

Family benefits in the EU

Published: 02.11.2020.

Family benefits in compliance with Regulation (EC) No 883/2004 and Regulation 987/009

As of the 1st of May, 2010 these regulation come into effect: Regulation (EK) No 883/2004 "Coordination of social security systems" and Regulation No 987/2009 "laying down the procedure for implementing Regulation (EK) No 883/2004". They will replace the existing effective Regulations No.1408/71 and No.574/72.

As of the 1st of May, 2010 the listed regulations apply to EU Member States, but from the 1st of January, 2011 they also apply to third country nationals, if they are legally residing in the territory of the Member State and are not only associated with one Member State. In regards to contract countries (Iceland, Liechtenstein, Norway, Switzerland) the existing social security provisions of Regulations No 1408/71 and No 574/72 apply.

Regulation (EK) No 883/2004 defines the procedure of granting family benefits in situations when the members of one family are residing and/or employed in two or more EU/EEA Member States. Family benefits are all benefits in cash or services, in order to reimburse family expenses, except for special benefits in cases of childbirth or adoption.

The provided services of the SSIA, for the purpose of the Regulation family benefits are:

- Family State Benefit;
- Child Care Benefit;
- Parent's Benefit;
- Additional payment to the Family State Benefit for Disabled Children;
- Disabled Child Care Benefit.

These benefits are granted in accordance to the provision of the Regulation. Hereinafter, when talking about family benefits, we will be referring to these benefits.

The Child Birth Benefit is only granted in accordance with the legislation of the Republic of Latvia. More detailed information can be obtained in our homepage in the "Services" section.

In accordance with the Regulation, each person can only be insured in one EU/EEA Member State and receive the according service from one country. Therefore, it is important to determine which country is responsible for payment of family benefit in case when members of one family are residing and/or employed in two or more EU/EEA Member States. Several criteria have been established in the Regulation.

Basic regulations – as usually an employee or self-employed person is insured in the country where he is employed, most commonly the employment country is responsible for the payment of family benefits.

This means that the employee or self-employed person, to whom the legislation of a single Member state applies, is entitled to receive family benefits for his family members in accordance to this countries legislation, even if the family members are residing in another country.

Example: Tom is employed in Latvia. His wife and two children, aged 8 and 12, are residing in Estonia. The wife is unemployed. Family benefits are payable in accordance Latvian legislation.

In cases when both parents of the child are employed, the country responsible of paying family benefits is the country, where the child is residing. If the child is residing in the country where one of his parents is employed, the employment country is responsible for the payment of family benefits. In situations when the child is residing in a country where neither of the parents is

employed, the responsible country for paying family benefits is the employment country (of one parent) in which the family benefit amount due is larger.

In order for a family to be able to fulfil its rights, in situations when one member of the family chooses to reside or work in another EU/EEA Member State, and to not to suffer from different economic welfare levels in each EU/EEA Member State, the Regulation states that in all of the above situations listed, the parent residing/employed in the second Member State (secondary competent state) can go to this country's competent institution and ask them to compare the benefit amount in both countries and in cases of a difference – to pay it.

Example: Jana is employed in France. Her husband Peter and three children are residing in Latvia. Peter is employed in Latvia. At first, family benefits are granted in compliance with Latvian legislation. If the total amount of family benefits to which the family is entitled to in France, is larger than the one in Latvia, then France covers this difference.

Example: Jana is employed in Lithuania. Her husband Peter – in Latvia, both parents and their three children are residing in Estonia. Since both parents are employed in different countries and the children are not residing in either one of them, Latvia and Lithuania carries out a comparison of the amount of family benefits due in both countries. In Latvia the family is due to receive 56 LVL of family benefit, but in Lithuania – 60 LVL of family benefit. As the amount of family benefit due in Lithuania is larger, the family benefit will be paid by Lithuania.

Maternity and child birth leave, as well as the time in the unemployment benefit is paid, can be equated to employment.

A person is considered to be employed or self-employed when:

One is actually carrying out actions in the status of an employed or self-employed persons, as well as

Actions in the status of an employed or self-employed person are suspended for some time

- and the reason for this is illness, maternity, an accident at work, occupational disease or unemployment, whilst in relation to these risks a salary or benefits (except pensions) have to be paid, or
- during a paid leave, strike or lockout, or

During an unpaid child care leave, whilst this leave is considered to be equal to the binding employment or self-employment legislation.

Unemployed persons receive family benefits from the country which is paying their unemployment benefit.

If a person receives a pension from one Member State, then family benefits are granted according to the legislation of this country are not dependant on the country in which the pensioner or child is residing in.

If a pensioner receives a pension from two Member States then the country in which the pensioner is residing in the primary payer of family benefits. If family benefits are higher in the other Member State, then this country pays the difference.

Employees who are sent to work to one Member State from another are entitled to receive their benefits (during the stay period) from the country which they were sent from. See chapter: Short-term work in the EU.

Example: Janis employer in Latvia sends him to work in Germany for 8 months. His unemployed wife and their two children, aged 3 and 5, accompany him. During this period they are entitled to receive family benefits from Latvia.

It is Latvia's main responsibility to grant family benefits in the following cases:

If Latvia is one of the two employment countries and the children live in Latvia;

If Latvia is the only employment country, but the family members are residing in another Member State;

If Latvia is one of the two employment countries and the children are residing in a third Member State, and the other engaged Member State is the employment country in which the granted family benefits are lower than in Latvia.

It is Latvia's secondary responsibility to grant family benefits in two cases (to pay the difference, if Latvia's family benefit amount is larger):

If Latvia is one of the two employment countries and the children live in the other employment country;

If the other country is the only employment country and the family members live in Latvia.

The SSIA evaluates the claim based on information in the person's submitted application, as well as any other information available to the SSIA.

If the SSIA establishes that the person is entitled to receive the additional difference payment in accordance with legislation of another Member State, then the SSIA immediately forwards a claim to the other Member States responsible institution and informs the involved person. In addition, the SSIA informs the other Member States institution about its decision on the claim and the amount of the granted family benefit.

Example: Anna, who lives with her child in Latvia and is employed here, submits a claim to the SSIA for receiving family benefits from Latvia. However, the father of the child is employed in Ireland. The SSIA grants family benefits to Anna and in addition forwards Anna's claim to Ireland's competent institution, informs Anna about this and informs Ireland's competent institution about the decision regarding the claim and the amount of family benefits.

If a person who is entitled to receiving family benefits does not spend these benefits supporting the family, the SSIA ensures that the family benefits are received by another physical or legal entity, which actually supports the family members (confirmed by the institution of the place of residence). In this case, the person has to submit a claim written in a liberal style, in which the person testifies that he/she is raising the child himself/herself and is not receiving any support from the benefit receiver.

Example 1: The father is employed in Latvia, but the mother with the child is living in Lithuania. The father is entitled to receiving Latvian family benefits for the child who is living with the mother in Lithuania. However, he is not using these benefits to support the child. In this case, Lithuania's competent institution can contact the SSIA and ask them to pay the family benefits to the mother who is living in Lithuania.

Example 2: The father is employed in Latvia, but the mother with the child is living in Lithuania. The father receives Latvian family benefits for the child who is living with the mother in Lithuania. However, he is not using these benefits to support the child. In this case, Lithuania's competent institution can contact the SSIA and ask them to discontinue paying the family benefit to the father and to pay the family benefits to the mother who is living in Lithuania.

If the SSIA concludes that Latvian legislation should be applied, but it doesn't have first priority, then the SSIA immediately makes a provisional decision about the priority of the applicable provisions and forwards the claim to the institution of another Member State. It also informs the claimant. During the next 3 months the SSIA makes a final decision regarding the provisional decision.

Example: Anna, who lives with her child in Latvia and is unemployed, submits a claim to the SSIA for receiving family benefits in Latvia, but the father of the child is employed in Ireland.

The SSIA concludes that Anna is entitled to receiving family benefits from Latvia, but since Ireland has the priority of paying family benefits, Latvia only has to cover the additional difference of the family benefit.

The SSIA makes a provisional decision about the prior applicable legislation and forwards this to Ireland's competent institution, as well as informs Anna and declares that the decision making is being postponed for a time until 3 months or until receiving information from Ireland's competent institution. During the 3 months the SSIA adopts an attitude regarding the provisional decision.

To demand family benefits, you have to submit a precisely filled out claim in any structural unit of the SSIA. If another EU/EEA Member State is involved in your case, then the International Services Division of the SSIA will examine your claim for family benefits and when deciding upon the granting the benefits, might have to contact the competent institution of the involved

Member State to gain more information. Address of the [International Services Division](#)

Please take into account! When permanently departing from Latvia for residence or employment to another EU/EEA Member State, you have to resign from family benefits at your local structural unit.

Article 19 of the State Social Benefits Law states that after the receipt of a benefit, it is the obligation of the benefit receiver to immediately inform the SSIA about any circumstances that could cause suspension of benefit payments or the change in the benefit payment amount.

The amount of benefits paid could be affected by the following circumstances:

- If the child departs from Latvia or changes his/her place of residence;

- If one of the child's parents departs to work/live in another EU/EEA Member State;

- If one of the child's parents stops/starts to work in Latvia, but the other child's parent works in another EU/EEA Member State;

- and others.

Please cooperate with the SSIA and let them know in advance about the previously listed circumstances. Consequently, you can receive larger family benefits, use the advantages of Latvia's membership in the EU and avoid the overpayment of state social benefits of the Republic of Latvia to your family. According to the provisions of LR legislation these can be withheld.

<https://www.vsaa.gov.lv/en/family-benefits-eu>