial assistance to ensure the short- and medium-term continuation of their economic activity. Member States should explore an unemployment insurance scheme adapted to self-employed. Whenever possible, existing institutional structures should be leveraged for rapid implementation. Social protection frameworks should account for income loss due to illness, work accidents, or occupational disease.

### **4. Ensuring adequate information through efficient communication channels**

Self-employed individuals, whether frontline workers or not, should receive clear and regular information about their social rights and available support. Public authorities should strengthen collaboration with professional organisations and voluntary associations, recognising their key role in bridging information gaps and advocating for self-employed workers. Crisis helplines and online platforms should be established, based on successful models from Belgium, France, and Italy.

### **5. Prioritising Mental Health Support**

Social isolation, continuous stress, and overwork can negatively impact the mental health of self-employed individuals. Adequate support must be widely available and accessible. Governments should integrate mental health services into social protection schemes, ensuring access to counselling and resilience training. Tailored mental health initiatives should be developed for self-employed workers.

## **6. Enhancing Digital Literacy**

As seen during the pandemic, emergencies can restrict in-person interactions. To ensure business continuity, public authorities should ensure that workers engaged in all forms of employment possess sufficient digital skills and provide training. Governments should invest in digital literacy programmes to support business operations.

## **7. Adaptive Social Protection Policies**

Future frameworks should include pre-established contingency plans, allowing for rapid activation and extension of emergency measures when needed.

## **8. Addressing Gaps in Social Protection for Self-Employed Professionals**

- Support for self-employed workers with dependent children should be strengthened.
- Fairer social contribution structures: some self-employed individuals engaged in complementary activities pay contributions as both employer and professional without additional benefits. Policies should ensure proportional contributions.
- Improved representation for self-employed professionals: some self-employed workers lack a dedicated regulatory body. Establishing sector-wide mediation structures could improve advocacy and protection.

Implementing these recommendations would contribute to ensuring adequate social protection for the self-employed and the sustainability of their economic activity. Enhanced collaboration between governments, professional associations, and voluntary organisations will be crucial in improving responsiveness during future crises. By fostering preparedness, adaptability, and inclusivity, Member States can better protect self-employed workers and facilitate a faster post-crisis recovery.

## **WG 2 - Sector-Specific Supplementary Welfare Best Practices: Healthcare Assistance**

Constituted as a Social Market Economy, the European Union aims to promote healthcare access for every socio-economic category within the Union. Representing 13.2% of the EU workforce in 2022, self-employed individuals are a significant part of Member States' economic life.

As Principle 12 of the European Pillar of Social Rights recommends, all relevant public authorities must guarantee a proper and homogeneous level of protection, including healthcare assistance, for non-traditional forms of employment, including self-employed individuals. Besides its obvious benefits for citizens' health, promoting adequate healthcare assistance for all workers is essential for fostering a thriving and diversified economy.

Supplementary healthcare supports the protection of the citizens' health without replacing the National Health Service but rather complements it. Enrolment can be provided by the applicable collective labour agreement or can be voluntary. It includes a set of services and additional coverage offered beyond what is provided by the public healthcare system. It is important that supplemental healthcare be tailored to meet the specific healthcare needs and budget of the self-employed.

Drawing upon the opinions of self-employed professionals' representatives, it appears that the following aspects should be the focus in future policy proposals:

### **1. Long-Term Support and Continuous Protection**

There is a need for continuous support for self-employed workers, especially in times of economic uncertainty, such as that caused by the pandemic. This may include introducing long-term protection measures (such as collective health insurance) for self-employed individuals to ensure more robust protection in unforeseen situations.

### **2. Tax Deductibility for Supplementary Healthcare Contributions**

A recommendation for future policy could be to introduce the tax deductibility of contributions paid by self-employed professionals for supplementary healthcare. This would help integrate the national healthcare system service offerings, with private healthcare options. Additionally, creating a favourable condition for long-term care contributions would support self-employed individuals planning for future healthcare needs, particularly in old age. This measure would reduce the financial burden on self-employed professionals, making healthcare more accessible and sustainable in the long term.

### **3. Reducing Administrative Burden**

To prevent self-employed individuals from facing financial difficulties, public authorities should ensure seamless administrative processes for self-employed individuals facing healthcare difficulties. When possible, these processes should favour human interaction to better individualise each case.

### **4. Mental Health Support and Psychological Well-being**

Psychological support policies for self-employed individuals are crucial, considering the high levels of stress, social isolation, and overload that often characterise independent work. These factors can negatively impact their mental health, making accessible support essential. Introducing affordable psychological counselling services and mental health coverage would significantly improve the well-being of self-employed individuals by reducing stress and improving work-life quality. Those policies should not be limited to exceptional events but should be established as durable practices, especially for professionals exposed to difficult working conditions or events.

## **5. Proposals for Improving Private Health Insurance Policies**

To address the issue of the unsustainability of private health insurance, it is essential to review insurance models to make them more accessible and sustainable for self-employed workers, without imposing excessive burdens. Exploring collective insurance options that reduce costs for individuals and offer better access to healthcare services could be beneficial.

## **6. Flexible Health Insurance Models**

Offering insurance models that are easy to understand and adaptable to the individual needs of self-employed workers, considering fluctuations in income, could improve the situation.

## **7. Surveying Sector Professionals' Satisfaction**

Creating short surveys to collect data on the satisfaction of self-employed workers regarding the healthcare system could help identify existing gaps or difficulties in the healthcare system, particularly for more vulnerable categories such as women or professionals in specific sectors. Collecting real data on perceptions of the system could better guide future proposals.

## **8. Promoting social dialogue**

One size does not fit all. To ensure that regulatory evolutions on healthcare assistance for self-employed individuals fit all professions, public authorities should institutionalise social dialogue bodies with representatives of self-employed individuals.

## **9. Creating Adequate Representation for Non-Traditional Professions**

This could also mean forming coalitions among self-employed workers in various sectors to better represent their rights in healthcare and social matters.

### WG 3 - Sector-Specific Supplementary Welfare Best Practices: Income Support

The provision of income support measures in cases of activity suspension and significant revenue decline is a key objective in strengthening the social protection systems for professional self-employed workers. This objective gains importance considering the growing number of individuals employed in this sector and the corresponding income flattening, which exposes workers and their families to an increased risk of poverty. It is therefore essential to ensure that professional self-employed individuals are granted protection equivalent to that provided for employees in cases of unemployment.

This goal is consistent with the legal mandate deriving from Article 151 TFEU, the Charter of the Fundamental Social Rights of Workers, and Article 12 of the Pillar of Social Rights, to ensure adequate social protection of all kind of workers and to undertake measures aimed at harmonizing the diversity of national practices. Many of the associations representatives of independent workers and liberal professions have introduced, in the last years, plans for a new social contract between the state and independent workers, fostering EU's initiatives toward this goal. Such a brand-new model of social protection should be flexible and effective.

In the specific case of professionals, the risks associated with activity interruption and significant revenue reduction stem from both structural and emerging factors. Structural factors include life events that impact professional activity, such as long-term illnesses, injuries, and family care responsibilities. Emerging factors, on the other hand, relate to rapid technological transformations that are reshaping society and the economy, potentially leading to profound changes in the demand for professional services. Professionals with skills tailored to specific services might be compelled to swiftly renew their competencies and adapt their offerings to remain relevant.

Consequently, ensuring income continuity for professional self-employed workers serves both as social protection and as an incentive for the continuation of professional activity. This dual benefit extends beyond the individual to contribute positively to the overall economic system.

Regarding income support in cases of unemployment and significant revenue decline, the legislative frameworks of EU Member States exhibit considerable diversity but remain, on the whole, insufficient and in need of reinforcement. Such reinforcement should draw on existing best practices and adhere to the following principles:

1. **Mandatory Coverage**

This protection should be mandatory, not voluntary, and encompass all forms of professional self-employment. Voluntary schemes in some Member States have resulted in low participation rates, leaving workers without adequate safety nets in times of need. Evidence from Spain, which recently introduced mandatory contributions to benefits schemes, demonstrates that such systems increase participation, improve equity across professions, and enhance coverage and benefit levels. Provisions should clearly define eligibility criteria, contribution requirements, and the scope of coverage to avoid ambiguity.

2. **Universal Access**

Eligibility should extend to all individuals genuinely engaged in professional self-employment and who have contributed to the system, regardless of whether they are nationals, EU citizens, or third-country nationals. No distinctions should be made between regulated professions with professional bodies and unregulated professions, or between those with dedicated social security funds and those without. Tax incentives should be considered for promoting the stability of the system.

3. **Proportional Benefits with a Guaranteed Minimum**

Support should be proportional to contributions paid in recent years but must always include a guaranteed minimum amount, financed on a solidarity basis.

4. **Adequacy**

Benefits should be timely and sufficient to allow individuals to maintain a decent standard of living

and avoid poverty.

**5. Coverage for Activity Reduction**

Protection should apply not only in cases of complete cessation of activity and revenue but also in cases of significant revenue reduction. Professional self-employed workers often face sectoral or personal crises that force them to drastically reduce their work without halting it entirely. In this case, benefit should be proportionate to the effective reduction.

**6. Reskilling Programs**

Financial support should always be coupled with programs aimed at assisting professionals in updating their skills and reintegrating into the professional services market. Given the specificity and technical complexity of professional skills, these reskilling tasks should be entrusted to partnerships between public authorities and representative social partners, also in cooperation with universities.

**7. Enhanced Role of Representative Social Partners**

The role of representative social partners for self-employed professionals should be maximized. Their contribution could include providing technical expertise in designing social protection reforms, participating in the governance and oversight bodies of funds providing social protection services and incentivizing participation in mutual social protection schemes managed by social partners. Indeed, social partners can autonomously establish and manage social protection schemes, particularly in countries where no public body manages income support measures. Incentives could take the form of tax benefits or co-financing arrangements. In cases where private social protection systems managed by social partners are highly organized, workers could be granted the right to choose between contributing to a public or private system.

This approach seeks to establish a robust and equitable social protection framework, fostering resilience among professional self-employed workers and supporting sustainable economic growth across the Union.