

# A legal guide \* workers mobility

in EUTODE employees, employers and self-employed workers

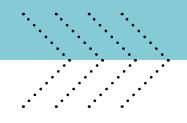
[Labor and social security law in France]







# Introduction





This guide aims to inform <u>salaried workers</u>, their <u>employers</u>, and <u>self-employed workers</u> about their rights and obligations under French social security and labor law. The conditions of the worker's mobility will determine which set of rules applies to their situation. It is indeed crucial to differentiate between local contracts, postings and multi-State employment since these disposals involve different setups. For each of them, the guide details the circumstances of a worker leaving France to work in another country compared side-by-side with those of a worker coming to France. We will also provide a brief overview of the <u>rules of mobility outside Europe</u> at the end of this guide.

The provisions of labor and social security law regarding international mobility have the same goal: to provide a legal framework for employers and mobile workers both within the European domestic market and worldwide while considering everyone's specific situation. However, cases may occur on which labor and social security law rules diverge.

The main rule for mobile workers is to join the local social security scheme and abide by the mandatory minimum labor law rules of the State where they will be working.

According to social security law, postings are an exception to this rule. For a limited period, a worker will be able to work in another State while remaining a member of their home State's social security scheme provided that their situation meets the requirements appearing in this guide. According to labor law, a contract concluded with the employer binds the worker, but both of them have to follow a set of compulsory minimum labor law rules called "core set", from which the contract cannot deviate.

In Europe, simultaneous employment in at least two States comes under a specific rule known as <u>multi-State employment</u> when it comes to social security membership. It is also presented in this guide.





# In this guide, the phrase

# "mobility in Europe" refers to mobility in the colored countries

on the map:



European Union and European Economic Area (Liechtenstein, Norway, Iceland) member States plus Switzerland.



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#### **Mobility outside Europe**

Ressources



### The main legal tools in labor law

#### Labor law

protects mobile workers through four European legal tools:

EC regulation no. 593/2008, also known as Rome I Regulation, allows the parties to an employment contract **to choose which country's law applies to their work relationship.** Simultaneously, it guarantees the worker's coverage by the host country's "overriding mandatory provisions" and stipulates which country's laws will apply in the event of a dispute, unless previously spelled out in the contract.

Directive 96/71/EC creates a specific status for worker mobility within the EU: posting. It implements "mandatory rules for minimum protection" applying to posted employees in their host member States that are to be interpreted as overriding mandatory provisions.

Under Directive 2014/67/EU, member States hosting posted workers are legally empowered to control and penalize abuse and circumventions of worker posting rules within their borders.

Directive 2018/957, which amends Directive 96/71/CE, reinforces the guaranteed rights of mobile workers. It will come into force in the EU/EEA on July 30, 2020.



# The main legal tools in social security law

#### Social security law

#### **European regulations:**

European regulations nos. 883/2004 and 987/2009 facilitate the free movement of workers by ensuring that mobility within Europe does not create a breach in their social security coverage. They guarantee the continuity of social protection of a worker when they transfer from one legislation to another. The previous regulations nos. 1408/71 and 574/72 still apply in very specific situations.

#### Bilateral agreements:

France has signed bilateral coordination agreements with around forty States outside the EU, the EEA and Switzerland [see the currently applicable agreements]

#### The French Social Security code:

Outside the scope of European regulations and bilateral agreements, a worker can remain affiliated to the French social security system for 3 years (this period can be renewed once).





# what is posting according to labor law?



In Europe, posting refers to the situation in which a business legally established in one country sends temporarily an employee to another country for work. Once their job is done, the employee goes back to their usual place of employment in their home country. The employee's pay and working conditions depend on the provisions of the host country's labor law.

#### You can post your employee to France if one of the following circumstances apply:

Your business must be legally established in your home country. Your company's operations in the home country should be more than administrative management of its own departments. You must not be doing business in France on a current, regular and ongoing basis. Your employee must be usually working outside of France and have an ongoing work relationship with you.

- 1. Your employee will be providing a contracted service in France for one of your customers
- **2.** Your employee will be working at a French branch office of the group to which your business belongs
- **3.** Your employee will be temping for an end-user company in France
- **4.** You are sending your employee to work in France on your own account with no outside client or service provision.

In addition, before the posting starts, your company must submit a prior declaration of posting on the <u>SIPSI</u> online platform (except in the case of postings with no customer contract or short-term assignments in the fields listed by the decree of June 4th, 2019).

During the posting, you have to abide by the "core set of the provisions" of the French labor code. These provisions include personal and group freedoms, workplace gender equality and discrimination, maternity protections, the right to strike, legislation on working time, bank holidays, annual paid vacation days, minimum wage and salary payment rules, workplace health and safety and illegal employment.

As from July 30, 2020, if the posting lasts more than 12 months (or 18 months if you have submitted a substantiated declaration on the <u>SIPSI</u> online platform), you have to abide by the entirety of France's labor law provisions except for those covering the start and the termination of the employment contract.

Be aware that if the employee you are posting to France does not hold the citizenship of an EU/EEA member State or the Swiss citizenship, and if they do not have legal residency with a French work permit, they will be subject to additional rules regarding immigration, residency and temporary employment. For more information, please check the following links:

French work permit for foreign employees
Long-stay visas (from 4 months up to 1 year)

French law penalizes any failure to comply with these provisions (labor law, social security law)

#### For the employee:

Once you are posted in France, your employer must abide by the "core set" of provisions of the French labor code.



# What is posting according to social security law?



A posted worker remains affiliated to their home State's social security scheme when they go to another State for a limited amount of time to work. The rules, length and consequences of posting are not the same depending on whether it happens within or outside Europe.

#### Under the European regulations:

- → The work missions that generated the posting cannot last longer than 24 months
- → The worker cannot be posted to take over the mission of another posted worker
- → The employer or the self-employed worker should be carrying on ongoing business in their home State. This business must consist of more than the administrative management of their own units
- → The relationship of subordination between the employer and the employee must go on throughout the posting
- → The posted worker must have been affiliated to their home State's social security scheme for at least a month when their posting starts

#### Under France's social security agreements:

- → The relationship of subordination between the employer and the employee must go on throughout the posting
- → The length of the work mission varies according to the bilateral convention signed between France and the State hosting the posting
- → Not all agreements allow self-employed workers to post themselves to another country



# What is Multi-State employment according to social security law?

Rules of multi-State employment are exclusively defined by European regulations. Multi-State employment means that the worker is carrying out several business activities on an ongoing basis in at least two States. The worker can work on their missions either simultaneously or alternatively. A salaried worker can be employed by one or more employers located in one or more States. Contrary to posting, multi-State employment is not limited in time.

Multi-State worker can only be affiliated to one social security scheme. To know which country's legislation applies to their case, several factors are considered, such as their place of residence and/or the substantial nature of their business activities.

### Substantial part of the multi-State worker's business activities amounts to at least 25%:

- Of their time spent working and of their earnings if they are salaried;
- Of their total revenue, their time spent working, the number of services they provided.

Marginal business activities, i.e. those that make up less than 5% of the worker's aggregated activities, are not taken into account

### The criteria used to determine the residence of the multi-State worker are:

- The worker's main center of interests;
- Their usual place of residence;
- Their personal and professional bounds, assessed while considering their actual situation.

If a worker is both salaried and self-employed in several States, the applicable legislation is that of the State in which they are salaried.



Download the French form used to determine which social security legislation applies here

Labor law does not regulate multi-State employment. Either the work relation must abide by both French and the other State's legislation, or the employee coming to France to work temporarily is considered to be posted.





# regulations and bilateral social security agreements possible?

According to French social security law, an employer based in France can send an employee on a temporary assignment to a foreign State that has not signed a social security agreement with France while maintaining the employee's affiliation to the French social security scheme. All social security contributions and charges will be paid in France as if the employee had not left the country.

However, the fact that the employee is still affiliated to the French system does not mean that the employer does not have to pay any compulsory contributions and charges in the country where the posting happens. This posting can last 3 years, renewable once (article L. 761-2 of the French social security code).

Apart from this possibility, the employee can take out voluntary membership in the fund for French citizens abroad, the <u>Caisse des Français de l'étranger</u> to guarantee the continuity of their coverage by the French system.

<u>Under certain conditions, the employee can choose to join the unemployment insurance scheme for French expats.</u>



# Mobility in Europe



You are an employer

You are an employee

You are a self-employed > worker





# You are an employer



According to both <u>labor</u> and <u>social security law</u>, posting describes the legal situation of an employee who is temporarily sent by their employer to another country to work.

You are posting your employee to another EU country

You are posting your employee to France

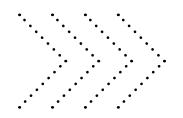
You are hosting a posted employee

You are sending your employee to another EU country (not through posting)

You are sending your employee to France (not through posting)



You employ a multi-State worker



According to social security law, your employee is a multi-State worker if they are working simultaneously or alternatively in two or more EU-EEA-member States or in Switzerland.



# You are posting your employee to another European country �





#### According to labor law

Posting refers to the situation in which a business legally established in one country send temporarily an employee to another country to work. Once their job is done, the employee goes back to their usual place of employment in their home country. The employee's pay and working conditions depend on the provisions of the host country's labor law.

Unless otherwise specified by additional rules of the host country, you can post your employee if one of the following three situations applies:

- 1. Your employee will be providing a contracted service in the host country for one of your customers
- **2.** Your employee will be working at a branch office of the group to which your business belongs
- **3.** Your employee will be temping for an end-user company in the host country

You will need to complete a prior declaration of posting if required by host country laws and abide by the mandatory social protection rules implemented by the local labor code.



Control operations of your compliance with the rules for minimum labor protection can happen in the host country.

French law penalizes any failure to comply with these provisions labor law – social security law



#### According to social security law

To qualify for posting your employees, you must be carrying out ongoing business activities in France that go on throughout the posting.

Postings are capped at 24 months. If you wish to extend a work mission, you must contact the CLEISS that will process your application for an exception or the extension of the original posting. You cannot use posting to fill permanent positions by consecutively posting different workers for the same job.

Your employee must keep working for you and you must maintain a direct work relationship with them (authority to terminate the contract, contractual relationship, power to determine the nature of their work). The worker must have been affiliated to the French social security scheme for at least 1 month before the posting starts.

For more information: ameli.fr and cleiss.fr

Before your employee leaves, you must request an A1 portable document that certifies that your employee is still affiliated to the French social security and unemployment insurance schemes. If your employee is affiliated to France's general scheme, you will get this document at their local health insurance fund (CPAM). If they are affiliated to the agricultural scheme, you must contact the MSA. If their residence is based in one of France's overseas districts, you have to reach to their local CGSS or CSSM fund.

The issuing fund checks that the eligibility requirements are met. Inform your employee that they have to keep their A1 form with them at all times since local authorities can carry out controls.

You must keep paying social security contributions and unemployment insurance charges in France. You do not have to pay these contributions in the State where the posting happens for as long as it lasts.



# You are posting your employee to France





#### According to labor law

Your business must be legally established in your home country. Your company's operations in the home country should be more than administrative management of its own departments. You must not be doing business in France on a current, regular and ongoing basis. Your employee must be usually working outside of France and have an ongoing work relationship with you. You can post your employee in one of the following situations:

- **1.** Your employee will be providing a contracted service in France for one of your customers
- **2.** Your employee will be working at a French branch office of the group to which your business belongs
- **3.** Your employee will be temping for an end-user company in France
- **4.** You are sending your employee to work in France on your own account with no outside client or service provision.

In addition, before the start of the posting, your company must submit a declaration of posting on the SIPSI online platform (except in the case of postings with no customer contract or short-term assignments in the fields listed by the decree of June 4th, 2019).

During the posting, you must abide by the "core set" of the provisions of the French labor code. These provisions include personal and group freedoms, workplace gender equality and discrimination, maternity protections, the right to strike, legislation on working time, bank holidays, annual paid vacation days, minimum wage and salary payment rules, workplace health and safety and illegal employment.

As from July 30, 2020, if the posting lasts more than 12 months (or 18 months if you have submitted a substantiated declaration on the SIPSI online platform), you have to abide by the entirety of France's labor law provisions except those covering the start and the termination of the employment contract.



#### According to social security law

To qualify for posting your employees to France, you must be carrying out ongoing business activities in your home country that go on throughout the posting. The worker must have been affiliated to your country's social security scheme for at least 1 month before the posting starts.

You must be sending your employee to France to work on your own account for no outside client and maintain a direct work relationship with them. Your employee must also meet the requirements listed in the "You are an employee" section.

Your employee will still be affiliated for up to 24 months to the social security system of the country where your ongoing business takes place. You must keep paying contributions in that State. During the posting, you do not have to pay French social security and unemployment insurance contributions.

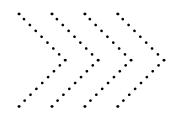
You cannot use posting to fill permanent positions by consecutively posting different workers for the same job.

Before your employee leaves, you must contact your head office's local social security fund to request an A1 portable document that certifies that your employee is still affiliated to the social security scheme of your home State. Inform your employee that they have to keep their A1 form with them at all times since local authorities can carry out controls.

French law penalizes any failure to comply with these provisions labor law – social security law



# You are hosting a posted employee





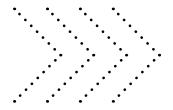
#### According to labor law

If an employee is being posted to your company or to one of your places of business in France (e.g. through an intra-group or temporary employment agency posting), you have to list the employee on your official employee roster and ask their employer for a proof of the submission of their prior declaration of posting.



#### According to social security law

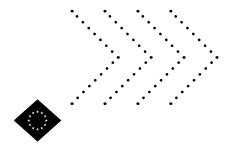
Before the posting begins, the business that usually employs the employee you are hosting must have declared the posting to the social security fund to which your employee is affiliated. If the eligibility requirements are met, the fund will have provided your employer with an A1 portable document that certifies that they are still affiliated to their home State's social security scheme.



French law penalizes any failure to comply with these provisions labor law – social security law



# You are sending your employee to another country (not through posting)





#### According to labor law

Your employee will be working in another country without being posted. They will keep their original employment contract to which French law applies (e.g. the worker is not being temporarily posted to another country to provide contracted services, they are sent to perform some of their tasks in another State on an ongoing basis). You must abide by the host country's overriding mandatory labor law provisions. For more information about these rules, please contact the appropriate host State authorities.

Additionally, if you send an employee to another country for longer than a month, you must notify them in writing of the mandatory clauses and information regarding their mobility, whether or not your employee will be working abroad through posting.

The contract must state each party's identity, the length of each work assignment, the mandatory notice period in the event of termination, information on compensation and the rules covering the employee's return home. This list is not comprehensive.

The provisions of this contract remain valid throughout the period spent by your employee working in another country. They must not contradict the host State's overriding mandatory labor law provisions.



#### According to social security law

Your employee must be affiliated to the social security scheme of the State where they are working. It is also the case in one the following situations:

The posting ended

Your employee has a work contract with the employer in the other State, which means that they are no longer your subordinate

You can apply for an exception to maintain the worker's affiliation to the French social security scheme but for this you will need the approval of both the French and the host country's authorities. Any exception will be granted for a limited period. Applications must be submitted to the CLEISS.

a cleiss.fr

Download the application for continued membership here

French law penalizes any failure to comply with these provisions labor law – social security law



# You are sending your employee to France (not through posting)





#### According to labor law

Your employee will be working in France without being posted. They will keep their original employment contract to which their home country's law applies. You will need to abide by France's overriding mandatory labor law provisions (or "core set of provisions" within the EU/EEA).

Under all circumstances, if you send an employee to France for longer than a month, you must notify them in writing the mandatory clauses and information regarding their mobility.

Please keep in mind that if the employee you are posting to France does not hold the citizenship of an EU/EEA member State or the Swiss citizenship. and if they do not have legal residency with a French work permit, they will be subject to additional rules regarding immigration, residency and temporary employment.

For more information, please check the following links:

French work permit for foreign employees

Long-stay visas (from 4 months up to 1 year)

French law penalizes any failure to comply with these provisions labor law – social security law



#### According to social security

You must register your employee to affiliate them to the French social security system. This is also the case if:

The posting ended

Your employee has a work contract with the employer in France, which means that they are no longer your subordinate

If your company has a place of business in France, that place must pay your employee's social security and employment insurance contributions.

Si votre société n'a pas d'établissement en France:

If your company does not have a place of business in France, you will need to register and pay all compulsory social security contributions and unemployment insurance charges through France's National Center for foreign companies (Centre National des Firmes Etrangères, CNFE).

You can apply for an exception to maintain the worker's affiliation to your home country's social security scheme but for this you will need the approval of both the French and your home country's authorities. Any exception will be granted for a limited period. Applications must be submitted to the appropriate social security institution in your home State that will get in touch with the CLEISS.



# You employ a multi-State worker

An employee is a multi-State worker if they are working simultaneously or alternatively in two or more EU-EEA member States or in Switzerland.

Keep in mind that once the worker's applicable legislation has been determined, it remains the same for all of their activities.





#### According to labor law

#### There are no special provisions.

The employment relationship is ruled either by France's applicable legislation (direct employment) or by the other State's (e.g. for posted workers). In that case, the employee is entitled to the minimum guarantees implemented by the French overriding mandatory labor law provisions or "core set of provisions".

#### According to social security law

If you are your worker's only employer, you can determine to which social security scheme they are affiliated and know where to pay their social contributions by contacting the social security fund to which they belong in their country of residence (but as a general rule, this is your employee's responsibility).

#### Your employee's State of residence

Do they perform a substantial part of their business activities there?

YES

They come under that State's social security system

NO

How many employers do they have?

Only one: they come under the social security system of the country in which their employer's head office or main place of business is located

**Several in the same country:** they come under that country's social security system

Several in different countries

They come under the social security system of their employer's country, which is not their country of residence

OR

They come under the social security system of their State of residence if two of their employer's head offices are located in different countries

cleiss.fr



# The main penalties under French labor law



As an employer, the DIRECCTE can fine you up to 4,000 euros per employee (8,000 euros for repeat violations) for each of the following violations (total fines are capped at 500,000 euros):

Failure to complete the mandatory pre-posting declaration and appointment of a representative in France

Failure to immediately produce a translation in French of the documents listed under article R. 1263-1 of the French Labor **Code.** These documents attest to the status of your employee and company for the French labor inspection authorities.

Failure to abide by France's "core set of provisions" relative to working time, working time limitations, periods of rest. determination of the minimum wage, and employer's obligations regarding sanitary facilities,

meals and housing

In the event of continued noncompliance or repetitive severe violations, the DIRECCTE can order you to suspend your activity for up to one month. If you have not paid your fines, you can be suspended or prohibited from providing services for up to two months which can be renewed until you make the complete payment.

Finally, "fake posting" constitutes an offense of undeclared labor through concealment of business activities.

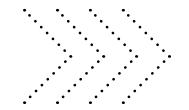
The client or the project owner is also liable to an administrative fine of 4,000 euros for each posted worker. This amount can rise to 8,000 euros if the violation is repeated within the following two years. Total fines are capped at 500,000 euros. This fine can be imposed by the DIRECCTE for the following violations:

Failure to check the declaration prior to posting and the appointment of a workers' representative in France OR failure to submit a substitute declaration if no prior declaration has been made

Failure to report an industrial accident to the labor inspection authorities

Failure to display the laws applicable to posted workers on construction sites

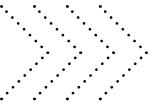
Keep in mind that French law implements specific penalties for illegal employment of foreign workers and for illegal employment in general.





# The main penalties under French social security law





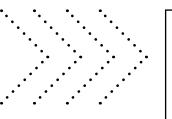
If the URSSAF inspects your place of business, its inspectors will contact the foreign social security authorities to which the foreign worker belongs. If these authorities contest this worker's affiliation to their system, the inspectors may issue an infraction for undeclared labor and demand the worker's registration to the French social security system.

Undeclared labor is liable to <u>criminal penalities</u>. Individual citizens can be sentenced to 3 years of detention and a fine of 45,000 euros (225, 000 euros for corporate entities).

Failure to produce an A1 portable document in France can result in penalties. These apply:

- → To employers based outside France: an administrative fine of 2,000 euros per posted employee for two years going from the day of the violation.
- → To the employer's clients, who are liable to a penalty for each worker found to be in violation. This penalty cannot be applied if the certificate of submission request of an A1 portable document is produced during the inspection. The portable document has then to be showed in the two months following the inspection.





# When am I required to register a secondary business location in France?

If your employees cannot be considered as posted workers according to French labor law and in some situations, you must register your secondary business location in France.

#### You cannot post employees to France if:

- ➤ The activities you carry out in the worker's home State consist only of intern and/or administrative managing. For example, posting is impossible if only your head office is located there, and you have no business activities in the country where your company is registered (this is known as a "shell corporation");
- ▶ You are carrying out current, regular and ongoing business activities in France. For example, if your business in the country where your company is declared is considerably less significant than your activities in France, this would be considered as fake posting.

If your company is indeed carrying out current, regular and ongoing business in France, you must register a secondary location there. If you are controlled, failure to register would constitute a prosecutable offense of undeclared business activities.

This registration has no immediate effect from a social security perspective. Unless your employees carry A1 portable documents, you must register them to allow their affiliation to the French social security system.



# You are an employee



You are being posted to another European country

You are being posted to France

You are being sent to work in another European country (not through posting)

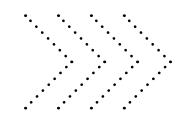
You are being sent to work in France (not through posting)



You are a multi-State worker

A multi-State worker works in at least 2 member States on an ongoing basis. They may or may not have the same status in each State (they can be an employee in one State but self-employed in another).

They can work for one or several employers.





# You are being posted to another European country •





Nou should review the basic rules you have to follow in your host country



#### According to social security law

You will still be affiliated to the French social security system during your posting for up to 24 months. You must have been affiliated to the French social security system for at least one month before your posting begins. Your employer also must meet certain requirements and maintain a direct work relationship with you throughout the posting. Before you leave, they will have requested an A1 portable document from the social security fund to which you are affiliated. You must keep this document on hand during your posting since you may be required to produce it during an inspection.

As a posted worker, you remain covered by the French social security and your entitlement are still in effect. You must go on paying your social security contributions, including those for France's compulsory basic and supplementary retirement pension schemes.

#### If you will be residing in your host State:

- To cover any health care expenses, you have to request the S1 portable document from your health insurance fund in France. With this form, you can register with the social security fund in your State of residence. Your coverage will be the same as all members of the local scheme but you will still be affiliated to the French health insurance system, including during your temporary stays in France. You can also send your French health insurance fund direct requests for coverage of your expenses if you send them your medical bills.
- You must notify your family benefits fund because special rules may apply.

#### If you are still residing in France:

- You can request a European health insurance card from your French health insurance fund. This card will provide you with upfront coverage.
- You can also send your French health insurance fund direct requests for coverage of your expenses if you send them your medical bills.



To learn more: cleiss.fr and ameli.fr



# You are being posted to France





#### **According to labor law**

Once you have been posted to France, your employer has to abide by the "core set" of provisions implemented by the French labor code.

As from July 30, 2020, if you are posted for longer than 12 months (or 18 months if your employer sends a substantiated prior declaration to posting to the DIRECCTE), your employer has to abide by all of French labor law provisions except those covering the start and termination of your employment contract.

Keep in mind that if you are not a citizen of an EU/EEA member State or if you do not have the Swiss citizenship, there will be additional formalities to complete regarding your entry, residency and temporary employment activities in France.



#### For more information:

Work permits for foreign employees in France Long stay visas (lasting 4 months to 1 year)



#### According to social security law

You will still be affiliated to your home State's social security system during your posting up to 24 months. You must have been affiliated for at least one month when your posting begins. Your employer must also meet certain requirements listed in the "You are employer section" and maintain a direct work relationship with you throughout the posting. Before you leave, they will have requested an A1 portable document from the social security fund to which you belong. You have to keep this document on hand throughout your posting since you may be required to produce it during an inspection.

As a posted worker, you are still covered by your home State's social security system and your entitlements are still in effect. You will continue to pay your social security contributions to that State's system.

#### If you will be residing in France:

- To cover your health expenses incurring in France, you must request the S1 portable document from the health insurance fund to which you belong before the posting. You will get the same coverage as the members of the French scheme, but you will still be affiliated to your home State's health insurance.
- You must notify the family benefits fund in your home State because special rules may apply.

#### If you will be residing in your home State during your posting:

- You can request your local health insurance fund for a European health insurance card that covers your medical expenses in France.

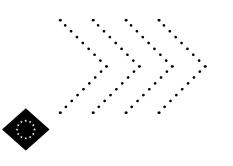
We advise you to check with your local health insurance fund to learn about the rules for coverage of medical expenses.



To learn more: cleiss.fr and ameli.fr



# You are being to work in another European country (not through posting)





#### According to labor law

Whatever your circumstances, if you are sent to work in another European country for more than a month, your employer must notify you in writing of the mandatory clauses and information regarding your mobility.

The contract must specify each party's identity, the length of each of your work missions, the mandatory notice period in the event of termination, information on compensation and the rules covering your return home. This list is not comprehensive.

The provisions of the contract are valid throughout the period you spent working in another country but they must abide by the minimum standards implemented by your host State's overriding mandatory labor law provisions.



#### According to social security law

You must get affiliated to the social security system of your State of employment and notify the French social security fund to which you belonged that you have left the country.

To learn more about the social security system of the State where you will be working, check the link: cleiss.fr

Coordination rules will apply to your retirement pension entitlements. Each of the schemes to which you have paid contributions will take account of your periods of employment in other States when calculating your retirement pension by its own rules. When you become eligible, you will draw a retirement pension from each of these schemes.

In addition, you can choose to pay voluntary contributions to improve your additional retirement pension entitlements both in France and in other States.



#### To learn more:

cleiss.fr and the document "Retirement pension information for expat workers"



# You are being sent to work in France (not through posting)





#### According to labor law

Whatever your circumstances, if you are sent to work in France for more than a month, your employer has to notify you in writing of the mandatory clauses and information regarding your mobility. The contract must specify each party's identity, the length of each of your work missions, the mandatory notice period in the event of termination, information on compensation and the rules covering your return home. This list is not comprehensive. Your foreign employment contract remains valid throughout the period you spend working in France but it should not contradict the French overriding mandatory labor law provisions.

Please note that France's "core set" of provisions for postings can be used as a reference to know what overriding mandatory provisions apply to your contract. These laws take precedence regarding the contractual relationship binding you to your employer. Thus, you can report their failure to abide by these provisions to the French labor inspection authorities. You can bring these violations of the French labor law protections before the French employment tribunal called Conseil de Prud'hommes.



To learn about France's core set of labor law provisions



#### According to social security law

You must get affiliated to the French social security system and pay social security contributions to it.

To learn more about the French social security system, check the links: cleiss.fr and ameli.fr

Coordination rules will apply to your retirement pension entitlements. Each of the schemes to which you have paid contributions will take account of your periods of employment in other States when calculating your retirement pension by its own rules. When you become eligible, you will draw a retirement pension from each of these schemes.

In addition, you can choose to pay voluntary contributions to improve your additional retirement pension entitlements both in other States.



### You are a multi-State worker

You are a multi-State worker if you are simultaneously or alternatively working in two or more EU-EEA member States or in Switzerland for one or more employers.

For more information: Cleiss.fr





#### According to labor law

**The reason why you are going abroad** will determine whether French law or your home country's law applies to your situation.

If you do not qualify as a posted worker under the rules detailed above, you will be in what is known as a direct employment relationship. Your employer will have to abide by the labor code of the country where you are working.

#### Your State of residence

Do you perform a substantial part of your work there?

#### YES

You are affiliated to that State's social security system

#### NO

How many employers do you have?

Only one: you are affiliated to the social security system of the country in which your employer's head office or main place of business is located Several in the same country: you are affiliated to that country's social security system

Several in different countries

You are affiliated to the social security system of your employer's country that is not your State of residence

ΛP

You are affiliated to the system of your State of residence if two of your employers' head offices are located in different countries

#### According to social security law

**Before you begin to work in several States,** you must contact the social security fund in your State of residence. They will determine which State's social security legislation applies to you according to the rules set forth by <u>European regulations</u>. They will then get in touch with the social security institutions in your other States of employment.

Be aware that you will be affiliated to only one State's social security system lwhere you will pay your social security contributions for all of your activities, including any task performed in other States. Your employer(s) will have to pay all contributions to the competent authority. These will be calculated according to the rules applicable in the competent State. No supplementary contribution will have to be paid in the other States.

The State whose social security legislation applies to you will provide you with an A1 portable document that you have to keep with you at all times.

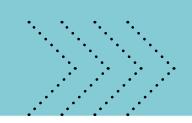
You will be entitled to the social security benefits of the scheme you are affiliated to in the competent State. You will only accrue retirement pension entitlements in that State. However, you may be eligible to pay voluntary contributions to additional retirement pension funds in other States.

For more informations: Cleiss and "Retirement pension information for expat workers"

If you are affiliated to the social security system of your State of residence: you can get a European Health Insurance Card that covers your health care expenses in the other States where you are working.

If you reside in another State: you must request an S1 portable document linked to your health insurance fund to cover your health care expenses in your State of residence.

# You are a self-employed worker



According to labor law, the fact that you have a self-employed status in your home country does not mean that you will automatically get the same status if you come to work in France.

French labor law does not regulate the situation of self-employed workers.

According to social security law, self-employed status is determined by the State in which your work is performed.

You are posting yourself to another European country

You are posting yourself to France

You are leaving France to work in another European country (not through posting)

You are coming to France to work (not through posting)



You are a multi-State worker





# You are posting yourself to another European country �





#### According to labor law

French labor law does not apply to mobility situations of self-employed workers.



Information on your host country's law

Effective January 1st, 2020, the URSSAF Nord Pas de Calais through the French Center for administering the determination of applicable legislation takes over managing the mobility situations of self-employed workers and providing them with certificates of posting.

To learn more



For more information on your relatives' coverage:

cleiss.fr and ameli.fr



#### According to social security law

You are ongoingly working in France as a self-employed worker and you are going to another State to perform similar activities.

To post yourself there, you must keep a setup in France that lets you go back to your self-employed business there once you go back home. You must have been self-employed in France for at least 2 months and your posting cannot exceed 24 months.

Before you leave, you must request an A1 portable document from the French authorities that proves that you are still affiliated to the French social security system. You need to keep this document on hand throughout your posting since you can be controlled by local authorities during an inspection.

You still belong to the French social security system and you still pay contributions to your French funds. As a posted worker, you are still covered by the French system and all of your entitlements are still in effect. The payment of your contributions including those for France's compulsory basic and supplementary retirement pension schemes are maintained.

#### If you will be residing in your host State:

- You can request the S1 portable document from your health insurance funds to cover for healthcare expenses incurring in that State. With this document, you can register with the social security fund of your country of residence. You will get the same coverage as the members of that scheme while still being affiliated to the French health insurance system, including during any temporary stays in France.
- You must notify your family benefits fund that you are self-posting because special rules

#### If you will still be residing in France:

- You can request a European health insurance card from your French health insurance. The card gets you upfront coverage for your healthcare expenses.
- You may also directly send your bills to your French health insurance requests to cover your



## You are posting yourself to France





#### According to labor law

French labor law does not apply to mobility situations of self-employed workers.



If you do not hold the citizenship of an EU/ EEA member State or the Swiss citizenship, you may have to abide by additional rules immigration, residency regarding and temporary employment in France.



#### For more information:

Work permit for foreign workers in France

Long-stay visa for stays lasting 4 months up to 1 year)



#### For more information:

cleiss.fr and ameli.fr

#### According to social security law

You are working as a self-employed worker in another State and you come to France to perform similar activities. To post yourself in France, you must meet the following requirements:

- you must keep a setup in your home country that lets you go back to your self-employed business there,
- you must have been self-employed in your home State for at least 2 months before your posting,
- your posting must not exceed 24 months.

Before you leave, you must request an A1 portable document from your home State's authorities that proves that you are still affiliated to that State's social security system. You must keep this document on hand throughout your posting since French authorities may control it during an inspection.

You still belong to your home State's social security system and are not part of France's schemes. You will still have to pay contributions to that State that include retirement pension contributions.

#### If you will be residing in France:

- You can request the S1 portable document from your health insurance funds to cover for healthcare expenses incurring there. With this document you can register with the French social security fund. You will get the same coverage as the members of that scheme while still being affiliated to your home State's health insurance system, including during any temporary stays there.
- You must notify your family benefits fund that you are self-posting because special rules may apply.

#### If you will still be residing in your home State:

- You can request a European health insurance cared from your health insurance fund. The card gets you upfront coverage for your healthcare expenses in France
- We advise you to check with your local health insurance fund to learn the local rules for coverage of healthcare expenses.



# You are going to another European country to work (not through posting)





#### According to labor law

French labor law does not apply to mobility situations of self-employed workers.

Information on your host country's law



#### According to social security law

You must get affiliated to the social security system of your new State of employment and pay all contributions under that State's social security rules. For more information on the social security system of the State where you will be working, check this link:

#### cleiss.fr

Coordination rules will apply to your retirement pension entitlements. Each of the schemes to which you have paid contributions will take account of your periods of employment in other States when calculating your retirement pension by its own rules. When you become eligible, you will draw a retirement pension from each of these schemes.

In addition, you can choose to pay voluntary contributions to improve your additional retirement pension entitlements both in France and in other States.

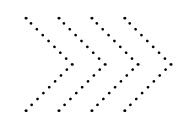


#### For more learn:

cleiss.fr and document "Retirement pension information for expat workers"



# You are coming to France to work (not through posting)



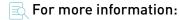


#### According to labor law

French labor law does not apply to mobility situations of self-employed workers.

Information on your host country's law

If you do not hold the citizenship of an EU/EEA member State or the Swiss citizenship, you may have to abide by additional rules regarding immigration, residency and temporary employment in France.



Work permit for foreign workers in France

Long-stay visa for stays lasting 4 months up to 1 year)



#### According to social security law

You must get affiliated to the the French social security system. Depending on your profession, you may have to register with France's Business Formalities Center (Centre de Formalités des Entreprises) according to your line of work ("Chambre de commerce", "Chambre des métiers", etc.) or submit the required paperwork to the competent authorities.

Coordination rules will apply to your retirement pension entitlements. Each of the schemes to which you have paid contributions will take account of your periods of employment in other States when calculating your retirement pension by its own rules. When you become eligible, you will draw a retirement pension from each of these schemes.

In addition, you can choose to pay voluntary contributions to improve your additional retirement pension entitlements both in other States.



### You are a multi-State worker

You are a multi-State worker if you are simultaneously or alternatively working in two or more EU-EEA member States or in Switzerland for one or more employers.





#### According to labor law

French labor law does not mention multi-State employment.

#### According to social security law

**BE AWARE** that you are affiliated to only one State's social security system where you will pay social contributions for all of your business activities, including those performed in the other States. If you are both employed and self-employed, your applicable legislation is that of the State where you have salaried employment. You are responsible for paying your contribution. These will be calculated according to the rules applicable in the competent State. You do not have to pay contributions in the other States.

**BEFORE** you begin to work in several States, you must contact the social security fund in your State of residence. They will determine which State's social security legislation applies to you <u>according to the rules set forth by the European regulations</u>. They will then get in touch with the social security institutions in your other States of employment.

The State whose social security legislation applies to you will provide you with an A1 portable document that you have to keep with you at all times.

You will be entitled to the social security benefits of the scheme you are affiliated to in the competent State. You will only accrue retirement pension entitlements in that State. However, you may be eligible to pay voluntary contributions to additional retirement pension funds in other States.

For more information: cleiss.fr and document "Retirement pension information for expat workers"

#### If you are affiliated to the social security system of your State of residence:

- You can get a European Health Insurance Card that covers your health care expenses in the other States where you are working.

#### If you reside in another State:

 You must request an S1 portable document linked to your health insurance fund to cover your health care expenses in your State of residence.

#### Your State of residence

Do you perform a substantial part of your work in that State?

#### YES

You come under that State's social security system

#### NC

You come under the social security system of the country where you perform most of your work.

To determine where your main center of interests is located, all aspects of your business activities will be considered. They include:

- The location of the permanent physical premises where your work is based;
- → The frequency or the duration of the work tasks you usually perform;
- The number of contracted services you have provided;
- your intent as can be deduced from your overall situation.





### **Mobility outside Europe**



If your mobility takes you to a State outside the EU/ EEA or Switzerland, we advise you to check that State's applicable labor law provisions on France's network of Embassies



#### 🌃 According to social security law

#### → Coordination decrees with France's overseas collectivities:

Coordination decrees have been signed between the social security schemes managed by the French social security code and those of a few overseas collectivities (New Caledonia, French Polynesia, Saint Pierre and Miguelon). They can be consulted online at the following link: cleiss.fr

#### → Bilateral social security agreements:

France has signed bilateral social security agreements with many States. These agreements implement special provisions regarding affiliation and posting. All of them are different. Please refer to the CLEISS website to check whether you come under a bilateral agreement and what your rights and obligations are.

If you work abroad and you are not posted, you can choose to pay contributions to the Fund for French Nationals Abroad ("Caisse des Français de l'Etranger", CFE) for some or all risks and toward both your basic and supplementary retirement pension. CFE and MALAKOFF MEDERIC HUMANIS

#### → If there is no bilateral social security agreement:

Employers: If you want to send your employee to work in a State that has not signed an agreement with France, you can post them for a limited period pursuant to the French social security code or affiliate them to the Fund for French Nationals Abroad (CFE). To learn more, please check the following links: cleiss.fr et CFE

To complete the required paperwork: ameli.fr

Employees: There are two possible ways for you to remain affiliated to the French social security scheme. You can either be posted under the French social security code or join the Fund for French Nationals Abroad (CFE). Voluntary affiliation to the CFE offers the same coverage than the French system, including health insurance, retirement pension insurance and coverage for professional risks.

Regarding retirement, your pension entitlements will be calculated independently by each of the schemes to which you have paid contributions. Since every worker's situation is different, we advise you check the coverage of social protection offered by the State where you are planning to work and how any entitlements accrued abroad will be coordinated with those you have accrued under the French schemes before you leave.



For more information:

cleiss.fr et CFE



# Acoss-En3s/Nat 5734/juin 2020/Legal guide to worker mobility in Europe

# Ressources



France's Center for European and International Social Security Coordination (CLEISS)

France's National Center for Non-French Companies (CNFE)

Online information from the European Union

Official website for the French administrative authorities





























This guide is for reference purposes

only. For more information on your individual situation, please contact

the appropriate administration on

your own account.

The French healthcare system ("Assurance maladie")

The Fund for French Nationals Abroad ("CFE")

Application for determination of applicable legislation for multi-State workers

France Diplomatie (France's diplomacy website)

Guide to posting in the building and public works sector

French Ministry of Labor

France's Agricultural Social Mutual Fund (MSA)

**URSSAF**