

iGlobal Law 2021 Annual Alert : France

Legal Change	Effective Date	Action required
<p>Changes to the Technical Unemployment Scheme (TUS) (also called the Partial Activity Scheme):</p> <ul style="list-style-type: none"> - the TUS will be authorised for a maximum of 3 months (currently 12 months). It may be renewed for a maximum of 6 consecutive or non-consecutive months over a reference period of 12 consecutive months. - for each hour not worked as part of the TUS, the employee will receive compensation paid by the employer corresponding to 60% of his gross hourly wage (compared to 70% currently), limited to a maximum of 4.5 times the hourly rate of the <i>Smic</i> (i.e. €46.13 per hour approximatively). - the hourly rate of the TUS received by the employer will be equal, for each employee concerned, to 36% of the gross hourly wage (currently 70%), up to a limit of 4.5 times the hourly rate of the <i>Smic</i> (i.e. €46.13 per hour approximatively). This hourly rate cannot be less than €7.23 (compared to €8.03 currently). 	<p>January 1st, 2021</p> <p>But a draft decree provides for new effective dates:</p> <ul style="list-style-type: none"> - for the maximum 3 months duration of authorisation: March 1st, 2021 - for the reduction of the compensation received by the employee to 60%: February 1st 2021 	<p>Keep in mind these changes if you wish to use the TUS (which will be less favourable than at present).</p> <p>But it is possible that these provisions may evolve in line with the evolution of the pandemic, so keep up to date with the rules and guidelines.</p>
<p>Extension of Paternity Leave and Childcare Leave (in case of adoption):</p> <p>The duration of paternity and childcare leave will be extended to 28 days (compared to 14 days currently) and to 35 days in case of multiple births (compared to 21 days currently).</p> <p>In addition, paternity and childcare leave will be made partly mandatory, prohibiting the employer from employing the employee for a period of 7 days immediately after the birth or arrival of the child.</p>	<p>July 1st, 2021</p>	<p>Ensure HR and payroll is aware.</p> <p>If you have a collective agreement on paternity and childcare leave, it may be necessary to amend it to bring it up to date.</p>
<p>Increase in the Duration of the Social Regime for Reclassification Leave and Mobility Leave in the Event of Career Change Training:</p> <p>The duration of the reclassification leave may be extended to 24 months in the event of training for a career change (currently 12 months maximum), the allowance paid to the employee by the employer being exempt from social security contributions for this entire duration.</p> <p>Similarly, for mobility leave (no legal duration) intended for training for career change purposes, the allowance paid to the employee will be exempt from social security contributions for up to 24 months (currently 12 months maximum).</p>	<p>January 1st, 2021</p>	<p>Ensure HR and payroll is aware.</p> <p>If you have a collective agreement on reclassification and mobility leave, it may be necessary to amend it to bring it up to date.</p>
<p>Postponement of Professional Meetings with Employee:</p> <p>In view of the difficulty, due to the Covid situation, for the</p>	<p>December 4th, 2020</p>	<p>Some companies are required to organise professional meetings with</p>

<p>employer to organise both types of professional meetings with employee (the two-yearly meeting and the six-yearly meeting), the employer has until June 30th, 2021 to formalize the conduct of professional meetings that should have or must take place between January 1st, 2020 and June 30th, 2021.</p>		<p>employees between January 1st, 2020 and June 30th, 2021. These meeting now must be done by June 30th at the latest. After this date, failure to organise one of these meetings may result in a penalty (obligation to make a contribution to the <i>CPF</i> (personal training account) of the employee concerned).</p>
<p>Postponement of the Deadline for Transferring Hours Acquired under the <i>DIF</i> to the <i>CPF</i>:</p> <p>Employees have until June 30th, 2021 (previously December 31st, 2020) to transfer their hours earned on their "Individual Training Entitlement" (<i>DIF</i>) to their "Personal Training Account" (<i>CPF</i> – which is the new tool for financing professional training for employees).</p>	<p>November 16th, 2020</p>	<p>Employers should consider telling employees of this change and encourage them to transfer their existing rights on their <i>DIF</i> to their <i>CPF</i>. To do this, the employee must log on to this site.</p>
<p>More Flexibility in the Duration of Profit-sharing Agreements (<i>accord d'intéressement</i>):</p> <p>A profit-sharing agreement can now be concluded for a period of between 1 and 3 years (before it had to be concluded for 3 years).</p>	<p>December 9th, 2020</p>	<p>This new measure should encourage the implementation of profit-sharing agreements for companies that cannot define a single calculation formula over several years.</p>
<p>New Control Procedures for Profit-sharing Agreements and Savings Plan Regulations:</p> <p>Profit-sharing agreements (<i>accord d'intéressement</i> and <i>accord de participation</i>) and savings plan regulations will be subject to a control in two distinct steps:</p> <ul style="list-style-type: none"> - a control by the <i>Direccte</i> of the formalities for registering and the procedures for negotiating, terminating, and revising agreements (the <i>Direccte</i> will issue, within a period of time (set by future decree) a receipt certifying that the agreement/regulations has been validly concluded and registered, and will then forward the document to the <i>URSSAF</i>). - a control by the <i>URSSAF</i> of the content of the agreement or plan (the <i>URSSAF</i> will have a deadline (that will be set by future decree) to request the withdrawal or modification of clauses contrary to legal provisions, if necessary) <p>Currently, this control is carried out by the <i>Direccte</i> with a simple consultation with the <i>URSSAF</i>.</p>	<p>September 1st, 2021</p>	<p>No change for companies in the procedure for submitting agreements to the <i>Direccte</i>.</p> <p>This new procedure allows employers to invoke the control of the <i>URSSAF</i> in the event of a subsequent challenge.</p>
<p>Possibility of Terminating Complementary Health Insurance contracts at any time, after one year of subscription:</p> <p>It is now possible to terminate complementary health insurance contracts at any time, without charge or</p>	<p>December 20th, 2020</p>	<p>Note this change and verify that this possibility of termination is mentioned in the contract and is reminded by the</p>

<p>penalty, after one year of subscription (previously it was only possible to terminate during the days preceding the anniversary date of the contract). This possibility concerns both companies that subscribe collective contracts for their employees and individuals who adhere to these complementary health plan.</p>		<p>insurer at each notice of assessment due date (this is an obligation of the insurer).</p>
<p>Reform of the Pension System - Main Planned Measures:</p> <ul style="list-style-type: none"> - a single pension plan would replace the 42 existing pension plans. - the rights of each insured person would be counted in the form of points (points would be acquired through the payment of social security contributions, although solidarity points would be awarded according to certain situations or events affecting the insured person's career). <p>A minimum retirement amount, probably set at 85% of the net of the Smic for those with a full career, would be established for the benefit of each individual, under terms that are still largely undetermined.</p>	<p>Not yet known. The legislative process may continue after the pandemic.</p>	<p>No action is required at this time.</p>