

CORONAVIRUS OVERCOMING THE DIFFICULTIES

THE LAYOFF ALLOWANCES PROVIDED BY THE ITALIAN GOVERNMENT TO FACE THE COVID-19 EMERGENCY AND THE PRELIMINARY OPERATIONAL CLARIFICATIONS OF THE ITALIAN SOCIAL SECURITY INSTITUTE (INPS)

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Few days ago, the Government (Law Decree no. 18, March 17th, 2020) intervened once again in matter of layoff allowances by introducing, at a national level, a new form of the “**Cassa Integrazione Guadagni Ordinaria (CIGO)**” and “**Assegno Ordinario**” layoff allowance funds to be activated on the specific ground of the “*Covid-19 Emergency*”. The Government also authorised the Governments of the Regions and of the Autonomous Provinces of Trient and Bozen to launch local lay off allowance funds (“**Cassa Integrazione Salariale in Deroga**”) for those companies that are not eligible to participate to the national layoff allowance funds.

On Friday, March 20th, 2020, the Italian Social Security Institute (INPS) provided some preliminary operational clarifications in order for companies to activate such new forms of subsidies.

Such clarifications may be summarised as follows.

1. **Cassa Integrazione Guadagni Ordinaria (CIGO) on the grounds of the “COVID-19 emergency”**

Beneficiaries	Employers: Employers which are eligible to participate to the general form of CIGO may have access to the special form of CIGO on the grounds of the “ <i>COVID-19 emergency</i> ”, including: <ul style="list-style-type: none">• companies that have already filed an application or that are presently benefitting from the general form of CIGO on grounds different from the “<i>COVID-19 emergency</i>” (in this case the general form of CIGO layoff allowance may be cancelled for the period of time corresponding to that during which CIGO will be granted on the grounds of the “<i>COVID-19 emergency</i>”); <p><u>and</u></p> <ul style="list-style-type: none">• companies that on February 23rd 2020, were already benefitting from the <i>Cassa Integrazione Guadagni Straordinaria (CIGS)</i> national layoff
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	<p>allowance fund (in this case the CIGS layoff allowance will be suspended for the period of time during which CIGO will be granted on the grounds of the “COVID-19 emergency”).</p> <p>Employees:</p> <p>All employees in employment on February 23rd, 2020 who are temporarily laid off because of the Covid-19 Emergency may benefit from this special form of CIGO, regardless of their length of service.</p>
How to apply?	<p>The relevant application is to be submitted to INPS by the employer “<i>following the ordinary procedure</i>”, meaning the online procedure to be activated by INPS’s website (www.inps.it).</p> <p>The list of the employees benefitting from the CIGO layoff allowance must be attached to the application.</p> <p>On the contrary, it is not necessary to attach a “<i>technical report</i>” attesting that the event giving rise to the stay/reduction of the working activities is of a temporary nature and not caused by the employer or by its employees.</p>
When to apply?	<p>The relevant application is to be filed by the end of the fourth month following that of the beginning of the layoff.</p>
Are there further requirements?	<ul style="list-style-type: none"> • The employer is not required to pay the so-called additional contribution. • A prior consultation with the Trade Unions is required, to be carried out even by means of IT devices within three days following the date of prior notification.
Duration and period of application	<p>The special form of CIGO layoff allowance will be paid for a maximum period of 9 weeks, even on a non-consecutive basis, to be set as from February 23rd, 2020 up to and until the end of August 2020.</p> <p>These periods of time will not count toward the maximum duration of the ordinary form of CIGO</p>
Payment of the layoff allowance	<ul style="list-style-type: none"> - The payment of the CIGO layoff allowance may be advanced by the employer and then offset by means of UNIEMENS against payments due by the employer to INPS - The CIGO layoff allowance may also be directly paid to the employees by INPS, without need for the employer to prove to be in financial difficulties.

2. *Assegno Ordinario* on the grounds of the “COVID-19 emergency”

<p>Beneficiaries</p>	<p>Employers:</p> <p>Employers participating to the <i>Fondo di Integrazione Salariale (FIS)</i> which employ more than 5 employees on average, as well as Employers participating to the so-called <i>Fondi di Solidarietà</i> for the handicraft and supply sectors.</p> <p>Employers that are already benefitting from an <i>Assegno di Solidarietà</i> on grounds different from the “Covid-19 emergency” are included (in this case the <i>Assegno Ordinario</i> on the grounds of the “Covid-19 emergency” will cover the remaining hours that cannot be worked due to the stay of the working activity).</p> <p>Employees:</p> <p>All employees in employment on February 23rd, 2020 who are temporarily laid off because of the Covid-19 Emergency, may benefit from this special form of <i>Assegno Ordinario</i>, regardless of their length of service.</p> <p>Employees with an apprenticeship contract (in Italian “<i>contratto di apprendistato professionalizzante</i>”) are included.</p> <p>Executives (unless otherwise specified in the regulations of the funds) as well as home workers are excluded.</p>
<p>How to apply?</p>	<ul style="list-style-type: none"> The relevant application is to be submitted by the employer to INPS by means of the online procedure available on INPS’s website (www.inps.it), in the area “<i>Aziende, consulenti e professionisti</i>”, “<i>Servizi per aziende e consulenti</i>”, option “<i>CIG e Fondi di Solidarietà</i>”, indicating “<i>Emergenza COVID-19 nazionale</i>” as the grounds for access. <p>No probationary documentation is to be attached to the relevant application.</p> <ul style="list-style-type: none"> Employees participating to the so-called <i>Fondi di Solidarietà</i> for the handicraft and supply sectors are required to file the relevant application directly to the Fund which they participate to.
<p>When to apply?</p>	<p>The relevant application is to be filed by the end of the fourth month following that of beginning of the temporary layoff.</p>
<p>Are there further requirements?</p>	<ul style="list-style-type: none"> The employer is not required to pay the so-called additional contribution. When the law requires a prior agreement with the Trade Unions, such agreement can be executed even by means of IT devices and also after the submission of the relevant application.
<p>Duration and</p>	<p>The special form of <i>Assegno Ordinario</i> layoff allowance will be paid for a</p>

period of application	<p>maximum period of 9 weeks, even on a non-consecutive basis, to be set as from February 23rd, 2020 up to and until the end of August 2020.</p> <p>These periods of time will not count toward the maximum duration of the ordinary form of <i>Assegno Ordinario</i>.</p>
Payment of the layoff allowance	<ul style="list-style-type: none"> • The payment of the <i>Assegno Ordinario</i> layoff allowance may be advanced by the employer and then offset by means of UNIEMENS against payments due by the employer to INPS • The <i>Assegno Ordinario</i> layoff allowance may also be directly paid to the employees by INPS, without need for the employer to prove to be in financial difficulties.

3. *Cassa Integrazione Guadagni in Deroga on the grounds of the “COVID-19 emergency”*

Beneficiaries	<p>The Governments of the Regions and of the Autonomous Provinces of Trient and Bozen are authorized to launch such kind of layoff allowance in favour of those employers of the private sector (including those operating in the agriculture and fishing industries, as well as those operating in the so called third sector and the religious bodies recognised as legal entities) which are not eligible to participate to CIGO, FIS or to <i>Fondi di Solidarietà</i>.</p> <p>Domestic employers are excluded.</p>
How to be given access?	<p>The layoff allowance is granted by decree of the Governments of the Regions and of the Autonomous Provinces of Trient and Bozen.</p>
Are there further requirements?	<ul style="list-style-type: none"> • The employer is not required to pay the so-called additional contribution. • In case of employers employing at least 5 employees, a prior agreement with the Trade Unions regarding the duration of the layoff allowance is required, to be carried out even by means of IT devices. • In case of employers employing less than 5 employees, no agreement with the Trade Unions is needed.
Duration	<p>The layoff allowance may be paid for a maximum period of 9 weeks.</p>
Payment of the layoff allowance	<p>The layoff allowance will be directly paid to the employees involved.</p> <p>To this end the employer is required to submit the payment-flows “SR 41” form to INPS.</p>

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Il presente articolo ha esclusivamente finalità informative e non costituisce parere legale.

This article is exclusively for information purposes, and should not be considered as legal advice.




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