



Unédic

# Allocation and Impact Reporting

SOCIAL BONDS

2022

FEBRUARY 2024

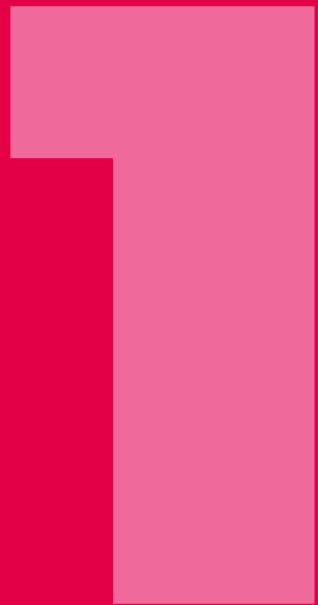


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**Unédic,  
an Economic  
and Social Buffer**



# Edito

## The point of view of **Christophe Valentie** Managing Director of Unédic

**The professional world is changing rapidly and profoundly, disrupted in particular by the ecological transition and artificial intelligence, in addition to an economic situation that is still uncertain. Thus, while unemployment remains a central concern, the challenges the Unemployment Insurance faces are multiplying and becoming more complex.**

After the Social Bonds issued by Unédic in 2020 (€17 billion) and in 2021 (€10 billion) largely contributing to the financing of the emergency measures related to the Covid-19 crisis, Unédic **has strengthened its commitment to the support of entrepreneurship** through the Unemployment Insurance with the issuance of **€1 billion in 2022**, also in the form of **Social Bonds**.

That year, the French economy showed remarkable vitality, marked by a record number of **businesses created**, reaching nearly **1.1 million new structures**. This entrepreneurial momentum relied on the Unemployment Insurance through two schemes: **allowance for creating or taking over a business (ARCE) and the accumulation of the return-to-work allowance with self-employed income (ARE entrepreneurs)**.

**Business owners** themselves consider, by a large majority, that the Unemployment Insurance schemes from which they have benefited have been useful. This is revealed by the 2023 French Entrepreneurial Index for which Unédic and Bpifrance Création are partners on the “job seekers” component.

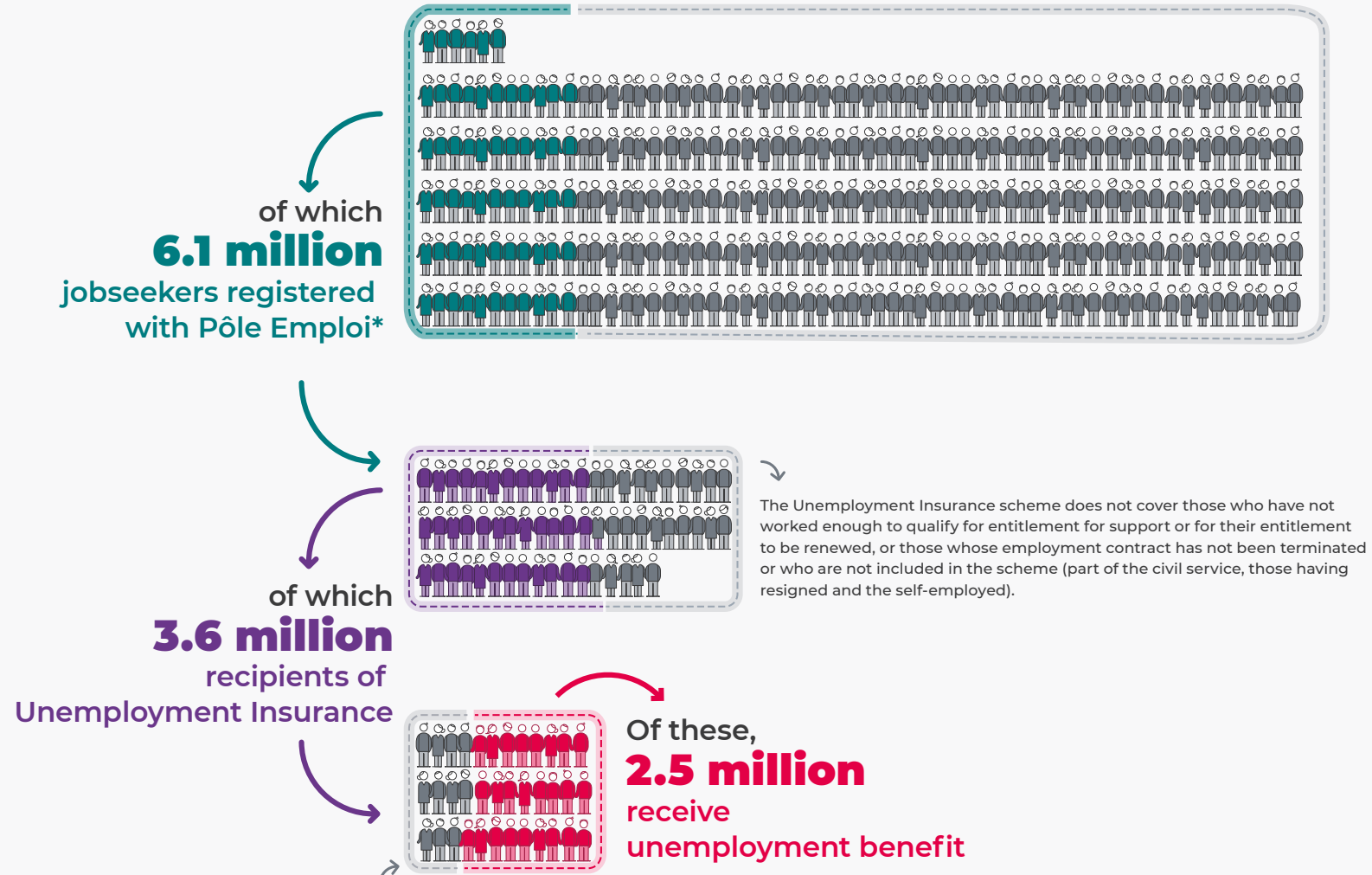
The change in funding volume in 2022, with **a single Social Bond issue of €1 billion**, represents a significant transition in the use of funds, signaling an improvement in Unédic’s finances and a more targeted allocation to specific impact schemes.

The **Allocation and Impact Reporting on the Social Bond issued in 2022** presents detailed indicators regarding the source of funding, its use and the impacts on the beneficiaries of the schemes thus allocated.

**Unédic is working to ensure that the Unemployment Insurance protects careers paths, in all their diversity, as close as possible to the realities of employment.**

# Unédic's Coverage in 2022

At the end of 2022, France had **30.6 million** workers



\* Pôle emploi became France Travail on 1<sup>st</sup> January 2024

Source: Unédic; Insee, Employment Survey.

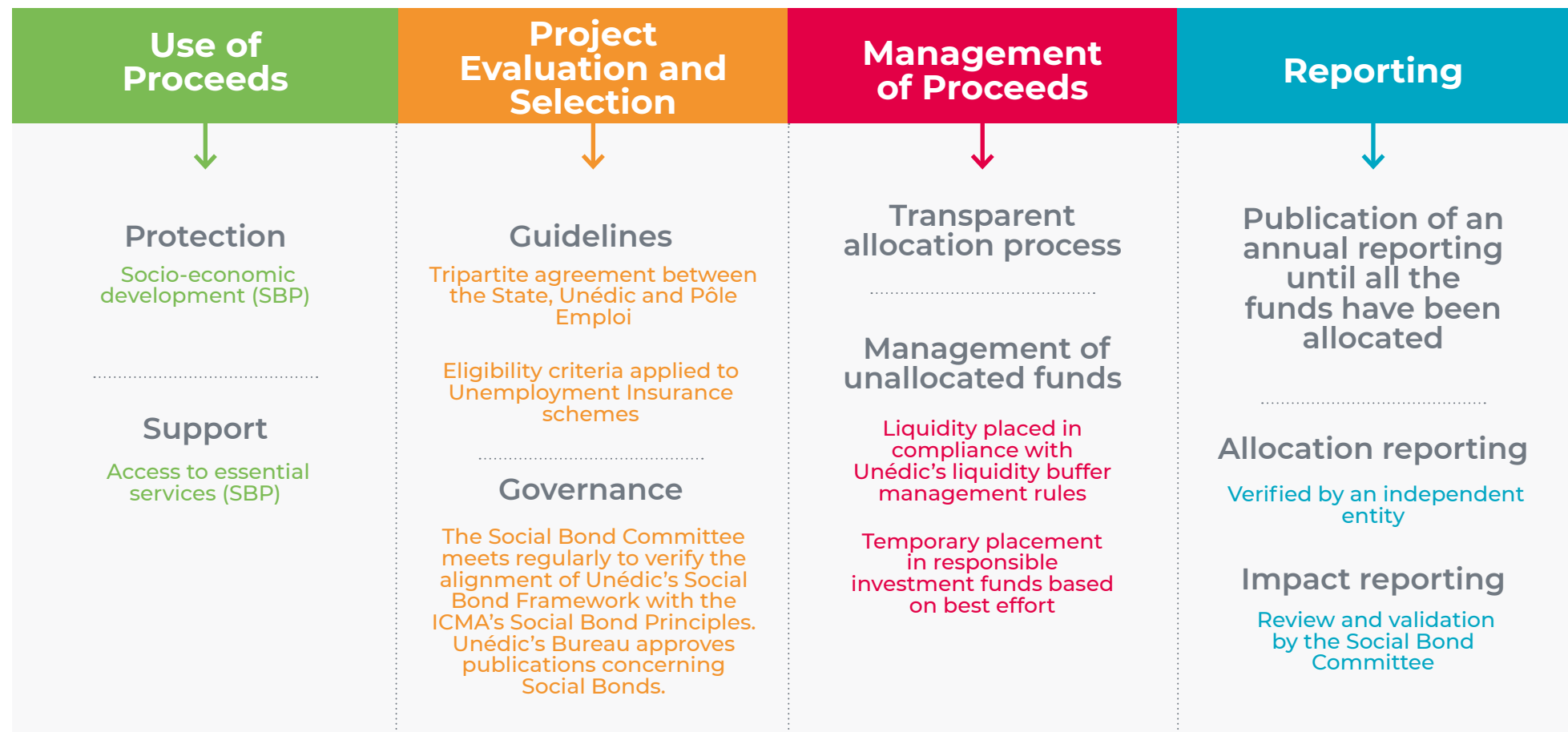
# Unédic's Social Bond Issuances

# 2



# Social Bond Principles

Unédic has developed the Social Bond Framework document published in May 2020 in accordance with the Social Bond Principles (SBP) of the International Capital Market Association (ICMA).

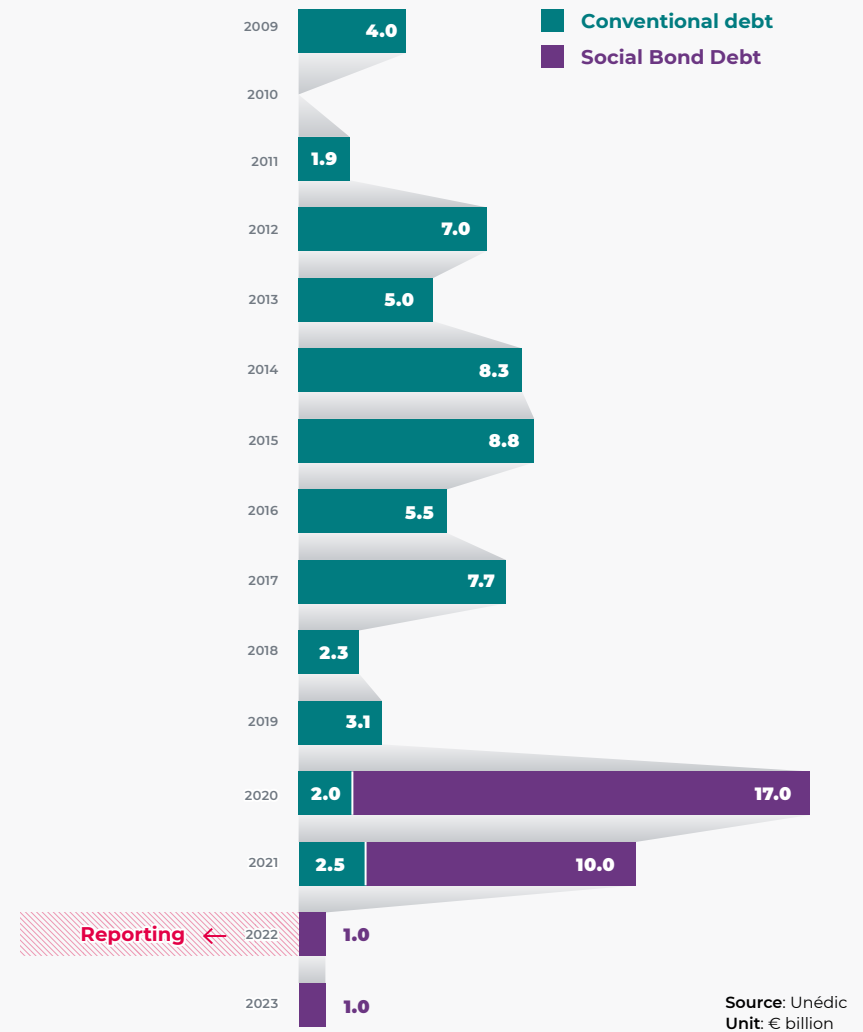


# €1 billion of Social Bond Issuance in 2022

## Unédic's annual funding plans

Following the Covid-19 crisis that hit France in 2020 and 2021, the rapid recovery of economic activity and employment momentum from the second half of 2021 led to an **improvement in the economic outlook for the Unemployment Insurance** and therefore a limited reliance on financial markets from 2022.

This reporting on Social Bonds issued by Unédic in 2022 therefore focuses on **high value-added Unemployment Insurance schemes** in a context of strong economic recovery.



Conventional debt is debt other than Social Bonds. At the end of 2021, four taps on bond issues issued before 2020 were made with the aim of finalising the funding programme while adjusting to the reduction in Unédic's needs.



## Characteristics of Social Bonds issued since 2020

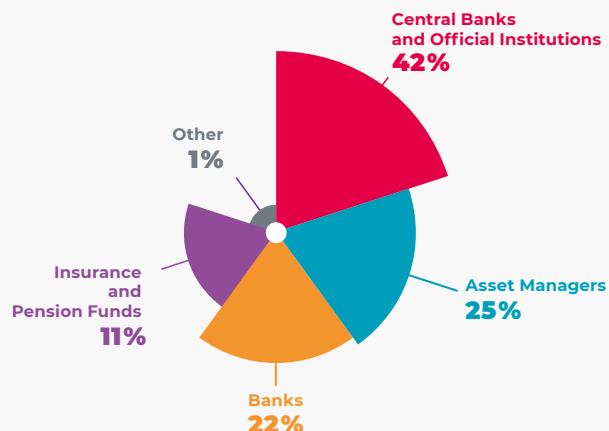
YEAR	ISIN CODE	PRICING DATE	MATURITY	NOMINAL AMOUNT	SPREAD VS OAT	YIELD AT ISSUANCE	ORDERBOOK SIZE
2020	FR0126221896	15 May 2020	6-year	€4 billion	+36bp	0.112 %	€8.06 billion
2020	FR0013518487	10 June 2020	10-year	€4 billion	+25bp	0.266 %	€8.77 billion
2020	FR0013524410	09 July 2020	15-year	€2 billion	+21bp	0.308 %	€6.05 billion
2020	FR0014000667	08 October 2020	8-year	€3 billion	+19bp	-0.218 %	€8.22 billion
2020	FR0013524410	28 October 2020	15-year	€1.5 billion	+15bp	0.042 %	€2.30 billion
2020	FR0014000L31	12 November 2020	10-year	€2.5 billion	+15bp	-0.124 %	€7.09 billion
2021	FR0014001ZY9	09 February 2021	13-year	€3 billion	+15bp	0.141 %	€8.98 billion
2021	FR0014002P50	24 March 2021	10-year	€3 billion	+13bp	0.045 %	€15.05 billion
2021	FR00140045Z3	16 June 2021	15-year	€2 billion	+10bp	0.524 %	€5.46 billion
2021	FR0014004QY2	20 July 2021	10-year	€2 billion	+11bp	0.044 %	€5.22 billion
2022	FR001400ADP1	10 May 2022	10-year	€1 billion	+23bp	1.834 %	€4.98 billion
2023	FR001400HQB8	26 April 2023	10-year	€1 billion	+20bp	3.156 %	€13 billion

Source : Unédic

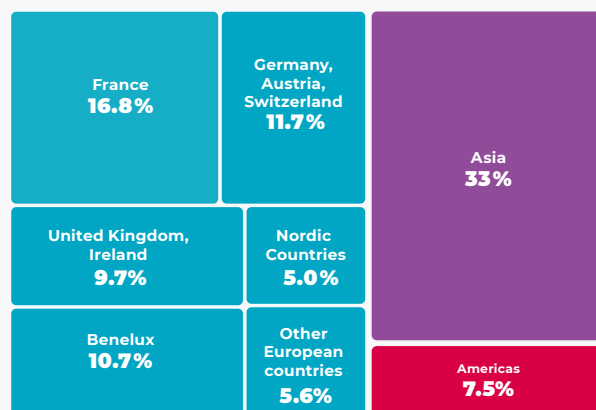
# Investors of the Social Bond Issued in 2022 by Unédic



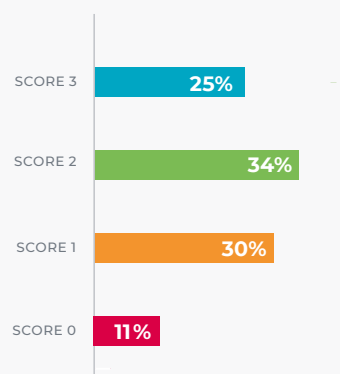
Breakdown by type of investor



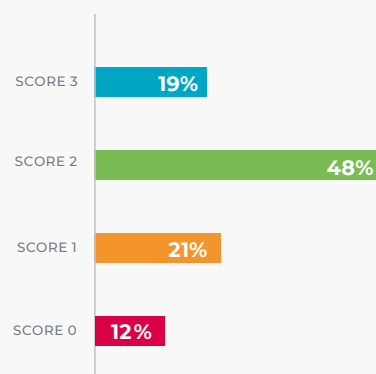
Breakdown by geographic area



Number of investors allocated by ESG score



Amount allocated to investors by ESG score



Source: Unédic; Natixis

**Rating** - ESG investor rating methodology:

A methodology developed by Natixis to rate each investor in order to quantify the ESG share within the order book:

3 - Highly active sustainable investors: investors who deploy strategies focused on sustainable development and impact (mandates and/or dedicated green/ ODD/impact funds, etc.)

2 - Partially active sustainable investors: Investors integrating ESG\* factors into their actively managed portfolios ("best-in-universe" and "best-in-class" strategies, SRI funds, etc.)

1 - Sustainable investors with low level of ESG commitments: ESG-sensitive investors who are not active ESG investors (at least signatories of the Principles for Responsible Investment, applying "negative screening", etc.)

0 - No public information formalising the investor's ESG policy

Basin for Natixis's rating approach:

- Thorough knowledge of sustainable investors (including more than 20 investment strategies falling into 3 main categories: Screening; Integration; Topic)

- Public information (from various sources: PRI transparency reports, social investment forums (SIFs), media specialised in sustainable investment, investors' websites, etc.)

- Information from our sales force (from our clients' investor statements).

# Allocation of Funds Raised

3



# Allocation Methodology of Unédic's Social Bonds

# Unédic

**The method for allocating eligible expenditures is based on Unédic's 2022 profit and loss account.**

**It considers technical management only, the scope of which is the service of benefits and aid funded by the Unemployment Insurance scheme.** Therefore, it does not include Unédic's administrative management, financial expenses related to debt management, property management or other administrative or financial expenditure.

**Technical expenditures eligible for the Social Bond allocation are monitored in accounts that are justified and normalised according to financial policies applied by the operators in charge of the services provided to the beneficiaries.** The eligibility criteria are guaranteed by the management framework applying to Unédic's partner operators that provide services to jobseekers, employees and businesses.

**Main categories of eligible expenditure:**

**Return-to-work allowances and benefits**

Composed mainly of unemployment benefits (ARE and ARE-F), which represent the core activity of the scheme, they are down compared to the years 2020 and 2021, in connection with the decline in unemployment in France, but remain Unédic's main expenditures item. There are also schemes that provide protection against certain situations of loss of employment, assistance with retraining and enhanced support for the taking over of an activity, whether that activity is salaried or self-employment (CSP, ARCE, etc.).

**Furloughing scheme**

In response to the Covid-19 crisis and in order to limit the spread of the pandemic, this scheme has been used extensively to cushion the loss of business activity linked to the administrative and social restrictions decided by the public authorities. In 2022, in connection with the strong post-Covid economic recovery, the expenditures related to this scheme represented only a minor part of Unédic's expenditures.

**Pension credits**

So that periods of unemployment do not reduce the duration of contributions for benefit recipients, Unédic replaces the employer for the payment of contributions to supplementary pension schemes.

**Functioning of Pôle Emploi**

Unédic's contribution to the operating budget of Pôle Emploi (i.e. the main operator of the public employment service) enables all jobseekers to receive support and help in finding a job. Part of the operator's operating costs, directly attributable to services provided to beneficiaries, is eligible for allocation of funds raised through Social Bonds.

# Expenditures Eligible to Unédic's Social Bonds

All of Unédic's technical expenditures are eligible for the allocation of funds raised through Social Bonds.

In 2022, of the €39.3 billion of eligible expenditures, Unédic has selected **two schemes funded** by the proceeds from the Social Bond issuances.

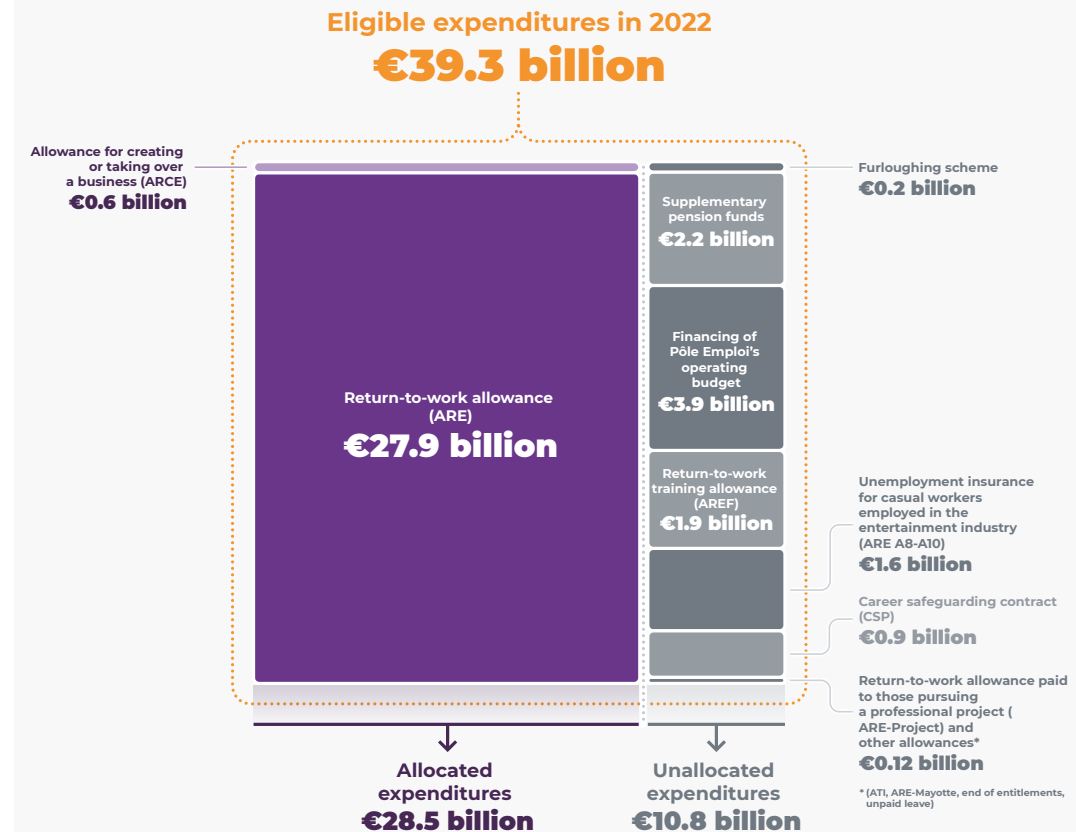
These schemes account for most of the expenditures recorded in Unédic's financial statements in 2022, i.e. a total of **€28.5 billion**:

- **return-to-work allowances** (including ARE);
- **allowance for creating or taking over a business** (ARCE).

The context of strong economic recovery and dynamic job and business creation in 2022 led Unédic to focus on monitoring these expenditures in connection with this Allocation and Impact Reporting.

The unallocated expenditures, namely **€10.8 billion**, correspond to schemes:

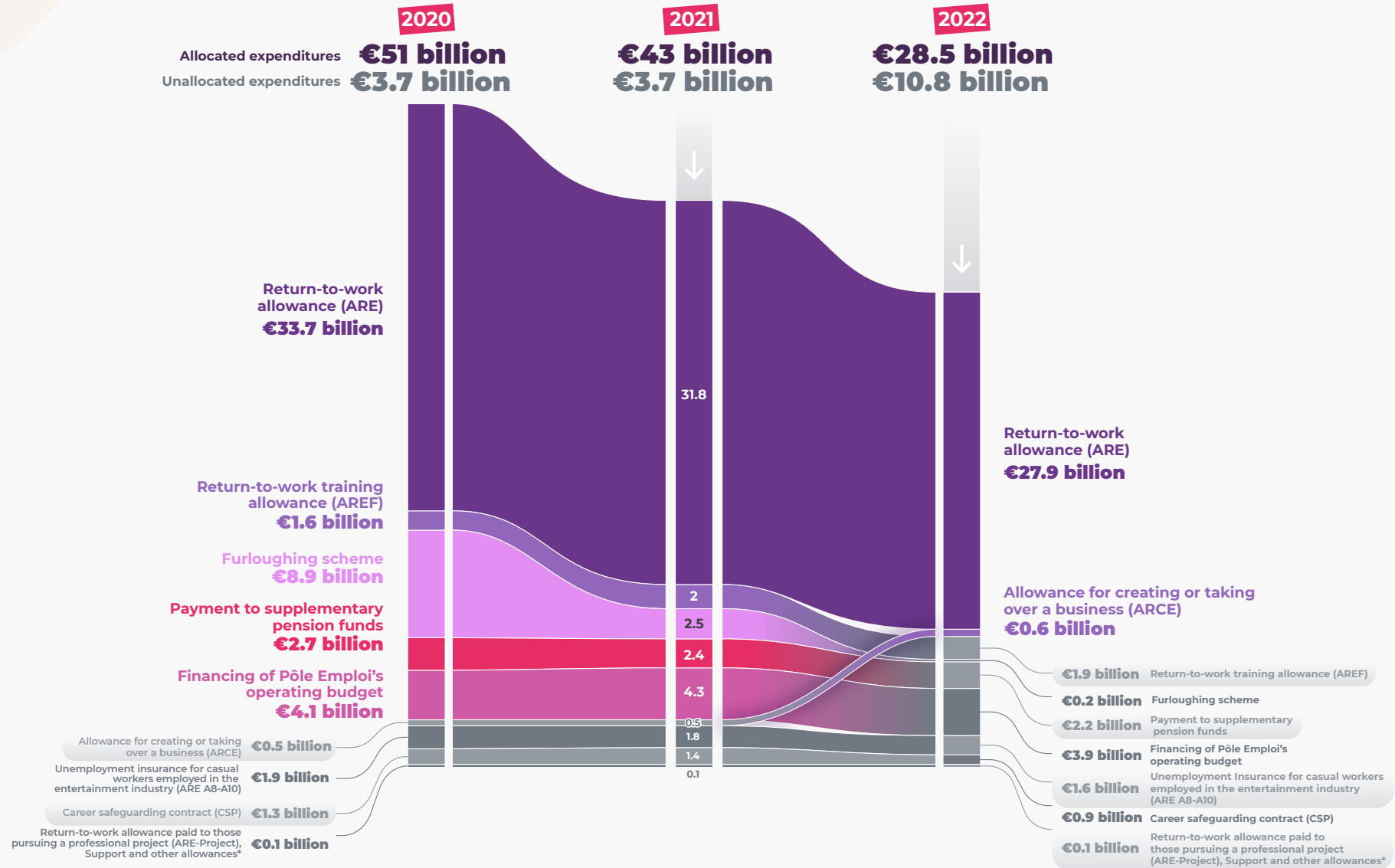
- already monitored as part of the 2020 and 2021 Allocation and Impact Reporting (supplementary pension funds, operating budget of Pôle Emploi, Return-to-work training allowance (AREF) and furloughing scheme);
- of lesser expenditures that Unédic will be able to allocate in the coming years when it produces its next Allocation and Impact Reportings.



Source: Unédic

# Change in Expenditures Eligible to Unédic's Social Bonds

Unédic



\* (ATI, ARE-Mayotte, end of entitlements, unpaid leave)

Source: Unédic

# Change in Expenditures Allocated to Unédic's Social Bonds

## Choice and allocation method in 2022:

- Allocation of 100% of funds raised through Social Bonds (unallocated funds = 0%), i.e. €1 billion
- Allocation to the funding of schemes related to business creation by jobseekers in France:
  - Allocation of all allowance expenditures for creating or taking over a business (ARCE), i.e. €596 million
  - Residual amount allocated to return-to-work allowance (ARE) expenditures received by entrepreneurs, in addition to income related to self-employment, i.e. €404 million

### Allocated expenditures in 2022

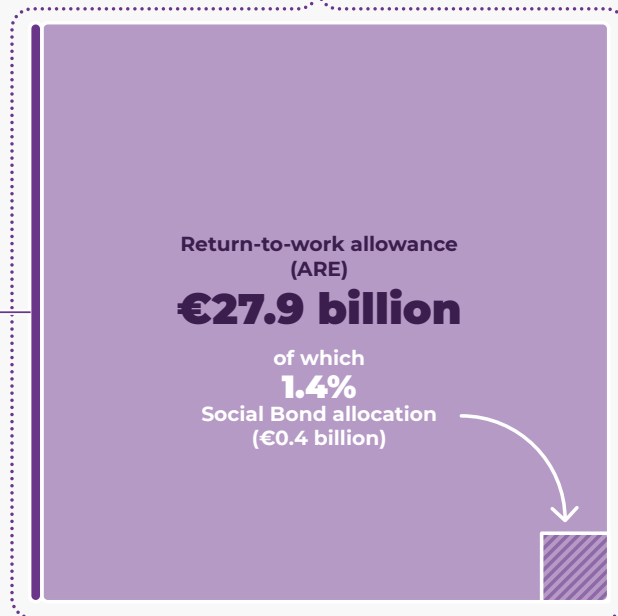
**€28.5 billion**

Allowance for creating or taking over a business (ARCE)  
**€0.6 billion**  
of which  
**100%**  
Social Bond allocation

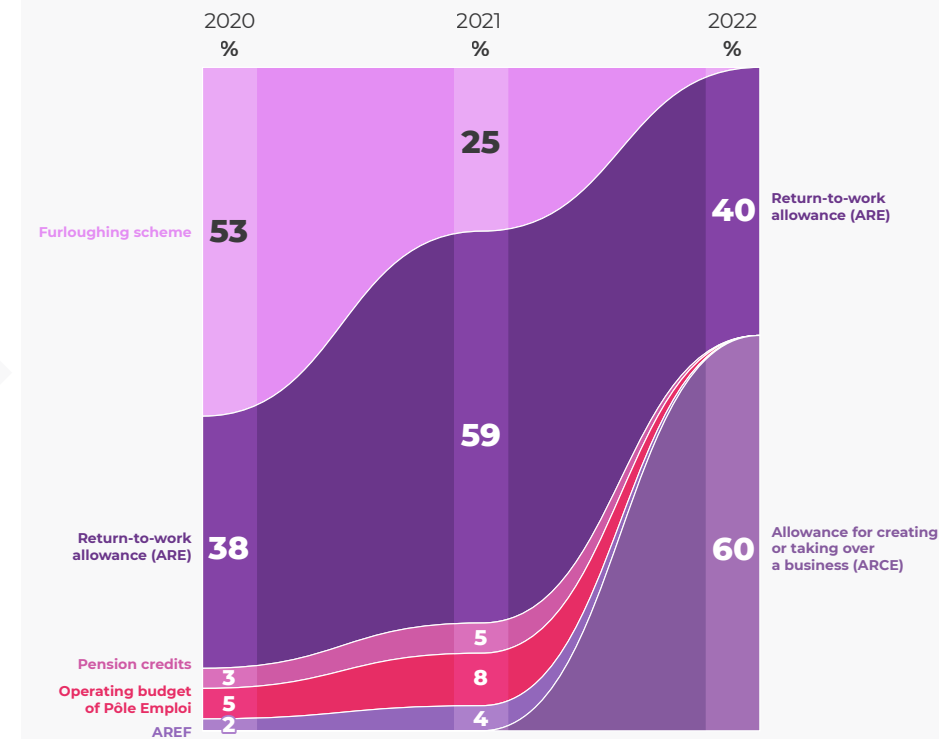
Return-to-work allowance (ARE)

**€27.9 billion**

of which  
**1.4%**  
Social Bond allocation  
(€0.4 billion)



Source: Unédic



# Impact Assessment

# 4







# Unédic's Two Social Missions

## **“Protection” mission:**

Provide protection against the socio-economic vagaries of the labour market (redundancies, unemployment, decline in activity, precarious contracts and so-called atypical forms of employment, i.e. short-term and part-time contracts) by ensuring economic and financial security (replacement income).

## **“Support” mission:**

Provide supports to individuals to find work or to get back into the job market by, in particular, developing their skills and helping them obtain qualifications or helping them to start their own business or change career.

# Change in Expenditures Eligible to Unédic's Social Bonds



	AMOUNT												
	2019			2020			2021			2022			TOTAL
	ELIGIBLE	ALLOCATION	REMAINDER ALLOCATED	ELIGIBLE	ALLOCATION	ALLOCATED	ELIGIBLE	ALLOCATION	ALLOCATED	ELIGIBLE	ALLOCATION	ALLOCATED	ALLOCATED
<b>“Protection” mission</b>	€33,690,126,817			€47,209,251,721		€15,912,150,422	€38,518,666,220		€8,829,791,339	€31,883,678,679		€404,111,953	€25,146,053,714
Furloughing scheme	€37,629,250	0%	—	€8,938,017,150	100%	€8,938,017,150	€2,469,603,646	100%	€2,469,603,646	€180,730,833	0%	—	€11,407,620,796
Return-to-work allowance (ARE)	€30,074,431,332	0%	—	€33,671,804,425	19.2%	€6,460,004,044	€31,753,876,800	18.6%	€5,904,836,464	€27,878,339,225	1.4%	€404,111,953	€12,768,952,460
Payment to supplementary pension funds	€2,104,609,674	0%	—	€2,679,821,671	19.2%	€514,129,229	€2,448,698,948	18.6%	€455,351,229	€2,228,692,870	0%	—	€969,480,457
Unemployment insurance for casual workers employed in the entertainment industry (ARE A8-A10)	€1,441,047,473	0%	—	€1,880,859,737	0%	—	€1,812,375,967	0%	—	€1,554,298,127	0%	—	—
Allowances and other benefits*	€32,409,088	0%	—	€38,748,738	0%	—	€34 110 860	0%	—	€41,617,616	0%	—	—
<b>“Support” mission</b>	€3,521,338,335			€4,075,466,400		€781,886,503	€4,254,908,253		€791,227,401	€3,925,126,301		—	€1,573,113,904
Financing of Pôle Emploi's operating budget	€3,521,338,335	0%	—	€4,075,466,400	19.2%	€781,886,503	€4,254,908,253	18.6%	€791,227,401	€3,924,126,301	0%	—	€1,573,113,904
<b>“Protection” and “Support” missions</b>	€3,208,953,589			€3,362,103,894		€305,963,075	€3,971,233,363		€378,981,260	€3,517,299,988		€595,888,047	€1,280,832,382
Return-to-work training allowance (ARE-F)	€1,440,961,002	0%	—	€1,594,786,744	19.2%	€305,963,075	€2,038,011,435	18.6%	€378,981,260	€1,929,437,726	0%	—	€684,944,335
Career safeguarding contract (CSP)	€1,189,267,622	0%	—	€1,290,815,462	0%	—	€1,389,714,260	0%	—	€910,327,854	0%	—	—
Allowance for creating or taking over a business (ARCE)	€578,713,732	0%	—	€453,360,449	0%	—	€485,776,162	0%	—	€595,888,047	100%	€595,888,047	€595,888,047
Return-to-work allowance paid to those pursuing a professional project (ARE-Project)	€11,232	0%	—	€23,141,240	0%	—	€57,731,507	0%	—	€81,646,361	0%	—	—
<b>TOTAL</b>	<b>€40,420,418,741</b>			<b>€54,646,822,015</b>		<b>€17,000,000,000</b>	<b>€46,744,807,836</b>		<b>€10,000,000,000</b>	<b>€39,325,104,968</b>		<b>€1,000,000,000</b>	<b>€28,000,000,000</b>

\* (ATI, ARE-Mayotte, end of entitlements, unpaid leave)

Source: Unédic

# Unédic's Schemes for Entrepreneurs

The Unemployment Insurance supports unemployed people who wish to start a business through two separate schemes:

- allowance for creating or taking over a business (ARCE);
- return-to-work allowance (ARE), in addition to self-employment income (ARE entrepreneur).

The purpose of the ARCE is to provide the recipient with capital quickly, while the ARE as a business creator/buyer provides him with a replacement income depending on his income from self-employed activity.

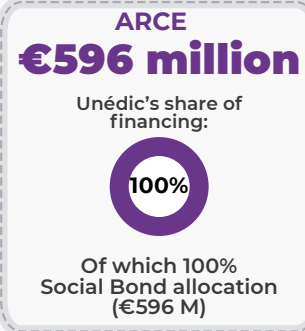


## ARCE

Number of beneficiaries in 2022

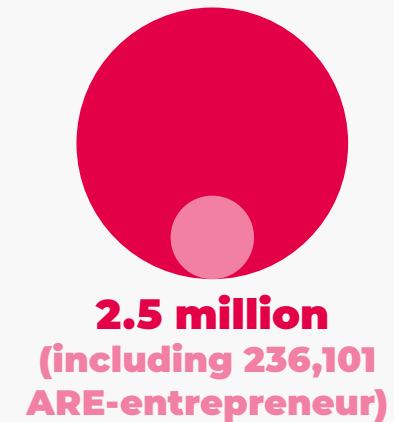
70,967

Unédic's financing in 2022

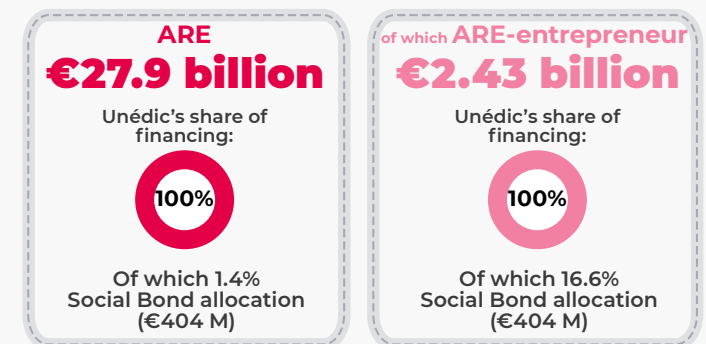


## ARE

Number of beneficiaries in 2022



Unédic's financing in 2022



Source: National data file of recipients, Unédic.

Scope: Monthly average number of recipients compensated at month-end in 2022.

# The Allowance for Creating or Taking Over a Business (ARCE)

Created in 2006, the **allowance for creating or taking over a business (ARCE)**, available to people receiving **return-to-work benefits (ARE)**, makes it possible to benefit from capital as soon as one creates or takes over a business. Its amount corresponds to **45% of the capital of entitlements remaining at the time of the creation or takeover of a business.**

It is paid in two instalments:

- at the beginning of the activity (subject to the expiry of any deferred compensation and the waiting period),
- then 6 months after the first payment (provided that the person concerned justifies that he still pursues his professional activity).

It should be noted that employees deprived of employment who have taken over or created a business before the end of the employment contract taken into account for the opening of their entitlements cannot benefit from the ARCE.

In this case, they can **only benefit from the accumulation of their allowance with their income from the non-salaried activity that they keep.**

If the project to create or take over a business fails and the activity ceases, the person may request a redemption of their remaining entitlements.

**One of the conditions for receiving ARCE is to have obtained assistance in creating or taking over a business (ACRE).**

ACRE (formerly ACCRE) is a partial or total exemption from certain social security contributions granted to business creators and buyers during their first year of activity. It is granted to jobseekers (compensated or not compensated but registered with Pôle Emploi for more than 6 months in the last 18 months), to beneficiaries of the specific solidarity allowance (ASS) or the active solidarity income (RSA) but also to other audiences (young people between 18 and 26 years old, people with disabilities,

entrepreneurs in an urban policy priority district, etc.).

The exemption covers contributions for **health insurance, maternity, disability, death, family benefits and basic old-age insurance.** It is total if income from employment does not exceed 75% of the annual Social Security ceiling (PASS), then decreases to zero when income from employment exceeds the PASS. The exemption is automatic and is attributable to all compensated jobseekers.



# The Return-to-Work Allowance, in Addition to Self-Employment Income (ARE entrepreneur)

The **return-to-work allowance (ARE)** guarantees a replacement income for employees involuntarily deprived from employment, provided that certain conditions are met.

Since 1 January 2001, business creators/ buyers can benefit from the partial cumulation of return-to-work allowance (ARE) with income from their self-employed activities (ARE entrepreneur).

The jobseeker informs his Pôle Emploi advisor of his business creation and, based on supporting documents, Pôle Emploi classifies him as a business creator.

**The compensation arrangements are the same as for recipients who return to salaried employment.**

Each month, Pôle Emploi calculates the amount of allowance that is due based on the income from its activity and declared during the monthly update, that is to say that a number of days not compensated under the ARE will be calculated from the income from the self-employed activity.

- **The recipient creating a business who declares income without being able to justify it immediately will receive a partial advance (80% of the ARE normally due), the supplement being paid to him subject to the provision of supporting documents.**
- **The recipient who is not able to know and declare the amount of his income receives a provisional payment, corresponding to 70% of his monthly ARE income. Its situation will give rise to an annual adjustment on the basis of the supporting documents for non-salaried remuneration.**



# Number of Business Creations Since 2010

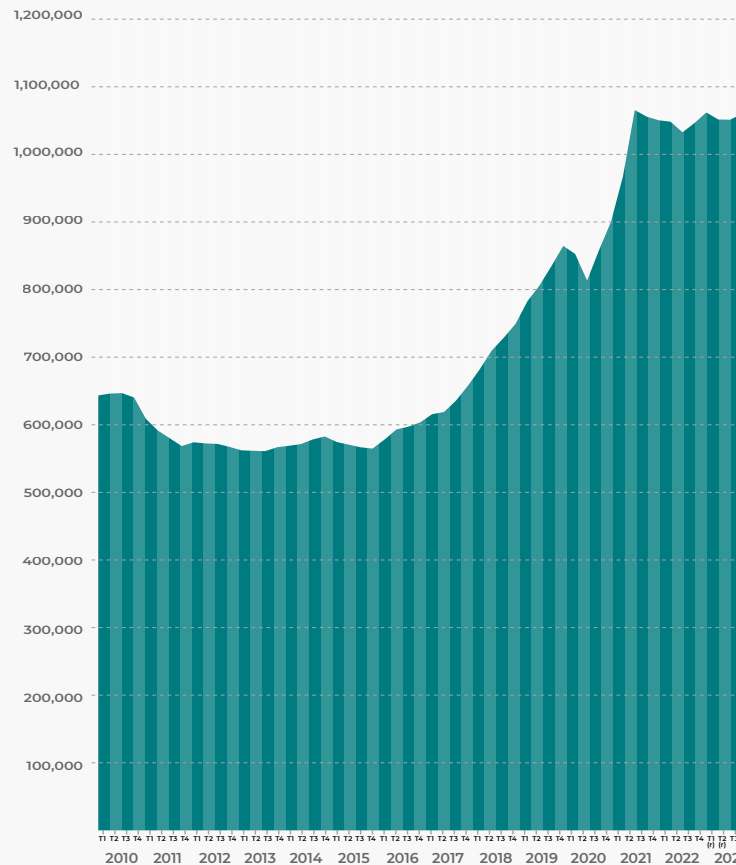


In France, in 2022, more than one million businesses were created, a figure that has increased significantly in recent years, mainly due to the creation of the **status of auto-entrepreneur** (now micro-entrepreneur), a status benefiting from a simplified tax regime. This status experienced a boom in 2017 with the new revenue ceilings. As for the **creation of traditional individual businesses**, they are **constantly increasing**.

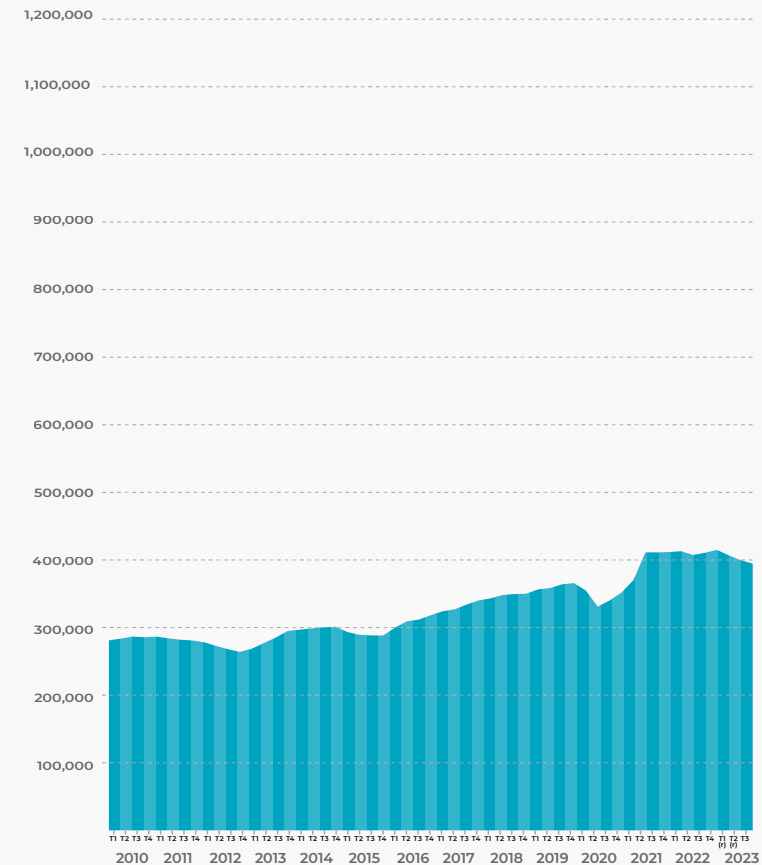
The Unemployment Insurance makes it possible to support about 3 out of 10 new businesses.

Based on INSEE's Sine (New Business Information System) survey, Unédic calculated that in 2018, nearly 35% of these business creations were supported through the ARCE and ARE schemes.

Number of business creations since 2010 including micro-entrepreneurs



Number of business creations since 2010 excluding micro-entrepreneurs



Source: Insee, Information System on Business Demography (Sirene).

Scope: France, all non-agricultural market activities.

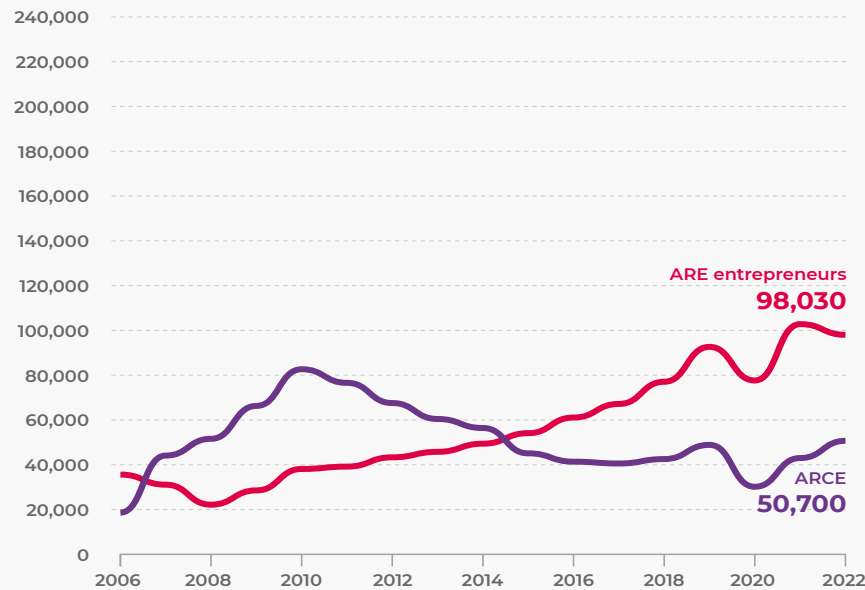
Reading: between the 3<sup>rd</sup> quarter of 2022 and the 3<sup>rd</sup> quarter of 2023, 1,060,281 businesses (including micro-entrepreneurs) were created. Business creations are in fact the creation of legal units

r: revised data.

# Annual Numbers of Entrants and Beneficiaries in the Schemes



**Number of entrants**

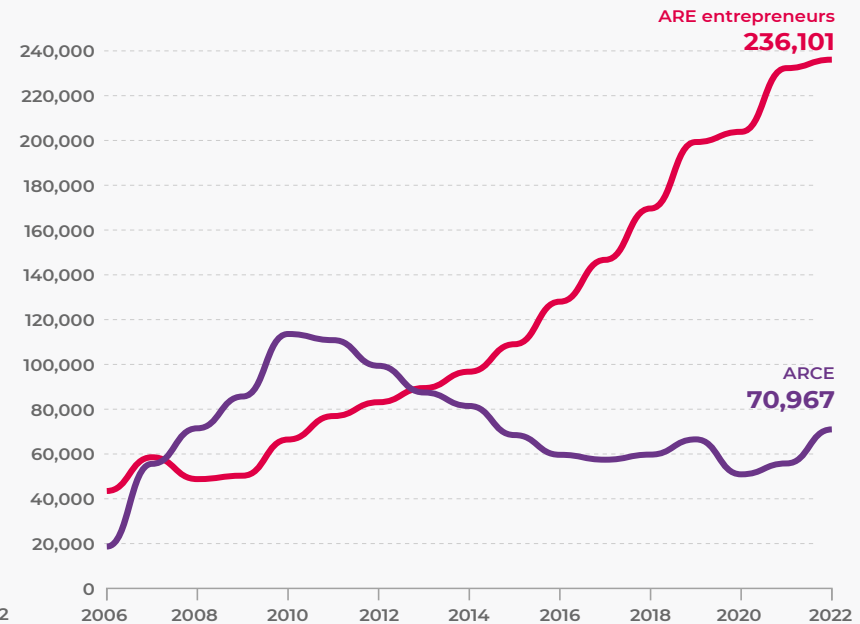


**Source:** National data file of recipients, Unédic calculations.

**Scope:**

- ARCE, recipients receiving their first payment of ARCE in the year;
- ARE entrepreneurs, recipients declaring that they have newly created or taken over a business.

**Number of beneficiaries**



**Source:** National data file of recipients, Unédic calculations.

**Scope:**

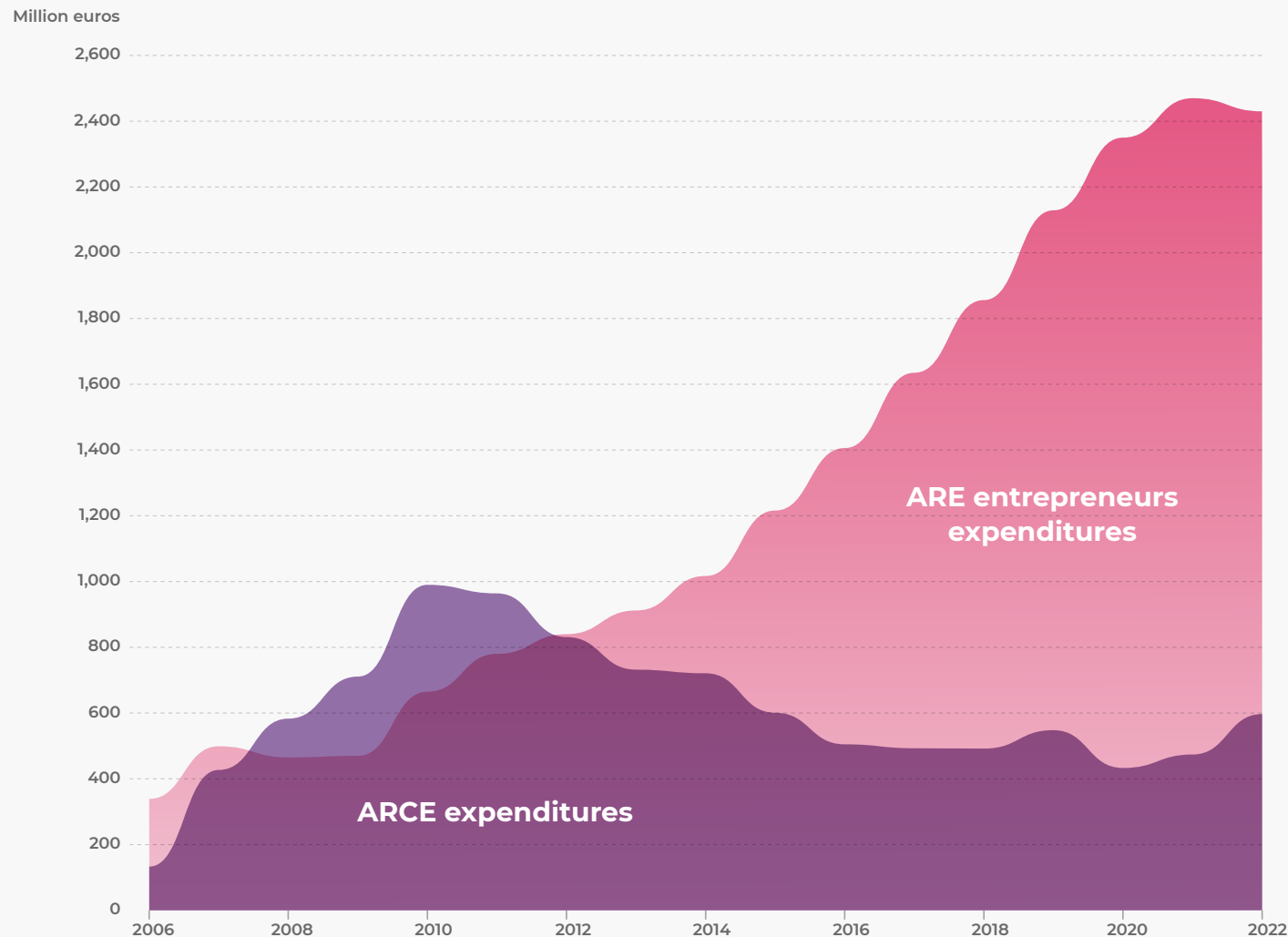
- ARCE, recipients who have received at least one payment from ARCE in the year;
- ARE entrepreneurs, recipients who have been compensable for at least one day and who have declared that they are in the process of creating/taking over a business.

# Annual Expenditures for ARCE and ARE entrepreneur Schemes Since 2006

In 2022, **98,000 recipients** entered the **ARE entrepreneurs scheme** and **51,000** received a first payment from **ARCE**. In that year, **236,000 beneficiaries were compensable in ARE** at least one day by having declared that they were in the process of creating or taking over a business and **71,000** received at least one payment from **ARCE** in the year.

As a result of the sharp increase in the number of recipient entrepreneurs in recent years, related expenditures have increased significantly.

Over the period from which the job seeker declared his business creation, **€2.4 billion was spent on ARE entrepreneurs** and **€0.6 billion on ARCE**, i.e. **€3 billion in total**. These expenditures represent 9.2% of Unédic's annual expenditures on benefits and allowances for jobseekers.

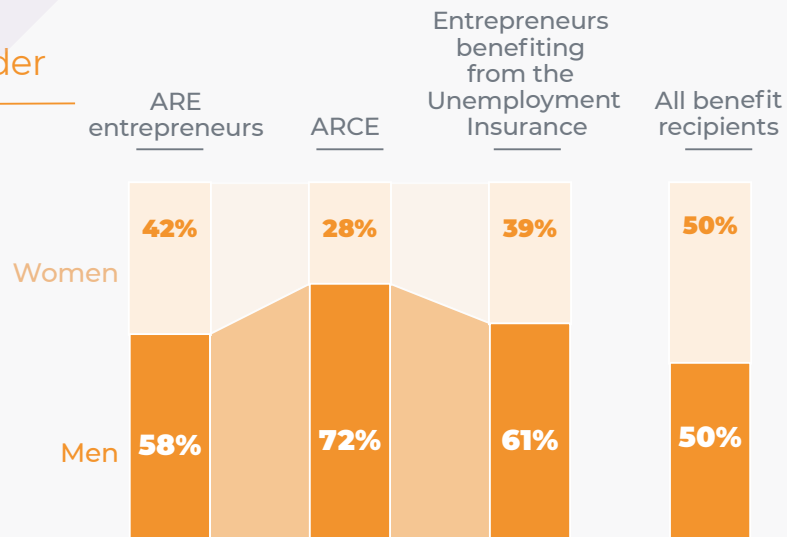


**Source:** National data file of recipients, Unédic calculations.  
**Scope:**  
 - ARCE, total expenditures paid under the ARCE in the year;  
 - ARE entrepreneurs, benefit expenditures for the creation/takeover of a business in the year.

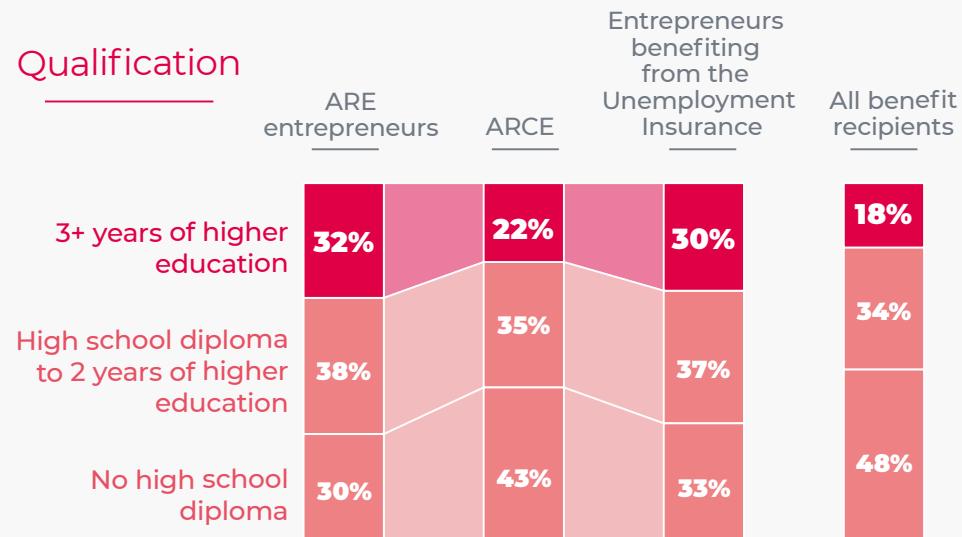


# Profiles of Business Creators who have Chosen ARCE or ARE entrepreneur

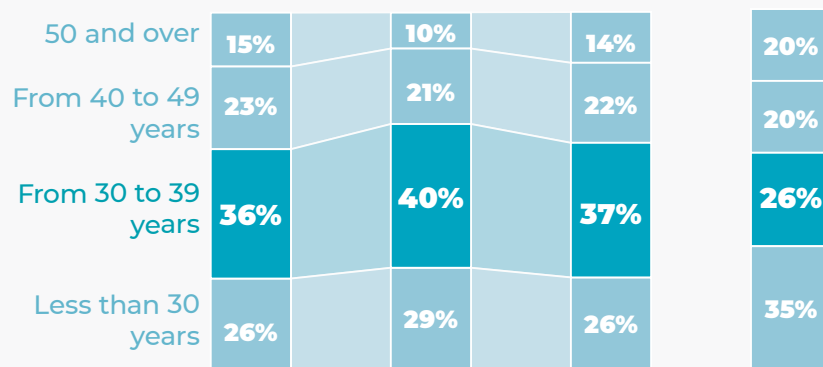
## Gender



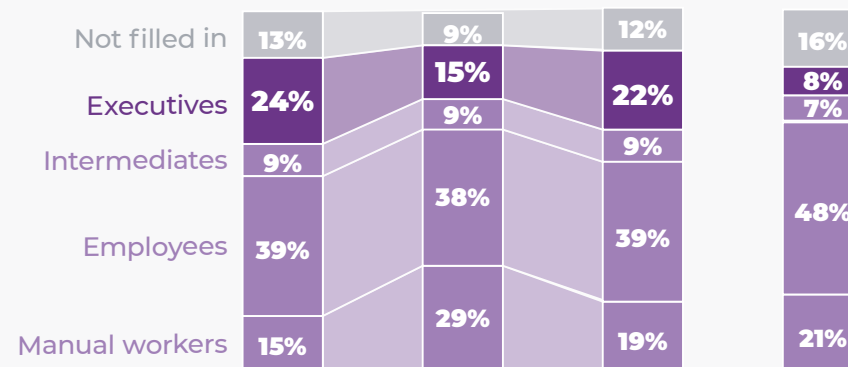
## Qualification



## Age



## Socio-professional Category



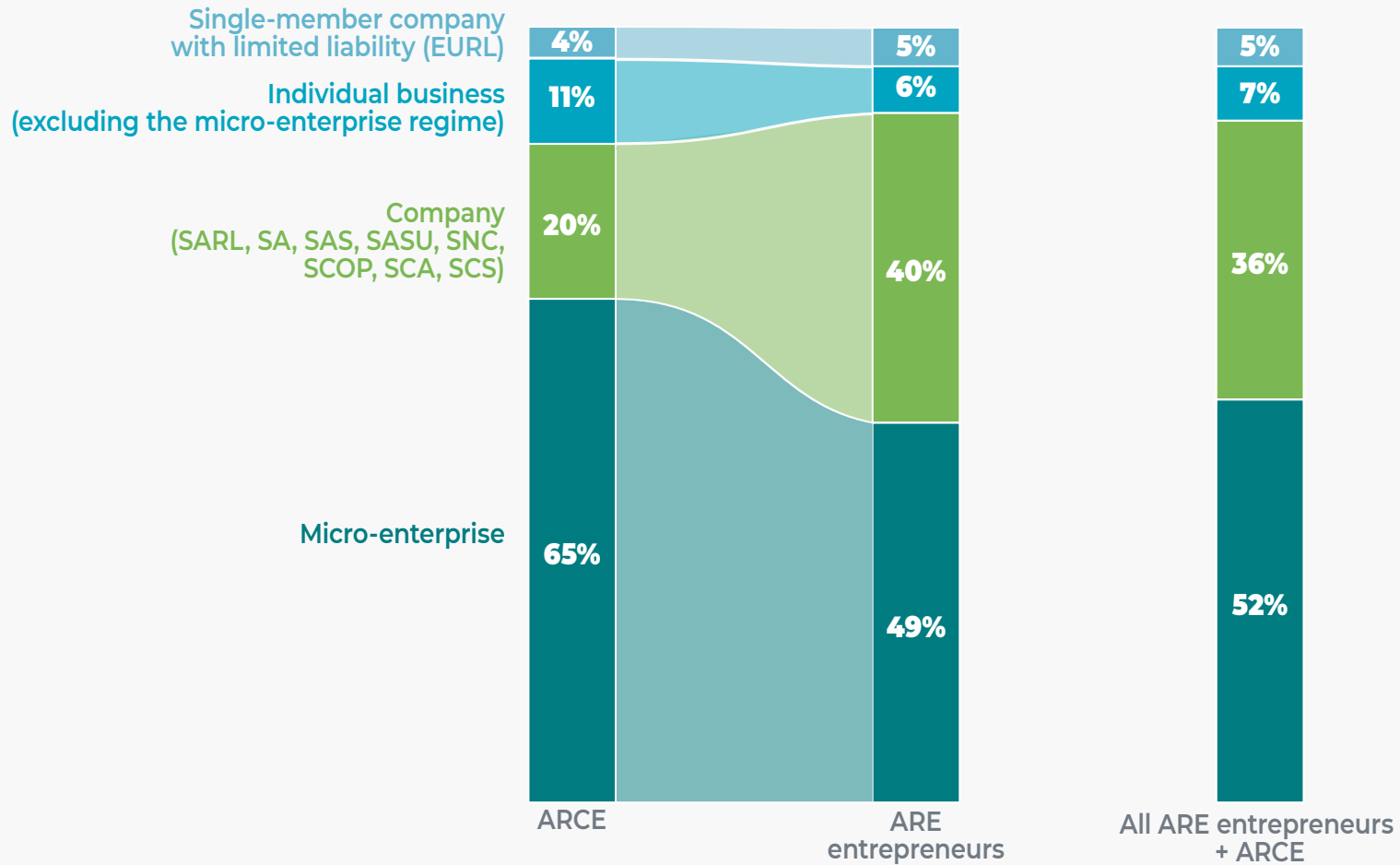
Source: National data file of recipients, Unédic calculations.

Scope: 1<sup>st</sup> semester 2021 for recipients of ARCE, June 2021 for recipients of ARE entrepreneurs.

Note: the box is darker when the percentage is at least 5 points higher than that in the "all recipients" column. Totals may not amount to 100% due to rounding.

Entrepreneurs from the Unemployment Insurance

# Legal Form of Business According to the Scheme



Source: National data file of recipients, Unédic calculations.

Scope: all respondents who created or took over a business, i.e. recipients of ARE entrepreneurs in the 1st semester of 2021 and entrepreneurs who received ARCE in the 1st semester of 2021.

# Working Through Platform



In 2018, according to Insee, in France, **16% of new micro-entrepreneurs work through a digital matching platform** (this proportion rises to 65% in transport)\*.

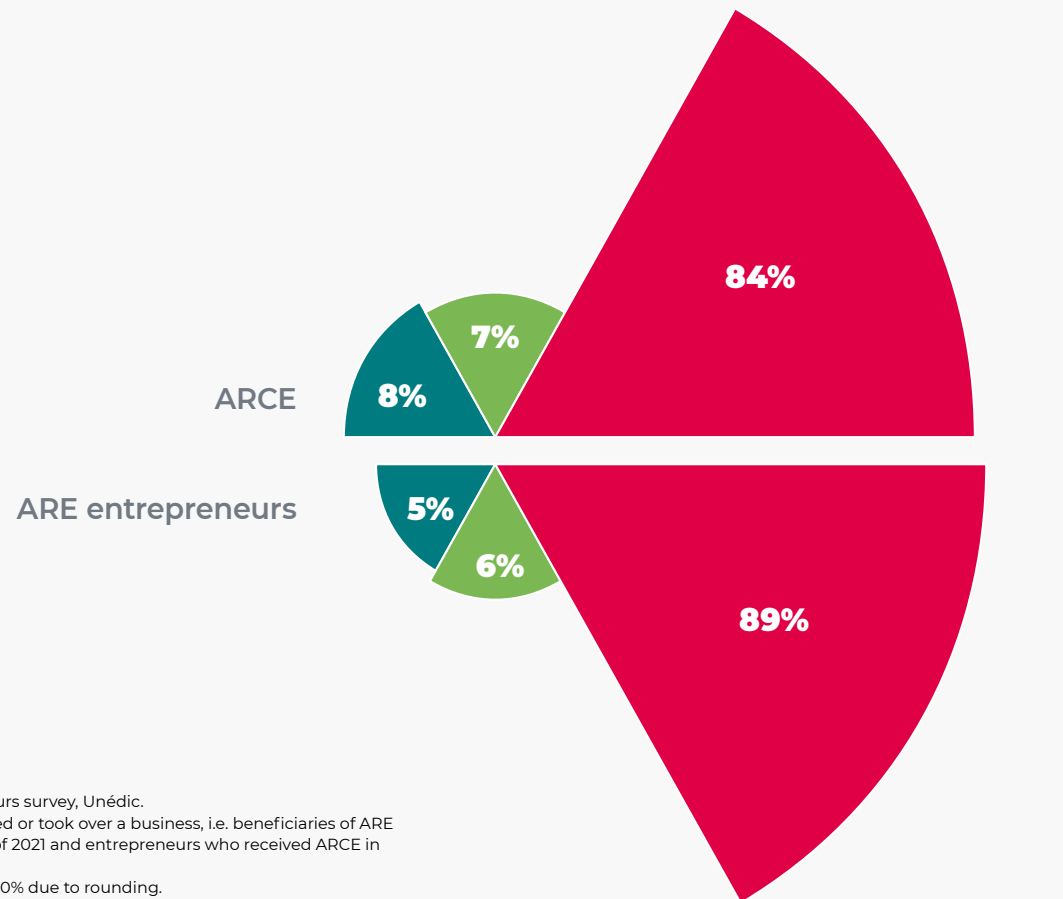
Similar proportions are found among the beneficiaries of the ARCE, often micro-entrepreneurs: for 8% of them, work via a digital platform is their main source of revenue and for 7% an ancillary activity.

And this proportion is slightly lower among entrepreneurs receiving ARE (5% and 6% respectively).

\* Insee, "Micro-entrepreneurs registered in 2018: in the transport sector, two in three work via a digital platform", INSEE Première no. 1821, October 2020.

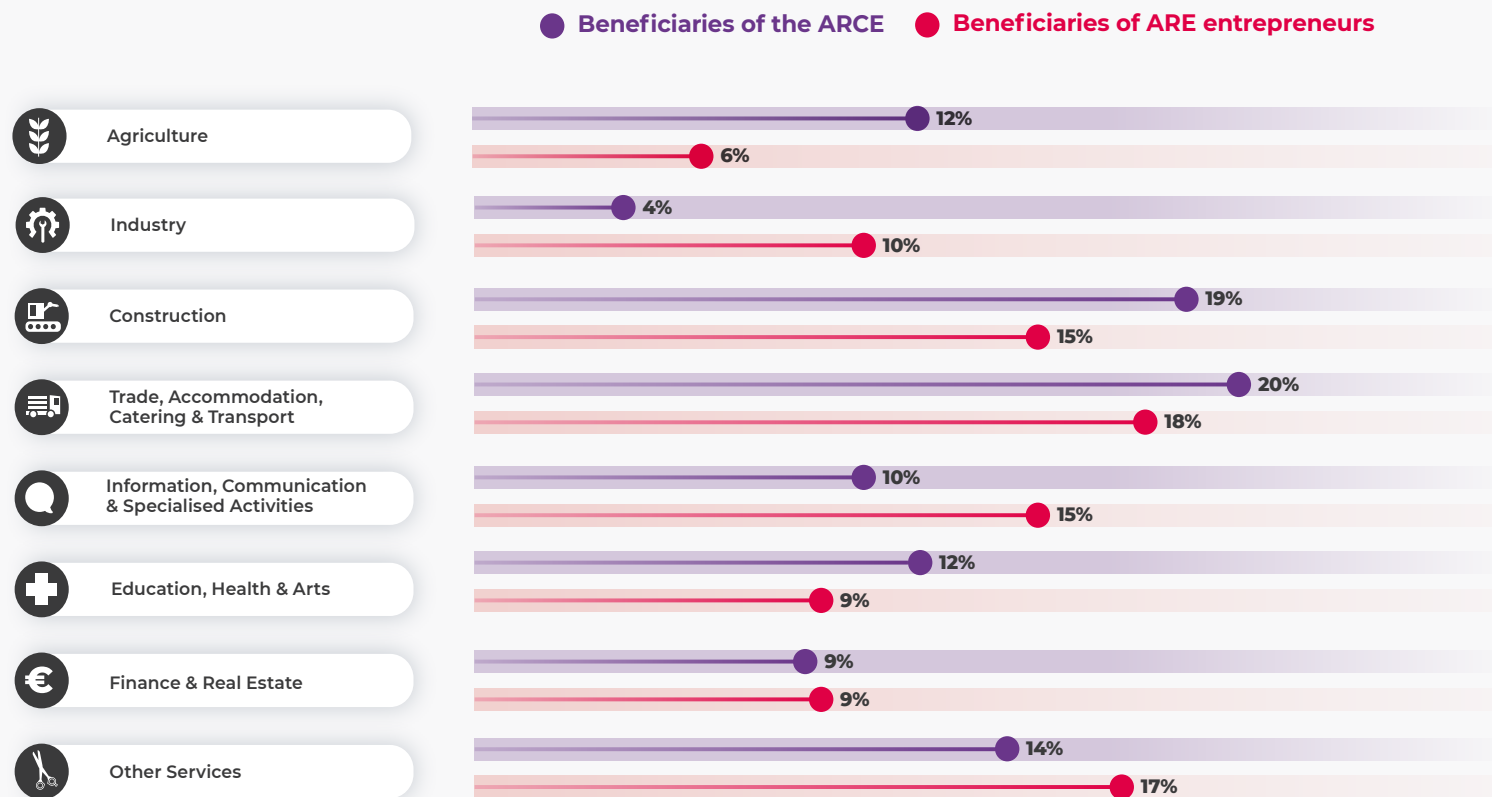
As part of your business's activity, do you work through one or more digital matchmaking platforms?

- Yes, it is my main source of revenue
- Yes, but it is an ancillary activity
- No



**Source:** 2021 recipient entrepreneurs survey, Unédic.  
**Scope:** All respondents who created or took over a business, i.e. beneficiaries of ARE entrepreneurs in the 1<sup>st</sup> semester of 2021 and entrepreneurs who received ARCE in the 1<sup>st</sup> semester of 2021.  
**Note:** Totals may not amount to 100% due to rounding.

# Entrepreneurs from the Unemployment Insurance Sectors of Businesses Created or Taken Over



Source: IEF 2023 (national component)

Scope: business owners residing in France (registered with Pôle Emploi during the period of business creation/takeover - the latest if there are several - and up to one year after this creation for those who have benefited from the ARE entrepreneurs or the ARCE) and created or took over their business after 2001 inclusive.

Unit: Percentage

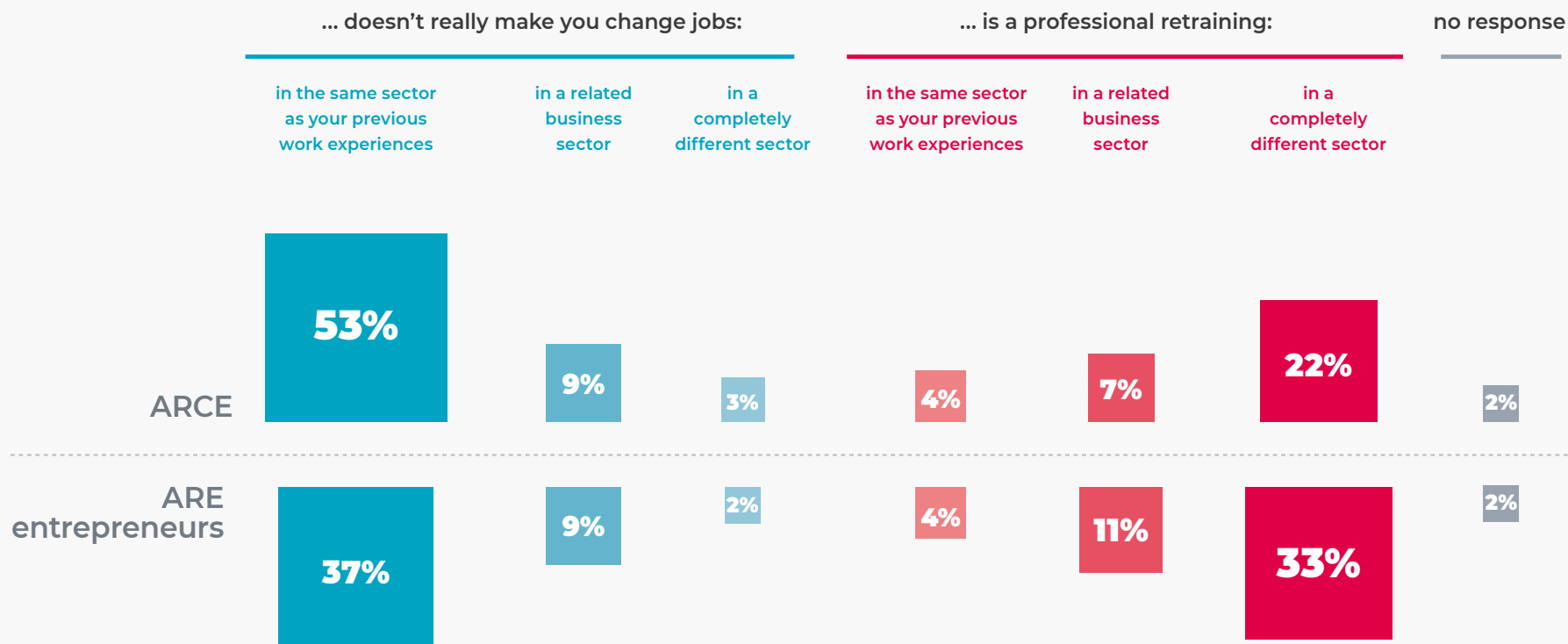
Note:

- Question to identify business owners: Do you currently own, alone or with others, at least one business that you have created or taken over?
- Question to determine the scheme: What unemployment insurance schemes did you benefit from at the time of the creation/takeover of your business (the latest if you have several)?
- Question to determine the sector: What is the main sector of activity of the business you have created or taken over (the latest if you have several)?

# Reconversion of Entrepreneurs and Change of Sector



Would you say that your entrepreneurial project...

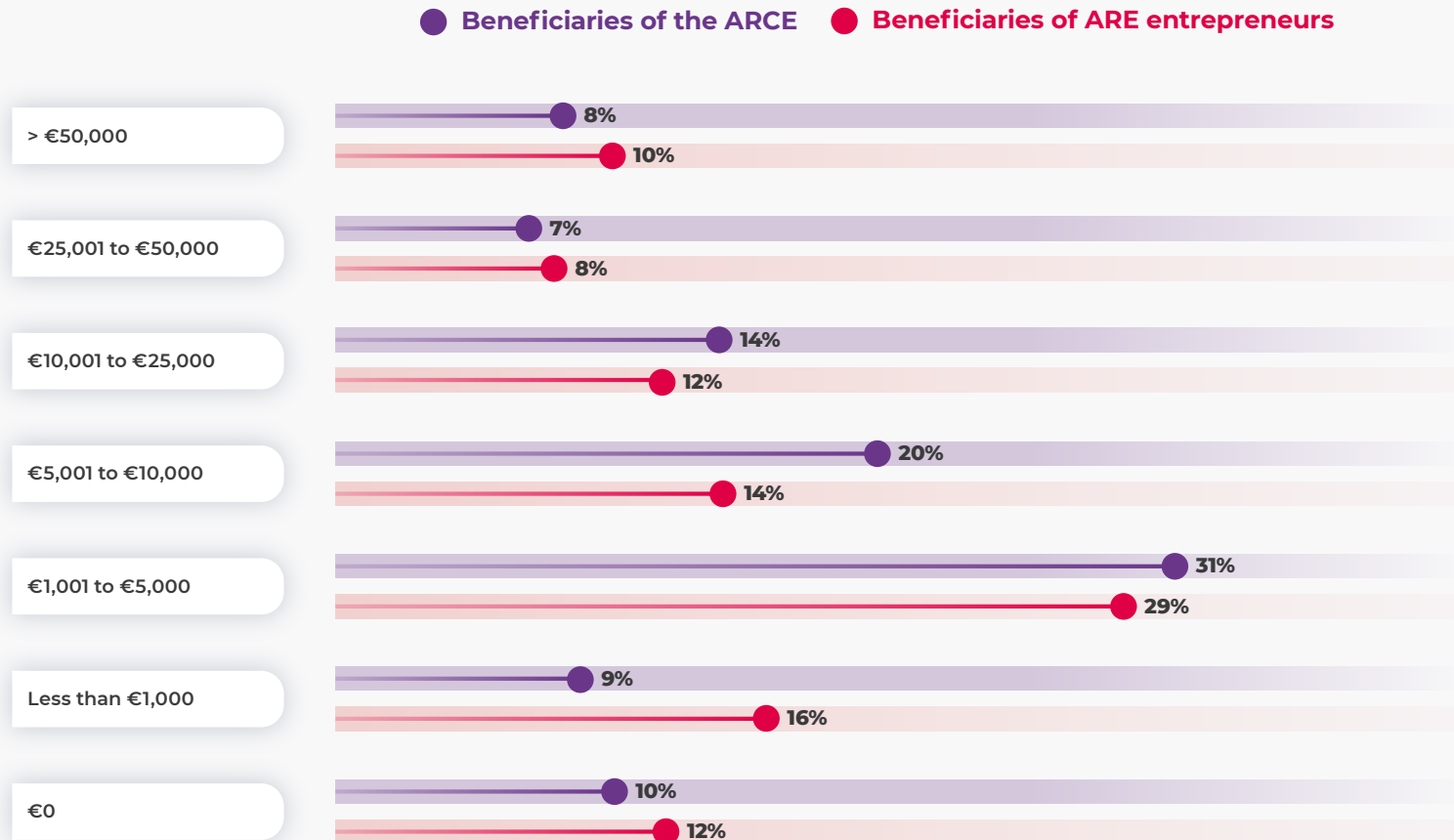


Source: 2021 recipient entrepreneurs survey, Unédic; All business creations: Sine survey, Insee.

Scope: all respondents who created or took over a business, i.e. recipients of ARE entrepreneurs in the 1<sup>st</sup> semester of 2021 and entrepreneurs who received ARCE in the 1<sup>st</sup> semester of 2021.

Note: Totals may not amount to 100% due to rounding.

# The Financial Resources Needed to Start the Activity (Excluding Current Expenditures)

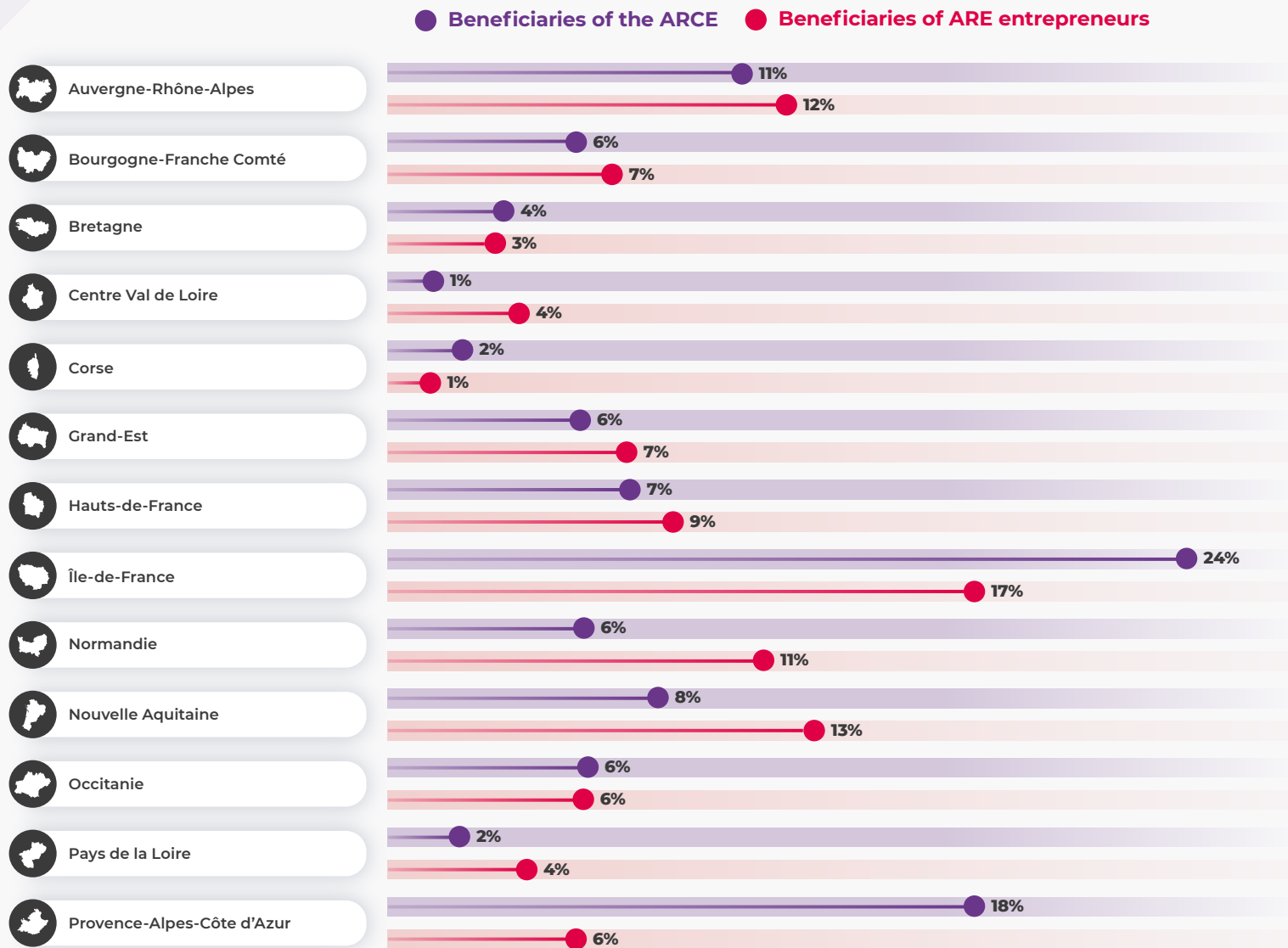


Source: 2021 recipient entrepreneurs survey, Unédic

Scope: all respondents who created or took over a business, i.e. beneficiaries of ARE entrepreneurs in the 1<sup>st</sup> semester of 2021 and entrepreneurs who received the ARCE in the 1<sup>st</sup> semester of 2021

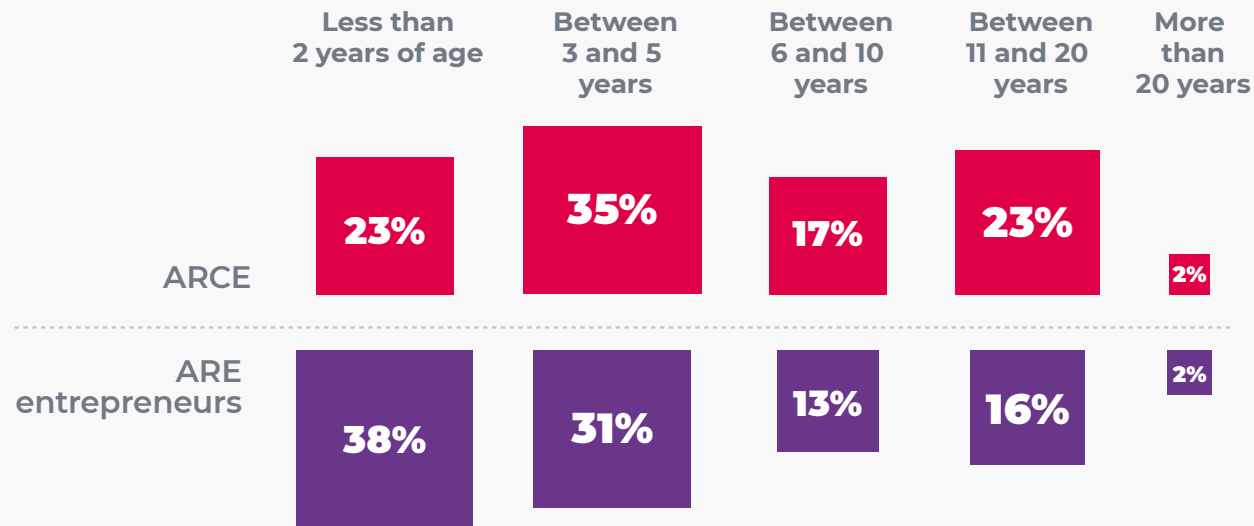
Unit: Percentage

# Geographical Profile of Entrepreneurs who have Chosen ARCE or ARE entrepreneur



**Source:** IEF 2023 (national component)  
**Scope:** business leaders residing in France (registered with Pôle Emploi during the period of creation/takeover of a business - the latest if there are several - and up to one year after this creation for those who have benefited from the ARE entrepreneurs or the ACRE) and created or took over their business after 2001 inclusive.  
**Unit:** Percentage  
**Note:** question to identify the region: Postal code

Entrepreneurs from the Unemployment Insurance  
 Period of Business Creation  
 or Take Over



**Source:** IEF 2023 (national component)

**Scope:** business owners residing in France (registered with Pôle Emploi during the period of business creation/takeover - the latest if there are several - and up to one year after this creation for those who have benefited from the ARE entrepreneurs or the ARCE) and created or took over their business after 2001 inclusive.

**Unit:** Percentage

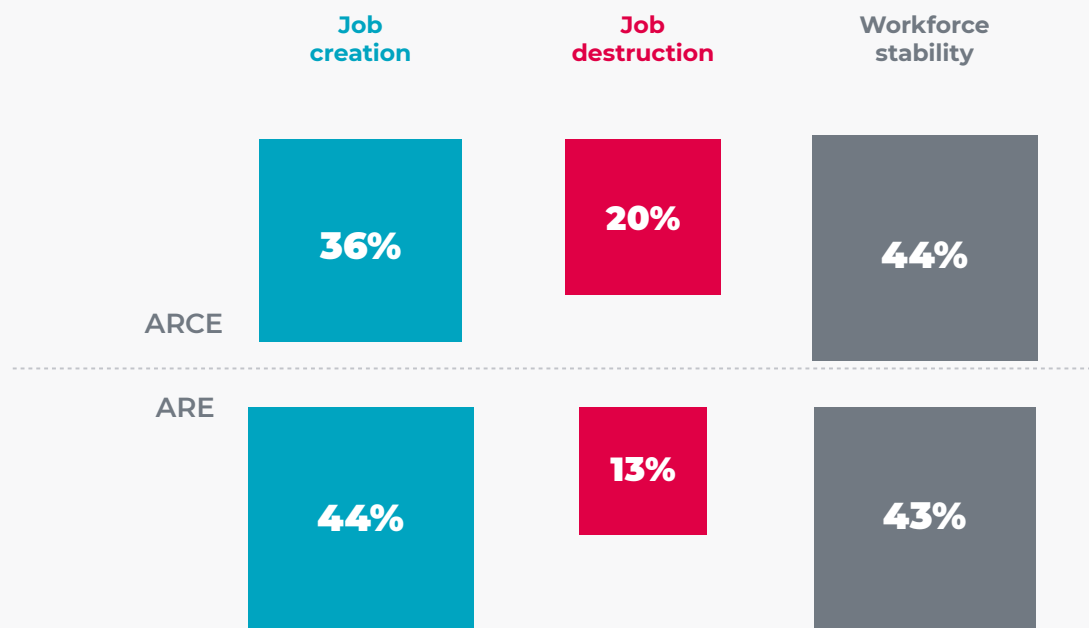
**Note** - Question: In what year did you start or take over your business (the latest if you have more than one)?



# Change in Employment in Businesses Created or Taken Over



Among **business owners benefiting from the ARCE** at the time of their creation/takeover project, nearly **36%** declare for their business a **current workforce higher than at the start of their activity** (vs. 44% for ARE entrepreneurs beneficiaries), **20%** have a **workforce lower than at the start** (vs. 13%) and **44%** indicate **identical workforce** (43% among ARE entrepreneurs beneficiaries).



**Source:** IEF 2023 (national component)

**Scope:** business owners residing in France (registered with Pôle Emploi during the period of business creation/takeover - the latest if there are several - and up to one year after this creation for those who have benefited from the ARE entrepreneurs or the ARCE) and created or took over their business after 2001 inclusive.




**Note:** difference between the workforce declared today and the workforce declared at the time of the creation / takeover

**Question:** How many people were employed at the start or at the time of the takeover of this business, with the exception of yourself and your potential partners?

Question: How many people are currently employed by this business, with the exception of yourself and any partners?

# Unédic's Impact Indicators



	AMOUNT				IMPACT INDICATOR	2019	2020	2021	2022		
	2020	2021	2022	TOTAL							
 <b>“Protection” mission</b>	ALLOCATION	ALLOCATED	ALLOCATION	ALLOCATED							
		€15,912,150,422	€8,829,791,339	€404,111,953	€25,146,053,714						
Furloughing scheme	100%	€8,938,017,150	€2,469,603,646	0%	—	€11,407,620,796	Number of redundancies for economic reasons	107,000	126,000	111,000	95,000
Return-to-work allowance (ARE)	19.2%	€6,460,004,044	€5,904,836,464	1.4%	€404,111,953	€12,768,952,460	Number of persons registered with Pôle Emploi and having found a job	4.3 million	4.1 million	4.4 million	4.4 million
Payment to supplementary pension funds	19.2%	€514,129,229	€455,351,229	0%	—	€969,480,458	Number of recipients of pension credits through Unédic funding	5,451,785	5,467,060	5,432,762	5,110,088
Unemployment insurance for casual workers employed in the entertainment industry (ARE A8-A10)	0%	—	—	0%	—	—		—	—	—	—
Allowances and other benefits*	0%	—	—	0%	—	—		—	—	—	—
 <b>“Support” mission</b>		€781,886,503	€791,227,401		€1,573,113,904						
Financing of Pôle Emploi's operating budget	19.2%	€781,886,503	€791,227,401	0%	—	€1,573,113,904	Jobseekers' rate of satisfaction with support provided by Pôle Emploi	75.4%	78.4%	82.4%	83.5%
 <b>“Protection” and “Support” missions</b>		€305,963,075	€378,981,260	€595,888,047	€1,280,832,382						
Return-to-work training allowance (ARE-F)	19.2%	€305,963,075	€378,981,260	0%	—	€684,944,335	Rate of access to employment within 6 months of completion of training	52.0%	48.9%	55.7%	53.5%
Career safeguarding contract (CSP)	0%	—	—	0%	—	—		—	—	—	—
Allowance for creating or taking over a business (ARCE)	0%	—	—	100%	€595,888,047	€595,888,047	Number of ARCE beneficiaries	67,538	52,925	55,768	70,967
Return-to-work allowance paid to those pursuing a professional project (ARE-Project)	0%	—	—	0%	—	—		—	—	—	—
<b>TOTAL</b>		<b>€17,000,000,000</b>	<b>€10,000,000,000</b>	<b>€10,000,000,000</b>	<b>€28,000,000,000</b>						

\* (ATI, ARE-Mayotte, end of entitlements, unpaid leave)

Source of the allocation amounts of the Social Bonds: Unédic

Sources of impact indicators:

for economic redundancies, Dares, annual data on labour changes based on the declarations of establishments in metropolitan France in the private sector excluding agriculture, temporary contracts and private employers, rounded figures; for persons registered with Pôle emploi who have found a job, Pôle emploi, 2022 annual report; for beneficiaries of pension points via Unédic funding, Pôle emploi, end-of-year-work files, Unédic calculation; for jobseekers' rate of satisfaction with their support, Pôle Emploi, 2022 annual report; for the rate of access to employment within the six months following the end of training, Pôle Emploi, monthly data averages, Unédic calculation; for ARCE beneficiaries, national file of beneficiaries at the end of September 2023, Unédic calculation.

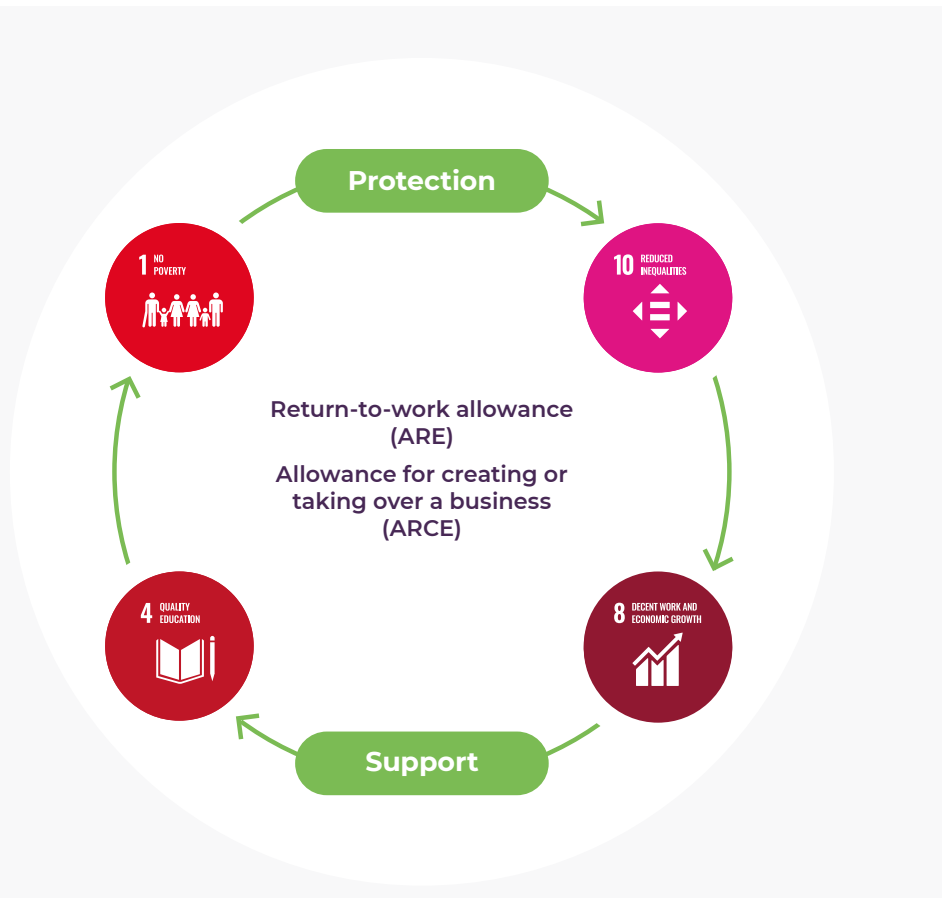
# Contribution to Sustainable Development Goals

# 5



# The Impact of Unédic-Funded Schemes on the Achievement of France's SDGs

# Unédic



In 2022, the schemes funded by Unédic's Social Bond contributed to reviving activity through the creation and takeover of businesses, in line with the strong momentum of job creation in France.

The **allowance for creating or taking over a business (ARCE)** and the **return-to-work allowance (ARE)** received by business creators/buyers in addition to income related to self-employment (ARE entrepreneurs) have made it possible to support the Sustainable Development Goals (SDGs)

- No.1 (No Poverty),
- No.4 (Quality Education),
- No.8 (Decent Work and Economic Growth),
- and No.10 (Reduced Inequalities).

# The Contribution of Unemployment Insurance to Indicators of France's Progress Towards the SDGs

	Indicators										
	Rate of living conditions poverty	Wealth inequalities	Income Inequalities - interquintile report	Digital skills: people who have not used the Internet in the last three months	Young people of 18-24 years of age who left school early	Young people and adults having completed initial training	Underemployment rate	Young people of 15-24 of age not in employment, education or training	Employment rate	Jobs supported in employment of young persons	Annual growth rate of real GDP per capita
<b>"Protection" Mission</b> 											
Furloughing scheme	✓	✓	✓								
Return-to-work allowance (ARE)	✓	✓	✓								
Payment to supplementary pension funds	✓	✓	✓								
Unemployment insurance for casual workers employed in the entertainment industry (ARE A8-A10)	✓	✓	✓								
Allowances and other benefits	✓	✓	✓								
<b>"Support" Mission</b> 											
Financing of Pôle Emploi's operating budget				✓	✓	✓	✓	✓	✓	✓	✓
<b>"Protection" and "Support" Mission</b> 											
Return-to-work training allowance (ARE-F)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Career safeguarding contract (CSP)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Allowance for creating or taking over a business (ARCE)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Return-to-work allowance paid to those pursuing a professional project (ARE-Project)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓



**SDG 1 - No Poverty:** Goal 1 aims to end poverty and combat inequality in all its forms everywhere. It consists of seven sub-goals: poverty reduction, access to basic services, reduction of the proportion of working poor and of the most vulnerable, notably women and children



**SDG 4 - Quality Education:** Goal 4 aims to ensure universal access to equitable, free and quality education at all stages of life, including the elimination of gender and income disparities. It also focuses on the acquisition of basic and higher-level skills to live in a sustainable society. SDG 4 also calls for the construction and improvement of educational infrastructure, increasing the number of scholarships in higher education in developing countries and the number of qualified teachers in those countries.



**SDG 8 - Decent Work and Economic Growth:** Goal 8 recognises the importance of sustained, inclusive and sustainable economic growth to provide decent and quality employment for all. It aims to eradicate unworthy work and to provide protection for all workers. It promotes the development of training and employment opportunities for new generations, accompanied by an increase in skills for "sustainable" jobs. SDG 8 also provides for enhanced international cooperation to support growth and decent employment in developing countries through increased aid for trade, development-oriented policies and a global strategy for youth employment.



**SDG 10 - Reduced Inequalities:** Goal 10 calls on countries to adapt their policies and legislation in order to increase the incomes of the poorest 40% and to reduce wage inequalities based on sex, age, disability, social or ethnic origin and religious affiliation. This includes encouraging the representation of developing countries in global decision-making.

# The Social Bond is Aligned with the French Strategy for Sustainable Development



In October 2021, France published an assessment of its situation with regard to the SDGs. This measure of progress builds on Eurostat's work to analyse progress concerning the SDGs over a five-year period.

Topics are grouped into three categories\*:

- on track,
- to be improved,
- significant progress expected.

*\* The "on track" category presents issues where targets are very close to being reached or on the right trajectory.*

*The "to be improved" category includes issues where targets are yet to be met, although progress has already been made.*

*Finally, the "significant progress expected" category focuses on issues whose targets are far from being met.*

Calas A., Daudey E. et Robin Y. (December 2022), « Allocataires entrepreneurs : comment l'Assurance chômage soutient les créations d'entreprise », *Analyses*, Unédic publication.

Calavrezo O. (January 2024), « Effets de l'activité partielle : focus sur l'activité partielle de longue durée et les licenciements », *In short*, Unédic publication.

Commissioner-General for Sustainable Development (September 2021), État des lieux de la France au regard des Objectifs de développement durable.

Gaboulaud A. et Robin Y. (July 2022), « Allocataires entrepreneurs : enquête sur les profils, motivations et projets », *In short*, Unédic publication.

United Nations, 17 Goals to Transform Our World.

Unédic x Bpifrance Création (January 2024), « Chefs d'entreprise et Assurance chômage – Premiers éléments », *In short*, Unédic publication.

Unédic (June 2023), 2022 Financial Report.

Unédic (March 2023), 2022 Activity Report: Acting to make the work dynamic.

<b>Additional voluntary contribution schemes</b>	Body that manages additional voluntary pension contributions.	<b>Benefit recipient</b>	Beneficiary receiving benefit under the Unemployment Insurance scheme.
<b>Allocation and impact report</b>	Annual report on the allocation of funds raised through social-bond issues as well as impact metrics.	<b>Beneficiary without benefits</b>	Beneficiary not receiving benefits under the Unemployment Insurance scheme.
<b>Allocations (bond issuance)</b>	When a debt issue is undertaken, allocation of investor orders listed in the order book according to predefined allocation principles.	<b>Contractual termination</b>	Allows the employer and employee employed under an employment contract of indefinite duration to mutually agree on the conditions of termination of the employment contract that binds them. It may be individual or collective.
<b>Allocations (Social Bond)</b>	Allocation of Unédic's eligible expenditures for funds from debt issues undertaken in accordance with the provisions of the social bond framework document: "protect and support sustainable employment".	<b>Convention</b>	Agreement between several parties governing the rights and responsibilities of each party.
<b>ARCE</b>	Allowance for creating or taking over a business.	<b>Conventional debt</b>	Medium- and long-term debt that is not part of Unédic's Social Bond issues.
<b>ARE Mayotte</b>	Return-to-work allowance in accordance with compensation rules as provided for in the Mayotte unemployment insurance convention.	<b>CSP</b>	Career safeguarding contract.
<b>ARE Project</b>	Allowance paid to jobseekers who have a career development plan, but who are unable to implement the plan if they remain in employment.	<b>DA</b>	Authorised application for the furloughing scheme ("Demande autorisée").
<b>ARE</b>	Return-to-work allowance.	<b>DARES</b>	France's directorate for research, studies and statistics.
<b>ARE-F</b>	Return-to-work training allowance.	<b>Dismissal</b>	Termination of employment contract at the initiative of the employer.
<b>ATI</b>	Allowance for the self-employed.	<b>DSN</b>	Electronic payroll declaration.
		<b>Eligible expenditures</b>	Expenditures meeting a set of criteria defined in the context of Unédic social bond issues.



**Employment rate** Ratio of the number of employed individuals to the total number of individuals.

**End-of-entitlements benefit** At the end of entitlement to unemployment benefit, a beneficiary may receive new unemployment benefit, if he or she fulfils certain conditions.

**ESG** (criteria) Environmental, Social and Governance. These criteria allow for the inclusion of sustainable development and long-term issues in the strategy of economic actors.

**FNA** National data file of Unemployment Insurance beneficiaries.

**FNE** National Employment Fund (FNE)

**France Relance** Programme put in place by the French government to revive the French economy following the economic crisis linked to the Covid-19 pandemic.

**Furloughing scheme** Measure that enables employers facing specific difficulties to cover all or part of the cost of their employees' pay.

**ICMA** International Capital Market Association.

**Insee** National institute of statistics and economic studies.

**Interest rate when issued** Corresponds to the yield offered to investors at the time of issuance.

**ISIN Code** International Securities Identification Numbers - code used to identify a financial instrument.

**Investors** Institutional investors collecting savings whose commitments and/or assets are governed by regulatory texts.

**Jobseeker with entitlements** Person registered with Pôle Emploi who is entitled to benefits.

**Liquidity buffer** Unédic's liquidity reserve, the amount of which depends on criteria defined by Unédic's Board of Directors.

**Maturity** Duration of a debt on the issue date.

**Nominal amount** Face value of an issue.

**OAT** French Treasury bonds («Obligations assimilables au Trésor»).

**Occupational pension** Pension which supplements the basic pension.

**Orderbook** Brings together all the purchase intentions of potential investors when undertaking a medium- or long-term debt issue.

**Pension credits** As part of the administration of unemployment insurance, the employer has been replaced by Unédic for the payment of contributions to supplementary pension schemes for benefit recipients.

**Resignation** Termination of the employment contract at the employee's initiative.

**Recipient** Person who does not have sufficient financial resources and therefore receives financial assistance.

**Redundancy for economic reasons** Redundancy for economic reasons is when an employee's employment contract is terminated for reasons unrelated to the employee himself. This termination is motivated by economic reasons.

**Replacement income** Income to compensate for loss of earnings during a period of partial or total inactivity.

**Responsible investment funds** (benefiting from the SRI Label): investment fund that incorporates environmental, social and governance (ESG) criteria into its investment processes and that has the Sri Label defined by France's Ministry of Economy and Finance.

**RSA** *Revenu de solidarité active* - earned income supplement.

**SBP** Social Bond Principles.

**SDGs** Sustainability development goals.

**Self-employed person** Individual who works for himself.

**Short-term contract** Fixed-term contract of duration of less than 1 month.

**Social Bond** Debt issue carried out as part of Unédic's social bond issues that respects the SBPs.

**Social Bond Committee** Unédic internal committee (Finance and Treasury Department, Studies and Analysis Department and Communication Department) responsible for the governance of the Social Bond issuance framework with Unédic's decision-making bodies.

**Social security contributions** All payments that individuals and their employers make to social security funds and private schemes.

**Social bond framework document** Document illustrating the contribution of the Unemployment Insurance scheme to the SDG and France's roadmap for implementing the 2030 Agenda.

**SPE** Employment Public Service.

**Spread** Interest rate differential.

**Technical management** In Unédic's chart of accounts, Technical Management concerns the income and expense items relating to the various schemes of Unemployment Insurance. Other categories of management of the Unemployment Insurance chart of accounts are Administrative Management (the association's operating income and expenses), Financial Management (financial income and expenses).

**Tripartite agreement** Agreement between the State, Unédic and Pôle Emploi.

**Unédic Board of Directors** The body responsible for deciding Unédic's major strategic decisions. It is composed of 25 employee representatives and 25 employer representatives.

**Unédic's Bureau** The body responsible for managing unemployment insurance on a day-to-day basis. It is composed of 5 employee representatives and 5 employer representatives.

**Unédic forecasts** Financial forecasts published 3 times a year (February, June, October).

**Unemployment benefit** Replacement income paid by Pôle Emploi, under certain conditions, to persons registered as jobseekers and involuntarily deprived of employment.

**Unpaid leave allowance** An individual who has not acquired paid leave entitlements may receive the unpaid leave allowance if the company for which he or she works closes.

# Unédic

<https://www.unedic.org/>



FEBRUARY 2024

