



Peer Review on “Ensuring adequate assistance for those most in need (Minimum Income)”

Lithuania, 7 – 8 February 2019

Peer Country Comments Paper – France

**French universal income –
a constantly evolving measure**

DG Employment, Social Affairs and Inclusion



EUROPEAN COMMISSION

Directorate-General for Employment, Social Affairs and Inclusion

Unit C.1

Contact: Alberto Cortellese

E-mail: EMPL-SPSI-PEER-REVIEWS@ec.europa.eu

Web site: <http://ec.europa.eu/social/mlp>

European Commission

B-1049 Brussels

Peer Review on “Ensuring adequate assistance for those most in need (Minimum Income)”

Lithuania, 7 – 8 February 2019

Directorate-General for Employment, Social Affairs and Inclusion
Peer Review on “Ensuring adequate assistance for those most in need (Minimum
Income)”

Lithuania, 7 – 8 February 2019

**Europe Direct is a service to help you find answers
to your questions about the European Union.**

Freephone number (*):

00 800 6 7 8 9 10 11

(*) The information given is free, as are most calls (though some operators, phone boxes or hotels may charge you).

LEGAL NOTICE

The information contained in this publication does not necessarily reflect the official position of the European Commission

This document has received financial support from the European Union Programme for Employment and Social Innovation 'EaSI' (2014-2020). For further information please consult:
<http://ec.europa.eu/social/easi>

© European Union, **2019**

Reproduction is authorised provided the source is acknowledged.

Table of Contents

1	Introduction	1
2	Situation in the peer country	1
2.1	The creation of the RMI in 1988: a turning point in integration policies	2
2.2	The introduction of the RSA in 2008: overcoming the shortcomings of the RMI	3
2.3	Overcoming 'inactivity traps'	3
2.4	The RSA as the last safety net	4
2.5	Recent measures taken to facilitate access to the RSA	5
2.6	The detection of positive rights and the reduction of reporting obligations ...	5
3	Assessment of the policy measures	6
4	Assessment of success factors and transferability	7
4.1	Evaluation of the level of assistance	7
4.2	Incentives for RSA recipients to (re)enter the labour market.....	7
4.3	Simplification of the procedure and the calculation of entitlements	8
4.4	Comparison with the Lithuanian system	9
5	Questions	9
6	List of references	10
	Annexes	11
	Annex 1 Summary table	11
	Annex 2 Example of relevant practice.....	13
	Annex 3 - Scale in euros of the amounts of the Active Solidarity Income allowance...	14

1 Introduction

This paper has been prepared for the Peer Review on "Minimum income benefits – securing a life in dignity, enabling access to services and integration into the labour market". It provides a comparative assessment of the policy example of the Host Country Lithuania and the situation in France. For information on the host country policy example, please refer to the Host Country Discussion Paper.

2 Situation in the peer country

In France, the *Revenu de Solidarité Active* (Income of active solidarity, RSA) reflects the fundamental right of all citizens to have sufficient resources to live in accordance with human dignity, a right set out in the preamble to the 1946 French Constitution and by the Council of Europe.

Since 2009, the RSA has replaced the *revenu minimum d'insertion* (minimum integration income, RMI) and the allocation de parent isolé (allowance for single parents, API) and provides people without resources or with low resources with a minimum level of income that varies according to the composition of the household. The RSA is available, under certain conditions, to persons aged 25 years or over and to persons aged 18 to 24 years, if they are single parents or have pursued a professional activity for a certain time.

The RSA came into force on 1 June 2009 in mainland France, on 1 January 2011 in the overseas departments and local authorities (with the exception of French Polynesia, New Caledonia and Wallis and Futuna, where it is not applicable) and on 1 January 2012 in Mayotte (under specific conditions).

The *RSA jeunes actifs* (Income of active solidarity for active young people) was created on September 1, 2010 in metropolitan France (January 1, 2011 in the French overseas departments). It may be paid to persons under 25 years of age, without dependent children, in active or inactive employment status, who have worked for two years or at least 3 214 hours in the three years preceding the application.

The activity bonus, introduced as from 1 January 2016, is intended to encourage workers (employees or self-employed) with modest resources to pursue or resume a professional activity and to enhance their purchasing power. One must be over 18 years old to qualify for this social assistance.

As part of the economic and social emergency measures announced by the President of the Republic, an exceptional increase in the 'activity bonus' will be paid, under certain conditions, as of February 2019. This revaluation is applicable to monthly professional income received from October 2018 onwards. Taking into account the increase in the *salaires minimum interprofessionnel de croissance* (guaranteed minimum wage, SMIC), this exceptional increase will make it possible to achieve an increase of EUR 100 euros for beneficiaries of the "activity bonus" paid to the SMIC.

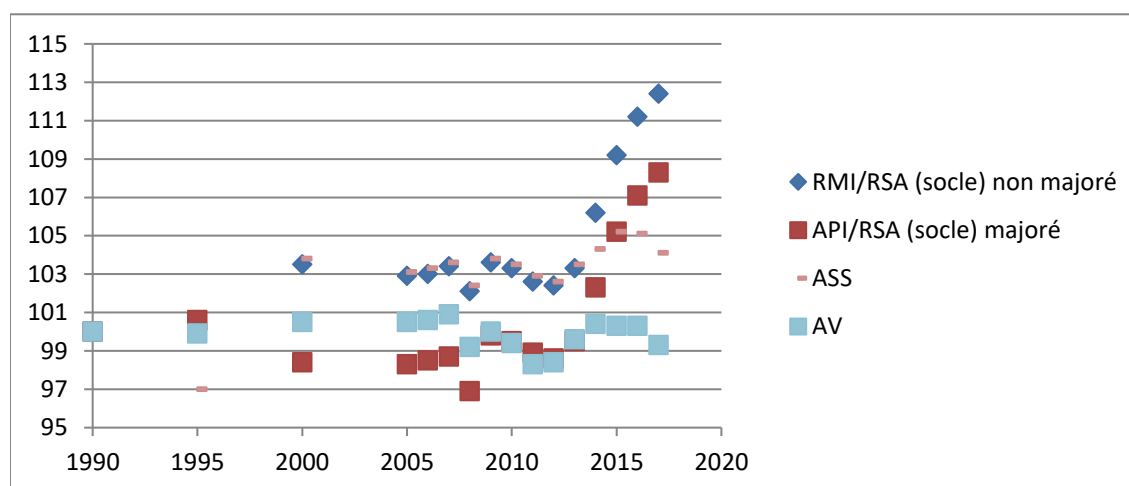
In 2015, in metropolitan France, the median income of living of the population was at EUR 20 300 per year, slightly higher than in 2014, but still below the pre-crisis level. In both 2015 and 2014, inequalities remain stable, at a level close to that of 2008. The income poverty line, which corresponds to 60% of the median income of living of the population, is EUR 1 015 per month. 14.2% of the population lives below this poverty line, one of the lowest levels in the EU. The unemployed have the highest poverty rate (37.3%).

From 1970 to 1990, the poverty rate fell sharply (-4.1 points), mainly because of the measures taken to improve the situation of pensioners, whose poverty rate fell by more than half as a result of an increase in their pensions and the minimum retirement age. At the same time, working poverty (excluding the self-employed) increased by one-third, partly due to rising unemployment.

The poverty rate then remained stable between 1990 and 1996. Since 1996, the changes in the poverty rate have been of a lesser magnitude. The rate fell by 1.9 points between 1996 and 2004, rose between 2004 and 2011 (+1.8 points), mainly due to the crisis, and has changed little since then. Poverty intensity increased between 2008 and 2012 and has since decreased.

Graph: Evolution of the purchasing power of social minima since 1990

Base 100 en 1990, sauf AER-R base 100 en 2002 et ADA base 100 en 2016



Note > Hors RSO, dispositif spécifique aux départements d'outre-mer. Il s'agit d'évolution en glissement annuel au 1er janvier.

Les personnes considérées sont sans ressources. Le 1er juin 2009, le RSA socle non majoré s'est substitué au RMI, le RSA socle majoré à l'API. Le 1er janvier 2016, le RSA socle est devenu le RSA.

Lecture > Le pouvoir d'achat de l'ASS a augmenté de 4,1 % entre 1990 et 2017.

Sources > Legislation, Insee, calculs DREES.

The main issue of the last twenty years has been the increase in poverty among single-parent families, whose members live below the poverty line in almost a third of all cases. Differences between socio-professional categories have persisted, even if the situation of farmers, who are most affected by poverty, has improved and that of craftsmen, traders and business leaders has deteriorated.

2.1 The creation of the RMI in 1988: a turning point in integration policies

The creation of the *Revenu minimum d'insertion* (minimum income for integration, RMI) in 1988 marked a real turning point in policies for integration and the fight against poverty and exclusion. It is not a categorical but a universal benefit, guaranteeing a minimum income, which is associated with the commitment of the person to participate in an integration process. It differs from previous schemes in two respects: it provides a general income guarantee and does not cover a specific risk (social security) or social need (social assistance); it combines financial assistance with support for the beneficiary.

Through the creation of the RMI, the public authorities also recognize that they have a role to play in enabling individuals to exercise their social and economic rights, beyond the fight against poverty and the guarantee of a subsistence income.

From a legal point of view, *the Loi n°88-1088 du 1 décembre 1988 relative au revenu minimum d'insertion* (Law of 1 December 1988 on the minimum income for

integration)¹ and then the *Loi n° 98-657 du 29 juillet 1998 d'orientation relative à la lutte contre les exclusions* (Law of 29 July 1988² on orientation to fight against exclusion) have outlined these integration policies. Socio-professional integration policies, focused on people of working age and combining financial assistance with social support and return to work, are, on the other hand, an innovative approach.

2.2 The introduction of the RSA in 2008: overcoming the shortcomings of the RMI

An experimental phase was conducted from mid-2007 to the end of 2008. The experimental departments were able to modify the amount, duration, frequency and terms of payment of the incentive bonuses provided for by the law.

Implemented by the *Loi n° 2008-1249 du 1er décembre 2008 généralisant le revenu de solidarité active et réformant les politiques d'insertion* (Law of the 1st December 2008 generalising the active solidarity income and reforming integration policy)³ introducing the *revenue de solidarité active* (active solidarity income, RSA) and reforming integration policies, in its final form the RSA differs from both the initial project and the experiments carried out.

Since the creation of a universal benefit (RMI, then RSA), the number of beneficiaries has grown almost continuously: 330 000 in 1989, to 800 000 in 1996, to 1.2 million in 2007, to 1.7 million in 2014 and to 1.8 million in 2017 (corresponding to 2.6 million employed persons who are beneficiaries of the RSA for the general scheme).

The RMI has enabled people previously unknown to social assistance services, particularly young adults, to benefit from a means guarantee.

2.3 Overcoming 'inactivity traps'

Beneficiaries of minimum social benefits have difficulty returning to work. These difficulties have fueled a broader debate on the existence of 'inactivity traps' which they are facing: the additional costs linked to the resumption of activity (travel expenses, childcare costs, etc.), associated with the reduction of services (social benefits, related rights) and the entry into tax scales may lead to a stagnation, or even a decrease, in disposable income, even though the person is back in work.

Public authorities have sought to correct this bias, mainly caused by the complexity of the social and tax system, by implementing two categories of measures:

- A general scheme, the *Prime Pour l'Emploi* (employment bonus, PPE), a tax credit set up by the *Loi n° 2001-458 du 30 mai 2001 portant création d'une prime pour l'emploi* (Law of 30 May 2001⁴ creating an employment bonus). Under a triple condition of activity, household tax income and maximum amount of activity income, beneficiaries were granted either a tax reduction or a voucher (for non-taxable persons). The PPE was merged with the so-called RSA activity to create the activity bonus on 1 January 2016;
- An incentive scheme reserved for beneficiaries of minimum social benefits was set up as soon as the RMI was created: it allowed recipients of the RMI, API and the *allocation spécifique de solidarité* (specific solidarity allowance, ASS) taking up an activity to combine their income from activity with their allocation for a certain period of time, fully and then partially. The *Loi n° 2006-340 du 23 mars*

¹<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000875188&dateTexte=20041025>

²<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000206894&categorieLien=id>

³ <https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000019860428>

⁴<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000768791&dateTexte=20170718>

2006 relative à l'égalité salariale entre les femmes et les hommes (Law of 23 March 2006⁵ on the equality of pay between men and women) reformed the rights and duties of the beneficiaries of minimum social benefits. Until the creation of the RSA, recipients could cumulate their benefit in full for three months with their income from employment and a return to work bonus; over the following nine months, they were granted either an incentive proportional to their activity or a flat-rate incentive.

At the same time, integration policies have been marked by the search for greater 'activation', i.e. greater involvement of people in their integration process. The *Projet Personnalisé d'Accès à l'Emploi* (personalized access to employment project, PPAE) for job seekers falls within this approach, as does the formalization of rights and duties (right to benefit from services adapted to one's situation, duty to engage in an active integration process).

2.4 The RSA as the last safety net

The activity solidarity income is still today the last safety net, a witness of national solidarity, but its 'integration' component has not succeeded in exceeding the limits of the RMI.

The RSA now provides people without resources with a minimum level of income that varies according to the composition of the household. The RSA is open, under certain conditions, to persons aged 25 years or over, and to single parents, whatever their age, as soon as they have one or more children born or to be born, as well as to young working people aged 18 to 24 who have completed a certain period of professional activity prior to their application for the RSA. The monthly amount of the non-increased RSA for a single person amounts to EUR 550.93 since 1 April 2018 (decree of 3 May 2018, legal revaluation in line with inflation).

The primary objective of the RSA is to enable people without resources to obtain assistance from the community in order to live with dignity. This assistance has a constitutional basis. However, the RSA is not always sufficient for its beneficiaries to lift themselves out of poverty despite successive increases in the value of the benefit in recent years. For example, a recent study by the National Observatory on Poverty and Social Exclusion (Observatoire national de la pauvreté et l'exclusion sociale - ONPES) estimates the reference budget for participation in social life at EUR 1 424 for a single working person and EUR 3 284 for a couple with two children.⁶

The RSA also aims, as an extension of the RMI, to reintegrate people who are temporarily or permanently out of work. Thus, RSA beneficiaries are required to enroll in an integration programme in order to continue to benefit from the RSA. It is the Chair of the Department Council (territorial administrative authority whose representatives are elected) who decides on the next steps for the beneficiary: if the social obstacles are not too great, the beneficiary is directed towards the *Pôle emploi*, the public employment services, within the framework of a personalized project for access to employment (PPAE). Otherwise, the Department Council refers the beneficiary to an organization of his or her choice, which is best able to support the beneficiary in his or her integration process via a *Contrat d'Engagement Réciproque* (reciprocal commitment contract, CER).

An exceptional increase of 10% in 5 years has been undertaken between 2013 and 2017. As part of the five-year *Plan pluriannuel contre la pauvreté et pour l'inclusion*

⁵<https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000816849&categorieLien=id>

⁶ ONPES, ONPES letter n°1, May 2015, http://www.onpes.gouv.fr/IMG/pdf/Lettre_ONPES_1_mai2015-2.pdf

sociale (Plan against poverty and for social inclusion)⁷ implemented by the government in January 2013, there has been an exceptional 10% increase of the RSA additional to the inflation, in order to initiate a movement that should lead to return to the same level it had in 2002, in terms of percentage of the minimum wage. This exceptional revaluation was smoothed over the five-year period 2013-2018, representing a total additional cost of EUR 5.231 billion, and was combined with the legal annual revaluations taking inflation into account, which were very moderate in recent times.

2.5 Recent measures taken to facilitate access to the RSA

A series of reforms have been implemented to make the minimum social benefits, and in particular the RSA, clearer, easier to understand and to access. These measures were taken following the release of a report by Christophe Sirugue, Member of Parliament, submitted in April 2016: *Repenser les minima sociaux: vers une couverture socle commune* (Rethinking the minimum social benefits: towards a common base coverage)⁸.

Since 1 January 2017, the method used for the calculation of the RSA has been modified, in order to allow a stable amount over three months unless there are limited derogations ('fixed effects'). Previously, the amounts of benefits varied with each change in the household's situation, resulting in undue hardship and recalls.

In order to improve access to the rights of RSA beneficiaries, an online application procedure has been gradually deployed since the summer of 2017. Extended to all departments since 2018 (with the exception of three), this online service allows applicants to find out very quickly the amount of RSA to which they are entitled to and to submit the application for benefits in a dematerialized way.

This new method is available in addition to the existing ones – it does not replace them or call them into question. Thus, it is still possible to submit a paper form or make a physical appointment to submit an application to the Communal or Inter-communal Centres for Social Action (*Caisse centrale d'action sociale, CCAS, or Caisse intercommunale d'action sociale, CIAS*), to the departmental social services, associations or bodies authorised by the Departmental Council, to welfare institutions such as the *Caisse d'allocations familiales* (Family Allowance Fund, CAF) or the *Mutualité sociale Agricole* (Agricultural Mutual Assistance, MSA), to the public employment funds according to the *Code d'action social et des familles* (Social Work and Family Code, Art. D262-26).

2.6 The detection of positive rights and the reduction of reporting obligations

As part of the *Stratégie de prévention et de lutte contre la pauvreté* (Strategy to prevent and fight against poverty) launched in September 2018, two new measures have been proposed in order to strengthen the use of RSA by people without resources who are eligible for them.

- Data mining and the appointment of extended rights: the test pilot carried out by the *Caisse d'allocations familiales* (Family Allowance Fund, CAF) of Gironde in 2017, aimed at using the data mining system (originally developed for fraud control) to fight against the non-take up of benefits, has allowed about 3.6% of Gironde recipients to effectively access their rights. As the results are sufficiently convincing to initiate a pilot of the tool at the national level – in ten

⁷https://travailemploi.gouv.fr/IMG/pdf/Plan_pluriannuel_contre_la_pauvrete_et_pour_l_inclusion_sociale.pdf

⁸ <https://www.gouvernement.fr/partage/6952-remise-du-rapport-de-christophe-sirugue-repenser-les-minima-sociaux-vers-une-couverture-socle>

CAF – extending the scheme at national level may be considered starting from 2019, depending on the results. This pilot study, conducted by the *Caisse nationale des allocations familiales* (National Family Allowance Fund, CNAF) since 2014, consists of appointing CAF recipients to review the rights for which they may be eligible. It is therefore a proactive approach similar to a one-stop shop, where all potential benefits are explored during an appointment with the individual beneficiary (benefits granted by different organisations such as the RSA, the activity bonus, housing allowances, family benefits, unemployment benefits, free complementary health coverage, electricity and natural gas social tariffs). An evaluation launched at the end of 2017 will determine whether this approach facilitates the detection of non-take up of rights and their potential use by recipients of these benefits.

- Pre-filling of a *déclaration de ressources trimestrielle* (quarterly resource declarations): beyond the detection of potentially eligible groups, improving access to rights will require a reduction in the beneficiaries' reporting obligations. Thanks to the intensification of trade flows between the tax and social spheres, following the reform of withholding tax and the reform of housing subsidies, users' resources will be known to the various administrations and will no longer have to be entered at each counter. In the medium term, the quarterly declarations of RSA resources and activity bonus will be pre-filled, thus reducing the steps to be taken to benefit from these services.

3 Assessment of the policy measures

The RSA, as the first safety net, effectively contributes to the fight against income poverty.

However, several challenges were identified:

- **Access.** The non-take-up rate of the RSA varies according to the calculation methods used. It is estimated between 30 and 40%;
- **Duration/effectiveness.** The duration of receiving the RSA reflects the ineffectiveness of its integration objective: more than 40% of RSA beneficiaries have received it for more than 5 years. Originally envisaged as temporary and transitional support, the RMI and then the RSA became, for some of their beneficiaries, a permanent support mechanism. The rate of rotation (renewal of beneficiaries) in the scheme remains low and tends to fall sharply in times of economic crisis, reflecting the fact that beneficiaries are stuck in the scheme;
- **Right to quality support.** Although the support system is clearly described in the legal texts, in practice, the departmental services are not always able to provide this support. The priority challenge remains to guarantee all RSA beneficiaries an effective right to quality support, responding in a relevant way to all the issues they are likely to encounter;
- **Age.** The benefit of the RSA, as before the RMI, is limited, with some exceptions, to those over 25 years of age, leaving the question of an appropriate system for the integration of young people entirely open. While the creation of the French Youth Guarantee⁹ made it possible to offer an initial tailored response, the employment and income situation of young people remains an important issue, particularly for the most excluded young people;

⁹ The Youth Guarantee introduced in France on 1 January 2017 for young people aged 16 to under 26 who are highly vulnerable on the labour market. The scheme guarantees these young people social and professional integration through an intensive and personalised training and employment programme.

- **Governance.** The governance of the RSA, which has been profoundly modified since the law of 18 December 2003 on decentralization¹⁰ in terms of minimum insertion income, remains an issue.

The RSA represents an increasing financial burden for the departments. RSA expenditure for these local authorities has increased from EUR 7.8 billion in 2011 to EUR 10.8 billion in 2016¹¹.

For nearly ten years now, the question of RSA funding has been a major issue in relations between the State and the departmental councils. Only partial or provisional solutions could be found, such as the transfer of new tax resources decided under the *Pacte de confiance et de responsabilité* (Confidence and Responsibility Pact) between the State and local authorities concluded in July 2013. Thus, in this context, the departments have benefited from new resources for a total amount of nearly EUR 1.5 billion.

A global and definitive solution to this problem is desirable. It involves either a negotiated recentralization of the RSA, under conditions satisfactory to the State and the local authorities, or the provision of new sustainable sources of financing for local authorities to meet the growing burden of this competence, or the reduction of the effort required from local authorities through the reduction of allocations from the State budget.

4 Assessment of success factors and transferability

The implementation of the RSA is the result of a critique of the RMI's results in terms of integration and a reflection on the interest of an active solidarity income that would make it possible to combine labor income and social benefits in a sustainable way. Three main objectives drove the transformation of the RMI into RSA:

- Simplify the system of social minimum benefits, which has become complex and difficult to understand;
- Fight against poverty; and
- Encourage people to return to work by improving the system for combating inactivity traps.

4.1 Evaluation of the level of assistance

If the amount of the RSA remains below the monetary poverty line (set in France at 60% of median income), additional benefits make it possible to achieve a higher income. In addition, related rights and social assistance must be taken into account.

The French approach, combining social minimum with various social welfare benefits depending on a person's situation, allows vulnerable populations to benefit from a help adapted to their situation – familial allowances, invalidity pension, etc.

It is also worth noting that France aims at returning to a level of support similar to this of the pre-crisis years, something that is tackled with the late exceptional increase.

Finally, the RSA scheme is not time-limited, unlike the old incentive schemes: it is paid until the exit point is exceeded.

4.2 Incentives for RSA recipients to (re)enter the labour market

In order to overcome the lack of incentives for people who benefit from social minimum to seek for work, such as a too little difference between the combination of social aids for unemployed people and the minimal wage, several levers aim to

¹⁰ <https://www.legifrance.gouv.fr/affichTexte.do?cidTexte=JORFTEXT000000795529>

¹¹ *Caisse nationale des allocations familiales* (National Family Allowance Fund, CNAF)

achieve the objective of combating inactivity traps, that could be **transferable to other countries**:

- The obligation to enrol in an **integration programme** to continue benefiting from the minimal income, and if applicable, to determine a personalized project for employment with help from an employment centre;
- A **tax credit** under the form of an employment bonus, under conditions of resources, in order to encourage the start of a professional activity;
- The possibility to **combine** different **social benefits** usually not granted to working people at the start of a professional activity with a progressive removal of these additional benefits;
- A very **broad consideration of resources**: the income considered for the calculation of the benefit includes all benefits received, in particular family benefits and, within the limit of a lump sum, housing allowances, but also income from assets, if necessary, assessed on a lump sum basis;
- A permanent accumulation rate between the RSA and operating income. Thus, depending on the benefits received, it is possible to **combine the benefit with income from employment** up to a relatively high 'exit point'.

According to the 2017 study *Evaluation report of the employment bonus* by the Direction of research, studies, evaluation and statistics (DREES) of the Ministry of Solidarities and Health, the employment bonus that was set up in 2016 and amounting to EUR 158 per household on average allowed a diminution of 0.4 points of the poverty rate in France at the end of 2016. Additionally, beneficiaries agree to say that this source of extra income is a useful if not indispensable support to their purchase power and improves their conditions of life. However, the effects of the bonus on the employment rate are still difficult to foresee, barely two years after its implementation.

4.3 Simplification of the procedure and the calculation of entitlements

The three key objectives of the simplification of the procedure to request social minimum are:

- **Simplifying the architecture of the solidarity** system through the creation of the employment bonus which replaces the former 'activity' part of the RSA and the employment bonus (PPE), as their coexistence contributed in weakening the effort of the State in terms of support to the purchase power of low-paid workers. Furthermore, the future fusion on 1 December 2019 of the two *adulte handicapé*, AAH (invalidity pensions) that will include automatic payment. However, the initial objective of simplification has only partially been achieved: the RSA merges the RMI and API into a single service but leaves the ASS and PPE in place.
- **Improving the readability of the system.** It has been made easier to run online simulations and request social minimum online; it is the case for the employment bonus since January 2016 and for the RSA since January 2017. A study launched at the end of 2018 will assess the impact of the remote procedure both for beneficiaries in terms of access to rights and for professionals in terms of monitoring and supporting these groups. The *Mes Aides* ('My Help') multi-benefit simulator was developed and gradually made more reliable to provide a 360 ° view of the main national social benefits. It has also been enriched with some local aid. It is a new tool for both individuals and social workers who support the most vulnerable public. Finally, the *Portail national des droits sociaux*, PNDS (National Portal of Social Rights) gives to the user a set of rights and devices of the social sphere.
- **Simplifying the procedures for the recipients.** The source tax reform makes it possible to know the contemporaneous income of the people and thus

offers the opportunity for the social sphere to calculate the social rights on the basis of recent and reliable income. Exchanges of information between the tax sphere and the social sphere are reinforced with the aim of pre-completing beneficiaries' resource statements, thereby limiting errors, inducers and reminders.

A universal activity income, resulting from the merger of several existing services, will be set up in order to simplify the architecture of the solidarity system. This reform was announced by the President of the Republic as part of the Strategy to Prevent and Combat Poverty. It will be preceded by a consultation phase and inter-administration preparatory work led by the Ministry of Solidarity and Health.

4.4 Comparison with the Lithuanian system

The implementation, management and improvement of social minimum in France has a universal and systematic approach and is enacted at the State level. Unlike the Lithuanian cash social assistance (CSA), no discretion is given to municipalities to grant or disallow the active solidarity income. Instead, initiatives are taken at local level and good practices are sometimes generalized, if applicable, to the national territory.

5 Questions

- What access to social assistance is available for 18-25 year olds?
- What kind of accumulation is possible with other forms of assistance to the most disadvantaged?
- How do you explain such big numbers in the reduction of CSA beneficiaries?
- How is the use of CSA-allocated funds monitored in municipalities?

6 List of references

Bierry, Frédéric, January 2019. *Report on the integration of the unemployed into the labour market.* [online] Available at: <https://www.ccomptes.fr/system/files/2019-01/20190115-rapport-insertion-chomeurs.pdf>

Pitollat, Claire and Klein, Mathieu, August 2018. *L'Accompagnement des bénéficiaires du RSA.* [online] Available at: https://www.gouvernement.fr/sites/default/files/document/document/2018/09/rapport_de_claire_pitollat_et_mathieu_klein_sur_laccompagnement_des_beneficiaires_du_rsa.pdf

Sirugue, Christophe, April 2016. *Report 'Repenser les minima sociaux'.* [online] Available at:

https://www.gouvernement.fr/sites/default/files/document/document/2016/04/18.04.2016_rapport_de_christophe_sirugue_-_repenser_les_minima_sociaux_-_vers_une_couverture_socle_commune.pdf

Capital, January 2019. *RSA Montant et calcul.* [online] Available at:

<https://droit-finances.commentcamarche.com/faq/4463-rsa-revenu-de-solidarite-active-montant-et-calcul-du-rsa>

National Observatory on Poverty and Social Exclusion, Letter of 1 May 2015. *Reference Budgets: A Needs Assessment Methodology for effective participation in social life.* [online] Available at:

http://www.onpes.gouv.fr/IMG/pdf/Lettre_ONPES_1_mai2015-2.pdf

Le Télégramme, 13 September 2018. *A chaque quinquennat son revenu minimum.* [online] Available at:

<https://www.letelegramme.fr/france/insertion-a-chaque-quinquennat-son-revenu-minimum-13-09-2018-12077801.php>

Sénat, December 2008. *Dossier législatif.* [online] Available at:

<https://www.senat.fr/dossier-legislatif/pjl08-007.html>

Annexes

Annex 1 Summary table

The main points covered by the paper are summarised below.

Situation in the peer country

- Introduced by the law of 1 December 1988, the minimum insertion income (RMI) has undergone a profound transformation in its 30 years of existence.
- The RMI was transformed into *the Revenu de Solidarité Active* (Income of active solidarity, RSA) by the law of 1 December 2008.
- The RSA reflects the fundamental right of all citizens to have sufficient resources to live in accordance with human dignity.
- The RSA is a social minimum financed and allocated by the departments. It is the last safety net for people who are totally destitute or with very low resources.
- Nearly 2 million households benefit from it at a cost of more than EUR 10 billion. The system is set out in the Code of Social Action and Families (Articles L. 262-1 et seq.)

Assessment of the policy measure

- The RSA, as the first safety net, effectively contributes to the fight against income poverty. However, several challenges have been identified including access, duration/effectiveness, right to quality support, age and governance.
- The RSA represents an increasing financial burden for the departments. RSA expenditure for these local authorities has increased from EUR 7.8 billion in 2011 to EUR 10.8 billion in 2016.
- For nearly ten years now, the question of RSA funding has been a major issue in relations between the State and the departmental councils.

Assessment of success factors and transferability

- The French approach, combining social minimum with various social welfare benefits depending on a person's situation, allows vulnerable populations to benefit from a help adapted to their situation.
- Social benefits (minimum social benefits, family benefits, housing allowances and work incentives), which were upgraded in 2018, help to reduce income poverty.
- The employment bonus that was set up in 2016 and amounting to EUR 158 per household on average allowed a diminution of 0.4 points of the poverty rate in France at the end of 2016.
- The reform aimed at simplifying the architecture of the solidarity system was announced by the President of the Republic as part of the Strategy to Prevent and Combat Poverty.
- There are several aspects of transferability such as the obligation to enrol in an integration programme, a tax credit, the possibility to combine different social benefits, a broad consideration of resources for benefit calculation and a permanent accumulation rate between the RSA and operating income.

Questions

- What access to social assistance is available for 18-25-year olds?
- What kind of accumulation is possible with other forms of assistance to the most disadvantaged?

- How do you explain such big numbers in the reduction of CSA beneficiaries?
 - How is the use of CSA-allocated funds monitored in municipalities?
-

Annex 2 Example of relevant practice

Name of the practice:	Activity Bonus – Prime d'activité PA
Year of implementation:	2016
Coordinating authority:	Ministry of Social affairs
Objectives:	Fight against poverty
Main activities:	Benefits
Results so far:	Poverty rate has stabilized

Annex 3 - Scale in euros of the amounts of the Active Solidarity Income allowance

Barème RSA Métropole et DOM hors Mayotte <i>en euros, à compter du 1er avril 2018 (+1%)</i>			
Construction des montants forfaitaires			
Montants RSA non majoré <i>(personne seule non isolée ou couple)</i>			
Première personne :			550,93
Majoration pour la première personne à charge (enfant ou conjoint) :			275,47
Majoration :			165,28
- pour les 2 premiers enfants (pour un couple)			
- ou pour le 2ème enfant (pour un isolé)			
Majoration par personne supplémentaire, à partir du troisième enfant :			220,37
Montants RSA majoré <i>(personne isolée)</i>			
Femme enceinte sans autre enfant à charge :			707,46
Personne isolée avec un enfant à charge :			943,28
Supplément par enfant ou personne à charge :			235,82
Forfait logement par ménage			
1 personne			66,11
2 personnes			132,22
3 personnes et +			163,63
Montants forfaitaires par ménage			
APRES abattement du "forfait logement"			
	Personnes seules	Personnes isolées (RSA majoré)	Couples
Sans enfant	484,82	641,35	694,18
Un enfant	694,18	811,06	828,05
Deux enfants	828,05	1 015,47	993,33
Trois enfants	1 048,42	1 251,29	1 213,70
Quatre enfants	1 268,79	1 487,11	1 434,07
Cinq enfants	1 489,16	1 722,93	1 654,44
par enfant supplémentaire	+ 220,37	+ 235,82	+ 220,37
SANS abattement du "forfait logement"			
	Personnes seules	Personnes isolées (RSA majoré)	Couples
Sans enfant	550,93	707,46	826,40
Un enfant	826,40	943,28	991,68
Deux enfants	991,68	1 179,10	1 156,96
Trois enfants	1 212,05	1 414,92	1 377,33
Quatre enfants	1 432,42	1 650,74	1 597,70
Cinq enfants	1 652,79	1 886,56	1 818,07
par enfant supplémentaire	+220,37	+235,82	+ 220,37

