

THE ITALIAN WELFARE SYSTEM

The Italian pension system is part of the broad and articulated national welfare system, which provides forms of assistance and protection through the provision of benefits, services and subsidies aimed at promoting the well-being and economic security of the population.

INPS (Istituto Nazionale Previdenza Sociale) is Italy's main social security institution, in which employees in the public and private sectors must be compulsorily enrolled and to which a large proportion of self-employed workers also belong. For social security and welfare purposes, employers who hire employees are required to fulfil their obligations to INPS by submitting monthly pay and contribution statements containing the information required to calculate social security contributions and by making the corresponding payments. This contribution insures the worker against events that may render him or her unfit for work, including seniority, and consists of an 'insurance premium' designed to insure the worker for a given event (such as retirement, illness, maternity and unemployment) paid by the employer for both their own share and the worker's share.

INPS provides:

1. Social security benefits based on contributions paid (so-called old-age pension), paid upon reaching a certain age and the payment of contributions for pension purposes for a certain number of years. The old age pension is intended for all employed and self-employed workers enrolled in the General Compulsory Insurance - AGO (Fondo Pensioni Lavoratori Dipendenti - FPLD and special management schemes for self-employed workers, i.e. artisans, traders, direct cultivators, sharecroppers and homesteaders), for those enrolled in the Separate Management Scheme and for workers enrolled in the exclusive forms of insurance substituting AGO. You can consult all the conditions required to access the old-age pension on the INPS website.
 2. Contribution-independent welfare benefits
 - 2.1 Inclusion Allowance - A measure to combat poverty, vulnerability and exclusion among vulnerable groups through economic support and social and professional inclusion, means tested and subject to a customised pathway of social and working activation and inclusion. The grant is paid monthly onto an electronic payment card (Carta di inclusione - ADI Card) for a continuous period not exceeding 18 months and can be renewed, after a one-month suspension, for further periods of 12 months. At the end of the 12-month renewal periods, there is always a one-month suspension. The allowance is granted, at the request of one of the members of the household, to guarantee the inclusion needs of households with members that have disabilities as well as of members who are minors or at least 60 years old, or of members in a disadvantaged condi-
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tion and included in care and assistance programmes run by local social-health services that are certified by the public administration. The applicant must be an Italian citizen or a citizen of another European Union country, or a third-country national in possession of an EU long-term residence permit or a holder of international protection status or stateless status, and must have been resident in Italy for at least five years, the last two of which must have been continuous (i.e. he must not have left Italy for more than two continuous months), with the exception of absences for serious and documented health reasons. In addition, the applicant's household must have a valid ISEE (equivalent financial situation index) of no more than EUR 9,360 and a household income value of less than EUR 6,000 per year. The applicant must not be subject to a personal remand order or prevention order, and must not have executive convictions in the 10 years preceding the application, must not be unemployed further to voluntary resignation in the 12 months following the date of resignation (excluding resignation for just cause), must not reside in facilities that are totally paid for by the public authorities and, for beneficiaries aged between 18 and 29, must have completed compulsory education.

- 2.2 Disability allowance - Non-reversible financial contribution reserved for private sector employees and self-employed workers with a level of disability that reduces their ability to work by more than 2/3.
- 2.3 Civil invalidity allowance (invalidity pension) - welfare benefit that does not presuppose compulsory social security enrolment and/or work-related invalidity status. Italian and EU citizens residing in Italy and non-EU citizens (even without a permit of stay) are eligible. Payment of the civil invalidity allowance depends on the certified percentage of invalidity of the person concerned and is reserved for those with a disability of 74% or more. Those certified as 100 per cent disabled are also entitled to the free provision of aids and prostheses as well as to compulsory employment (if they have any residual working capacity), disability pension and carer's allowance. Personal annual income limit for full invalids (as whom the civil blind and deaf-mute are also classified in this respect) for receiving the allowance is EUR 19,461.12, while the limit is EUR 5,725.46 for partial invalids and minors.
- 2.4 Survivor's Pension - The survivor's pension is payable to the surviving family members of the deceased pensioner. It amounts to a percentage share of the pension received by the latter and is recognised if the deceased has paid 15 years of insurance and contributions or 5 years of

A survivor's pension is payable to the spouse (or to the civil partner) even if separated or divorced, as long as he/she has not remarried (if the deceased was married a second time, the share payable to the separated/divorced spouse must be established by the court), children (as long as they are minors or unable to work or adult students dependent on the parent at the time of death, who are not working, who are attending schools or vocational training courses comparable to school courses, up to the age of 21, or adult students, dependent on the parent at the time of death, who are not working, are attending university, up to the

legal duration of the course of study and not beyond the age of 26). Should there be no spouse and children, or if the latter are not entitled to a pension, the deceased's parents are entitled to the survivor's pension, provided that they have reached the age of 65, are not recipients of a direct or indirect pension and are dependent on the deceased. Should there also be no parents or if they are not entitled to a survivor's pension, the share goes to unmarried brothers and sisters who at the time of the deceased worker's death were dependent on him or her, unable to work, and not in receipt of a direct or indirect pension.

2.5 Substitute social allowance - A substitute social allowance takes over from a civil invalidity allowance when the recipient of the latter reaches the age of 67 years.

Applications for accessing social security welfare contributions can be submitted by contacting INPS directly, as well as the institute's advice and assistance bodies and intermediaries.

Social security for immigrant citizens in Italy

Italian social security legislation also applies to foreign workers according to the principle of territoriality of the insurance obligation.

To promote the free movement of workers, social security and welfare benefits are reciprocally guaranteed to residents of each EU country as well as to nationals of the other member states under existing EU regulations. With non-EU countries, on the other hand, Italy has entered into specific bilateral social security conventions, i.e. agreements under which each state undertakes to ensure equal treatment and portability of rights to the citizens of the other party, guaranteeing the same benefits for its own citizens. These agreements also provide for the possibility of adding together insurance and contribution periods for work performed in each of the two contracting states in order to acquire the right to pension benefits.

Entitlement to a pension depends on residence and citizenship status. Only immigrants with a valid residence permit may be entitled to a pension, although sometimes there may be restrictions or additional requirements. For guidance and information on specific cases, it is therefore advisable to contact INPS directly through the contact centre or website, or also to contact other institutional references, such as the Ministry of Labour and Social Policies, the Ministry of the Interior and the Ministry of Economy and Finance.

Pension benefits for repatriated foreign workers

For foreign workers, with an open-ended or fixed-term employment relationship, who have paid contributions in Italy and have returned to their country of origin, the Italian pension system provides for

the possibility of calculating old-age pensions with the contribution-based system for workers hired after 1996 at the age of 67, even if 20 years of paid contributions have not been reached. Alternatively, the old-age pension can be calculated through a remunerative or mixed system: in the event they have returned to their country of origin, workers hired before 1996 can receive their old-age pension upon fulfilment of the age requirement for an old-age pension (67 years) and with 20 years of contributions.

Even in the absence of reciprocity agreements with the country of origin (and repatriation), any foreign worker with a contract of employment other than seasonal, retains and can enjoy pension and welfare rights accrued in Italy.

Lastly, the pension itself may be paid to survivors in the event of death after the age requirement has been reached.

For both old-age and survivors' pensions, the person concerned can either manage the online application procedure on his or her own or turn to an advice and social assistance institute ("patronato") for help and assistance.

In the case of foreign nationals from non-EU countries not party to an international convention on social security signed by Italy, there are two possible procedures for applying for pension benefits:

1. The worker, in possession of credentials and who has permanently returned to their country of origin, can apply online by attaching documentation to be authenticated at the Italian consulate of the nation where he resides.
2. If the foreign worker who has permanently returned to their country of origin is not in possession of the necessary credentials, they may apply by going to the Italian consulate present in the country of residence.