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Social obligations in France and employee protection

Employers with no place of business in France

Centre national
FIRMES ÉTRANGÈRES



A system has been put in place enabling employers with no place of business in France to declare their undertaking and their employees who are subject to the French social security system.

Under this system, undertakings must declare their employee status with the Centre National Firms Etrangères (CNFE), an entity within the Urssaf collection office of the Bas-Rhin region. The CNFE then transmits the information to the other relevant statutory social security institutions.



This guide includes essential information related to administrative formalities with these institutions, in particular :

- the steps to take ;*
- entitlements of employees subject to the French social security system.*

Employers can appoint a representative by written agreement to carry out these responsibilities, provided that the person resides in France. The representative is personally responsible for declarations and payment.

New in 2011

The Urssaf network now provides two online services to simplify administrative formalities for employers.

For employers with no place of business in France : the "Titres Firms Etrangères" (TFE)

For private individuals who are non-resident in France for tax purposes, a compulsory system : the "Titre Particulier Employeurs Etrangers" (TPEE).*

** See glossary page 15.*

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Who is affected ?

Which employers ?

Employers with no registered place of business* in France (production site, commercial undertaking...) must register with this system.

The following undertakings do not come under this system :

- workers in the entertainment industry with no steady employment. They are covered by the Guso fund for entertainers, managed by the Pôle Emploi Services (CNCS) (www.guso.com.fr).
- sales representatives with multiple employers who are covered by the CCVRP and the OMNIREP (address details on page 12) ;
- professionals in the bull-fighting sector (matadors, picadors, banderilleros...) who are covered by the Urssaf office in Nîmes (www.nimes.urssaf.fr).

Undertakings registered in Monaco and all their employees are also excluded from this system and are covered by the Urssaf office in Nice (www.nice.urssaf.fr).

Which employees ?

Employees working in France must be registered with the French social security system regardless of their nationality or place of residence.

Under certain bilateral social security agreements, this principle does not apply.

For more information, please contact the Cleiss (Center of European and International Liaisons for Social Security) : www.cleiss.fr

NEW

Employees of EU- or Swiss-based companies who are posted to work in France or who are working both in France and in another EU Member State or performing work on behalf of other employers, should contact their health insurance provider to determine which legislation they are subject to.

* See glossary page 15.

* Regulation (EC) No 883/2004 and Regulation (EC) No 987/2009 on the procedure for implementing Regulation (EC) No 883/2004

Compulsory social security in France

The employer must provide a pay slip to the employee, on which employee social contributions have been deducted from the gross amount.

Having calculated the employer and employee contributions due, the employer then pays these to the different compulsory social security institutions.

The CNFE

Collects social security contributions and contributions to the national housing aid fund (Fonds national d'aide au logement (FNAL)) and, where required, transport contributions. (See table page 8).

Pôle Emploi

Helps companies hire staff and access the available financial aids and programmes
Provides advice to jobseekers, as well as information about their unemployment benefits.

Group Novalis Taitbout

Collects supplementary pension contributions except for sales representatives*.

IRCEM

Collects supplementary pension contributions payable by private individuals acting as employers.

For construction and public works companies

The CCPBRP

Collects paid leave contributions, contributions to benefits for unemployment caused by bad weather conditions and contributions for the prevention of accidents at work.

* See glossary page 15

Registration and declaration formalities

The CNFE makes the necessary registration and employee declaration forms available to employers.

Company registration

The company must complete the E0 form available online and send a printed version to the CNFE to register as an employer with employees who are subject to the French social security system.

The company will be allocated an ID number ("SIRET") by the French national statistics institute INSEE.

The SIRET number will be used during exchanges with all social protection agencies :

- CNFE
- Pôle Emploi Services
- Group Novalis Taitbout
- and if necessary with the CCPBRP.

Those agencies will contact the employer.

If there is a change of situation (change of address, of representative etc.), the employer must complete an E2/E4 form used for changing or terminating a business in respect of an undertaking employing workers, and must send it to the CNFE.

Please, note that if the company opens a place of business in France, this system which is specific to employers with no place of business in France is no longer valid. In this eventuality, the employer must complete an E2/E4 form and send it to the CNFE.

The employee's declaration of employment

The employer must complete a « Déclaration Unique d'Embauche (DUE) » prior to hiring each new employee.

it's even easier now !

For businesses :

www.tfe.urssaf.fr (see page 9).

Wage declarations

Declaration forms

Declaration forms must be completed, dated, signed and sent to each institution before the indicated deadlines.

The following information must appear on these documents :

- **the number of employees ;**
- **the contribution basis in euros, which corresponds to the**

amount of wages subject to social contributions and other social taxes (gross wages inclusive of bonuses, various benefits, advantages in kind) ;

- **the amount of contributions** owed in euros, calculated according to the contribution rates and ceilings in force on the payment date of wages.

When to declare ?

The employer or the representative completes and sends :

Each month or each quarter

- **declarations for each institution** or the single « Déclaration unifiée des cotisations sociales (Ducs) » available at :

www.net-entreprises.fr

- **a table of individual contributions** to the complementary.

Each year

- **the yearly data declaration** « Déclaration annuelle des données sociales » (DADS) to the Caisse régionale d'assurance vieillesse of Strasbourg (Crav) ;

- **the yearly table summarising** contributions to the CNFE ;

- **the yearly adjustment declaration** « Déclaration de régularisation annuelle » to Groupe Novalis Taitbout or Omnirep (for sales representatives).

Where necessary, for construction and public works companies, the « Déclaration automatisée des données sociale unifiées » to the CCPBRP.

Paying contributions

Contributions must be paid to each institution before the payment deadline.

They can be paid :

- **by bank transfer ;**
- **by cheque ;**
- **by electronic payment, at www.net-entreprises.fr**

provided that the company has opened a bank account in France. Please note that bank fees may apply to transfers. Companies must make sure that the amount transferred to social security institutions equals the amount of contributions owed.

Summary of contributions and payments*

The table on page 8 summarises the contributions, covered risks, contributions basis, how often to pay and the different means of payment for each institution. This procedure is simplified for companies as they can make

their declarations free of charge via : **www.net-entreprises.fr**

For further information...

In French : www.net-entreprises.fr/Html/societes_etrangeres.htm

in English : www.net-entreprises.fr/Html/foreign_companies.htm

* Not applicable to companies using the TFE service.

Summary table

Not applicable to companies using the TFE service.

Institution	Urssaf	Garp (PÔLE EMPLOI)	TAITBOUT group		CCPBRP
			CRE	IRCAFEX	
Social contributions Other social taxes Covered risks	Sick leave, Maternity leave, Disability Death, Old age, Work-related accident, Occupational sickness, CSG and CRDS contributions, Family benefits, Living allowances, Housing benefits, Transport	Unemployment Guaranteed wages in case of bankruptcy	Complementary pension scheme ARRCO	Complementary pension scheme AGIRC	Paid leave Unemployment benefits through bad weather Prevention of work-related accidents
Contribution basis	For each risk, contributions are calculated as a percentage of the gross wage inclusive of bonuses, various benefits, advantages in kind... A minimum contribution basis is specified in French social legislation (minimum wage). For certain risks, the calculation basis is determined in reference to the Social Security ceiling.				
How often to declare	Quarterly up to 9 employees. Monthly from 10 employees. Plus a yearly summary sheet.		Quarterly More a yearly summary sheet		Monthly
Means of payment for contributions	Contributions can be paid by bank transfer, check or electronic payment provided that the company has a French bank account.				

Pursuant to Article 7 of the national collective agreement of 14 March 147 on executives' retirement and pensions, a contribution equal to 1.50% of the tax d'apprentissage (training levy) for all beneficiaries stipulated in articles 4 and 4 bis or Appendix IV of said Agreement is payable by employers to the INPR (Institution Nationale de Prévoyance des Représentants) (national institution providing death and disability insurance for sales representatives).

Services to simplify employment formalities

« Titre Firms Étrangères »



The « Titre Firms Étrangères » (TFE) is a comprehensive service package that allows employers to complete employment formalities online at www.tfe.urssaf.fr at no extra cost.

The TFE is for employers with no place of business in France. To hire staff in France, the business must be registered with the CNFE and its employees - whatever their nationality or place of residence - subject to the "Régime Général" of the French social security system.

The TFE can be used to perform administrative formalities for all employees working in France, regardless of the type of contract under which they are employed (open-ended contract - CDI, fixed-term contract - CDD, etc.).

Advantages

A single form for all hiring formalities : the "Déclaration Unique d'Embauche" (DUE), which also serves as the contract of employment.

A single declaration for the social security institutions responsible for administering the mandatory schemes : Urssaf, unemployment insurance scheme, complementary

pension scheme and, where applicable (depending on the national collective agreement that applies to your business in France), provident fund, supplemental pension scheme or building industry paid holiday fund.

When and how to sign up ?

You can sign up to the TFE as and when you choose (and even if you already have employees working in France) by filling in the form online at www.tfe.urssaf.fr

The TFE is optional. If you do opt for this service however, you must use it for all employees working in France.

Worth knowing :

To ensure that your employees get the benefits to which they are entitled, you should contact the competent occupational health service ("service de santé au travail") and, where applicable (depending on the national collective agreement that applies to your business in France), provident fund, health care scheme, supplemental pension scheme or CCPBRP paid holiday fund.

How to use the TFE ?

You declare your employees online at www.tfe.urssaf.fr

In doing so you enjoy the many advantages that the website has to offer.

The **Employee Identification form ("Contrat")** allows you to perform all hiring formalities in a single data submission.

You must file this form before actually hiring your employee-to-be. It serves as the "Déclaration Unique d'Embauche" (DUE) and, once signed by you and your employee, the contract of employment.

The **Employee Wages form ("Volet social")** is where you enter the information needed to calculate the social security contributions and social welfare taxes payable for your employee.

You must file this form so that the CNFE can work out the amount of these contributions, allowing for any relief to which you are entitled.

The CNFE ensures that your employees' pay slips are available in your online "Employer area" at www.tfe.urssaf.fr together with breakdowns of social contributions, tax certificates for your employees and the annual employment data return (DADS).

Paying contributions

The CNFE alerts you by e-mail once the statement of contributions becomes available in your Employer area.

There are two possibilities for making payment :

- If you have a bank account in France, the payment will be debited directly from your account on the 12th of the following month.
- If you don't have a bank account in France, you should pay by international bank transfer to the Urssaf du Bas-Rhin at the beginning of the month following the month in which you receive the statement of contributions.

Advantages of www.tfe.urssaf.fr

- + You sign up to the service and make your declarations online.
- + You can file your declarations up until the last minute and immediately receive a certificate acknowledging registration of your declaration.
- + You can print your employees' pay slips the day after entering the pay details.
- + You receive e-mail notification from the CNFE as soon as any new document is posted in your Employer area.

Titre Particulier Employeur Etranger

You are a private individual who is non-resident in France for tax purposes and employing a French or non-French national to provide lifestyle or home care services during your stay in France. If this situation applies to you, you must register with the CNFE as a "private-individual employer" and pay social security contributions for your employee.



The "Titre Particuliers Employeurs Étrangers" (TPEE), available at www.tpee.urssaf.fr is a comprehensive, free service package that you are obliged to sign up to and which simplifies the paperwork you need to provide as an employer.

Jobs included in the scheme

In the home :

- Childcare,
- Cleaning, laundry, ironing, cooking
- Care of a sick or infirm person (this does not include medical care)
- Help for an elderly or disabled person
- Small gardening jobs or jobs around the house,
- Computer and Internet assistance, help with administrative formalities
- Private lessons or tuition
- Part-time house watching, maintenance or repairs at the employer's principal or second home.

Outside the home for tasks related to services provided in the home :

- Shopping
- Meal and laundry delivery services
- Transporting persons who have difficulty with mobility
- Accompanying elderly and infirm persons or children outside of the home (on walks or public transport, in everyday activities, etc.)

For dependent elderly persons or persons with disabilities :

- Dog walking and pet care (does not include veterinary care or grooming)
- In-home hairdressing and manicure services.

How to sign up ?

Go to www.tpee.urssaf.fr

How to use the TPEE ?

You declare your employees online at www.tpee.urssaf.fr

In doing so you enjoy the many advantages that the website has to offer :

- simple signing up procedure,
- a single payment for all mandatory social security contributions and social taxes,
- an employment certificate that doubles as a pay slip and is sent directly to your employee.

Once you have declared the wages paid to your employee(s), the CNFE works out how much you owe in social contributions.

There are two possibilities for making payment :

- If you have a bank account in France, payments will be debited directly from your account.
- If you don't have a bank account in France, you pay online by credit card.

Worth knowing...

As a private-individual employer you are not required to file a "Déclaration Unique d'Embauche" for your employee(s).

Employee entitlement

The contributions paid by the employer to the different institutions finance the employees' social protection.

Social Security

The French Social Security system pays benefits to all who pay contributions including the following :

- Sickness, maternity leave, work-related accidents and occupational illnesses, disability, death (daily allowance,

annuities and reimbursement of healthcare...);

- Basic State pension ;
- Family (family allowances, housing benefits...);
- Living allowances (financial aid for elderly people and for dependent disabled persons).

Unemployment

If an employee loses his/her job, they can receive unemployment benefits, under certain conditions.

These benefits vary according to age and to how long the person has worked.

Complementary pension schemes

The AGIRC and ARRCO pension schemes supplement the basic French State pension scheme. Retirement points are given in return for contributions paid to Groupe Novalis Taitbout or Omnirep.

The total number of points accrued is used to calculate the

amount of supplementary pension : $\text{Number of points} \times \text{point value} = \text{gross annual amount}$.

This pension is added to the basic State pension issued by Social Security.

For construction and public works companies

CCPBRP

The CCPBRP pays paid leave allowances to employees.

If work is interrupted by bad weather conditions, employees

are entitled to an allowance paid by the employer, who can be reimbursed in certain cases.

Reference texts

Article L.243-1-2 of the French Code of Social Security (published by Law n° 2003-1199 dated 18th December 2003, art. 71 in the Official Journal dated 19th December 2003) : Employers whose undertakings do not include a place of business in France must fulfil their duty regarding declarations and the payment of social contributions and other social taxes they owe for their employees to a single collection office, appointed by an Order from the minister for Social Security. In order to fulfil these duties, the employer can appoint a representative residing in France who becomes personally responsible for declarations and the payment of contributions. Information on the application is, when necessary, determined by a Council of State decree.

Article R.243-8-1 of the French Social Security Code (published by Decree n° 2004-890 dated 26th August 2004, art. 5 in the Official Journal dated 29th August 2004) : *An Order from the Minister for Social Security, issued after notice from the central agency for social security institutions ACOSS, can appoint the collection office of the Régime Général of the French social security system to which employers must send declarations and payments of contributions and social taxes owing for all or part of their employees, and specify the procedure to be followed... in cases where the employer's undertaking does not have a place of business in France.*

Order dated 29th September 2004 appointing the Urssaf office of the Bas-Rhin region as the institution in charge of the collection of social contributions and other social taxes owed to the Régime Général of the French social security system scheme by employers whose undertakings have no place of business in France.

Agirc-Arrco « Instruction » 2005-80-DSI dated 28/06/2005. In accordance with article L.243-1-2, for AGIRC ARRCO schemes, the implementation of this system has led to the creation of a single administration centre for undertakings and employees in this category. The executive boards of the AGIRC ARRCO schemes have appointed the Groupe Taitbout, now Groupe Novalis Taitbout, and the CRE and IRCAFEX institutions to ensure the implementation of this system, and Omnirep for firms employing sales representatives.

CNSBTP Letter dated 23 June 2005 informing the French Ministry for Health and Solidarity of the appointment of the CCPBRP as the representing office of construction and public works companies with no place of business in France.

Act of 13 February 2008 designating Urssaf as the body responsible for collecting unemployment insurance (AC) contributions and wage insurance (AGS) contributions as of 1st January 2011.

**Regulation (EC) N°883/2004
Implementing Regulation N°987/2009**

Entreprise étrangère (foreign undertaking)

Any company established outside France (whether in the EC or not) looking to enter or do business in the French market without setting up a place of business or subsidiary in that country, and wishing to hire employees in France or send employees to work there.

⇒ Entreprise and établissement

- **Entreprise (undertaking)** : for the purposes of the Sirene register an *entreprise* is an individual or legal entity engaged in a non-salaried professional activity.

There are two main categories of *entreprise* :

- the *entreprise individuelle* (one-person business), which has no separate legal personality (no separation between owner and business). This category of *entreprise* covers shopkeepers, skilled tradespeople and craftspeople, and independent professionals and farmers, among others.
- limited liability companies: *société anonyme* (SA) or *société à responsabilité limitée* (SARL).

- **Etablissement (place of business)** : for the purposes of the Sirene register, an *établissement* is a geographically separate operating unit or production unit, which is legally dependent on an *entreprise*. It is an individual place of business such as a shop, workshop or warehouse.

⇒ Qualifying conditions for "VRP" status

To be eligible for "VRP" status, a sales representative, regardless of their job title, must fulfil the following conditions, as provided for under Article L7311-3 of the French Labour Code :

- work for one or more employers ;
- operate as a sales rep on an exclusive and continuous basis ;
- refrain from transacting any commercial business for their own account ;
- be bound to their employer by an agreement stipulating :
 - the nature of the services or goods offered for sale or purchase,
 - the geographical area covered or the types of customers visited,
 - pay rates.

Non-French-national private-individual employer

A private individual who is non-resident in France for tax purposes and who is employing a French or non-French national to provide lifestyle or home care services during their stay in France.

¹ The SIRENE register of undertakings and places of business ("Système Informatique pour le Répertoire des Entreprises et de leurs Établissements"), instituted in 1973 by decree and covered by articles R. 123-220 to R. 123-234 of the French Code of Commerce, is administered by the French National Institute of Statistics and Economic Studies, INSEE (source INSEE).

Useful addresses

Centre national
FIRMES ÉTRANGÈRES



Centre national firmes étrangères CNFE

16 rue Contades - 67307 SCHILTIGHEIM CEDEX
Tél. 00 33 (0)3 88 18 52 44 - Fax : 00 33 (0)3 88 18 52 74
00 33 (0)811 01 15 67 pour les DUE uniquement
E-mail : cnfe.strasbourg@urssaf.fr - www.urssaf.fr



INSEE Champagne-Ardenne

Division Entreprise - 10 rue Edouard Mignot - 51079 REIMS CEDEX
Tél. 00 33 (0)8 25 33 22 03 - Fax : 00 33 (0)3 26 48 60 60



pôle emploi

Pôle emploi services (Assurance chômage)

14 rue de Mantes - BP 50 - 92703 COLOMBES
depuis la France : Tél. 0 826 080 877
depuis l'étranger : Tél. 00 33 (0)8 26 080 877
Fax : 00 33 (0)1 46 52 20 20 - www.pole-emploi.fr



Crav (Caisse régionale d'assurance vieillesse de Strasbourg)

Centre régional TDS - 36 rue du Doubs - 67011 STRASBOURG CEDEX 1
Tél. 00 33 (0)3 88 65 20 80 - DADS-U 00 33 (0) 821 10 67 60
Fax : 00 33 (0)3 88 65 24 40 - E-mail : tds@crav-am.fr



Cramam (Caisse régionale d'assurance maladie d'Alsace-Moselle)

Prévention et gestion des risques professionnels
Direction tarification - 14 rue Adolphe Seyboth - 67010 STRASBOURG
Tél. 00 33 (0)3 88 14 34 03 (24)(13) - Fax : 00 33 (0)3 88 14 34 06
E-mail : prevention.documentation@cram-alsace-moselle.fr



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Pôle ESEF - 4 rue du Colonel Driant - 75040 PARIS CEDEX 01
Tél. 00 33 (0)1 44 89 54 22 - Fax : 00 33 (0)1 44 89 43 04
E-mail : commercial.esef@novalistaitbout.com



CCPBRP

22 rue de Dantzig - 75756 PARIS CEDEX 15
Tél. 00 33 (0)1 44 19 26 26 - Fax : 00 33 (0)1 44 19 28 90
E-mail : service.adherent@ccpbrp.fr - www.ccpbrp.fr
En cas d'intempéries : déclaration Intempéries : www.net-entreprises.fr



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Tél. 00 33 (0)1 40 33 78 01 - Fax : 00 33 (0)1 47 97 75 44
E-mail : etranger@ccvrp.com - Internet : www.ccvrp.com



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