



# H5 NCP

## Final report

### Activating National Contact Points in the framework of Decision H5

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January 2014

The information contained in this publication does not necessarily reflect  
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**H5**NCP

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## 1. Introduction

The Federal Public Service for Social Security (FPS), Belgium in partnership with the Sociale Verzekeringsbank (SVB), the Netherlands obtained a grant from the European Commission for a project aimed at enhancing, optimizing and activating the network of National Contact Points (NCPs) constituted under Decision H5 of the Administrative Commission for Social Security Systems (AC).

This Decision, which introduced the concept of NCPs in relation to fraud and error issues, was adopted in March 2010 and followed studies the AC had directed into the problems involved in tackling fraud and error in cases determined under Regulation 14/08/71, subsequently replaced by Regulation 883/2004.

The purpose of the NCP in each Member State (MS) is to facilitate the exchange of information between competent authorities or institutions concerning risks of fraud or systematic difficulties which cause delays and error.

Almost three years later, the network of NCPs is not thought to be functioning in an optimal way. This impedes the efforts of the MS to tackle cross border fraud and error issues and therefore affects good governance policies within the competent institutions.

A well-functioning NCP network should contribute to a better implementation of European regulations on coordination of social security systems for all European citizens. Social fraud undermines the stability of the national systems of social protection. The phenomenon is even more complex when embedded in a transnational context which requires effective cooperation between the various national competent institutions in the field of social security.

## 2. Executive summary

The H5NCP project aimed to improve and stimulate cooperation amongst the NCPs by baselining a common understanding of the NCP role and by developing new tools to facilitate the performance of this role.

The project planned accordingly:

- to develop an electronic platform (hereafter referred to as the “platform”) to improve communication, and
- to agree a set of general guidelines to give NCPs and other stakeholders a common understanding of the NCP role and guidance in the execution of the NCP tasks.

It was envisaged from the outset that the project would actively involve all NCPs from the 27 (now 28) MS plus the EEA and Switzerland.

Therefore, a survey was held involving all NCPs to help to get an overview of the current situation of the NCP network and to allow experts to voice their wishes for the future. Following the completion of the survey, an expert seminar was held in Amsterdam on 28-29 January 2013 to collect and examine the input from the MS NCPs.

The survey illustrated that a number of different conceptions existed regarding the responsibilities and functioning of the NCP network and on the activities of the NCPs themselves. These issues were fully discussed at the seminar in Amsterdam. Further details of these discussions are given in Section 3 below. A full copy of the report of the seminar entitled “Streamlining expectations” is held by individual NCPs, as is a copy of the initial survey.

Following the Amsterdam seminar, further work was undertaken on the development of the proposed electronic platform, discussed in Section 6 below. The platform went live on 2 April 2013.

Similarly arising out of and based on the discussions in Amsterdam work was commenced on the drafting of the proposed guidelines for the NCPs, see Section 6 below.

A second seminar was held in Barcelona on 10–11 June 2013. This comprised a half-day tutorial on the use of the platform and a second half day devoted to discussions on draft guidelines then in circulation to NCPs. A short summary of this seminar is given in Section 4.

Regarding the platform, in the time since its introduction, it has been found to be a very useful way of exchanging information between NCPs in an open and interactive manner. It is a little disappointing that not all NCPs have actively participated to date although perhaps some time lag is inevitable on the introduction of such new procedures. Furthermore, usage has significantly increased over these past 3 months, presumably as NCPs have become more familiar with the platform and have come to recognize its value.

Regarding the guidelines a final version was issued to NCPs on 15 September for them to bring to the attention of their AC delegates in order to obtain validation of the document prior to the December AC meeting and to invite any comments meanwhile by delegates. All 32 EU/EEA members and Switzerland responded, indicating their validation of the guidelines with only two comments on the contents (which were of a cosmetic nature).

A final meeting of NCPs in the course of the project was held in Vilnius on 17 December. A summary of this meeting is contained in Section 8.

Shortly before this meeting, Project Management conducted an evaluation of the project from the perspective of the individual NCPs. Twenty-nine NCPs responded and the results indicated a very positive experience of the project overall by the NCPs.

Finally, it can be mentioned that building on the work of the project, the Belgian delegation (which has the lead on fraud and error matters), supported by the Dutch delegation, presented their joint paper AC 598/13 at the Administrative Commission meeting in Vilnius of 18 December 2013.

This paper, inter alia, asked the AC:

- (1) to consider an amendment to Decision H5 so as to incorporate the NCP Guidelines, and
- (2) to support the continuation of the platform beyond 31 December 2013.

In response, the Commission confirmed that funding had been provided for the continuation of the platform for 2014 and 2015, and the AC gave the Dutch and Belgium delegations the mandate to manage the platform for these next two years. Also, the Dutch and Belgian delegations agreed to present a note on the revision of Decision H5 to be discussed at the forthcoming meeting of the Administrative Commission in March 2014.

### **3. The Amsterdam seminar – Discussions and main points**

As already noted in Section 2 above, a full report of this seminar is in the possession of the individual NCPs. There follows a summary of the main points discussed.

In terms of attendance, 28 of the 31 states were represented at the meeting, plus Croatia, which attended by invitation pending formal EU accession later in 2013. Project Management were encouraged by this significant level of participation, which augured well for the support for and interest in the project.

Much of the discussion in the seminar revolved around the replies received to the survey issued to all states in December 2012. However, the seminar also provided a full opportunity for NCPs to share ideas and experiences, and the meeting made a significant contribution to the project overall.

After a general introduction explaining the background of the H5 Decision and the purpose of the seminar, two separate workshops were set up to offer a forum for the experts to reflect on three main aspects of the project:

- organization of the NCPs
- definition, competence and scope of the NCP network
- the creation of a platform

As Member States were only allowed one representative, equal representation was ensured. These representatives were divided between two synchronous workshops covering the same topics on the grounds that smaller working groups enable better discussions.

Findings and conclusions may be summarized as follows:

#### **3.1 Organization of NCPs**

##### **The number of NCPs**

A first point of debate was the number of NCPs to be appointed. The argument in favour of having a single NCP is that it is inherent in the concept of having a “single point of contact”. The idea is that thanks to this single contact point, there will be no more endless chains of referrals in order to find the right person. So, in this view, having more than one NCP would defeat that purpose. A somewhat different view was the one of certain countries opting for one NCP per national institution to shorten the connection-distance between the request and the reply.

After discussion, most countries agreed that all Member States must appoint a single NCP for this network to be really

effective. This NCP will forward a question to the national institution which is competent for the matter at hand. However, having a single NCP does not necessarily imply that it is a single person taking on the task. The survey shows that slightly fewer than half of the actual NCPs are natural persons acting alone, whereas the other half of NCPs are entities composed of a group of people or a “back-office”. After discussion, the participants agreed that in an ideal scenario the NCP should be a natural person (to establish contact with) who is strongly embedded in an organization that will assure continuance for the function in the event that a replacement is necessary.

### Quality of response

Having found the right person to contact does not guarantee that a good and timely answer will be forthcoming. The survey showed that 33% of the replies are considered as inadequate by the questioner. This indicates a high level of dysfunction in the present NCP procedures.

During the debate, participants agreed that this problem could not always be attributed to the NCP. The NCP cannot be expected to be accountable for the quality of the reply, as the NCP does not necessarily have authority over the institutions in its national network, or the specialized knowledge. However, it may be expected of an NCP to undertake all necessary steps to follow-up on the procedural progress. All participants agreed that all necessary steps should be taken to assure that there is a timely response from the organization concerned.

### How to improve the quality of service?

A precondition to allow an NCP to successfully connect questions to possible answers is the existence of a strong national network. The NCP should know the national institutions and the national institutions should know the NCP. This could be established and improved through communication and marketing as well as regular national expert meetings. Some even mentioned the possibility of service level agreements between the national institutions and ministries within the same country.

This, however, is a matter of administrative practice, which may vary from country to country.

## 3.2 Definition, competence and scope of the NCPs

The survey showed that NCPs presently rarely or never receive requests from other NCPs. It would, however, be hasty and incorrect to deduce from this that if there are so few requests made, there may be little need for the NCP network. The opposite is true. There is a need for good cross-border cooperation on fraud and error, and the NCP network can be a helpful tool which is clearly acknowledged in the inclusion of this role in Decision H5. The reason for its low usage is that it has not yet reached its full potential.

The NCPs' main reasons for making little or no use of the network are the lack of clarity in the competences and responsibilities of the NCPs, the definition of the concepts of fraud and error and the procedures to be followed.

The workshops made progress in this by establishing that all Member States participating in the seminar agreed with the definitions of fraud and error given by the former Ad Hoc Working Group on Fraud and Error.

However, uncertainty is a persistent feature when it comes to the kind of information that can/cannot be exchanged amongst NCPs. For example, the survey shows that if there is actual exchange, it is most often about individual cases, despite the fact that this is not explicitly provided for in Decision H5.

The workshops were useful in setting out priorities to improve collaboration between NCPs:

1. Clear guidelines: the observations above illustrate that if NCPs knew more about their responsibilities, the procedures to be followed and the scope and nature of the exchange, cooperation would improve.
2. Exchange of best practices: exchanging best practices in fighting fraud and error allows Member States to learn from each other and to establish solutions in a quicker and cheaper way. Enabling and improving this exchange is a strong selling point for any network.
3. Support by AC/EU (both in principle and financially) for the continuation of the network after 2013.

A fundamental question, also addressed in the discussions, was whether the NCP network should allow the exchange of data on individual cases. The shared view of the participants was that, in principle, focus must lie on issues, not on cases, because there are other procedures for exchanges in individual cases. In practice, however, these procedures are not always respected or adapted to specific needs in fraud and error scenarios. This explains why there is both an actual and

a desired scenario to include this type of exchange in the scope of the NCP network. There is nothing in the wording of the H5 Decision preventing this.

The workshops did not come up with a solid approach for this issue, so further reflection was necessary. Each reflection on the exchange of data should be governed by two principal questions: "Is it allowed to exchange this data?" and secondly, "Is the procedure to exchange this information secure". Especially with electronic exchange, sufficient security guarantees should be obtained.

It was proposed to seek further views from the experts on this issue, following their consultation with the relevant authorities in their own state as appropriate.

(Following this issue being raised, it was agreed at the 334th meeting of the AC on 19-20 June 2013 that an Ad Hoc Group would be set up to report on Member States' views on the need for an amendment to Regulation (EC) No. 883/2004 and/or Regulation (EC) No. 987/2009 to create a specific legal base for the exchange of personal data to combat fraud and error in the implementation of those Regulations. This group presented its report to the AC on 18 December 2013. Certain legislative changes were recommended which, if adopted, would provide a clearer legal base for the exchange of fraud and error data.)

### **3.3 Creating a platform**

The survey showed that most institutions exchange information through written contact and during face-to-face meetings. It was recognized that an electronic platform with features like video-conferencing or discussion groups could meet these needs.

During the workshops, a list of priorities to be respected in the first operational year of such a platform was drafted.

1. Who is who: The electronic platform should make it easy to find the right National Contact Point or expert in the shortest possible time. The first goal of the platform should be to connect people and bring them together to work on common issues.
2. Sharing of best practices: if this electronic platform could come up with an easy procedure to archive, search and share best practices, it would add more value to the NCP cooperation.
3. User-friendly platform: The platform should be easy to use for everyone who has access to it, regardless of their computer skills. Complicated log-in procedures and confusing layouts would seriously threaten the use of the platform.

Decision H5 states that the MS can submit a national report (in 2012, fifteen Member States submitted a report) on fraud and error issues once a year relating to their experiences and progress in this field. During the workshop, most countries confirmed that they have an English version of their report available and are willing to publish it on the online platform.

During the creation of the platform, it was agreed that attention must be paid to the role of the NCPs. The NCPs are a network of equals, but a few hierarchical roles will have to be assigned in order to manage the online platform. The NCP platform will require a general administrator, national administrators and moderators for the different discussion groups. The exact responsibilities of these functions will need to be determined once the functionalities of the network are clearer, and consideration should be given to the cost of having such a responsibility. Some form of rotating responsibility could be acceptable.

It was felt that the desired functionalities of an electronic platform could be covered by the functionalities offered by customizing existing corporate social media, paying extra attention to privacy and security issues.

Two possible providers presented their proposed solution on the second day of the seminar.

(Note: Subsequent to these presentations and following the strict procedures governing public procurement exercises, the contract was awarded to the social media group Beezy; for details of this organization, see <http://www.beezy.net/> )

### **3.4 Next steps**

#### **Creation of the platform**

It was agreed at the seminar that as soon as a provider was granted the contract, the creation of the platform would start. Since interactivity is the essence of this platform, a pilot group of a few (5-6) NCPs would be needed in the first phase of implementation and testing. Participation in this pilot requires no special ICT features, all that is needed is a computer with internet access and a person who has basic to average computer skills, and who is committed to the project.

It was envisaged that the try-outs of the electronic platform would be finished in June, after which a training seminar for all Member States' NCPs would be organized. This seminar will be specially designed for the end-users of the platform, i.e. NCPs (not national ICT specialists).

After this workshop, it was stated that the project would aim for full implementation of the platform in July 2013, granting all project participants (in this phase, 1 NCP per MS) access to the platform.

### The NCP Guidelines

Because of the uncertainty on many of the aspects of the NCP concept, the second tool to support the NCPs in the execution of their tasks will be a set of guidelines. The drafting of these will be supervised by Derek Coulthard, an expert who was one of the founding fathers of the H5 Decision. The body of the guidelines will need input from the Member States (current and future National Contact Points) themselves to assure that they stick to reality and are applicable to the daily work of the NCPs.

It was agreed that a drafting committee for these guidelines would channel the input of the Member States who would be willing to cooperate in this first phase. In the next phase, a working text will be made available for all project participants in order to enable them to insert their comments.

## 3.5 Further points for reflection

The survey showed that there was a lot of communication on fraud and error in Europe, although mostly outside the H5NCP network.

For example, bilateral or multilateral agreements are a popular instrument for cooperation and with proven results. This means that the added value of the H5NCP network should lie in its collective approach and ability to reconcile different approaches and therefore it was felt that NCPs should look at the project also in a long-term perspective.

In the light of this long-term perspective, it must not be ignored that this project, like all projects, has a defined ending: the European funding will end in January 2014. If we do not want the project activities to end simultaneously, reflections need to start immediately on how we can make sure these efforts are not in vain.

It will be seen from the above short report that the discussions in Amsterdam went into considerable depth on the whole issue of the NCP network. These discussions served the project well in its subsequent work.

## 4. The Barcelona seminar – Main points

Thirty NCPs attended this seminar, which was held on 10 June (p.m.) – 11 June (a.m.). This seminar can be reported in much briefer detail than in the previous section. It fell into two parts as follows:

### 4.1 Beezy tutorial

This comprised a hands-on tutorial conducted by Beezy representatives based in Barcelona. In fact, access to Beezy had been granted to NCPs throughout April and May. The fact that most NCPs had therefore also had some familiarity with the platform and its User Guidance meant that optimal benefit could be gained from the seminar.

### 4.2 NCP Guidelines

The morning of the second day was devoted to a discussion on the draft NCP Guidelines which had already been circulated to NCPs and on which a number of comments had already been received. Each section of the Guidelines was discussed in detail. A note was taken of comments and a revised version incorporating these was issued on 14 June.

## 5. The electronic platform

Since its introduction there has been some significant usage of the platform although it remains the case that some NCPs have not so far taken an active part in the various topics. The site statistics indicate the following level of usage to date (April - December 2013):

- 151 microblogs
- 65 documents posted
- 96 discussions and replies
- 177 comments



Subjects discussed include:

- Use of life certificates to confirm pensioner is still alive
- Various issues concerning legislation applicable, including international transport workers, agency workers and proposed revisions to Art. 12 and 13 to Reg. 883/2004
- Control measures in cases involving the export of unemployment benefits (Art. 55, Reg. 987/09)
- Improper use of EHICs
- Recovery of debts (Art. 75 et seq Reg. 987/09)
- Penalties for fraud
- Measurements of the cost of fraud and error

This all represents a very significant increase in the activity of the NCP network compared with the very low usage illustrated by the initial survey at the start of the project (see section 3 above).

In the light of experience in using the Platform, it was decided to open specific expert groups (communities). To date three such groups have been created covering respectively Pensions, Legislation Applicable and Health Insurance.

In addition, an informal group working in this field, the Working Group European Benefit Fraud, has been given access to the platform, currently as a “closed” group.

It seems reasonable to assume therefore that the platform has been very successful in facilitating and stimulating much more activity on the NCP network, to the betterment of the functioning of this network and the fight against fraud and error generally.

It is also proposed that the present list of NCPs produced by the AC should be replaced by a “Who’s who” on the platform.

The actual user specification for the platform is appended as an Annex to the Guidelines, and it is proposed that this will remain there for the time being.

Finally, it is considered that the platform could be developed so as to facilitate more generally matters before the Administrative Commission and its Ad Hoc Groups, but this is for further deliberation outside of the scope of the current project.

## **6. NCP Guidelines**

The guidelines which have been agreed by all NCPs cover the following topics:

- Appointment of the NCP
- Duties of the NCP
- Responsibility and accountability of the NCP
- Enquiries in individual cases
- Procedures to be followed
- Special duties in relation to the E-Platform.

There are also two annexes covering:

- User requirements for the E-Platform
- FAQs

The guidelines were issued to NCPs on 15 September 2013 for validation by national AC Delegates. Replies were received from all EU/EEA MS and Switzerland confirming validations, with comments from only two MS of a minor editorial nature.

## **7. Evaluation of the project by the NCPs**

Shortly before the final conference in Vilnius, Project Management issued a survey to NCPs inviting their evaluation of the project.

Twenty-nine NCPs responded. The overall evaluation was exceptionally positive. Some figures, for example:

90% said they now had a better understanding of the NCP role (2 NCPs said it was already clear to them).

100% said that the process of creating the Guidelines had been successful and that they were a step forward in implementing Decision H5.

86% said they had already benefitted from the use of the network.

100% said they felt that the project had been successful in improving the functioning of the Network

71% said they had actively participated in the platform (those who answered in the negative indicated that they did nevertheless follow the discussions).

Individual comments by NCPs included:

*"I have made and developed excellent relationships with persons in other countries who work in similar fields. I have gained knowledge and shared experiences in the fraud and error arena that have benefitted my organisation. I have been the conduit for some queries and look forward to assisting other MS in the future."*

*"There is a face behind the institutions and the exchange is on a more personal level now. Furthermore the response is much faster; issues and responses are posted and can be accessed at any time."*

*"I think that expanding the platform by permitting access to more people would be very useful because experts for concrete fields of social security (Pensions, Family Benefits, etc.) would participate in the discussions and share their best practices."*

## **8. The Vilnius seminar – Main points and conclusion of the project**

This seminar, at which all NCPs were present, was held on 17 December 2013. It was the last opportunity for NCPs to meet in the course of the current project, which finishes on 14 January 2014.

An invitation to attend the meeting was also extended to members of the Administrative Commission, and a number of delegates attended accordingly.

The meeting considered in detail a number of issues including:

- The outcome of the survey examining NCP's evaluation of the project
- The use of the platform
- Illustrations from individual NCPs as to how their own national organizations are mapped so as to accommodate the role of the NCP and support its functioning
- Examples of cooperation throughout the duration of the project
- Presentation of the overall results of the project by Derek Coulthard, as recorded in this report
- An update on the work of the Administrative Commission Ad Hoc Group on the exchange of personal data on fraud and error (of which a number of NCPs were members – see Section 3.2 above)
- A discussion involving NCPs, Project Management and AC delegates on the consolidation of the network, and options for extending the platform to other groups working in the field of social security coordination, not necessarily limited to fraud and error matters

All present noted that, in addition to its concrete achievements, the project had been very successful in generating a cooperative and friendly spirit amongst all the NCPs, which would undoubtedly add value to the operation of the NCP network overall.

Project Management concluded by thanking all those present and for their active participation throughout. Thanks were also extended to the independent expert Mr Derek Coulthard and to Mrs Sasha-France Trevelyan from the European Commission.

## **9. Administrative Commission Meeting in Vilnius, 18 – 19 December 2013**

Mr Didier Verbeke and Ms Mirjam Schuit (Project Management) and Mr Derek Coulthard presented the results of the project at the meeting of the Administrative Commission in Vilnius on 18 December 2013.

There were no comments from the delegates. The Chair on behalf of the AC expressed her appreciation of the work undertaken on the project and for the presentation.

This was immediately followed by the presentation by the Belgian delegation of the joint Belgian/Dutch paper AC 598/13.

This paper, inter alia, asked the AC:

- (1) to consider an amendment to Decision H5 so as to incorporate the NCP Guidelines, and
- (2) to support the continuation of the platform beyond 31 December 2013.

In response, the Commission confirmed that funding had been provided for the continuation of the platform for 2014 and 2015 and the AC gave the Dutch and Belgian delegations the mandate to manage the platform for these next two years.

Also, the Dutch and Belgian delegations agreed to present a note on the revision of Decision H5 to be discussed at the forthcoming meeting of the Administrative Commission in March 2014.





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D/2014/10.770/5

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This publication was developed as part of the call for proposals based on the budget line 04 03 05 00 of the EU budget for “Free movement of workers, coordination of social security systems and measures for migrants, including migrants from third countries”.

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