Data exchange agreement between social security institutions to tackle cross-border fraud and errors in the field of unemployment benefits

Italy

GENERAL INFORMATION	
Name of the organisation	INPS
Type of organisation	Social Security Organisation
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Topic of the good practice	Other
Geographical focus	Cross-country (please specify)
Duration	5/15/2025 - ongoing
Summary of the good practice	Social security institutions exist to support citizens in times of hardship. They share a clear responsibility to ensure that social benefit resources are properly directed to those truly entitled, by preventing fraud and minimizing errors. However, the exchange of bulk data between European social security institutions—essential for detecting fraud based on risk scenarios—remains limited outside the pensions sector, where it mainly covers life certificates and pension amounts. The data exchange agreement between INPS and France Travail, signed on 15 May 2025 during an international cooperation event organized by ELA and INPS in Rome, is a strong response to this gap and is now proposed as a good practice. Experience shows that without effective control mechanisms, social security systems cannot operate efficiently or fairly. This is equally true for cross-border

benefits, where tackling fraud and errors is vital to ensuring fair labour mobility within the EU.

Large-scale controls, however, require tools that are not yet available at EU level. The Electronic Exchange of Social Security Information (EESSI) system is not designed for bulk data exchange, making bilateral agreements necessary.

The INPS–France Travail agreement offers a concrete response to this gap. Developed through close cooperation since January 2024 - including two ELA-funded study visits - the agreement enables secure exchange of high-risk cases between institutions on the basis of risk scenarios in unemployment benefits.

Its legal basis lies in Article 76 of Regulation (EC) No. 883/2004 and Decision H5/2010 of the Administrative Commission, both of which support international cooperation for fraud prevention and control. Presented to the Administrative Commission in March, the initiative received strong backing from several Member States.

Supported by strict data security procedures, the agreement fully complies with EU and national data protection rules, including the GDPR. It stands as a model for other social security institutions and may inspire the European Commission to promote an EU-wide solution.

OBJECTIVES AND ACTIVITIES

Background/context What challenge, need or gap were you trying to solve or respond to? Why was this issue relevant or urgent in your context (sector, region, country)?	▶ The practice addresses the limited development of bulk data exchange between social security institutions in EU Member States, particularly outside the pensions sector. This limitation hinders the detection and prevention of transnational fraud in areas such as unemployment benefits. ▶ The issue is pressing, as effective control mechanisms are essential to ensuring fair access to social benefits and supporting labour mobility within the EU. In the absence of adequate EU-level tools, Member States must rely on bilateral cooperation to bridge this gap.
Objectives	▶ Main Goals:

What were the main goals of this practice (e.g. better compliance, faster processing, improved worker protection)? (Please limit to three) Who or what were these goals intended to help or change? (Please limit to three)	1. Enhance the detection and prevention of transnational unemployment fraud. 2. Ensure the proper allocation of social benefits through effective control mechanisms. ▶ Intended Impact: • Strengthen institutional capacity to address cross-border fraud. • Safeguard the integrity of national social security systems. • Promote fair and lawful labour mobility across EU Member States.
Main activities What were the main steps or actions you carried out to put the practice into effect? Were any tools, materials, partnerships, or processes created?	▶ The practice originated from bilateral dialogue between INPS and France Travail in January 2024. It was strengthened through two study visits funded by the European Labour Authority (ELA), which fostered mutual understanding and collaboration. The agreement signed on 15 May 2025 establishes and regulates the secure exchange of lists of potentially fraudulent unemployment cases. Its legal foundations—Article 76 of Regulation (EC) No. 883/2004 and Decision H5/2010 of the Administrative Commission—ensure full compliance with EU law.
Funding/organisational resources	The implementation of this practice did not require dedicated funding or additional organisational resources beyond existing institutional capacities.
PARTICIPATION	
Stakeholders involved Organisations or entities actively contributing to the design, implementation, monitoring, or support of the good practice (e.g. labour inspectorates, social security institutions, trade unions, employers' associations, or other).	▶ Actively involved organisations: the Italian and French Ministries of Labour.

Target groups Main groups or categories that the practice is directly aimed at, who should receive its services or who engage with it (e.g. employers, mobile or posted workers, labour inspectors and social security officers, or other).	▶ The practice primarily targets beneficiaries of unemployment benefits, ensuring that these services are correctly allocated and safeguarded against fraud.
Final beneficiaries Individuals or groups that ultimately benefit from the outcomes of the practice, even if they are not the direct target or user (e.g. mobile or posted workers, vulnerable workers at risk of exploitation, employers benefiting from clearer rules or reduced admin burdens, or other).	▶ Ultimately, the practice benefits mobile and cross-border workers by ensuring fair access to unemployment benefits.
GOOD PRACTICE CRITERIA	
Achievements and outcomes What specific results did the practice achieve? (e.g. How many workers or employers were reached, number of publications created? What processes became faster?) What kind of broader benefits did it bring? (e.g. Did it improve understanding of rights and obligations, enhance cooperation between authorities, or reduce legal uncertainty and inconsistent application of rules?)	▶ The agreement was signed on 15 May 2025 after being presented to the Administrative Commission, where it received broad support from several Member States. It established a secure and legally compliant framework for the exchange of bulk data on unemployment fraud. ▶ The initiative has strengthened cooperation between national authorities and demonstrated a scalable model that can be replicated by other countries. Its expected outcomes include the identification of fraud based on specific risk scenarios and the reduction of fraud and errors in social security systems.
Cost effectiveness How did you keep costs low while still achieving results? (e.g. Did you reuse existing tools, automate processes, or share resources across teams?) Can you show that the outcomes were worth the investment? (e.g. Did small changes lead to big improvements, or were expensive tools avoided?)	▶ The practice maintained cost efficiency by leveraging existing institutional frameworks.
Transferability What are the key features that make this practice work well? (e.g. a digital platform, clear guidelines, a joint inspection process, or strong coordination) What would another country or organisation need to make this work for	▶ The key features that make this practice effective are strong bilateral cooperation, a clear legal framework, and a secure digital process for exchanging risk-based data. The agreement's success also relies on mutual trust between institutions, well-defined procedures for

them? (e.g. certain laws, IT systems, or staff training)	data protection, and alignment with EU regulations, including the GDPR.
	▶ To replicate this practice, other organisations would need a compatible IT capacity for securely transmitting bulk data, and trained staff to manage risk analysis and data protection requirements. Establishing formal cooperation channels—supported by administrative agreements and clear governance—would also be essential.
Sustainability **How is the practice sustainable from a social, financial or environmental perspective?** **What makes this practice able to continue over time? (e.g. It is now part of regular work or has been built into law or procedures?) and how are you making sure it lasts beyond the pilot or project phase?**	▶ The practice is sustainable as it builds on existing structures, without requiring additional funding. Its legal foundation in Regulation (EC) No. 883/2004 and Decision H5/2010 ensures long-term institutional support. The agreement has been integrated into regular operational procedures, with secure digital tools and standardized processes guaranteeing continuity beyond the initial phase.
Innovativeness What makes this practice new or different in your field or country? (e.g. Is it the first of its kind, or does it combine actors who don't usually work together, or activities not performed before?) How does it improve older or less effective approaches? (e.g. By reaching more people, using data better, or simplifying complex procedures)	▶ This is the first known bilateral agreement dedicated to the bulk exchange of data for detecting unemployment fraud. It brings together institutions that have not traditionally cooperated at this level and adapts methods previously used only in the pensions sector. The practice advances earlier approaches by enabling targeted, scenario-based fraud detection and by addressing the limitations of the EESSI system.
Digitalisation What kind of digital tools or platforms were used in this practice? (e.g. online portals, automated case tracking, data sharing, digital databases or other) How did these tools help in reaching your goals? (e.g. Did they save time, facilitate access to data in real time, reduce errors, help detect fraud, or improve coordination between authorities?)	▶ The data exchange is ensured by secure technology.