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Remote-Working Multiple Impacts
in the Age of Disruptions:
Socioeconomic Transformations,
Territorial Rethinking, and Policy Actions

Deliverable 1.2

Policy Brief I - Building a Resilient and Equitable Framework for Remote Work Across Europe

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Executive Summary

From being a niche flexibility option, remote working (RW), which includes teleworking, hybrid working, working from home, and smart working, has become a diffused organisational practice throughout Europe. It has exposed glaring national disparities in legal systems, infrastructure preparedness, and cultural norms, spurred by the pandemic and more general digitalisation trends. Southern and Eastern countries have had to quickly adopt new structures, frequently with uneven results, whereas Northern and Western European countries were better positioned to adopt and regulate RW.

This policy brief analyses the current state of RW regulation in Europe, emphasising three main strategies: hybrid systems (like Austria and Italy), collective bargaining-driven (like France and Belgium), and legislation-driven (like Spain and Portugal). Significant differences in digital infrastructure, financial incentives, and legal protections are also highlighted, especially concerning the right to disconnect, equipment reimbursements, and surveillance protections.

Although there has been some convergence in regulatory practices since the pandemic, significant disparities remain, including unequal access to digital infrastructure, limited cross-border tax coordination, and the absence of EU-level RW legislation. The policy brief stresses the importance of transitioning from emergency measures to sustainable, inclusive frameworks that support workers' rights, regional development and employer flexibility. Overall, RW presents a strategic opportunity for the EU to modernize labor markets, reduce regional inequalities, and improve worker well-being—if supported by coordinated, forward-looking policies that respect national diversity while advancing shared values.

In this perspective, the brief suggests a phased EU strategy to address the following issues. In the short term, formalise cross-border remote work agreements, increase home-office tax allowances, and introduce a Council recommendation on minimum RW standards. Medium-term: Establish a mutual Digital Nomad Status, develop an EU Skills Catalogue for remote work, and launch a Digital Workplace Transition Fund. Long-term: Encourage collective bargaining inclusion, update the Working Time Directive for digital-era protections, and incorporate RW metrics into Green Deal indicators.

1. Introduction

Flexible working arrangements (FWA) can be defined as teleworking, remote working (RW), working from home (WFH), and hybrid working (see Table A in the Appendix). Teleworking was once the most common term, while remote working was introduced during the lockdowns of the 2020–21 COVID-19 pandemic to refer to any work carried out outside the employer's premises, regardless of the technology used. Since the term "remote working" is now established as an umbrella term (see Table 1 in the Appendix), taken into consideration most references in reports by the European Commission and national legislative texts, this policy brief will use this term and its abbreviation (RW) to refer to this working arrangement.

Once the pandemic restrictions were lifted, remote workers began to adopt hybrid working, involving work carried out both in the usual workplace and at home or in third places (e.g., coworking spaces). RW has rapidly transitioned from a niche flexibility measure to a widespread organisational practice, prompted by global shocks (e.g., COVID-19 pandemic) and ongoing megatrends (e.g., digitalization). However, its adoption varies across Europe, influenced by national digital infrastructures, economic structures, and labour traditions. Specifically, Northern and Western European countries have embraced RW more extensively than their Southern and Eastern counterparts, largely due to stronger institutional support and digital infrastructure.

Based on EU labour market data, around 37% of EU-27 employees are in occupations that can technically be carried out from home (JRC, 2020[1]). However, actual usage differs significantly: in 2023, 22% of employed people aged 15 to 64 worked from home (sometimes or usually) in the EU (Eurostat, 2025[2]). Recent data from Eurofound's 2024 e-survey highlights a decline in remote work since 2023, with the percentage of respondents working entirely from the workplace increasing from 36% in 2023 to 41% in 2024. This decline occurred despite over 50% of respondents preferring to work from home multiple times per week.

Emergency measures were introduced to regulate RW in many countries at the onset of the COVID-19 pandemic in spring 2020. However, it soon became clear that a more permanent regulatory response was needed beyond short-term crisis orders. While pre-2020 frameworks treated remote working as an optional extra for a minority of employees, the new laws aimed to normalise and safeguard it for a significant proportion of the workforce.

Initially, EU institutions let member states lead remote working policies (since employment law is often tailored at a national level), but the scale of the change has led to calls for a more unified approach. Throughout 2021–2022, the European social

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[1] https://joint-research-centre.ec.europa.eu/document/download/1ccf7717-ab52-4215-b14a-08d74e9d44fc_en
[2] https://ec.europa.eu/eurostat/databrowser/view/lfsa_ehomp$defaultview/default/table?lang=en

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partners attempted to update their 2002 Telework Agreement: unions and employers tried to negotiate a new agreement at the EU level. However, these talks collapsed in November 2022 when employer associations (BusinessEurope and SMEunited) rejected a final compromise, citing significant differences in national legislation and practices. Following this deadlock, trade unions urged the European Commission to introduce legislation, arguing that the pandemic made establishing a robust set of common remote working rights imperative. In early 2021, the European Parliament passed a resolution advocating an EU Right to Disconnect directive, and in 2023–2024, the Commission launched a formal consultation on 'fair remote working and the right to disconnect' (Dentons Law Firm, 2024).

Initiatives in the area of RW and the right to disconnect are currently being explored as part of the European Commission's response to the European Parliament's resolution of early 2021. As of mid-2025, however, no specific EU directive on RW exists, and remote working continues to be governed by patchwork of general EU laws (on working time, occupational safety and work-life balance, for example) and the old 2002 framework. Post-pandemic, remote working policies have shifted towards environmental sustainability, work-life balance, employee well-being and the right to disconnect. This shift has highlighted the uneven preparedness of different European regions and sectors, prompting discussions around policy, access, equity, and infrastructure.

2. Key findings

As shown in Figure 1, the analysis of EU states regulating RW from an evolutionary standpoint reveals that the COVID-19 pandemic has accelerated the legislative process across the EU. Initial emergency measures have matured into permanent frameworks that emphasise structured agreements on home-office safety, equipment reimbursements, and work-hour boundaries, as observed notably in Ireland, Austria, Spain, and Slovenia. Compared to the pre-Covid era, when only seven nations had enacted remote working legislation in 15 years, 14 nations have enacted RW legislation in the five years since the pandemic began.

Figure 1. The Timeline of the First Remote Working Regulations in EU countries. (Blue: Before Covid; Red: After Covid).
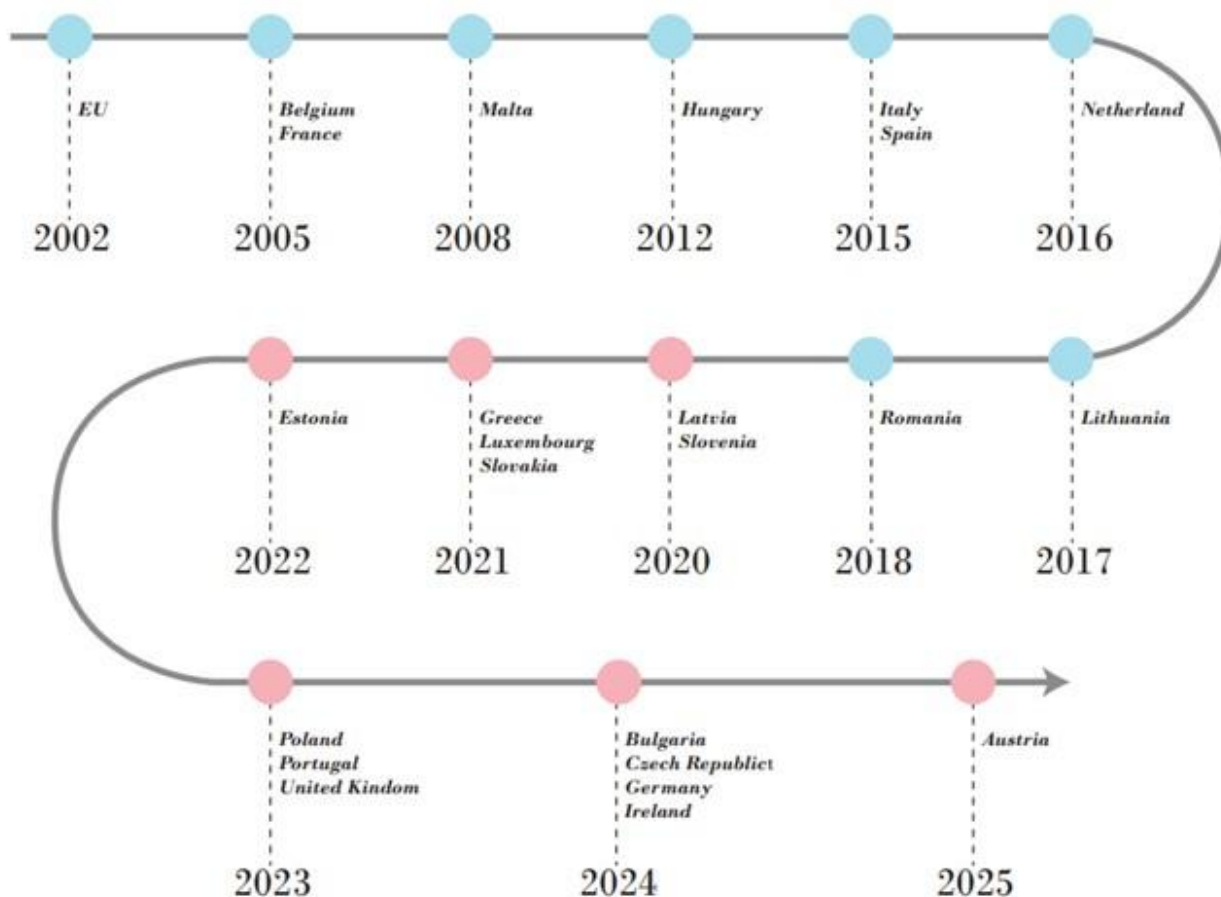
Regulatory, Cultural and Business Approaches

Across Europe, regulatory frameworks for RW demonstrate a wide spectrum of institutional norms, policy maturity, and objectives, shaped significantly by each country's **regulatory approach & oversight and cultural approaches**. The regulatory landscape varies notably, falling into three predominant categories:

- **Legislation-driven** approaches were adopted by countries such as Spain and Portugal, which implemented detailed statutory remote working laws covering crucial aspects such as costs, hours, and safety measures, especially evident in their robust post-COVID frameworks (e.g., Spain's detailed 2021 Remote Work Law).

- Conversely, **collective bargaining-driven** methods are prominent in Belgium, Luxembourg, and France, countries that prefer national collective agreements complemented by minimal legislation. Belgium notably negotiated the special National Collective Agreement No. 149 in 2021, addressing remote working

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conditions during the pandemic, enhancing pre-existing laws without extensive new legislation. Similarly, France's 2020 National Interprofessional Agreement (ANI) provided practical guidelines for remote working.

- A **hybrid approach** characterises Austria and Italy, which employ broad legislative frameworks allowing specific conditions to be determined via collective agreements or individual contracts. Austria's Home Office Act (2021) typifies this, crafted through consultations with unions and employers, while Italy's legislative framework from 2017 delegates specifics to individual contractual agreements.

- Distinct **cultural approaches** further influence regulatory oversight. Countries such as France, Italy, and Spain have adopted strong **formal oversight**, with active labour inspections ensuring compliance and a pronounced cultural emphasis on safeguarding non-work personal time, exemplified by France's pioneering right to disconnect law (2017). In contrast, the **trust-based cultures** of Finland and Sweden rely predominantly on social dialogue and collective self-regulation, avoiding extensive new remote working-specific legislation due to already high remote working acceptance and robust pre-existing general labor protections. Moreover, some countries follow an **infrastructure-driven** path, such as Poland and Bulgaria, focusing primarily on developing digital infrastructure and leveraging economic incentives rather than imposing extensive remote working legislation, given their relatively lower remote working adoption rates historically.-The degree of **policy maturity** significantly influenced national responses: countries with pre-existing, well-established remote work frameworks, such as France and the Netherlands, adapted swiftly to pandemic conditions (Figure 1). Conversely, countries such as Cyprus and Greece, without prior comprehensive RW regulations, rapidly constructed legal frameworks from scratch, often resulting in inconsistent application and varied coverage.

- In the **private sector**, businesses have generally moved faster and more flexibly to adopt remote and hybrid work arrangements. Market forces, geopolitical shocks, productivity strategies, and talent retention mainly influence this **flexibility**. However, in **public administration**, a few examples of local policies promoting remote working within the organisation also exist.

- **Implementation mechanisms** across Europe exhibit considerable consistency in mandating written agreements on RW arrangements. These formal agreements typically delineate rights, responsibilities, and clear boundaries for employers and employees, as explicitly required in countries like Spain, Portugal, Ireland, Austria, and Slovenia. Such agreements are essential for explicitly defining remote working conditions, including reimbursements for equipment, safety protocols, working hours and performance expectations. This involves transitioning emergency-driven measures introduced during the pandemic into permanent remote working regulations.

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Core Policy Features Compared

European countries demonstrate significant diversity in specific RW policy features:

- The **Right to Disconnect** varies widely. Countries explicitly enshrining this right into law include Austria, Belgium, Cyprus, France, Greece, Ireland, Italy, Luxembourg, Poland, Portugal, Slovakia, Slovenia, and Spain, whereas the Netherlands, Nordic countries, and the UK handle this right indirectly via CBAs or employer policies. Several Central and Eastern European countries, including Bulgaria, Czech Republic, Hungary, Latvia, Lithuania, and Romania, notably lack explicit legal provisions.

- **Fiscal Policy Divergence** highlights strategic fiscal measures increasingly utilized to shape remote work adoption. Employers are generally required to provide equipment and compensate RW expenses (Austria, Cyprus, France, Greece, Ireland, Portugal, Spain, etc.), though calculation methods vary widely. **Cross-border remote work** – currently 1.7 million cross-border workers in the EU, representing 1% of the EU workforce - presents significant fiscal challenges. However, regulatory disparities and a lack of coordination, especially on tax matters, pose challenges for full-time cross-border remote work. **Tax incentives** targeting digital nomads are prominently featured in Portugal, Spain, Greece, Croatia, Estonia, Romania, and Malta, with varying degrees of income tax reduction or exemptions to attract mobile professionals. Support for home-based work, through direct subsidies or tax deductions, is evident in Belgium, Ireland, Germany, the Netherlands, and Austria, mitigating the costs shifting to employees. Furthermore, significant investments in digital connectivity infrastructure are prevalent, especially in Western and Northern European countries, while Eastern and Southern European countries progressively improve through EU-funded initiatives, with countries like Ireland notably investing in coworking hubs.

- Dedicated **Digital Nomad Policies** are leveraged strategically by several countries, notably Cyprus, Czech Republic, Estonia, Greece, Hungary, Italy, Latvia, and Portugal. Southern and Eastern European states have proactively implemented digital nomad visas, explicitly linking these initiatives to broader economic revitalisation, tourism, and regional development strategies, whereas major Western and Northern European states like Austria, Belgium, France, Germany, Ireland, and the Netherlands, despite progressive remote work frameworks, typically lack specific digital nomad legislation.

- Enhanced **Privacy and Surveillance Protections** emerged prominently in recent remote work laws, particularly in Cyprus and Greece, explicitly banning intrusive digital monitoring (e.g., webcams) and requiring comprehensive data protection assessments. Conversely, older or less-specific frameworks primarily depend on broader GDPR-compliant rules rather than remote working-specific legislation. Nordic jurisdictions, traditionally protective of

employee privacy via general labour laws, indirectly enforce these protections without explicit remote working provisions.

- The issue of **Workplace Safety & Ergonomics** sees varied attention across Europe, with some countries like Slovenia and Ireland mandating clear employer responsibilities, including ergonomic assessments and provision of necessary equipment. Others, such as Germany and the UK, predominantly rely on voluntary or negotiated arrangements, while Spain, Latvia, and Portugal explicitly mandate employer reimbursements for remote working-related expenses.

Geographical Considerations

Pre-pandemic Adoption Patterns

Before COVID-19, a significant North/West vs. South/East divide existed. Northern and Western countries (e.g., **Finland, the Netherlands, Sweden, Belgium**) had higher remote working rates and established regulatory frameworks through collective agreements or legislation. Conversely, Southern and Eastern countries (**Bulgaria, Romania, Greece**) had limited remote working practices and regulations, as exemplified by data: Finland had 25% regular remote workers versus Bulgaria's 1% pre-pandemic rate.

Post-pandemic Policy Divergence

The pandemic accelerated legislative changes unevenly. Countries with existing frameworks (**France, Netherlands**) quickly adapted, while others with minimal pre-existing structures (**Cyprus, Greece**) rapidly enacted entirely new regulations under significant pressure, causing inconsistent coverage and implementation.

Regional Digital Infrastructure Disparities

There remain marked disparities in digital infrastructure between Western/Northern and Southern/Eastern Europe. Western countries lead in broadband and 5G penetration, essential for effective remote working. Southern and Eastern European nations are actively closing gaps through EU-funded digital infrastructure investments, with additional challenges posed by rural "last-mile" connectivity issues, prompting explorations of satellite solutions. Northern and Western European countries—such as **Sweden (45.3%)**, **Finland (41.8%)**, **Netherlands (51.9%)**, and **Belgium (40.0%)**—report the **highest rates of RW**, well above the EU average of 22.2%. In contrast, **Southern and Southeastern European countries** like **Greece (7.4%)**, **Romania (2.8%)**, and **Bulgaria (3.3%)** remain at the **lowest end of the spectrum**, highlighting significant regional disparities tied to infrastructure, labor market structure, and policy maturity (Statista, 2023).

Economic Incentives and Regional Development

Economic revitalisation strategies significantly influence remote work policy, notably in Southern and Eastern Europe. **Greece, Portugal, Italy, Cyprus**, and several Eastern European nations explicitly integrate remote working policies (e.g., digital nomad visas, coworking space investments) to stimulate regional economic diversification, attract international talent, and support rural areas.

Nordic Region Specificity:

Nordic countries (**Denmark, Sweden, Norway, Finland**) uniquely approach remote working predominantly via collective bargaining agreements, emphasizing trust and flexibility while covering details such as working hours, digital access, and work-life balance. Remote working here is integrated into existing labor relations structures rather than standalone legislation, reflecting robust social dialogue and high union density.

Central and Eastern European Specificities

Central and Eastern European countries (**Bulgaria, Czech Republic, Hungary, Latvia, Lithuania, Romania**) display lower adoption of explicit remote working protections, lacking provisions like the right to disconnect and frequently using basic regulatory frameworks. Economic contexts here influence remote working development, emphasizing infrastructure enhancement rather than detailed employee protections or incentives.

3. Policy Implications

Efforts towards EU-wide policy coordination encounter significant **harmonisation barriers** due to national diversity in legal systems, labour cultures, and industrial relations traditions. Given these substantial national differences, achieving full EU-level policy harmonisation remains challenging. Policymakers are more likely to aim for establishing flexible minimum standards and promoting best practice exchanges rather than strict regulatory alignment. Such an approach is particularly important as remote working implementation varies significantly in enforcement and scope across jurisdictions.

The drivers of remote work policies in the EU have shifted over time, reflecting both immediate and long-term priorities. Initially, key drivers included the urgent need to protect public health and ensure business continuity during the COVID-19 crisis. These emergency measures were made possible by differing levels of technology readiness and were shaped by the societal context, particularly concerns around work-life balance and caregiving. Today, the drivers of remote work policy have expanded to include long-term goals such as environmental sustainability, economic incentives (e.g., rural revitalisation and digital transformation), and the harmonisation of labor market regulations. This evolution shows how remote work has become a

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strategic pillar in shaping Europe's future of work. Table 1 shows a few examples of leading practices across Europe about the following policy pillars.

Table 1. Leading practices, gaps, and divergence of a few policy pillars.

Policy pillar	Leading practice (examples)	Common gaps / divergence
Remote-worker rights	Spain, Portugal, France and Greece combine statutory Remote working law, mandatory written agreements, cost coverage and right to disconnect.	Nordic and several CEE countries treat rights via CBAs; coverage uneven in non-union sectors.
Fiscal incentives	Austria (€3/day, €300 cap) and Norway (NOK 2 050 yearly allowance) provide clear, tax-free home-office deductions.	Most states offer no national allowance; cross-border taxation remains unclear beyond 25% Remote working threshold.
Regional development	Ireland's *Our Rural Future* and Greece's co-working-hub programme channel EU cohesion funds to remote-work infrastructure.	Few hard targets; most national strategies still treat remote working as labour policy, not regional tool.
Digital-nomad regimes	Portugal, Spain, Greece, Cyprus, Czechia, Italy, Estonia and Romania use dedicated visas with income tests and fast-track residency.	Major labour-importing economies (DE, FR, NL) lack bespoke schemes; residency, tax and social-security obligations opaque.

RW has positive and negative aspects that concern workers, organisations and territories, which brought forward regulatory challenges (Table 2). Its benefits, such as greater flexibility, geographic decentralisation of jobs, and improved well-being, coexist with risks like technological stress, surveillance through digital monitoring tools ("bossware"), social isolation, and blurred work-life boundaries.

Additionally, RW can exacerbate existing socio-economic inequalities, especially in contexts lacking inclusive digital infrastructure or legal protections. For instance, workers with disabilities or caregiving responsibilities may thrive under RW, yet without clear frameworks, they may also face marginalisation or exploitation. Moreover, employers may struggle with organisational cohesion, performance tracking, and legal clarity in hybrid or fully remote arrangements. This growing complexity makes robust regulatory intervention not just advisable but essential, while ensuring fairness, protecting rights, and guiding sustainable implementation.

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Table 2. Remote working positive and negative aspects

Remote working - Positive Aspects	Remote working - Negative Aspects
Enhances work-life balance	Risk of overwork and blurred work–life boundaries
Increases flexibility and autonomy	Increases the ergonomic risks because of makeshift workstations
Reduces commuting and environmental impact	Technostress and digital surveillance concerns
Promotes labour market inclusion (e.g. caregivers)	Increases isolation and weakens workplace relationships
Enables territorial redistribution of workers	Potential reinforcement of socio-spatial and digital inequalities
Fosters business resilience and continuity	Legal ambiguities in cross-border or hybrid setups
Boosts talent retention and geographic flexibility	Undermines team cohesion and organizational culture

4. Actionable Recommendations

Based on the issues highlighted above and selected reports that have considerable international relevance (see footnotes), the following main recommendations at the EU level can be identified according to a short, medium, and long-term time frame.

Short Term

1. Issue an EU Council Recommendation codifying: mandatory written remote working agreements, employer duty to cover direct expenses, and a basic right to disconnect.

2. Mandate Member States to adopt a uniform, non-taxable home-office allowance up to €600/year or equivalent in kind (based on common national benchmarks in Germany, Belgium, Netherlands)[3].

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[3] This threshold is grounded in existing national tax frameworks such as Austria (~€300/year) and Belgium (~€600/year), Germany (€1,200/year), and the Netherlands (€2/day). See also: International Organization for Migration (IOM). (2024). Policy brief: Cross-border remote work and intra-EU labour mobility. IOM Germany. https://germany.iom.int/sites/g/files/tmzbdl806/files/policy-brief.-cross-border-remote-work-and-intra-eu-labour-mobility.pdf

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3. Extend the bilateral *Framework Agreement on Cross-Border Telework* to all EU/MS and raise the social-security presence threshold to 50% of workdays[4].

Medium Term

1. Deploy an `~€800 m Digital Workplace Transition Fund (RRF top-up) for SME process digitalisation and public-sector cloud migration[5].

2. Create an EU Skills Catalogue for remote-era leadership, with micro-credential recognition across Erasmus+ and ESF+.

3. Finalise a modular Digital Nomad Status (income floor, health insurance, 12-month renewable stay) with mutual recognition across Schengen[6].

Long Term

1. Integrate remote/hybrid work criteria into EU Green Deal indicators to capture transport carbon savings and building-stock optimisation.

2. Commission Eurostat to track Remote working productivity, commute emissions and gender-equality impacts via annual labour-force surveys.

3. Review Directive 2003/88 on Working Time to include explicit digital disconnect and privacy safeguards[7].

4. Promote collective bargaining on remote work across all EU sectors by issuing a Commission Recommendation encouraging social partners to integrate Remote working terms (e.g. flexibility, right to disconnect, cost-sharing) into sectoral CBAs, especially in low-coverage countries.

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[4] The current threshold stands at 25%. See: International Organization for Migration. (2024). Policy brief: Cross-border remote work and intra-EU labour mobility. IOM Germany.
https://germany.iom.int/sites/g/files/tmzbdl806/files/policy-brief.-cross-border-remote-work-and-intra-eu-labour-mobility.pdf

[5] Aligned with digital transformation goals and consistent with RRF digital pillar (≥20%) which includes investments in connectivity, e-government, cloud infrastructure, cybersecurity, and SME digitalisation. See: European Commission. (n.d.). Recovery and Resilience Facility. https://commission.europa.eu

[6] International Organization for Migration. (2024, May). Talent hub overview: Domestic and cross-border remote working modalities in the EU. IOM Germany.
https://germany.iom.int/sites/g/files/tmzbdl806/files/talent_hub_overview_domestic_and_cross-border_remote_working_modalities_in_the_eu_final_may2024.pdf

[7] European Agency for Safety and Health at Work. (2021). Monitoring remote and hybrid work: Guidance for occupational safety and health.
https://osha.europa.eu/sites/default/files/documents/Remote_workers_monitoring.pdf

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APPENDIX

Table A. Flexible working arrangements definition

Type	Definition	Source
Telework	Telework is a form of organising and/or performing work, using information technology, in the context of an employment contract/relationship, where work that could be performed at the employer's premises is carried out away from those premises on a regular basis.	2002 EU social partners' Framework Agreement
Remote work	Remote work refers to any work carried out outside the employer's premises, regardless of the technology used.	Eurofound (2023a)
Hybrid work	Hybrid work can be interpreted as a form of work organisation which results from the interplay of four main elements: physical, temporal, virtual and social.	Eurofound (2023a)
Work from Home	Comprises workers carrying out remote work from their own residence. The physical location where the work is carried out is thus the worker's own home, that is, an alternative location to the default place of work.	ILO (2020)
Smart work	Smart work defines a way of carrying out the employment relationship – characterised by the absence of time or space constraints – according to phases, cycles and objectives established by agreement between the employee and the employer.	Law 22 maggio 2017, n. 81 (Law.81/2017)

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