

Practical INSTRUCTIONS

#SOCIAL

11 FEBRUARY 2021

orcom
Expertise Comptable Audit & Conseil

COVID-19
EMERGENCY
MEASURES

LONG DURATION PARTIAL ACTIVITY

Companies experiencing a lasting reduction in activity have the option of opting for the “Long Duration Partial Activity Scheme – APLD”, also called “Reduced Activity for Job Retention – ARME”, which constitutes an alternative to the “standard” partial activity.

PRINCIPLE OF THE SCHEME

This scheme is targeted at structures facing a lasting reduction in their activity which is not liable to compromise their permanence. In summary, this scheme makes it possible to:

- reduce working time up to 40% of the legal duration (up to 50% of the legal duration in exceptional cases),
- for a maximum duration of 24 months, which need not be consecutive, over a period of 36 months,
- while providing employees with a benefit paid by the employer for each furloughed hour corresponding to 70% of the gross hourly pay, with a minimum of 8.11,
- with State reimbursement to the company through an hourly subsidy equal to 60% of the gross hourly pay of each employee concerned, with a minimum of 7.30.

No criterion of company size is required to use the APLD. This scheme is targeted both at large corporations and at very small enterprises.

Standard partial activity:

The company is experiencing a suspension or a non-permanent reduction of activity and/or the employer is obliged to reduce the working time of its employees by more than 40%. All or some of the hours worked can be furloughed, within the limit of 1,600 hours in 2020 and 1,000 hours in 2021. The rates of reimbursement of standard partial activity will fall progressively from 1st February 2021

Practical INSTRUCTIONS

#SOCIAL

11 FEBRUARY 2021

orcom
Expertise Comptable Audit & Conseil

COVID-19
EMERGENCY
MEASURES

ACCESS TO THE SCHEME

YOU MUST FULFIL 3 CONDITIONS OF FORM:

1 - Establishment of an assessment of the economic situation and prospects of the activity (fall in revenues, fall in orders, bookings, loss of clients, etc.).

2 - Setup of the scheme in accordance with two options:

- Conclusion of a collective company, group or establishment agreement.
- Drafting of a unilateral decision pursuant to the extended branch agreement, after consultation of the social and economic committee, if there is one.

3 - Approval of the agreement or validation of the unilateral decision by the administration which will be valid as authorisation for placement on the APLD. **The application for approval must be submitted before June 2022.**

THEN 3 CONDITIONS OF SUBSTANCE:

1 - The scheme may be used over a period from 6 to 24 months (which need not be consecutive, within the limit of a period of 36 months). The period beginning on 1st November 2020 until the date decided by decree, and no later than 31 March 2021, is not included within the period of 24 months.

2 - The reduction in working time is limited to 40% of the legal duration (50% in exceptional cases). This reduction is assessed per employee and does not exclude a temporary suspension of activity during the APLD period, which may lead to periods of closure of a department or the company over certain durations.

3 - The employer must make commitments regarding employment (ban on redundancies) and professional training (training initiatives, accreditation of prior learning) to protect job retention. The FNE-Training Division will cover some of the training costs.

NB

If redundancies for financial reasons concern employees who are not on the APLD, no reimbursement may be demanded unless the commitment regarding job retention includes employees not placed on the APLD.

Practical INSTRUCTIONS

#SOCIAL

11 FEBRUARY 2021

orcom
Expertise Comptable Audit & Conseil

COVID-19
EMERGENCY
MEASURES

COLLECTIVE NATURE OF THE LONG DURATION PARTIAL ACTIVITY

The collective agreement or the unilateral document putting the APLD scheme in place must specify the activities and the employees concerned by the scheme. It is not necessary to designate the employees by name, however the activities and sectors concerned must be identified.

The placement on long duration partial activity must be collective. It must thus concern all employees of the company, a production unit, workshop, department, etc.

The individualisation option within the standard partial activity scheme, which consists of placing only some of the employees of the company, an establishment, a department or a workshop on the scheme, is prohibited for the APLD. Nevertheless, it is possible to stipulate that the employees are placed in an APLD position individually or alternately, according to a "rolling" system, within a same production unit, workshop, department, etc.

Furthermore, it is possible to use the standard partial activity scheme for some employees, and the APLD scheme for others. Obviously it is not possible to use both schemes for a single and same employee.

Standard partial activity and individualisation:

The placement on standard partial activity must be collective. However, since 27 March 2020 the employer has been able, either by majority collective agreement, or after approval of the social and economic committee, to decide to place only some of its employees on partial activity when this individualisation is necessary to ensure the maintenance or resumption of activity.

AUTHORISATION DECISIONS

The DIRECCTE will notify its decision within a period of 21 days within the framework of the unilateral decision, and within a period of 15 days in case of establishment by agreement. In the absence of response within these given time-frames, approval is deemed acquired for 6 months. The authorisation decision is valid for a maximum of 6 months, and must be renewed periodically until the end of the agreement in order to continue the compensation, accompanied by a situation assessment.

NON-RESPECT FOR COMMITMENTS

If the employer does not respect its commitments, it shall be sanctioned:

- The DIRECCTE may stop paying the subsidy,
- The DIRECCTE may order reimbursement of the sums received for each employee placed on the APLD and made redundant for financial reasons. If the redundancy concerns an employee who is not placed on the APLD, the reimbursement shall be equal to the ratio between the total amount of the sums paid to the employer under the APLD, and the number of employees placed on the APLD.