

**ADMINISTRATIVE COMMISSION
FOR THE COORDINATION OF SOCIAL SECURITY SYSTEMS**

Subject: Exchange of bulk data for social security coordination purposes

Note from the Secretariat of 07 October 2025

Several Member States currently exchange large volumes of data on a bilateral basis in the field of social security coordination (SSC), both among themselves and with EFTA countries, which are also covered by the social security coordination regulations. These exchanges concern mostly the pension and sickness sectors but also other domains as for instance unemployment. The aim of these exchanges is to ensure correct application of social security coordination rules and to combat fraud and errors. These bilateral exchanges can make use of a communication channel for social security coordination which is separate from EESSI and is legally covered by bilateral agreements between Member States (or between Member States and EFTA countries) to which the European Commission is not part. Bulk exchanges in the field of pension and sickness usually are happening via the TESTA FTP servers, hosted and maintained by the Commission, while some other data exchanges take place outside these networks.

As explained in the note AC 232/23, the bilateral transfer of bulk data via the TESTA FTP servers raises concerns related to governance, security and legal aspects. The European Commission intends to progressively analyse – in close cooperation with experts from the countries – alternative methods to these bilateral social security exchanges, particularly to the ones happening via the FTP servers but also others. Since September 2023 several discussions took place in governance bodies meetings and other forums with countries' experts on this matter. This led to an exhaustive analysis of the as-is situation, containing the scope of the exchanges and potential constraints and requirements related to the use of FTP servers.

One of the topics discussed in the latest workshop on 23 May 2025 was the legal framework governing bilateral social security data exchanges and the legal implications of their migration to another platform (ideally EESSI), at which the European Commission also presented its preliminary views. Since then, the European Commission has continued analysing the legal aspects of the bulk exchanges and preliminary has concluded the following:

Data exchange covered by bilateral agreements:

- It seems that most bilateral agreements between Member States (and EFTA countries) concerning the exchange of personal data of persons benefiting from social security benefits (either via FTP servers or other means) are concluded to ensure a more effective implementation of national social security legislation.

- Even if some agreements mention fraud prevention, as far as personal data exchanged between Member States (or with EFTA countries) on the basis of bilateral agreements (via FTP servers or other means) is for the purpose of determining the applicable legislation or the social security rights of individual persons that are in a cross-border situation, those exchanges are necessary for the application of SSC Regulations.
- Thus, these exchanges have their legal basis in the existing SSC regulations. From a legal point of view, it thus makes no difference whether the exchanges take place either via FTP servers (e.g. as some MS do in relation to pension files) or via other means (e.g. as some MS do in relation to unemployment or family benefits).
- These bilateral exchanges could at some point be moved to EESSI, which also has its legal basis in the regulations, e.g. with the creation of new modalities of exchanges, as these exchanges are necessary to implement the SSC Regulations. In that case, Member States no longer need to revert to bilateral agreements.
- Exchanges between Member States (or with EFTA countries) with the sole purpose of the fight against fraud and error (e.g. launch criminal actions when fraud is discovered, cross-domain data checking, etc) fall outside the existing scope of SSC and the Commission cannot support these exchanges as a data processor on the basis of Regulation 883/2004 (see below).

Data Protection:

- The Commission is acting as data processor in supporting the exchanges between the Member States (or with EFTA countries) in cases where it makes the FTP servers or other means (e.g. TESTA network used in EESSI) available to them to perform the exchanges of personal data of individuals to implement the provisions of Regulations 883/2004 and 987/2009. The legal basis for this role can be found in Article 78 and Article 79 of Regulation (EC) No 883/2004. This is independently from the question whether the data is exchanged individually or in bulk.
- In all these data exchanges, countries are data controllers and responsible for determining operations to decide which data they exchange. The Member States (and participating EFTA countries) are responsible for ensuring that, among others, the principle of purpose limitation is respected.
- Apart from the fact that GDPR requires that all exchanges of personal data have a legal basis, all exchanges shall comply with the principle of purpose limitation, i.e. be proportionate to the aim that they serve. Article 76 of Regulation (EC) No 883/2004 obliges Member States to exchange data only when these are necessary to apply the Regulations.
- A processor/controller agreement is required to cover the operations via the FTP servers or via EESSI as these channels are managed by the EC. For EESSI, this agreement is being finalised at the AC level.

The European Commission informs the Administrative Commission about the above in view of discussing these legal considerations of bulk exchanges within and outside the scope of the SCC regulations and to agree on the way forward in continuing these types of exchanges, having regard to these legal considerations.