

# Bring together. Support. Illuminate.

2021 ACTIVITY REPORT



Special notebook

**Statistics and  
evaluation at the  
heart of the issues**

Unédic



**Throughout what has been a pivotal year, one which has seen the aftermath of the consequences of an unprecedented crisis, followed by a faster than expected economic recovery, Unédic's social partners and experts have mobilised, for our common good.**

**Based on three pillars:**

**Bring together. Support.  
Illuminate.**

At the heart of the employment ecosystem, they have been able to **Bring together** and coordinate all stakeholders to secure the unemployment insurance scheme and subsequently start deleveraging it, but also guarantee the quality of the service provided to jobseekers in order to promote a return to permanent employment.

By funding unemployment benefits and emergency measures to cope with the crisis, they have been able to **Support** our economy: €50 billion in 2021, supporting more than 5 million French people when they most needed it.

To **Illuminate** the decisions of the social partners, Unédic mobilised all its expertise, remaining attentive to changes in employment in order to anticipate and adapt to the crisis and the recovery, the requirements of the whole as well as the needs of every individual.

Today a new chapter opens: the administrators of Unédic are starting a new mandate and negotiations are expected in 2022.

But this future also promises new uncertainties: a still fragile health situation and geopolitical instability, both of which may again shake our economy.

**Faced with these challenges, Unédic will continue more than ever to commit to Bring together, Support and Illuminate, as it has done for more than 60 years.**

## **Special notebook on statistics for public debate**

There are different perspectives from which to approach Unemployment Insurance: economic, social, financial, human... To place Unédic's activity in perspective, we suggest you take a side step when approaching one of the key issues of Unemployment Insurance: statistics and evaluation. This special notebook is devoted to how to illuminate the public debate and to put forward the basis for a shared diagnosis.

► **Go to page 32.**

# SUMMARY

PAGE 4

**Look...**

**Patricia Ferrand**  
President of  
Unédic

PAGE 6

**Highlights  
of the year**

PAGE 7

**Look...**

**Jean-Eudes Tesson**  
Vice-President of  
Unédic

PAGE 8

**Bring  
together.**

PAGE 16

**Support.**

PAGE 24

**Illuminate.**



Special notebook

**Statistics and  
evaluation at the  
heart of the issues**

PAGE 32

# “I am approaching this new mandate seriously and with determination.”

Patricia Ferrand  
President of  
Unédic

LOOK

## — You’ve just been elected President of Unédic; How are you approaching this new mandate?

**PATRICIA FERRAND.** In an extremely complicated context, owing to health and economic instability, and taking into account the international context and the elections, I am approaching this mandate with some seriousness but also with determination. Seriousness because the financial situation of the unemployment insurance scheme was severely impacted by an unprecedented crisis, in 2020 and 2021. And with determination because I want Unédic to continue to be one of the stakeholders of social democracy that our organisations intend to bring to life. Thanks to the trust of the other directors and the members of the Committee, I know that we are a solid unit that can meet the challenges of the next two years.

## — In December 2021, the scheme went back to being in surplus after fully playing its role as an economic and social buffer against the crisis. It has proven its strength, its resilience. What is your assessment of this year?

**P.F.** Over the past two years, the unemployment insurance scheme has proven its strength and ability to respond quickly to the needs of jobseekers, employees and businesses. Unédic’s teams, whom I would like to salute here, have

fully ensured that it functions properly during this very difficult period. But this role of economic and social shock absorber, this historical support, has a cost: at the end of 2021, the debt amounted to nearly €64 billion, including a €19 billion “Covid debt”, which funded the furloughing scheme and the emergency measures. This financial situation is not neutral with regard to the future of the scheme. At present, with the economic recovery underway, the end of the emergency measures, but also the implementation of the unemployment insurance reform, it is again in surplus and is beginning its path towards deleveraging. Nevertheless, we are not coming out of 2021 the same way we went into 2020.

## — You have extended the Career Safeguarding Contract (CSP) until the end of 2022. What are the issues specific to this regime?

**P.F.** The CSP is intended for economic redundancies in companies with less than 1,000 employees who do not benefit from redeployment leave. It is for this reason that in June 2021, the social partners unanimously decided to extend it until the end of 2022. At that time, the situation was still highly unstable. There were questions as to whether ending the aid to companies would lead to bankruptcies and therefore to



economic redundancies. Today, the CSP is still playing a key role for redundant employees, but we will have to think about how to change it so it can also secure transitions or professional retraining because, beyond the health crisis, certain changes, such as the ecological transition, have accelerated. These will have an impact on skills and employment.

#### – How are the regional joint bodies (IPR) an asset for Unédic?

**P.F.** They are essential because, through the remedies available to jobseekers, the social partners are able to grasp certain practical consequences of the Unemployment insurance regulations. These bodies are also a privileged forum for discussing employment, vocational training, but also unemployment. It is an important local anchor for the social partners, allowing for analysis of the labour market. Upstream of preparations for unemployment

insurance negotiations, the IPRs make it possible to identify what is going on the ground and the needs that may be expressed in each employment pool.

#### – 2022 will be an eventful year. How will you enlist Unédic teams during the year?

**P.F.** It really is a rather special year because we have presidential elections and will need to wait for the new government before we know what will happen, especially regarding the negotiation of unemployment insurance. But negotiations are being prepared, and it is our responsibility to be part of them. The preparatory work carried out by the Unédic teams must therefore start as soon as possible so we can feed into joint discussions. Even if we are still in a period of want, the negotiation of unemployment insurance rules by the social partners is still on the cards.

#### – Future negotiations on the State-Unédic-Pôle Emploi tripartite agreement are also planned for 2022. What initial issues have you identified?

**P.F.** The tripartite agreement, implementation of which has been greatly hampered by the crisis, will come to an end in late 2022. The forthcoming negotiations will therefore be an opportunity to reflect on the consequences this crisis has had on the labour market, on the profiles of jobseekers and their careers. Consideration will need to be given to possible changes in the supply of services and the organisation of support for jobseekers and businesses, in the light of their new needs. The issue of governance and how this functions will also necessarily be a major point of discussion. •



ERIC LE JAOUEN, PRÉSIDENT DE L'UNÉDIC  
Janvier 2020 - Janvier 2022  
RAPPORT MORAL

À travers ce premier rapport moral, j'ai à cœur de revenir sur ces deux dernières années qui ont bouleversé notre pays. Deux ans qui ont également balayé la feuille de route initialement prévue à ma prise de fonction et permis d'inscrire encore plus l'Unédic comme acteur pilier de notre modèle social.

Ce mandat qui s'achève a en effet été marqué par une crise sanitaire, accompagnée d'une crise économique sans précédent. Depuis mars 2020, l'Unédic a découvert sa solidité et sa résilience face à de tels événements pour que l'assurance chômage continue à jouer son rôle naturel d'amortisseur économique et social. Que ce soit la gestion massive de licenciements pour garantir l'équilibre du régime, l'ajustement de la gouvernance paritaire pour adapter en permanence nos politiques, ou encore sa réactivité notamment pour mettre en œuvre en urgence avec l'État de mise en œuvre des mesures d'urgence.

«DEUX ANS QUI ONT PERMIS D'ANCRER ENCORE PLUS L'UNÉDIC COMME ACTEUR PILIER DE NOTRE MODÈLE SOCIAL.»

Les partenaires sociaux ont pris leurs responsabilités, en cette période difficile de crises pendant laquelle la mise en œuvre de la réforme intervenue par décret a été repoussée à plusieurs reprises. Un seul objectif fut à atteindre : répondre les demandes d'emploi, au service de nos entreprises. L'accord conclu sur le contrat de sécurisation professionnelle (CSP) est un bon exemple illustratif, en plus de souligner la légitimité et l'efficacité de la gestion paritaire.

1/4

Unédic

## UNÉDIC'S STRENGTH TAKES FRONT AND CENTRE OF ÉRIC LE JAOUEN'S PRESIDENT'S REPORT

In his President's Report, **Eric Le Jaouen**, outgoing president of Unédic from 2020 to 2022, has revisited his mandate, which was marked by a health crisis and an unprecedented economic crisis. He has reaffirmed the strength of Unédic, which was able to mobilise its resources so that unemployment insurance could fully play its role as an economic and social buffer. The institution was able to control its indebtedness in order to guarantee the financial balance of the scheme, to remain agile in order to constantly adapt its management, or to be reactive, alongside the State, in order to implement emergency measures. He concluded his report by saluting the social partners, who stepped up to their responsibilities, guided by a single objective: *“Supporting jobseekers, employees and businesses.”*

# 2021 HIGHLIGHTS

## CSP extended until the end of 2022

Intended to secure the trajectory of people made redundant from companies of less than 1,000 employees, the **Professional Safeguarding Contract (CSP) has been extended until the end of 2022**. The amendment whereby the agreement was extended was signed by all the social partners on 28 June 2021, scheduled to enter into force on 1 July.

## Entry into force of the new unemployment insurance rules

Repeatedly postponed due to the health crisis, the **Unemployment Insurance reform entered into force on 1 October 2021**, with new rules on the calculation of benefits and the duration of compensation. Since 1 December 2021, the minimum condition for enrolment has also been reinstated at 6 months, and the taper-off period of the benefit reduced as from month 7.

## New governance for Unédic

When it was renewed on 26 January 2022, The Board of Directors elected a new Committee for a term of two years. **Patricia Ferrand** (CFDT) was elected president of Unédic, and **Jean-Eudes Tesson** (Medef) was elected first vice-president. This election took place within the context of alternating job-sharing, between the employees' college and the employers' college.



# “The search for consensus for the sake of the common good is in Unédic’s DNA.”



Jean-Eudes Tesson  
Vice-President  
of Unédic

LOOK!!!

— You’ve just been elected. Vice-President of Unédic. In what spirit are you approaching this new mandate?

**JEAN-EUDES TESSON.** I am approaching this new mandate with confidence and humility. Confidence first of all that I will find interest and pleasure in working on topics to do with Unemployment Insurance. My 10 years as president of Urssaf Caisse nationale (formerly Acooss) and president of the Union des caisses nationales de Sécurité sociale (Ucanss) have given me the opportunity to learn and grow passionate about the world of social protection. And humility because I will be surrounded by other members of the Committee who have more history on the unemployment insurance scheme. I know I have a lot to learn and find out and I am delighted about that.

— You were previously president of the Urssaf Caisse nationale and Ucanss, so what is your view on the specificities of the unemployment insurance scheme?

**J.-E. T.** Unédic is a truly joint body, one that has the status of a private association, and therefore has more autonomy than the social security agencies. What is striking to me is Unédic’s relationship with its operators: for the recovery, that means Urssaf; for jobseeker support, it’s Pôle Emploi. This is a very signposted ecosystem, very defined, one which is organised by conventions. More generally,

it is our responsibility, as the social partners, to make this joint management work.

— What are the priorities of Unemployment Insurance in 2022?

**J.-E. T.** Of course, the priority is coming out of the shortage period and preparing for the negotiations on the new unemployment insurance rules. This includes monitoring and evaluation, which are among Unédic’s missions. Making objective findings is a good way to build consensus. There is also an important issue around the tripartite agreement with the State and Pôle Emploi. This is also one of my priorities.

— You are waiting for the government’s scoping letter to commence negotiations on unemployment insurance regulations. How do you view these future negotiations?

**J.-E. T.** I think we have to do everything we can to avoid a second period of shortage. But that doesn’t mean we need to just accept everything. This means we will need to put all our energy into searching for consensus and what’s best for the scheme. I have confidence in the social partners’ abilities to work towards this goal, which is in Unédic’s DNA. When we stop posturing, that means competent men and women, with good intentions, who are committed and who are interested in the institution and seeking out the common good. •

Unédic was established by employees' and employers' representatives to manage the unemployment insurance scheme. As an association pursuant to the 1901 law, Unédic is based on the principle of a joint organisation. Decisions are made between the social partners following discussions and consultations. Unédic also carries out its missions in accordance with the actions of other stakeholders in the public employment service. It is this collegial dynamic which drives employment policies.



**Bring together.**  
**Support.**  
**Illuminate.**



## Partnership between Cnav, Pôle Emploi and Unédic

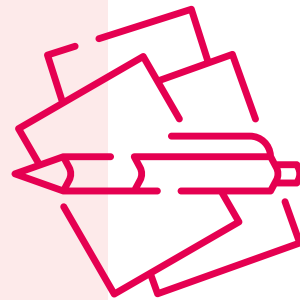
This partnership was set up in May 2021 and its aim is to **secure jobseekers' transition into retirement**.

Cnav, Pôle Emploi and Unédic are therefore committed to **simplifying administrative procedures** and to **improving the quality of the service provided**. Customised appointments are offered to particularly socially or financially fragile jobseekers to prepare them for retirement.

**250**  
new members  
at regional joint bodies

## Signing of a new agreement between Unédic and Agirc-Arrco

In December 2021, Unédic and Agirc-Arrco signed a **new agreement for the funding of the additional pension** credits acquired by jobseekers receiving benefits from Unemployment Insurance. This new text takes account of the merger of the Agirc and Arrco supplementary pension schemes and refers to the unemployment insurance regulations in force.



## A quarter of IPR members renewed in 2022

Since 1 January 2022, nearly 250 new members, appointed by their trade union organisation, have begun a three-year term on the regional joint bodies (IPR). All over France, **these bodies ensure the proper application of unemployment insurance rules** and rule on individual cases of jobseekers.



## THE PUBLIC AUTHORITIES

define the **scoping prior to the negotiation** and approve the **agreement resulting from the agreement of the social partners**.

They co-manage Pôle Emploi together with Unédic within the framework of the tripartite agreement.

## UNÉDIC

- entrusts the **collection of contributions**.
- entrusts the **payment of benefits**.
- ensures that the rules are applied.

## THE SOCIAL PARTNERS

negotiate the **rules on compensation** well as the **contribution rate** and manage unemployment insurance *via* Unédic.

\* In a period of shortage, it is the State which defines the rules by decree.

# Unédic

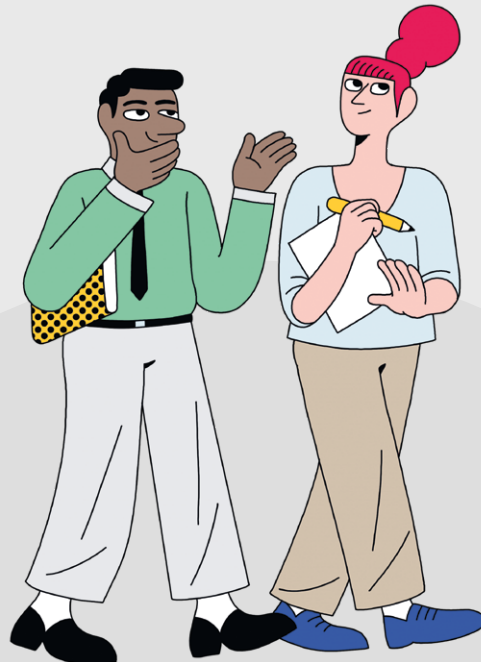
## THE URSSAF

collect contributions from **employers** and certain employees as well as a share of the CSG activity of **employees**.



## PÔLE EMPLOI

**calculates and pays benefits** to jobseekers and helps them in their job search.



## JOBSEEKERS

# Who does what for the sake of jobseekers?

**M**anaged by Unédic, the unemployment insurance scheme allows employees to receive a replacement income in the event they lose their job. This is a joint scheme, funded by contributions from employers and a share of the CSG activity. The Committee and the Board of Directors of Unédic are composed of

representatives of employee unions and representatives of the employers.

Unédic defines and secures the rules of unemployment insurance, ensures the collection of contributions and the payment of benefits. It also contributes to the funding of pensions (Cnav, Agirc-Arrco) for unemployed persons in receipt of benefits.

Unédic coordinates the operators who collect the contributions (Urssaf Caisse nationale etc.) and pay the benefits (Pôle Emploi). Finally, Unédic pays the salaries of employees whose companies are in liquidation or receivership, on behalf of the Association for the Management of the Employee Debt Guarantee Scheme (AGS).



— Interview with  
**Christophe Valentie**  
**“Whatever the economic situation, Unédic always adapts, thanks to its elasticity.”**

**Christophe Valentie, CEO of Unédic, goes back over the year 2021, which was marked by both the continuation of the health crisis and an exceptional economic recovery in the second half of the year.**

**— 2021 was marked by the crisis and then by an unexpected recovery. What role did Unédic play during this period?**

**CHRISTOPHE VALENTIE** 2021 was in keeping with 2020. In the first half of the year, Unédic mobilised very strongly to fund the furloughing scheme, compensate jobseekers and thus support hundreds of thousands of people. In the second half of the year, the regime started on the path back to balance, thanks to a much better-than-expected rebound in employment. As such, 2021 was a pivotal year. It bodes well for what 2022 could be like.

**— How did Unédic adapt in practice?**

**c.v.** Whatever the economic situation, Unédic always adapts, thanks to its elasticity. In the second half of the year, we were able to control our indebtedness, adjusting our funding needs in a very responsive way, thanks to our three annual financial forecasts. Added to this agility was our deep understanding of the labour market. We are keen observers; we need to be in order to manage the scheme.

**— A genuine social shock absorber for two years, has Unédic seen changes in relations with its partners in the employment ecosystem?**

**c.v.** As the manager of a social protection scheme with a budget of €40 billion which covers several million people, Unédic is very attentive to relationships with its ecosystem. In 2021, we worked closely with Pôle Emploi to put in place the new unemployment insurance rules, with Urssaf Caisse nationale to ensure the collection of contributions, with the Service and Payment Agency (ASP) to fund the furloughing scheme, as well as with Agence France Trésor (AFT) which manages the debt and the treasury of the State and which saluted us for our reliability and willingness. So yes, in 2021, relations with our partners did change: they strengthened!

**— Unemployment insurance mainly relates to the return to work allowance, but there is also the professional safeguarding contract (CSP). Why did the social partners renew this in 2021?**

**c.v.** The CSP was born in 2011, from the observation of the social partners, on the grounds that there was a need to support companies and protect employees who were

made redundant. The CSP gives them the choice and time needed for their professional transition. Faced with the current crisis and in anticipation of the recovery, it plays a major role: it can accelerate the return to employment. At the end of June 2021, a unanimous agreement was therefore reached by the social partners to adapt and extend the CSP agreement until the end of 2022. This new amendment was understood and accepted by the State, which officially approved it in September.

**— End of the shortage period for the unemployment insurance scheme, commencement of negotiations for the new Unemployment Insurance rules... How will Unédic mobilise in 2022?**

**c.v.** The shortage period effectively ends on 31 October 2022 and new negotiations on unemployment insurance rules are expected to commence. In this context, Unédic's role will always be to illuminate the social partners on matters. Throughout the year, we will therefore monitor the economic situation, analyse the structure of the labour market and assess the effects of the rules in force. We need to be ready for the day when the government sends its scoping letter to the social partners. •

# UNÉDIC AT THE HEART OF ITS ECOSYSTEM

**A**t the heart of the employment and the Unemployment Insurance system, Unédic plays a pivotal role. It ensures the reliability and security of recovery and funding operations, verifies the quality of service provided to jobseekers and defines the roadmap for Unemployment insurance along with the State.

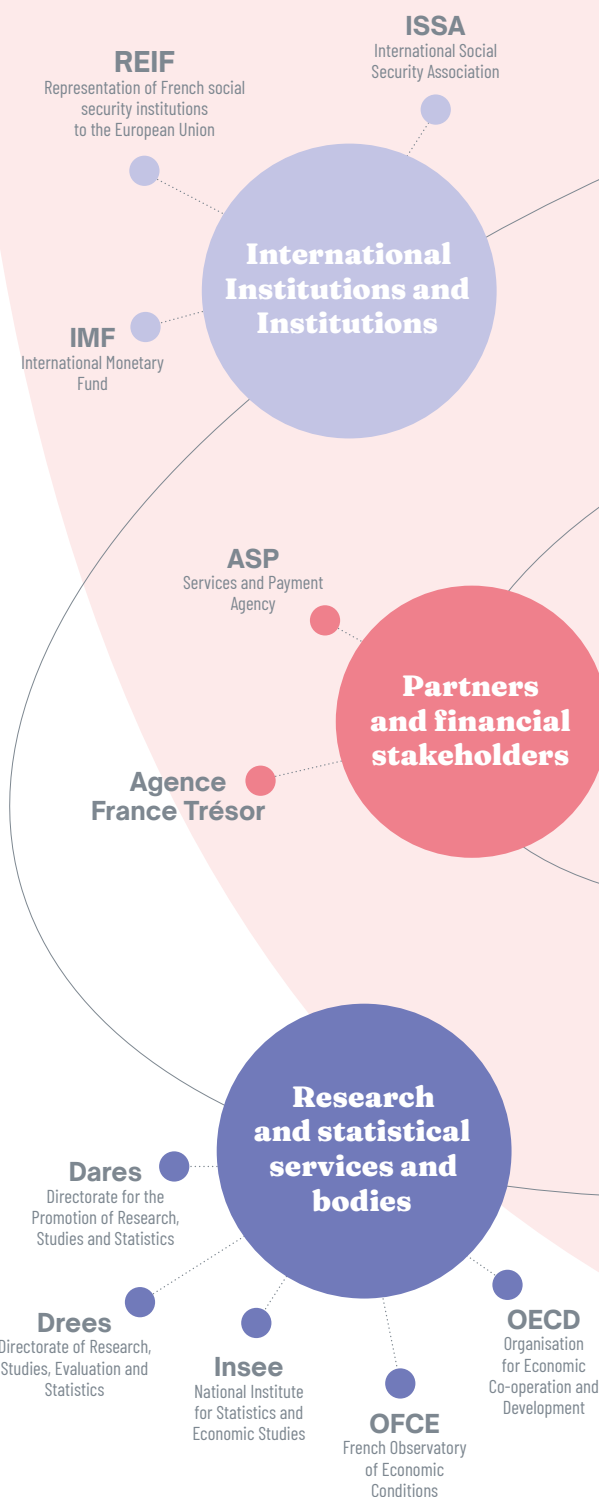
Unédic is therefore at the heart of an extremely large institutional ecosystem. In relation to employment operators, branches of social security and supplementary pension schemes, it is based on data from statistical agencies, employment and training stakeholders or research institutes. It also reports to public institutions and financial partners.

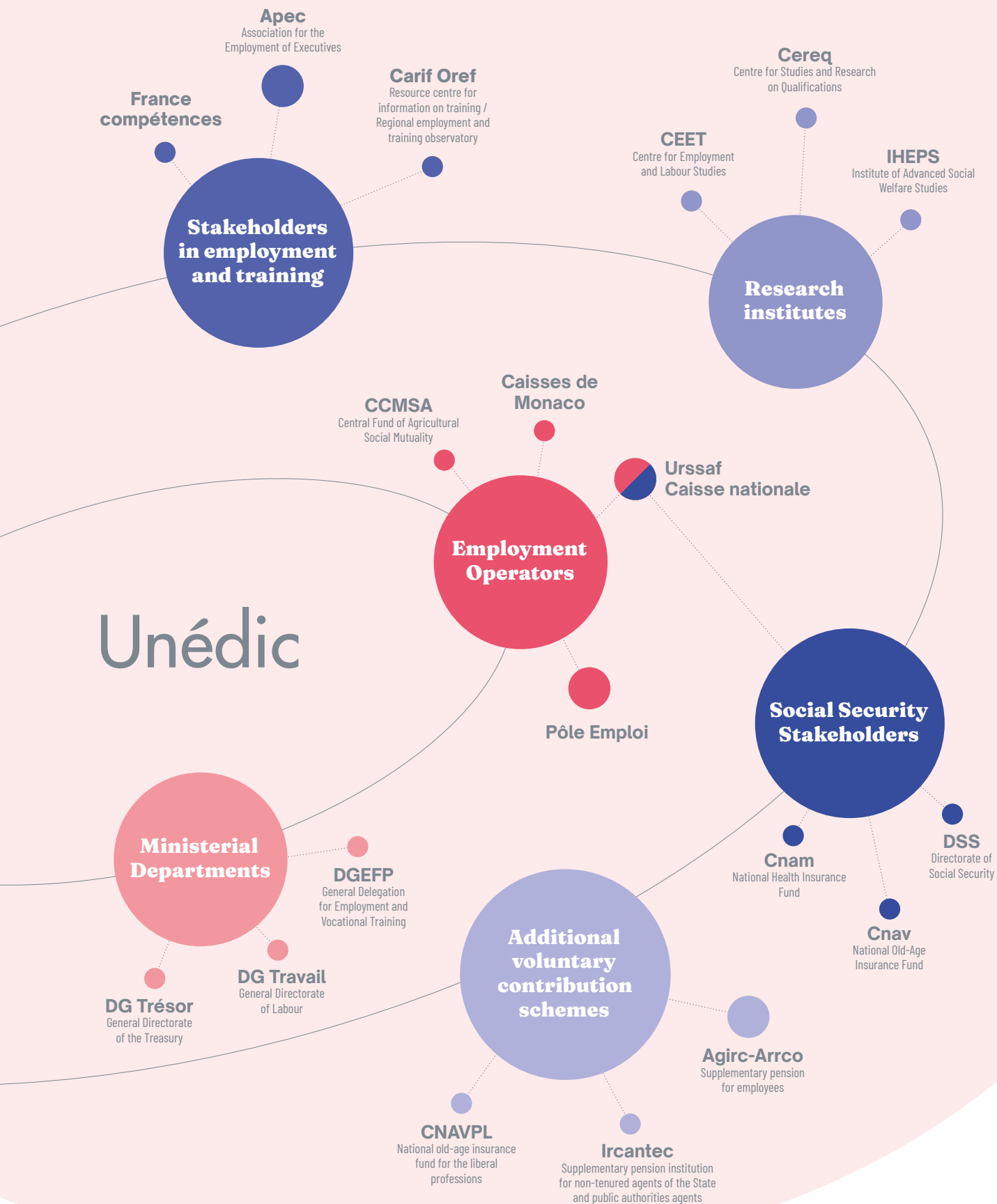
**“At the height of the health crisis, Agence France Trésor and Unédic worked closely together to identify the best funding solutions to the economic shock. The relationship of trust between our teams was further strengthened during this unprecedented period.”**

— **Cyril Rousseau**, Managing Director of Agence France Trésor

**“Unédic and Agirc-Arrco teams were able to work together to achieve the signature of a new agreement to fund pension credits for recipients of Unemployment Insurance. The culture of consensus common to our two joint organisations has allowed us to reach an agreement that is satisfactory to both parties.”**

— **François-Xavier Selleret**, Managing Director of Agirc-Arrco





# Joint governance to manage Unemployment Insurance

**U**nédic was established in 1958 by the social partners to manage the unemployment insurance scheme. The latter negotiate the unemployment insurance rules and manage the scheme, ensuring that Employer contributions are deducted and benefits are paid to jobseekers.

Unédic is led by a Board of Directors and a Committee. Elected for two years, half of their members are employees (CFDT, CFTC, CFE-CGC, CGT, FO) and half of them are employers' representatives (Medef, CPME, U2P). The same applies to the presidency and vice-presidency, which are assigned in turn to one of the two colleges. This governance was renewed in January 2022. Therefore, until January 2024, Patricia Ferrand (CFDT) will preside over Unédic and Jean-Eudes Tesson (Medef) will be its vice president.

The 50 members on the Board of Directors outline the broad guidelines, approve the financial strategy, vote on the amount of the allowances and elect the Chair and the Committee. They meet twice a year and approve the accounts.

The 10 members of the Committee meet monthly. They ensure the proper application of the rules, the proper functioning of Unédic and appoint its CEO. Three times a year, they adopt financial forecasts to anticipate the needs of the scheme. The link with the public authorities is upheld by a general, economic and financial comptroller who participates on the Board of Directors in an advisory capacity. Led by Christophe Valentie, the management team implements decisions of the Committee.

## REGIONAL JOINT BODIES (IPR)

Around a thousand mandated social partners from both colleges, mobilise within the IPRs in the regions. Led by Unédic and Pôle Emploi, these bodies ensure that the unemployment insurance rules are properly applied, monitor their implementation and supplement the reports on the regulations that Unédic publishes for the social partners.

When the rules put some jobseekers in difficulty or hinder their return to employment, the relevant matter may be referred to the IPRs and the latter asked to make a ruling in derogation in each individual case, always ensuring national consistency of decisions. The feedback they transmit to governance feeds into the regulatory monitoring of unemployment insurance.





**ASSESSOR**

**Michel Beaugas**  
FO



**2<sup>nd</sup> VICE PRESIDENT**

**Éric Courpotin**  
CFTC



**ASSESSOR**

**Hubert Mongon**  
Medef



**PRESIDENT**

**Patricia Ferrand**  
CFDT



**ASSESSOR**

**Elisabeth Tome-  
Gertheinrichs**  
Medef



**TREASURER**

**Michel Picon**  
U2P



**VICE-PRESIDENT**

**Jean-Eudes Tesson**  
Medef



**DEPUTY TREASURER**

**Jean-François  
Foucard**  
CFE-CGC



**ASSESSOR**

**Denis Gravouil**  
CGT



**3<sup>rd</sup> VICE PRESIDENT**

**Jean-Michel Pottier**  
CPME

# COMMITTEE MEMBERS

Unédic guarantees the funding of the unemployment insurance scheme and makes it possible, through controlled, efficient and agile management, to preserve the country's social cohesion and economic strength.

Unédic plays a social shock absorber role and protects millions of French people as well as companies in times of economic crisis. It supports the economy and calls, if necessary, on the financial markets – notably through the issue of Social Bonds, to ensure the funding of the Unemployment Insurance scheme.



Bring together.  
Support.  
Illuminate.



## €3bn to fund the furloughing scheme in 2021

With €3 billion in spending in 2021, Unédic's contribution to funding the furloughing scheme was three times less than it was in 2020, but still ten times higher than before the crisis. Between March 2020 and December 2021, Unédic will have spent a total of €11.4bn, i.e. more than half its deficit.

## Return to surplus and the beginning of deleveraging confirmed

In its February 2022 forecast, Unédic confirmed that **the return to surplus will allow the scheme to begin paying off its debt in 2022**. This debt, which was €63.9 billion in 2021, including almost €20 billion due to emergency measures, could therefore be reduced to €52.5 billion in 2024.



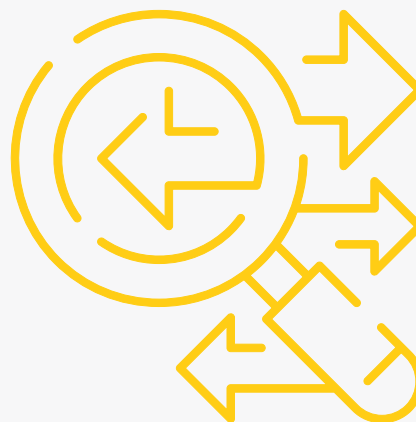
## €12.5 billion of issues in 2021, of which €10 billion in Social Bonds

To support the unemployment insurance scheme, Unédic issued 8 loans on the financial markets in 2021 for a total of €12.5 billion, including €10 billion in the form of Social Bonds. These are in addition to the €17 billion in social issues made in 2020, which made it possible to support 11 million French people at the height of the crisis.

**8** loans issued by Unédic in 2021 on the financial markets for a total of €12.5 billion

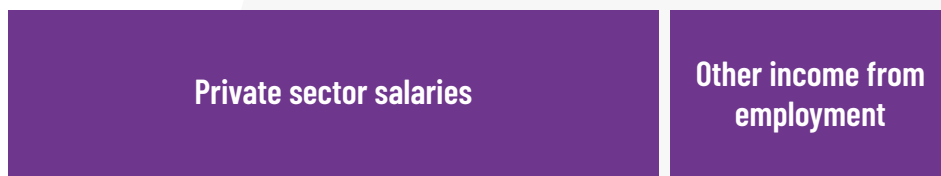


# FUNDING UNEMPLOYMENT INSURANCE



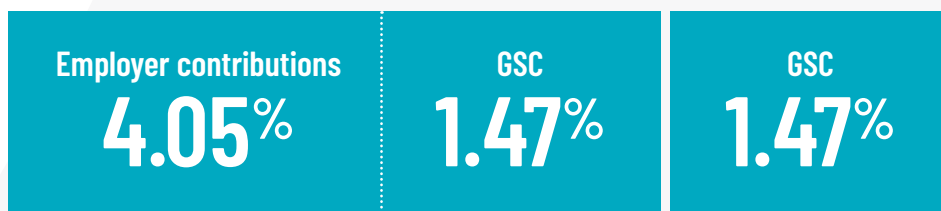
With the contributions levied on wages, unemployment insurance funds unemployment benefits, jobseekers' supplementary retirement credits and Pôle Emploi's budget. Its financial situation is particularly sensitive to the economic and employment situation. To guarantee the payment of benefits, Unédic resorts to borrowing during periods of deficit.

## WHERE DOES THE FUNDING FOR UNEMPLOYMENT INSURANCE COME FROM?



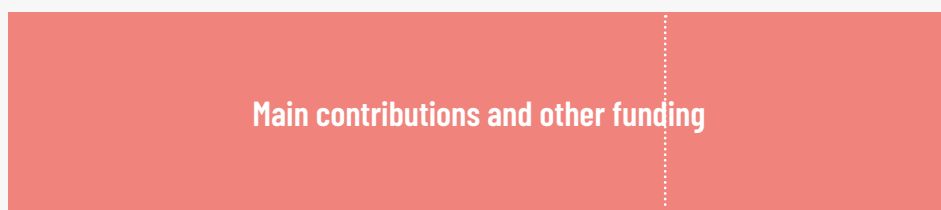
The majority of the benefits come **from private sector wages** plus **other income from employment**.

## WAGE DEDUCTIONS, EMPLOYER CONTRIBUTIONS AND THE CSG



**Employer contributions** are levied at 4.05%, and **CSG** at 1.47%. These deductions are taken directly from earnings.

## CONTRIBUTIONS ARE DEDUCTED BY URSSAF AND CCMSA



The Urssaf deducts **contributions** from employers and certain employees, as well as a share of the **CSG activity** of employees. Pôle Emploi calculates and pays **benefits** to jobseekers.



— Three questions to

**Rémy Mazzocchi**

**“The scheme is set to return to surplus in 2022, but we need to remain cautious in the face of a variety of situations.”**

**Rémy Mazzocchi, Deputy Director General of Unédic, manages the unemployment insurance scheme that was carried out by Unédic throughout 2021.**

— **2021 saw a first half-year which was still very unstable and a second which was very dynamic. Faced with these shifting goalposts, how has Unédic adapted its management strategy?**

**RÉMY MAZZOCCHI.** We have been living with these shifting goalposts for two years. On the economic level, the situation has been evolving constantly and often unexpectedly. On the structural level, the implementation of the new unemployment insurance rules has been complicated because it has been subject to the vagaries of the health crisis. The more unstable the markers, the more robustly the scheme has to be managed. This was, first of all, because of our close proximity to governance, which shortened our decision-making times. More than 30 bodies were mobilised in 2021 to conclude agreements: on the professional safeguarding contract (CSP), with Agirc-Arrco or on the furloughing scheme. The second element that has enabled us to remain reliable is our ability to continuously analyse the country's economic and social situation. To update our financial forecasts in February, June and October, adapt our financial trajectory and thus secure the payment of benefits to jobseekers, *via* Pôle Emploi.

— **To fund the emergency measures, Unédic resorted to Social Bonds, for which the first balance sheet was published in December 2021. What lessons should we learn?**

**R. M.** Our protection system is, by its nature, a redistributive system with a social vocation which supports the French economy. And this balance sheet is proof of that. In 2020, Unédic borrowed €17 billion in the form of Social Bonds which it reinjected into our economy. These funds helped to maintain the salaries of more than 8 million French people on furlough at the height of the crisis and to pay replacement income to 3 million jobseekers. They therefore bolstered the purchasing power of households and made it possible to avoid business difficulties. These financial flows have also been used to support the operating budget of Pôle Emploi and, therefore, to support jobseekers and help them get back to permanent employment. This is what this first report on the allocation and impact of the Social Bonds says, specifically and with complete transparency. It explains where the funding comes from and what it was used for, how it was redistributed and to whom.

— **Now that the scheme has been returning to surplus since December 2021, what are its financial perspectives for 2022 and beyond?**

**R. M.** Ever since the 2008 financial crisis, neither the economic situation nor the environment had allowed for the spending and revenue curves to change in this way. This was originally planned for 2020, but the crisis hit our scheme, like all social protection schemes in the country, and swept all that aside. The emergency measures and the robustness of our regime have lessened this shock. The latest financial forecasts allow us, today, to confirm the return to a pre-crisis dynamic, or even to surplus, so we can begin our deleveraging in 2022. But, we have to remain vigilant in the face of what is still a fragile health situation, uneven economic recovery across sectors and populations and an uncertain geopolitical context. Whatever happens, we will remain mobilised both to secure the scheme financially and to guarantee the solidarity and social nature of unemployment insurance. •

# Starting down a path of deleveraging as from 2022

**A**s a result of the unprecedented economic shock caused by the Covid-19 crisis and the emergency responses to support employment since March 2020, and in the context of the unexpected economic rebound in the second half of 2021, Unédic has constantly had to adjust its forecasts to the economic and regulatory context.

For the first time since 2008, the Unemployment Insurance accounts have returned to surplus (in December 2021). However, the scheme remains highly indebted: debt is expected to amount to €61.7 billion in 2022, €57.6 billion in 2023 and €52.2 billion in 2024.

Regarding the scheme's return to a more favourable financial situation, the experts at Unédic had already anticipated this in their October 2021 forecasts and confirmed it in the February 2022 forecasts, based on three factors. An economic factor, with 7% growth in 2021, and two structural factors, with the gradual end of emergency measures and the entry into force of the Unemployment Insurance reform on 1 October and 1 December.

**The scheme's return to a more favourable financial situation is linked to three factors: 7% growth in 2021, the end of the emergency measures and the entry into force of the Unemployment insurance reform.**

These factors allowed the scheme to improve its financial balance from - €17.4 billion in 2020 to - €9.3 billion in 2021. This is a dynamic that is expected to continue, with a surplus balance of €2.2bn in late 2022, €4.1bn in late 2023 and €5.4bn in late 2024. The source of this improvement between 2021 and 2022 was as follows: the 70% fall in spending (end of the extension of rights for jobseekers who have reached the end of their entitlements and decrease in the use of furlough in particular) and the increase in revenues driven by the 30% increase in good activity dynamics. In 2021, a total of 648,000 jobs were created and the number of jobseekers in receipt of benefits fell by 471,000. Caution is still warranted, however, given the uncertainty surrounding the health situation and the geopolitical environment.



## THE POSITIVE IMPACT OF SOCIAL BONDS<sup>1</sup> HAS BEEN PROVEN

The €17 billion in social bonds borrowed by Unédic in 2020 to cope with the crisis have kept their promise to act in the public benefit. This is what is presented in the Social Bond report published in December 2021. These funds have made it possible to protect 8 million jobs, thanks to the funding of the furloughing scheme, and to compensate 3 million jobseekers. In addition, nearly 7 million jobseekers were supported by Unédic's contribution to Pôle Emploi's funding. This report confirms that Unédic is by its nature a social issuer. The redistributive vocation of unemployment insurance is in line with France's strategy to achieve the sustainable development goals (UN 2030 Agenda) because it has helped reduce poverty, support economic growth and reduce inequalities.



<sup>1</sup> - Bonds issued on the financial markets intended to fund projects in the public benefit.

## How has the furloughing scheme contributed to limiting job losses?

Designed before the crisis by the social partners, the furloughing scheme – one third of which is funded by Unédic – changed scale completely in spring 2020. Throughout 2021, the system evolved to continue preserving employment. By the end of April 2021, 10.9 million workers had benefited from it, i.e. more than half of private sector workers. 1.15 million companies were therefore covered by the measure, of which more than 70% were SMEs with fewer than 50 employees, the majority in the retail trades, hotels and restaurants, car repair and service activities. At the end of May 2021, €32.8 billion (State and Unédic) in furloughing benefits was committed to cover employees at more than one million establishments.



# How Unédic manages the scheme thanks to its expertise in the consequences of the crisis

**I**n an uncertain context, one in which the hopes for a way out of the crisis can in particular be confronted by new waves of epidemic, Unédic more than ever needs to anticipate, predict and react quickly to manage the scheme and secure it. For the past two years, it has strengthened its expertise in analysing the consequences of the crisis and done so on multiple levels: data, legal and operational.

Thanks to its ability to analyse data on a large scale, Unédic is able to identify the systemic effects of economic and regulatory changes. To do this, it uses completely revised mathematical models, which are constantly being adapted. With its extensive legal expertise, it is able to accurately anticipate the consequences of regulatory changes on jobseekers or operators. As such, its audit and control skills are essential in order to fully control the effects of the calculation and payment of benefits. Thanks to the field expertise of the regional joint bodies, Unédic is also able to measure the impact of the crisis and the evolution of the rules as closely as possible to the lived experience. Finally, its long experience in managing the scheme gives it a global understanding of the evolution of the social protection system in which the unemployment insurance scheme is situated.

**Unédic deploys this expertise it in real time** by being “glued” to



the news so that the system is as responsive as possible. With that in mind, in 2021, Unédic carried out monthly monitoring of the emergency measures, including the extension of jobseekers' rights and the furloughing scheme, but also the deferral or reduction of companies' contributions. These analyses were presented monthly to the social partners and the public authorities via the Steering Committee together with the Ministry of Labour. Careful monitoring of the effects of the crisis has fed into the three financial forecasts, published in February, June and October 2021. It is by constantly anticipating its spending and forecasted income that Unédic was able to borrow as fairly as possible on the financial markets and secure the scheme.

At the heart of an ecosystem of which it is the pivot, **Unédic has also strengthened its links with its operators and partners.** **New agreements have been signed or are under consideration to reflect the strengthening of relations and new modes of interaction.** Therefore, an agreement was signed with Agirc-Arrco on the funding of supplementary pension credits, and exchanges have begun with Urssaf Caisse nationale, which collects 97% of companies' contributions, to integrate the new ways of operating brought about by the crisis. Finally, work is underway with Pôle Emploi, in particular on the management of benefits in 2021 and 2022.



# 6.5 million

**JOBSEEKERS REGISTERED with Pôle Emploi\***

Due to the effect of the economic recovery, the number of jobseekers is down, at 6.5 million in December 2021, compared to 6.7 million at the end of 2020.

# €960

**net/month IN BENEFITS on average**

## 3.6 million

**JOBSEEKERS ELIGIBLE FOR BENEFITS**

## 2.5 million

**JOBSEEKERS IN RECEIPT OF BENEFITS**

# WHO ARE THE RECIPIENTS

## €1,070/month

**ON AVERAGE FOR THOSE RECIPIENTS WHO ARE NOT IN WORK**

## €720/month

**ON AVERAGE FOR THOSE RECIPIENTS WHO ARE IN WORK**

\* FTE at the end of December 2021.



As in 2020, more than 1 in 3 recipients were under 30 years of age at the end of June 2021. Often hired on fixed-term contracts, young people are more likely to access their entitlement to Unemployment Insurance.

A distinction must be made between the potential duration of the entitlement and actual consumption of the entitlement. **Benefit recipients consume an average of 68% of their entitlements, i.e. around 10 months.** Almost half of them have an entitlement of two years or more.

- < 25 ▶ 16%
- 25-29 ▶ 15%
- 30-34 ▶ 14%
- 35-39 ▶ 12%
- 40-44 ▶ 10%
- 45-49 ▶ 10%
- 50-54 ▶ 10%
- 55-59 ▶ 10%
- > 60 ▶ 3%

# 48%

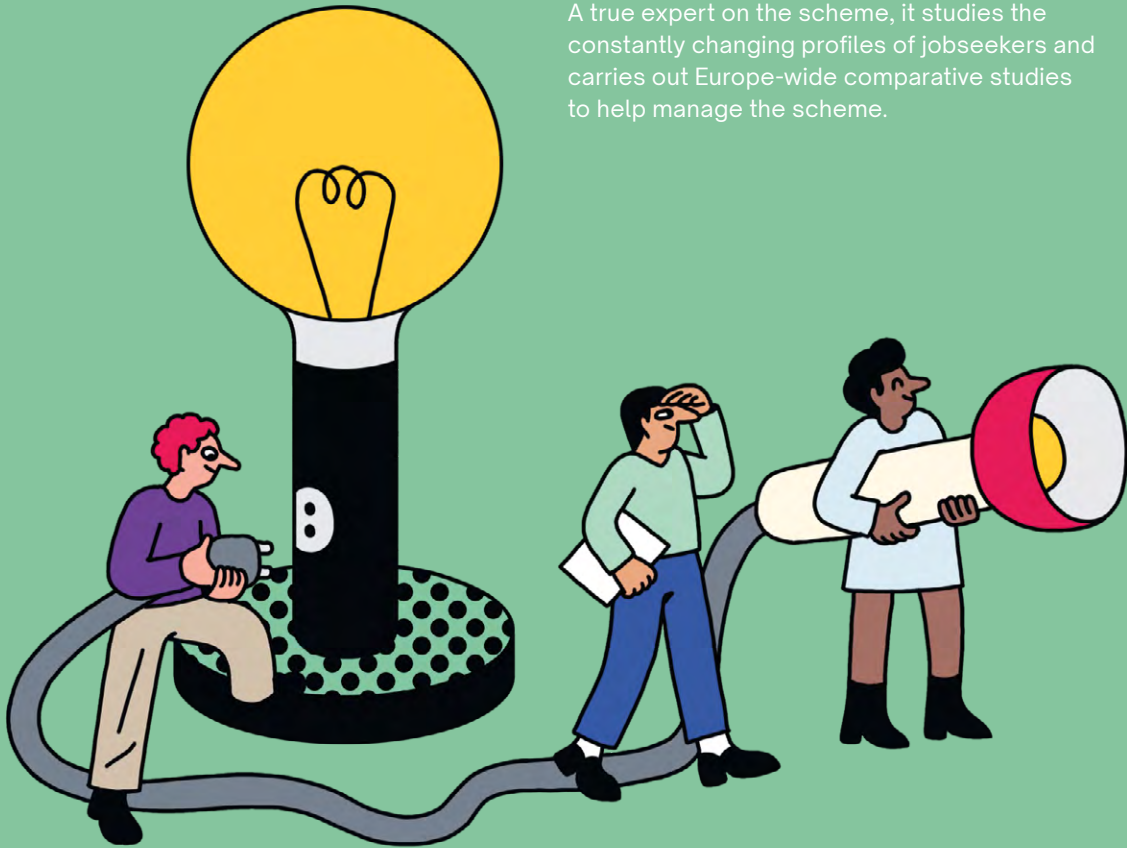
**ARE ENTITLED TO RECEIVE BENEFITS FOR 2 YEARS OR MORE**

# 49%

**OF RECIPIENTS HAVE NOT PASSED THEIR BACCALAUREATE EXAM compared to 38% for the rest of the working population**

Unédic informs and enlightens the social partners and the French people through studies and analyses: simulations of changes in rules, studies on the feasibility of a measure, analyses of profiles of recipients of benefits, financial forecasts, etc.

A true expert on the scheme, it studies the constantly changing profiles of jobseekers and carries out Europe-wide comparative studies to help manage the scheme.



Bring together.  
Support.  
Illuminate.



## Unédic publishes a situation report on the furloughing scheme

Two years after the beginning of the health crisis, in February 2022, Unédic published a situation report on the use of the furloughing scheme that was put in place to cope with the shock. A valuable light on a system that has made its way into French economic life on one level and which could remain an important lever to support employment in coming years.

## 2 circulars on developments in the Unemployment Insurance rules

With each change in rules, Unédic publishes a circular to help its operators, in particular Pôle Emploi, to implement them. This happened twice in 2021: on 1 October, to clarify the **new rules linked to the entry into force of the reform of the calculation of unemployment benefit**, and on 1 December to explain the **new conditions on enrolment and the tapering off of benefits**.



## 10 new episodes of Point de suspension(s), Unédic's podcast

To make sense of the transformations going on in the world of work, Unédic once again handed the mic to sociologists, economists, philosophers or researchers in the social sciences. In particular, the experts shone a light in this, the 4<sup>th</sup> season, on the “big quit” in the United States, digital sources of employment sources and equality between women and men at work.

**40**  
episodes broadcast

since the launch of Point de suspension(s), Unédic's podcast



## GETTING INTO THE JOB MARKET



“Ongoing labour relations: Short-term contracts with the same employer”

## CHAIN OF INTERIM ASSIGNMENTS AND SHORT-TERM CDD CONTRACTS



“What are the career paths of the beneficiaries before they start training?”

## TRAINING



## DISMISSAL AND ENROLMENT IN UNEMPLOYMENT INSURANCE



“Receipt of Unemployment Insurance benefits by cross-border workers”

## ECONOMIC REDUNDANCY AND GETTING INTO WORK



“The CSP, ten years after its creation: What’s the assessment? What are the challenges?”



“Initial assessment of the furloughing scheme from the beginning of the Covid-19 crisis”

## FURLOUGHING SCHEME PERIOD



“Study on the link between unemployment benefits and setting up a business”

## TRAINING FOR SETTING UP A BUSINESS



## SETTING UP A BUSINESS



## GOING BACK TO A LONG-TERM CONTRACT



# ILLUMINATE JOBSEEKERS' JOURNEYS

## GOING INTO RETIREMENT

During his professional life, an employee will potentially go through several stages: Fixed-term contract (CDD), then permanent contract (CDI), contract termination, training, business set-up, etc. The Unemployment Insurance benefit system takes into account these diverse paths so as to provide useful support in these transitions at every moment of working life. Unédic fosters understanding of these stages by means of ad-hoc studies that inform the social partners and contribute to the public debate.

# Unemployment in the public's opinion: a more optimistic but still paradoxical view

**L**ess than one in two French people (49%) feel that the employment situation has deteriorated, as revealed by the 3<sup>rd</sup> edition of the Unédic barometer on unemployment published at the end of 2021<sup>2</sup>.

This figure, which fell by 24 points compared to 2020, returning to its pre-crisis level, confirms that opinion has clearly taken stock of the rebound in the labour market. This is a rebound that is making French people far more optimistic about their professional future, be they in work (68%) or jobseekers (60%). This positive view, which is clearly on the rise, is based on the feeling that the sector people are working in is doing well, as acknowledged by more than 7 out of 10 active workers.

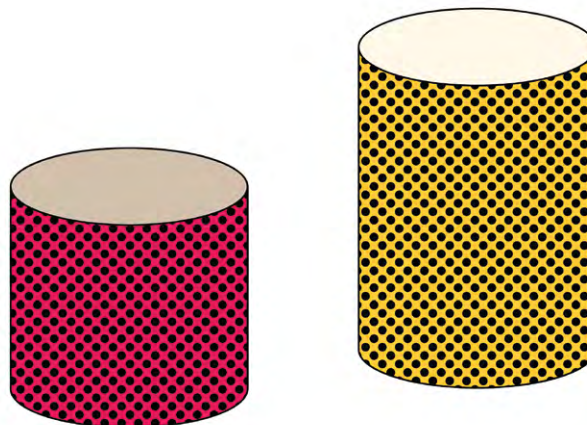
Far from being perceived as a brake, **the crisis seems to have been experienced as something of an opportunity** in the eyes of the public. 76% of jobseekers and 58% of people in work have stated that they have considered or begun a project to change their job: training, new job, new sector of activity or new employer. These are desires that have emerged mostly during the crisis, for nearly one in four people in work and more than one in three jobseekers.

This optimism and this desire for change is accompanied by **a search for meaning**. Although work is still vital to support one's needs and those of their family (81%), the need to "do what you want to do" has increased by 4 points, reaching 51%, and the need to "feel useful" was at 43%.

At the same time, **French people's view remains paradoxical when it comes to jobseekers**. Although more than 9 out of 10 people in work believe

that unemployment can affect anyone and that jobseekers are "victims", the suspicions they raise in respect of jobseekers increased by 3 points to nearly 60%. This suspicion was also felt by jobseekers who feel that they are questioned insistently about how effective their job search is going on a day-to-day basis (46%).

<sup>2</sup> - Quantitative study carried out with the Elabe Institute on a sample of 4,519 individuals, representative of the 15 and over segment of the French population, interviewed online between 31 August and 27 September 2021.





# Heart, Knowledge, Conquest: the 3 keys of the data in action(s) strategy

**T**o make Unédic a vital data player when it comes to Unemployment Insurance, making it better able to conduct its missions, Unédic has developed a cross-disciplinary data strategy, one which every department takes ownership of and translates into projects. With a common objective: to contribute to spreading Unédic's influence through data.

The lifeblood of this strategy, its **“heart”** is data. In particular, legal compliance and security of that data in the face of cyber risk. To strengthen this heart, Unédic

carried out numerous actions in 2021, which resulted in the renewal of its ISO 27001 certification. A large-scale project to secure legal coverage and access to employment data from the Registered Social Declaration (DSN) was also instigated.

The second pillar of this strategy, **“knowledge”**, means anything that facilitates the use of data, whether internal or external to Unédic, by developing new services. It was in this context that an experimental chatbot on the extranet to allow Pôle Emploi agents and members of regional joint bodies to more easily access regulatory content. Another use of data has been tested using the cross-disciplinary *Sonar* program, the aim of which is to measure the audience

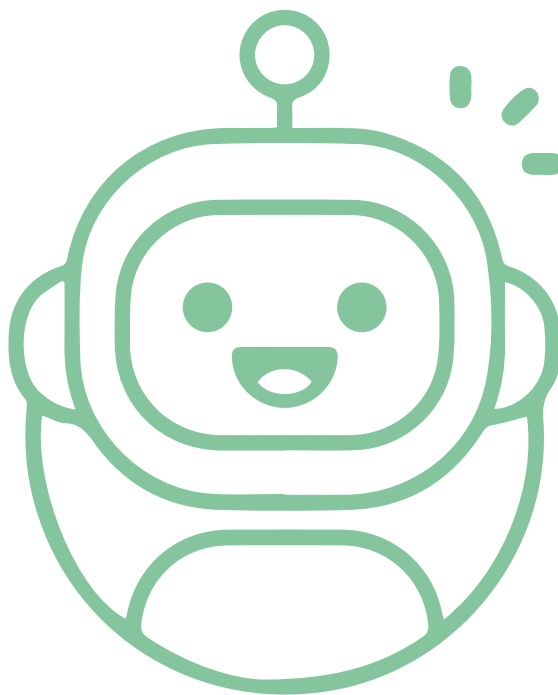
of Unédic's digital communication channels, in particular to help manage its productions efficiently, based on these indicators.

The **“conquest”** key includes everything that makes it possible to acquire new data, in particular *via* partnerships, but also to open up outside the organisation through the use of open data. In 2021, Unédic approached GIP-MDS, which manages the DSN, to access anonymised data on temporary work. A top priority for 2022, open data will result in some of Unédic's anonymised datasets being made available. Case to be monitored...

## Ubot: artificial intelligence to address real concerns

How do you find the regulatory answers to what are often complex questions about the situation of jobseekers? How do people quickly access the right information, out of a corpus of thousands of pages of legal text? And how do people do this by asking a simple question in everyday language? **This is the challenge that Unédic's experimental chatbot<sup>3</sup>**, made available to Pôle Emploi agents and regional joint bodies in 2021, responds to. It's a learning chatbot that uses artificial intelligence to improve itself with each new request. 90% of its users are fully satisfied. Unédic therefore decided to make it a permanent tool in 2022.

<sup>3</sup> - Robot software that converses with users to facilitate browsing on an interface.



### UNÉDIC'S DSI CERTIFIED ISO 27001

With this Afnor certification, renewed in December 2021 for the third year in a row, Unédic demonstrates that it is aware of the risks to its sensitive data, that it has identified these and that it has put in place the necessary measures to protect that data from those risks. This protection is deemed to be effective, according to this internationally recognised standard, against any threat of loss, theft or alteration of data. In addition, Unédic has been RGS<sup>4</sup> approved since April 2021, which attests to its proper application of the rules on IT security defined for administrations in their interactions with citizens.

<sup>4</sup> - The general reference system (RGS) of the ANSSI is the regulatory framework for Confidence when interacting within the administration and with citizens.





# How did our European neighbours mobilise furloughing schemes to cope with the crisis?

**T**o limit the economic and social consequences of the health crisis, most European countries mobilised their furloughing schemes, which are also known as partial employment schemes. Looking broadly at the solutions, what differentiates them or highlights their similarities, in terms of cover, such as financing.

Rather heterogeneous in normal times, the European furloughing schemes all converged towards enlargement, this happened from the earliest days of the crisis. Their scope was extended, their eligibility conditions were reduced and their administrative procedures were simplified. Objectives: to protect as many employees as possible, safeguard employment and thus stem the rise in unemployment.

## VERY STRONG MOBILISATION OF THE SYSTEM IN FRANCE AND LUXEMBOURG

The major challenge for most European countries has been to extend coverage to employees previously excluded from the scheme. In France and Luxembourg, this extension was the largest, with 34% of employees benefiting from furloughing schemes, compared with 19% in Spain and 15% in Germany. In terms of level of coverage, replacement rates are relatively close from country to country. The high level of protection in the French system is due to the ceiling and floor effects. Therefore, the remuneration of French employees paid to individuals on the minimum wage (SMIC) was generally maintained, given that the minimum amount of furlough benefits is at least equal to the amount of the net SMIC. Those on the highest wages lost less than their European neighbours did. France was one of the countries

where the ceiling was the highest, as a proportion of the median wage. It accounted for 262% of the median wage, compared to 200% in Sweden, 150% in Germany or 100% in Spain.

## FRENCH SPENDING IN THE EUROPEAN AVERAGE

With 1% of its GDP committed, France is in the European average when it comes to furlough. In comparison, the UK and Spain were the countries with the highest spending, at around 2% of GDP. The funding methods vary greatly from one country to the next. In Belgium, Luxembourg, Portugal and the UK, the State funded the furloughing scheme 100%, whereas in Germany or Spain, it was only covered by unemployment insurance schemes. France and Italy opted for a mixed solution. In France, the State funds the scheme at a rate of 2/3 and Unédic at a rate of 1/3.



# 112

EMPLOYEES

(CDI + CDD at 31/12/2021)

of which 1 doctoral student on a CIFRE contract and 5 sandwich apprenticeship contracts

# Illuminating people on Unemployment Insurance

57%  
OF WOMEN

43%  
OF MEN

42

AVERAGE AGE  
(from 22 to 65)

10.5

YEARS' SENIORITY  
at Unédic on average

**T**he monitoring of emergency measures in response to the health crisis is a good example

of how Unédic experts have illuminated the social partners throughout the year.

Grouped together in a compact and agile team, they were able to mobilise very quickly to understand each situation, analyse the effects of the measures in real time and assess the financial impact on the scheme.

During this turbulent year, which was marked by the embedding of the crisis followed by an exceptional rebound in the economy, one of the priorities was to understand the regulatory, financial and social issues related to each economic change or structure, to develop scenarios to manage the scheme and to provide the social partners as a whole with the parameters necessary for them to make their decisions. The lawyers made it possible to fully understand the effects of the rules on benefits. The forecasters mobilised to analyse and anticipate changes in the economic and employment situation. Finance specialists, based on these forecasts, adjusted the funding plan and secured treasury operations. To make all these operations more reliable, they were able to rely on a robust information system (IS) driven by IS developers and architects.

**The relationship between these business lines has been going on for nearly two years at a frantic pace and with an unprecedented intensity, over economic cycles which are also accelerating. To meet these challenges and those of the coming years, Unédic has acquired new high-level skills.** Data scientists, forecasters, data journalists, but also regulatory analysts and specialists in retirement have joined or are expected to bolster the ranks.



79.5%

OF EXECUTIVES OR SENIOR EXECUTIVES

13.4%

OF SUPERVISORS

7.1%

OF EMPLOYEES

A high-angle, blurred photograph of a large crowd of people walking in a public space, likely a transit hub or a large indoor arena. The people are in motion, creating a sense of a busy, active environment. The background is a light-colored floor with some horizontal lines. The overall image has a blue vertical bar on the left side.

Special notebook

# Statistics and evaluation at the heart of the issues

# 1.

## Statistics in the service of public debate and joint negotiation

---

In a society marked by multiple upheavals, statistics shed light on and anchor public debate based on factual data. It is therefore an essential tool in managing and supporting decisions for the social partners who manage the social protection schemes.

**I**n the spring of 2020, in the midst of lockdown, Insee launched a **blog** that deals with various themes from a statistical point of view. Life expectancy, poverty, tourism, energy prices, etc., are discussed, explaining how the figures are produced and analysed.

In another example, the concept of rurality is redefined on the basis of the new density grid established by Insee, analysing the composition and environment of each municipality. The territorial organisation of the country is a sensitive subject and must therefore be approached on the basis of relevant and reliable information. This is what Insee analysts specify in this blog, their mission being *“to shed light on the economic and social debate [...] and to fight the spread of false or misused information,”* explains Jean-Luc Tavernier, Insee’s Director General.

### LEARNING HOW TO READ STATISTICAL STUDIES AND DATA

---

This is also the intention of the Datagora platform, which presents itself as *“an initiative to enlighten public debate by valuing the publications of producers of statistical data or public studies.”* This free platform disseminates the studies produced by a hundred or so French (Insee, Court of Auditors, Banque de France, Pôle Emploi, Unédic, Defender of rights, etc.), European (Eurostat,



...

European Commission) and international (OECD, WHO, Unesco, etc.) public institutions and bodies, as well as by research centres, think tanks and polling institutes.

*“We wanted to democratise access to these publications by promoting their content and by taking over the codes of social networks,”* explains Timothée Gidoïn, co-founder of Datagora. *“But we also want to develop a source consciousness.”* Because a study produced by Insee or the Customs Directorate cannot be placed on the same level as a published opinion poll to promote ideas. *“Not all figures are created equal,”* confirms Nicolas Carnot, director of studies and syntheses at Insee. *“Public statistics has a governance framework that sets out the principles of independence, impartiality, objectivity, relevance and quality. Having credible public statistics, in which citizens can have confidence, is an essential component of our democracies.”*

It is also a management tool for all institutions, be they public or private. *“The world of work is changing,”* observes Pierre Lamblin, Director of Data and Studies at Apec (Association pour l'emploi des cadres). *“Businesses are changing faster than ever before due to technological, regulatory or environmental innovations. Our mission is to bring an understanding of the labour market to all those involved in employment and training.”*

**“Having credible public statistics, in which citizens can have confidence, is an essential component of our democracies.”**

**Nicolas Carnot, Director of Economic Studies and Syntheses at Insee**

### **SUPPORT FOR THE MANAGEMENT OF JOINT BODIES**

Statistics also make it possible to perform a diagnosis that is shared by all stakeholders. *A fortiori* in bodies with equal governance: before any negotiation, it is important to provide the same level of information to all the social partners. *“Managing a supplementary pension plan like Agirc-Arrco means you need to be in for the long term,”* explains Frédéric Amar, Chief of Staff and Secretary General of the Joint Committee. *“From the beginning of their career (and their first pension contribution) until their death (or that of their spouse), we support employees for decades, sometimes more than 70 years!”* Statistics and forecasts are essential, especially ahead of the joint negotiations that culminate in a new national agreement every four years.

Negotiations for the 2023-2026 national agreement will take place during 2022. They will be conducted in a context of robustness in the scheme, which has borne the full brunt of the crisis: *“The health crisis and the massive use of furloughing schemes has drastically reduced contributions,”* explains Frédéric Amar. *“The 2019 agreement provides for a ‘golden rule’ for Agirc-Arrco: to have the equivalent of six months of 15-year rolling pension in reserves.”*

In the summer of 2021, the social partners negotiated *“ways and means”* to define a path for returning to balance and replenishing those reserves. *“Our technical management presented several scenarios based on different economic assumptions (growth rates, unemployment, inflation) and demographics,”* explains Frédéric Amar. *“The aim is to help the social partners to have a forward-looking and prudent view so that they can make the right decisions.”* This toolkit can be supplemented by any studies the negotiators feel they need. *“During the last negotiation, we processed a very large number of requests for studies,”* comments Frédéric Amar. •



## THE “REFERENCE FILE” FOR NEGOTIATIONS: THE COMPASS FOR THE SOCIAL PARTNERS

In advance of each joint negotiation, Unédic provides the social partners with a file that supplies them with numerous items of diagnostic and decision-making information. It provides an overview of unemployment benefits (number and profile of beneficiaries, amount and duration of benefits), with a focus on specific populations (seniors, people in training, for example), as well as information to understand the labour market and the challenges for Unemployment Insurance.

**Lara Muller,**  
Director of Studies and Analyses, Unédic

## “ANCHORING THE NEGOTIATION ON A SHARED DIAGNOSIS.”

**Since 2014, the “reference file” that you produce for the attention of the social partners ahead of the negotiations has been made public. Why?**

— These are the social partners who negotiate the new unemployment insurance agreement who made this decision in 2014. This choice also echoes the commitment they have made to transparency in the 2012 joint bodies modernisation agreement, which they are currently discussing again. When dealing with such technical issues, it is important to anchor the negotiation on a common diagnosis. Sharing this information, in particular with citizens, is a way of making the issues more widely understood.

**In what way?**

— As the negotiations progress, we respond to all the demands of the social partners, of which there can be many during this period. High-performance simulation tools allow us to accurately assess the impact of each decision: if we are considering changing the duration of benefits, for example, it is important to know how many people will be affected in the short and long term, and what the financial impact for those in receipt of those benefits and on the unemployment insurance scheme will be. These impact studies, evaluations and analyses are tools used by the social partners in their decision making.

# 2.

## The challenges to statistics in the face of an unprecedented crisis

---

Statistical methods often consist of thinking of the future by observing the past. The health crisis has been so unprecedented that it showed the limitations of this approach. Forecasters and prospectivists have been able to adapt by developing new approaches.

**W**ith the lockdown in spring 2020, economists expected very strong growth in business failures and unemployment in the short term. Two years later, the unemployment rate is at its lowest level since 2008 (7.4% in the 4<sup>th</sup> quarter of 2021 according to the BIT) and GDP grew by 7% in 2021, after a fall of 8% in 2020. “Economists

*have had to adapt their analysis and forecasting methods to an entirely new situation. They were able to do this very quickly: as early as autumn 2020, the analyses proved particularly insightful, announcing a return to growth that was far faster than expected,”* explains Jun Dumolard, Unédic’s Director of Finance and Accounting.

In the context of the pandemic, the need for analysis and comprehension

tools has never been greater. “We were the first to deal with the pandemic from a statistical perspective on Instagram, compiling data from Santé publique France and international studies,” explains Timothée Gidoïn, co-founder of Datagora. “With the crisis, traffic to our platform has almost tripled.” Over the months, this need for analysis has shifted from medical and scientific data to economic and social studies.

# €63.9 billion

Unédic's accumulated debt at the end of 2021

# €19.2 billion

indebtedness related to the funding of emergency measures over the period 2020-2021

## FEEDING NEW DATA INTO MATHEMATICAL MODELS

This is a real challenge for statisticians whose models for forecasting analysis are extrapolations based on data histories. *“These models are not permanently outdated,”* warns Nicolas Carnot, Director of Economic Studies and Summaries at Insee. But they clearly showed their limits during the crisis. Insee then made the decision to inject new sources of information into its mathematical models: *“For example, the banking data (provided by the GIE bank cards) allowed us to monitor changes in consumption in real time,”* explains Nicolas Carrot. *“We have also integrated car traffic, power consumption or Google queries indicators. At the same time, we need to be mindful that some of these indicators are somewhat rough. However, it has to be understood that artificial intelligence and algorithms are not miracle workers: they are fed by data.”*

Processing this data requires more sophisticated tools: *“Having a secure data platform allows us to build high-performance simulation models,”* explains Lara Muller, Unédic's Director of Studies and Analysis. In her view, the challenge posed by the crisis *“is more methodological than technical. We changed our approach to forecasting to a more sector-specific approach: we had to measure falls in activity by sector in order to assess job losses as well as reductions in contributions collected and the resulting increase in spending on benefits.”* This sectoral approach has been adopted by most economic and forecasting institutes.



**Jun Dumolard,**  
Director of Finance and Accounting, Unédic

## “THE CRISIS HAS FORCED US TO INNOVATE.”

### What impact has the health crisis had on Unemployment Insurance?

— It has upturned all our benchmarks. In 2019, Unédic was almost balanced, with €39 billion in revenue and €41 billion in expenses. In 2020, the volume of spending amounted to €53 billion while revenue was only €35 billion. A €19bn deficit is unprecedented! By comparison, in 2010-2011, when the 2008 financial crisis was exerting its strongest impact on employment, the deficit never exceeded €5bn. At the time, returning to balance took years. After the health crisis, we returned to balance by the end of 2021.

### How did you change your analytics tools?

— In the face of the crisis, we have completely revised our financial forecast models to take into account the impact of the emergency measures (the furloughing scheme and the extension of the entitlements of jobseekers when they come to the end of their entitlements) on the amount of their benefits. We have focused on a more sector-specific approach and have accelerated the frequency of our forecasts to ensure our funding needs reflect reality as much as possible. This crisis has made us more agile and driven us to innovate. It is in this context that we issued our first Social Bond: a funding tool, use of whose funds is in keeping with the sustainable development goals on the United Nations 2030 Agenda. We issued €27 billion in this form in 2020-2021.

...

## CONTINUOUSLY ADJUSTING FORECASTS

*“The crisis has put us in a more short-term mode,”* explains Pierre Lamblin, Director of Data and Studies at Apec (Association for the Employment of Executives). *“Faced with the tsunami of the health crisis, econometric models have shown their limits. It seemed misleading to us to do foresight when no one was able to forecast what the situation would in 3 or 5 years’ time. We preferred to focus on shorter-term forecasts. Obviously, we need to continue to conduct forecasts while at the same time strengthening our ability to continuously adapt to ever-increasing uncertainties and measure their impacts. We have just published, along with our quarterly forecasts, a prospective study which outlines the five challenges for the employment of executives.”*

It is, of course, too early to take stock of this historic crisis. However, all analysts acknowledge that it has enriched their practices. It also highlighted the importance of figures for the general public *“who have literally*

*been inundated with them for months,”* observes Timothée Gidoïn. It is therefore more important than ever to educate the public and help them to draw distinctions: *“The quality of a study is based on the methodology of data collection and processing,”* continues Timothée Gidoïn.

*“In general – and even more so during the crisis – we are being very transparent about the limits of our work,”* adds Frédéric Amar, Chief of Staff of Agirc-Arrco and Secretary General of the Joint Committee. *“That forms part of our method.”* This is a key factor in trust with social partners. As with the financial sphere: while Unédic has to fund the crisis by resorting to debt, Jun Dumolard is very vigilant about the quality, readability and transparency of financial information *“because a legitimate and useful debt is a well-funded one.”* •



**“Faced with the tsunami of the health crisis, econometric models have shown their limits. It seemed misleading to us to do foresight when no one was able to forecast what the situation would in 3 or 5 years’ time. We preferred to focus on shorter-term forecasts.”**

**Pierre Lamblin, Director of Data and Studies at Apec  
(Association for the Employment of Managers)**





# 3.

## Comparing and evaluating to better manage social protection schemes

---

International comparisons, studies and evaluations help us to situate our unemployment insurance model, to measure its effectiveness and to provide food for thought on how to evolve it.

**A**ny social protection system is the result of a historical and socio-economic context. This is why it is always difficult to make international comparisons: a parameter (the amount of unemployment benefit, for example) only makes sense if it is compared to all the other parameters (enrolment conditions, duration of the benefit, contribution rate, etc.). In addition, in

order to have a global view of jobseekers' benefits, all protection schemes must be integrated: unemployment insurance, but also unemployment assistance and social assistance.

In January 2021, Unédic published a comparative study on unemployment insurance schemes in fifteen European countries. At the same time, more analytical studies were carried out on the implementation of emergency

measures during the health crisis, for example: a study was carried out on benefit schemes for furloughed workers in eight countries. These studies make it possible to situate our own unemployment insurance scheme.

They can also open up avenues for reflection: Unédic has published a study of the Canadian unemployment insurance system, which modulates





certain parameters of its system according to economic conditions. Such studies can also offer an insight into how unemployment benefit is calculated in Europe.

## MEASURING THE OVERALL EFFECTIVENESS OF A SOCIAL PROTECTION SYSTEM

International comparisons are also a tool for measuring the overall effectiveness of a social protection system. Evaluations are “a tool for modernising the State”, according to France Stratégie in a study published in 2019 on the evaluation of public policies in France, which points to a certain delay in this regard: “The evaluation of public policies, which has long remained modest, [...] began to develop in France in the mid-2000s. It remains much less widespread than in the other countries studied, although it is gradually beginning to catch up.”

“Evaluations are very different from the impact studies undertaken before a reform,” observes Lara Muller, detailing the various evaluations produced by Unédic: the evaluation of rechargeable rights and the right of option, the specific case of part-time entertainment workers, the results of the professional security contract (CSP)... “In the case of this study, we went beyond the quantified assessment of the CSP to focus on the way in which the beneficiaries understood this system and to identify what consequences it had on their career path and their professional reintegration,” explains Lara Muller. •



**Marion Tellène-Maurin,**  
Deputy Director of Legal and Institutional Affairs at Unédic

## “RAISE PRECONCEIVED NOTIONS.”

**You are conducting international studies on unemployment benefits. What are you learning from them?**

— Our work is primarily intended for the social partners on whose behalf Unédic manages the unemployment insurance scheme. They provide them with food for thought about parametric or more systemic changes. It is obviously not a question of transposing these systems onto our own but learning about experiences or good practices that have proven their relevance. Some countries may also ask us for studies. For example, in June 2021, the International Labour Organisation (ILO) asked us to support the Egyptian government, which wanted to extend social protection for informal workers during the Covid-19 pandemic: in that instance, we presented them with the French system of benefits for part-time entertainment workers.

**These studies also make it possible to raise certain preconceived notions...**

— Being as they are the result of an institutional history and a socio-economic context, unemployment benefit systems are very diverse. Comparative studies make it possible to better understand them and to counteract certain misconceptions. The French system has a reputation for being very protective, with one of the longest periods of benefit in Europe. Depending on the age of the jobseeker, this can be between 24 and 36 months. However, this is a theoretical duration. In reality, the average duration of consumption of entitlements is less than a year. A study carried out by the OECD also shows that for the majority of recipients of benefits under the French unemployment insurance scheme, the replacement rate (i.e. the level of benefit compared to the previous salary) is equivalent to, or even lower than, the European average.

## **Unédic**

2021 Activity Report

### **Publication department**

Christophe Valentie

### **Editorial Management**

Unédic's Information and  
Communication Department

### **Editorial Design**

AndJOY

### **Drafted by**

Béatrice Noyère  
Sabine Germain (special notebook)

### **Design and Graphics**

BA-BA ([www.ba-ba.fr](http://www.ba-ba.fr))

### **Illustrations**

Simon Landrein/Lezilus (cover,  
p. 8, 10, 16, 21, 23, 24, 26, 27, 31)  
Vecteezy (p. 6, 9, 17, 18, 25, 26, 29,  
35, 37, 40)

### **Photos**

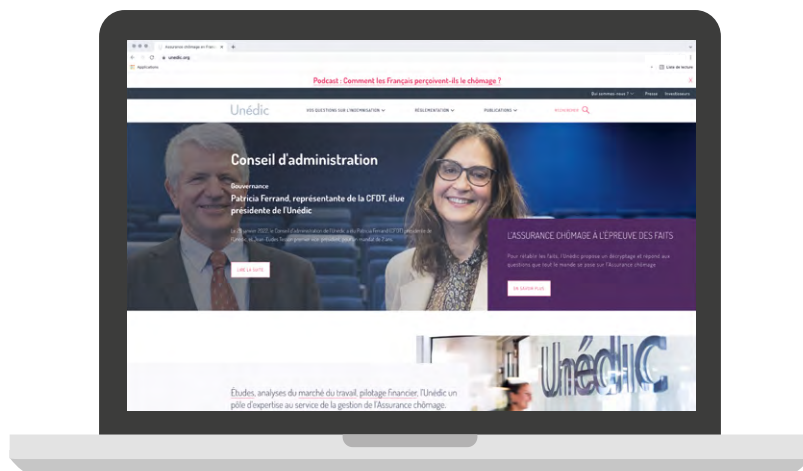
Bruno Mazodier (p. 5, 11, 15, 19, 25)  
Acosse (p. 7, 15)  
Augustin Detienne (p. 15)  
Cédric Helsly (p. 15)  
DR (p. 15)  
Getty Images (p. 9, 17, 20, 21, 25, 28,  
29, 30, 32, 35, 38, 39, 40)  
Adobe Stock (p. 22)

### **Printed by**

Iropa

ISSN 0997-1351

For more information:  
on Unemployment Insurance  
**unedic.org**



The regulatory texts and practical explanations  
on them, financial forecasts, studies and indicators  
as well as podcasts produced by Unédic  
can be found on our website.

Follow us on **unedic.org**



@unedic



unedic



unedictv

Unédic