

## **Call for tenders for subcontracting an expert study in the framework of the ETUC SociAll project**

This is a call for a subcontractor to provide expertise in the framework of the implementation of the ETUC SociAll project.

The ETUC will publish the call on its website on 18 February 2021. The **deadline for submission of bids is 15 March 2021 at noon (12:00).**

### **1. Context of the expert study: the ETUC SociAll project**

#### **1.1 Summary and objectives of the project**

The ETUC has launched the EC funded project “ETUC SociAll - Social Protection for all” in 2019. The project is aimed at providing Trade Union (TU) inputs for the implementation of the Council Recommendation on access to social protection for workers and the self-employed (the Recommendation)<sup>1</sup> in the field of pensions and thus of Principles 12 and 15<sup>2</sup> of the European Pillar of Social Rights (EPSR).

The Recommendation foresees that Member States (MS) submit their National Action Plan by May 2021, aimed at ensuring that all working people can adhere to social protection systems (closing formal coverage gaps) and can accrue and take-up effective entitlements, finally receiving adequate social protection benefits - among which pensions (adequate and effective coverage).

The investigations will allow TUs to suggest reform paths for the national plans, as well as frameworks for monitoring the progress of the Recommendation's objectives at European level. In doing so the SociAll project aims at unveiling and contrasting incoherencies and imbalances between a restrictive financial approach adopted towards pension policy and the needs of effectiveness and adequacy of pensions of an increasingly ageing population, given the current economic situation.

Via the SociAll project outputs, trade unions will provide their own policy inputs to both national governments and EU institutions for implementing the Recommendation and informing pension systems in a way that are highly inclusive, fair, solidarity-based, adequate, effective and sustainable.

The actions of the project include both national and EU level actions, and in particular:

- 12 country-based reports investigating the national reality of the social protection systems with respect to formal and effective coverage and adequacy of pensions,

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<sup>1</sup> Council Recommendation of 8 November 2019 on access to social protection for workers and the self-employed 2019/C 387/01. From the adoption of the Recommendation, MS have 18 months to submit plans with measures to be taken at national level.

<sup>2</sup> respectively on access to social protection and on old-age income and pensions for people in all forms of employment

keeping into account the situation of the labour market, the fiscal situation of pensions systems, the existing gaps in their design, integrating trade union recommendations and guidelines for the national level

- Two EU level papers, one outlining the general context and the main challenges to access to adequate social protection; another one integrating the “lessons learnt” from national research outcomes and including EU-level recommendations for social partners and institutions
- **One expert study providing comments to the Monitoring Framework on Access to Social Protection, and its capacity to mirror the complex social reality that impact the adequate and effective pensions (this expert study is the object of the present call for tenders).**

## 1.2 Context of the project

Over the last decades, changes in the labour market and in the demographic situation have put social protection systems across Europe under pressure. Modern drivers of such change pertain to digitalisation, structural changes in the labour markets and world of work, flexibilization of employment, fragmentation of careers and blurred boundaries between labour market statuses and relative social protection regimes. As the world of work evolves, an increasingly large part of the workforce (some 40% of people in self-employment, in jobs not governed by standard contracts, or going through transitions between and combinations of dependent employment and self-employment<sup>3</sup>) risks to be left without access to effective and adequate social protection due to its labour market status or the type of employment relationship.

The evolutions in the world of work *de facto* hamper the capacity of workers to accrue the entitlements that are necessary to grant them effective and adequate pensions. Many national social protection systems are not appropriately equipped to face the challenges generated by the proliferations of atypical and non-standard forms of work and employment. The risk is high to perpetuate and increase inequalities in both formal and effective access to pension rights. Moreover, the increased complexity of national pension systems (articulated in different pillars and schemes) can add further problems to the effectiveness and adequacy of pensions for a huge rate of the European population.

The current reality would determine the necessity for growing groups of the workforce to take recourse to tax-funded safety nets of last resort in case of social risk, while the number of people contributing to social protection seems to be proportionately smaller.

However, in the framework of the European Semester, the fiscal sustainability of public expenditure results has been prioritised over the need of inclusiveness, adequacy and effectiveness. The priority of fiscal coordination, especially in the Eurozone, has impacted the margin of manouver for national budgets to ensure universal coverage and adequacy of pensions. Many MS have dramatically reduced the social assistance budget.

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<sup>3</sup> COM(2018) 132 final, Spasova S., Bouget D., Ghailani, D. and Vanhercke B. (2017). Access to social protection for people working on non-standard contracts and as self-employed in Europe. A study of national policies. European Social Policy Network (ESPN), Brussels: European Commission.

The ETUC calls for a greater coherence developed between the right to adequate pensions prescribed by the EPSR and the fiscal policy indications provided in the framework of the European Economic Governance. Taking into account the current economic, labour market and employment situation, the project also investigates possible reforms that could foster greater fiscal sustainability of **adequate** pension systems. It does so by proposing an integrated approach to equal opportunities, quality jobs, employment conditions and social protection rights, in the belief that such approach could determine a more balanced pension policy between fiscal sustainability and social rights priorities.

## 2. Indications for the bidder

### 2.1 Context of the expert study

The EPSR outlines very clearly the rights of old age people:

The EU must engage for the *adequacy of sustainable pensions for all*:

#### ***Principle 15 of the EPSR: Old age income and pensions***

*Workers and the self-employed in retirement have the right to a pension commensurate to their contributions **and** ensuring an adequate income. Women and men shall have equal opportunities to acquire pension rights.*

*Everyone in old age has the right to resources that ensure living in dignity.*

#### ***Principle 12 of the EPSR: Social protection***

*Regardless of the type and duration of their employment relationship, workers, and, under comparable conditions, the self-employed, have the right to **adequate** social protection.*

The Council Recommendation of 8 November 2019 on access to social protection for workers and the self-employed, in line with these principles, aims at ensuring the formal and effective coverage as well as adequacy of social protection benefits, including old age ones, to all workers and self-employed.

The ETUC has repeatedly underlined the importance of the **Social Scoreboard** to monitor the situation with respect to the implementation of EPSR principles and the more specific goals of the Recommendation. Monitoring the reality in a comprehensive and deep way also ensures coherency across policy areas, so that unequal, ineffective and inadequate pensions eventually receive greater attention within the European Economic Governance framework.

For the ETUC<sup>4</sup> **“It is also necessary that the social scoreboard be integrated into more extensive monitoring of the 20 principles of the Pillar (...)”**. In particular, within the Social Scoreboard, it is necessary to develop a dimension and combine indicators that allow **to detect any overlap between the different principles so that positive or negative correlations**

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<sup>4</sup> A Trade Union input for an Action Plan to Implement the European Pillar of Social Rights, adopted at the Executive Committee Meeting of 22-23 October 2019 - <https://www.etuc.org/sites/default/files/document/file/2020-03/ERRATA%20CORRIGE%20-%20A%20Trade%20Union%20input%20for%20an%20Action%20Plan%20to%20Implement%20the%20European%20Pillar%20of%20Social%20Rights%20%20%2B%20Annex%20%28Adopted%29%203.pdf>

**between pillars, synergies, spill-over effects, etc. can be better assessed when making policies.**

This aspect is particularly relevant in the field of pensions, given the potential impact of legislative, policy and economic interventions on their coverage, effectiveness and adequacy. The ETUC, for example, underlines the necessity to **introduce a set of indicators that:**

- **measures the quality-of-employment** as a sub-section of the Social Scoreboard, as well as **discrimination based on employment status** (at the moment, discrimination is identified based on age, gender and educational attainment);
- **links work paths with adequacy of social protection entitlements**, monitoring, in particular, gaps due to professional careers and genderbased gaps;
- breaks down data according to gender and employment status in order to identify potential discrimination, especially in respect of the bogus selfemployed.

With specific respect to pensions, the ETUC demands to:

- **introduce an “adequacy” indicator** that establishes Medium Term Budgetary Objectives for the Member States and monitoring quality of life of old-age people, especially people in retirement and people dependent on pension incomes;
- **develop a link between sustainability and adequacy of pensions and labour market performance**, economic dependency ratio, quality of work and remuneration, fairness of contributory obligation between employers and workers, gender pay and pension gap;
- **focus on the employment and labour market situation of workers between 52-67**, monitoring the labour market situation of different groups of workers and the effects of unemployment and/or inactivity on adequacy of awaited pension income;
- **monitor evidence concerning demographic, migration and retirement trends for different categories of workers**, including those performing arduous jobs. In particular, there should be a focus on the (positive effects) of (wellmanaged) migration inflows on sustainability of social protection schemes.

The potential of the overview of such deeper analysis in fostering upward convergence should also be strengthened by the introduction of specific targets.

A ‘**version 0**’ of the **Monitoring** framework to assess the implementation of the Recommendation on access to social protection as endorsed by the Social protection committee was recently published<sup>5</sup>, introducing indicators in the field of social protection, such as adequacy of pensions and coverage gaps in social protection systems.

## **2.2 Questions concerning meaningful dimensions to shape social and economic policies**

**This initial monitoring framework developed by the Social Protection Committee should lead the European Commission and the stakeholders to define specific social policy interventions that should be implemented by the European Semester.** Thus, it’s important that, in line with the EPSR, the monitoring framework is comprehensive and offers an

<sup>5</sup> <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8358&furtherPubs=yes>

exhaustive picture of the different dimensions potentially impacting on coverage, effectiveness and adequacy of pensions across member states.

The ETUC is very critical towards the current base-line scenario on which the assumptions for the **fiscal sustainability of pension expenditure** in Member States are currently designed<sup>6</sup>. It seems in fact that raising retirement age is seen as being the main option to ensure that public expenditure for pensions remain not only sustainable but also stable across the upcoming decades – in spite of the demographic trends.

The base-line scenario mentioned above neglects a series of dimensions that European trade unions experience as crucial for the adequacy of pensions as well as for the sustainability of the national budgets, such as:

- The base-line scenario of the Ageing Report 2021 assumes that no policy change will intervene in the area of employment and labour market policies in the decades to come. This means that in the decades to come, no significant change should intervene in terms of participation into the labour market, the employment rate, the long term unemployment rates, ... This assumption seems to conflict with the massive policy interventions that are planned at national and European level, not least in the framework of the post-Covid recovery.
- The investment efforts foreseen by the RRF and the reforms that it should trigger are completely ignored in their impact on working and remuneration conditions.
- The female participation rate to the labour market is assumed to only increase by 4.4 percentage points over the next 50 years (up to a level which, then, would still be more than 8 percentage points below Sweden's 2019 level), in spite of the legal initiatives that the EU is promoting on the ground of work-life balance. No substantial improvement is foreseen neither in the area of remuneration (linked to the capacity to accrue and cumulate pension contributions) in spite of the foreseen legal initiatives tackling the gender pay and pension gap.
- In spite of the clear figures showing how collective bargaining positively impacts remuneration levels and the general call for setting fair minimum wages, the consequences of the legislative initiative in support of collective bargaining and wage setting are not expected to be significant. Nevertheless, the ETUC stresses the lack of consistency between the increase in productivity and the wage trends, which would positively benefit the economy as a whole.

In particular, the solution to make pension expenditure more sustainable by merely raising the retirement age statutorily, linking it to the life-expectancy

- Neglects any consequence that discontinuous careers, fragmented working relations, involuntary part-time and atypical forms of contract have on coverage, effectiveness, adequacy as well as on sustainability of pensions
- Ignores the statistics on long-term unemployment
- Doesn't look at the evidence on the employability of 50+
- Does not consider at all the reality of workers performing harduous jobs and activities that imply risks for health and safety, nor the sectoral realities of early entrance into the labour market

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<sup>6</sup> Ageing Report 2021: [https://ec.europa.eu/info/publications/2021-ageing-report-underlying-assumptions-and-projection-methodologies\\_en](https://ec.europa.eu/info/publications/2021-ageing-report-underlying-assumptions-and-projection-methodologies_en)

- Overlooks the time and the investments that are necessary to implement proper active ageing policies, able both to preserve workers health and dignity and benefit the economy.
- Ignores the enormous potential of a strategy of 'upwards convergence' and 'more and better jobs' for those aged 20-64 for mitigating the future (demography-driven) increase of economic dependency ratios
- Neglects wide disparities regarding life expectancy along socio-economic factors such as educational attainment
- Ignores the enormous potential of a strategy of 'upwards convergence' and 'more and better jobs' for those aged 20-64 for mitigating the future (demography-driven) increase of economic dependency ratios
- Neglects wide disparities regarding life expectancy along socio-economic factors such as educational attainment
- ...

These are only some of the **social dimensions** that should be taken into account when designing viable policies aimed at preserving the fiscal sustainability of public pensions, and **relevant indicators mirroring the trends of these dimensions should all be kept into due consideration.**

An **ambitious implementation of the Recommendation** on access to social protection should first of all help **rebalancing the importance of "ageing in dignity"** of an increasing number of Europeans with respect to the fiscal sustainability. The Recommendation should also give concreteness to the EPSR and its both comprehensive and universal scope: it should allow to consider how individuals are enabled to contribute to their future pensions and thus rebalance the importance of their adequacy.

**The related monitoring framework must integrate the Social Scoreboard and allow to spot the social struggles, so as to foster specific investments, reforms, policy interventions where they are most needed and more effective.**

## 2.2 Questions concerning the monitoring framework and relevant social dimensions

The **monitoring framework** should include a series of indicators that pertain to social dimensions, and allow to develop an overview of the critical realities, in the view of policy design.

In particular (non exhaustive list), it should focus on:

- **Labour market**, including both *quantitative* indicators and *qualitative* ones, that help considering the quality-of-employment, the intensity of discrimination on the ground of employment status (at the moment, discrimination is identified based on age, gender and educational attainment), the link between work paths with adequacy of social protection entitlements;
- **The employment situation of workers between 52-67**, monitoring effects of unemployment in this age phase on adequacy of awaited pension income;
- **Developing a link between sustainability and adequacy of pensions and labour market performance** also in a gender perspective;
- **Evidence concerning demographic, migration and retirement trends for different categories of workers;**



- **Introduce an “adequacy” indicator** that establishes Medium Term Budgetary Objectives for the Member States and monitoring quality of life of old-age people, especially people in retirement and people dependent on pension incomes;
- **More and more precise indicators on population ageing;**
- **Better indicators on dependency ratios** (clearly separated from purely demographic ratios);
- **Pension coverage;**
- **Pension adequacy** to be intended as income replacement, in its function of poverty prevention, but also in terms of capacity to ensure a life in dignity, full participation into the society, care affordability;
- **Adequate minimum old-age benefits;**
- **Sustainability** of adequate pensions.

### 3. Tasks to be performed by the subcontractor

#### 3.1 Study content requested

Given the context outlined above, the subcontractor is required to develop **an expert study providing a commented, “critical” overview of the “version zero” of the framework monitoring access to social protection; including comments on the capacity of the proposed indicators to capture and explain the social realities at the core of trade union concerns; proposing some additional indicators for completing the framework, for trade unions to consider in an ongoing debate.**

The study should:

- explain the main lines of the proposed frameworks;
- highlight its strength and weaknesses in sketching the social challenges highlighted by trade unions via the proposed indicators;
- suggest TUs some additional/substitute indicators to complete the framework.

A draft version of the study will be discussed with the ETUC Social Protection Committee members in an online webinar, animated by the subcontractors, and the final study will include the outcomes of the debate if relevant.

The paper has to be developed taking into consideration the aims and the focus topics of the SociAll project, as well as the work developed by the ETUC on the Social Scoreboard and the SDGs. For this, the subcontractor will work under the supervision and guidance of the ETUC Secretariat members in charge of the SociAll project, the ETUC Social Protection Committee and the project’s Steering and Pilot Committees.

In order to achieve the project’s objectives, the expert study will include examples of selected indicators, explained to trade unionists to provide hint for answering the questions listed in paragraph 2 and its subparagraphs, in line with the project and the study specific context.

The impact of the Covid 19 pandemic should be kept into consideration as much as possible.

The gender (and possibly the generational) dimension(s) must be highlighted across the whole study.

(Critical) remarks on the challenges, policy suggestions, possible political paths to follow related to the implementation of job-rich strategies in the light of the current context, including references to the use of the RRF and other funds as foreseeable.

### 3.2 List of tasks

Specific tasks:

- Liaising with the ETUC project team for a preliminary exchange of information
- Possibly liaise with national trade unions in MS, if necessary, upon assistance of the ETUC
- Drafting a 30-page study (excluded bibliography) in English, including conclusions and indications for policy making
- Preparing a power point presentation
- Presenting the draft expert study – focus on suggested indicators for integrating the framework - to the ETUC Social protection committee and the SociAll project team in a discussion **webinar to be held before the end of April 2021**
- Revising/integrating the expert study in the light of the exchange in the webinar if relevant
- Attending the project's final conference

### 4. Expertise, experience and skills required

The drafting of the study requires sound and proven expertise in the following fields:

- Sound knowledge of macroeconomic indicators in use;
- EU pension policies, both in a national and comparative perspective;
- EU micro/macro-economic policies/public finance;
- Atypical work and self-employment and access to social protection in Europe;
- Knowledge of the fiscal mechanisms of the Semester and the EPSR and the social scoreboard (DG ECFIN policy, Age Group, Pension Adequacy Report etc.).

Sound experience in the following fields:

- Writing research studies containing sound scientific analysis and original elaboration of data;
- Successful track record of delivering in similar projects.

The acknowledgement of the outputs of the SociAll project so far (national reports, national surveys) is important for the sake of consistency of the project results.

Skills required:

- Ability to work in a multinational and multicultural environment, understanding different culture & traditions in matter of pension systems and social policies in general;
- Ability to work with and respect tight deadlines and budgetary limits;
- Proven research and presentation skills (in English);
- Proven skills in drafting studies and reports (in English);



- Good administration and excellent time management skills.

## 5. Time schedule and reporting

The subcontractor will be asked to sign the contract in March 2021. The final draft of the expert study in English will be delivered to the ETUC by 7 May 2021.

## 6. Payment

The total maximum budget available for the fees of the subcontractor is as follows:

| Contract with ETUC  |  |
|---|--|
| <u>Main</u> activities and Meetings   |  |
| <ul style="list-style-type: none"> <li>• Drafting of the 30-page study in English</li> <li>• Participation in a webinar to present the study - and integrate it if necessary- and in the final conference by end of April 2021</li> <li>• Liaising with the ETUC project team and national affiliates when necessary</li> </ul> |  |
| <b>Total budget for the Expertise</b>   | <b>9500 € (VAT and all taxes included)</b> |

The subcontractor will be remunerated in various instalments (advance and final payment). This amount covers all fees but does not include the travel and subsistence costs as physical meetings are not foreseen between the applicant and the subcontractor.

The study will be duly and clearly accredited to the authors. Ownership of the results and of the written outputs (including the study produced by the sub-contractor) shall be vested in the ETUC, which shall have the right of first publication. The subcontractor may use the results and the written outputs after their publication by the ETUC, quoting the ETUC as contractor and the SociAll project.

## 7. Selection criteria

Bids will be evaluated against the following criteria:

- Quality of the technical proposal submitted by the bidder;
- Verifiable expertise, experience and skills (including CV) as required and described in part 3 of this call;
- Proven track record of ensuring the quality of written materials produced, both in terms of content and format (i.e. previous publications) and in the relevant subjects specified in this call for tenders;
- Financial proposal within the prescribed budget.

## 8. Form, structure and content of the tender

Tenders must be written in English. They must be signed by the tenderer or his duly authorised

representative and be perfectly legible so that there can be no doubt as to words and figures. Tenders must be clear and concise and assembled in a coherent fashion.

Since tenderers will be judged on the content of their written bids, they must make it clear that they are able to meet the requirements of the specifications.

All tenders must include at least two sections:

i) Technical proposal

The technical proposal must provide all the information needed for the purpose of awarding the contract, including:

- Specific information covering the technical and professional capacity, as required, in particular:
  - Description of relevant professional experience with emphasis on the specific fields covered by the invitation to tender;
  - Detailed curriculum vitae of key coordinator and of the other team members;
  - A selection of the main works and/or articles published by all the experts involved, in relation to the relevant subjects specified in this tender.
- Specific information concerning the proposed methodology for delivering the tasks listed in part 2.

ii) Financial proposal

Prices of the financial proposal must be quoted in euros, including if the sub-contractor is based in a country which is not in the euro-area. As far as the tenderers of those countries are concerned, they cannot change the amount of the bid because of the evolution of the exchange rate. The tenderers choose the exchange rate and assume all risks or opportunities relating to the rate fluctuation.

The maximum amount available for this contract is EUR 9,500 (VAT and all taxes included).

Prices shall be fixed and not subject to revision during the performance of the contract.

## **9. Award Criteria**

The contract will be awarded to the tender offering the best value for money, taking into account the specific objectives, requirements and selection criteria of the tender. The principles of transparency and equal treatment will be respected with a view to avoiding any conflicts of interest.

## **10. Content and selection of the bids**

**This call for tenders will be published on the ETUC website on 18 February 2021. Offers must be sent at the latest on 15 March 2021 at noon (12:00).** Offers must be sent to ETUC, in electronic format (by e-mail to [lmartin@etuc.org](mailto:lmartin@etuc.org)) and refer to the “ETUC SociAll project”.

A committee will be formed comprising of 3 representatives of the ETUC. One or more

members of this committee will initial the documents, confirming the date and time of each bid. The committee members will sign the report on the bids received, which will list the admissible bids and provide reasons for rejecting bids owing to their failure to comply with the stipulations of the tendering process.

This committee will also evaluate the tenders that have been deemed admissible. An evaluation report and classification of participation requests will be drawn up, dated and signed by all the members of the evaluation committee and kept for future reference.

This report will include:

1. The name and address of the contracting authority, the purpose and value of the contract;
2. The names of any excluded candidates and the reasons for their rejection;
3. The names of candidates selected for consideration and the justification for their selection;
4. The names of candidates put forward and justification of their choice in terms of the selection or award criteria.