

## **Call for tenders for subcontracting a discussion paper 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 24 February 2021. The **deadline for submission of bids is 22 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,

---

<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 reflection and discussion paper providing expert views and comments on the impact that Covid-19 can have on pensions across the EU (this expert contribution 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.

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

---

<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.

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.

In the past decade, the demographic trends have been considered as a main determinants of the increase of the “Costs of Ageing”. The fiscal projections up to 2030-2050 foresee the necessity to keep the public pension expenditure as stable to ensure the fiscal sustainability of public budget given the demographic challenge posed by the ageing population. Despite the massive population ageing all across Europe, this approach requires not to engage further public resources in public pensions (on which most of EU retirees rely), but rather to increase the legal retirement age across the member states – or to reduce their adequacy, or at least to find alternative – and uncertain – strategies to try to ensure it.

The restrictive budgetary reforms have forced many MS to rely on contributory schemes, shifting from pay-as-you-go towards defined contribution and fully-funded logics, whereas redistributive systems are considered as not sustainable any longer.

The Covid-19 pandemic adds to this scenario in an unprecedented way.

Its effects on employment rate and workers' income, as well as the measures undertaken in its waves pose crucial questions on both the short-term effects and the longer-term challenges for pension policy in the future.

Exemption from /suspension / deferral / reduction of payment of social security contributions represent recurrent measures to support companies and self-employed workers as well as for and job maintenance<sup>4</sup>. Other measures concern additional resources contributed through the public purse in order to stabilise the pension system; improvement of pension benefits; temporary postponement of broad pension reforms captured<sup>5</sup>.

The crisis also implies lower output resulting from the restrictions to the economic activity that followed the emergence of the pandemic: "economic decline invariably generates pressures on public budgets and limits the possibility of spending on the welfare state, and pensions in particular"<sup>6</sup>. The labour market also poses issues, with wage base reduction, lower taxes and social contributions, rise of unemployment, contraction of employment. The situation is thus concerning with respect to public pensions.

However, effects related to the financial markets and rates of return are concerning also for non-public pension schemes<sup>7</sup>, and not only for DB ones, expected to have to reduce retirement benefit payments because of their weak funding position. The world economy fears to "experience secular stagflation, as productivity and real growth will continue to be much slower than in the past yet with prices rising faster. That means living standards will at best continue to grow slowly, and for many will be eroded further by inflation"<sup>8</sup>.

## 2.2 Main questions and trade union concerns

The implementation of the Recommendation on Access to social protection, prescribing access, effectiveness and adequacy of social protection benefits, including pensions, will take place in a scenario characterised by the phenomena mentioned above.

---

<sup>4</sup> Just as examples: in Italy, exemption from social security contributions are foreseen for max 4 weeks for those who do not activate redundancy fund; suspension from payment of social security contributions are put in place for employers affected by the new restrictive measures and for specific sectors. In Spain, the deferment of payment of Social Security debts for self employed workers was activated. In Germany, companies getting their staff into training receive the re-fund of 50% social security contributions if the employee takes part in training while being on short term work. In Hungary, employers will get a 30-day exemption from having to pay social contributions for staff at restaurants and recreational facilities. In Czech Republic, suspension of tax payments and social security contributions has been activated.

<sup>6</sup> ibidem

<sup>7</sup> [https://www.ft.com/content/d1fce3e7-428b-4b8a-ab6a-119a38fa1e7d?accessToken=zWAAAXexWM14kdPR\\_OPnQotLitOrahGaOPoefQ.MEQCIFAWzcep6Zvf8v2\\_ku1lCb\\_pKXc3pQbWbhAXymUudEQn\\_AiBu-K8\\_VVmBJDeCh-JXyuJxKpWEa0FVKHybYLXfYhgFNA&sharetype=gift?token=24649da8-9faa-4014-9d07-08a2c01d0ced](https://www.ft.com/content/d1fce3e7-428b-4b8a-ab6a-119a38fa1e7d?accessToken=zWAAAXexWM14kdPR_OPnQotLitOrahGaOPoefQ.MEQCIFAWzcep6Zvf8v2_ku1lCb_pKXc3pQbWbhAXymUudEQn_AiBu-K8_VVmBJDeCh-JXyuJxKpWEa0FVKHybYLXfYhgFNA&sharetype=gift?token=24649da8-9faa-4014-9d07-08a2c01d0ced)

<sup>8</sup> [https://www.ft.com/content/fcbccad8-491e-4f5b-a859-6622bc368e5c?accessToken=zWAAAXexXXywkdp8vMrYSR5PW9OoWWYivDaOXA.MEUCIQD2DDfVFX8UQJStkh\\_nZvYgAoEzhGGYw7PKZPIvAJYXCjQIgelxMWNdJHjpj2zu90JkPznl7mJhNBPoDTr870LhK89Uo&sharetype=gift?token=e123ab15-7cc0-4698-9c3b-556e986b81da](https://www.ft.com/content/fcbccad8-491e-4f5b-a859-6622bc368e5c?accessToken=zWAAAXexXXywkdp8vMrYSR5PW9OoWWYivDaOXA.MEUCIQD2DDfVFX8UQJStkh_nZvYgAoEzhGGYw7PKZPIvAJYXCjQIgelxMWNdJHjpj2zu90JkPznl7mJhNBPoDTr870LhK89Uo&sharetype=gift?token=e123ab15-7cc0-4698-9c3b-556e986b81da)

On the one hand, questions can be raised with respect to the **fiscal sustainability of adequate public pensions**, on which most Europeans rely:

- How can the after-Covid 19 scenario in the near and further future influence the evaluation of the importance of public budget on pensions?
- How to adapt the European economic governance trends to guarantee fairness, adequacy and intergenerational solidarity in pensions? How far can the options currently on the table make pensions sustainability viable in the scenario of the pandemic? To what extent can retirement age be raised in accordance to life expectancy?
- How can we rethink the funding of social protection, and particularly adequate pensions, in a wider perspective, that takes into account the different forms of work and employment, the demographic trends and also the need to face urgencies such as the pandemic one? (ref. to Ageing report 2021 and Social Scoreboard)
- What are the options to ensure more equality and solidarity, taking into account the socio-economic divide persisting in Europe, beyond the generational dimension?
- What indications can the present experience provide to policy makers at national and European level?

These are only some of the questions that impact the **social dimensions in the view of a post-pandemic scenario**.

It is clearly difficult to make predictions in such enduring unusual situation, however, some elements can already be retained to picture possible traits for upcoming policy debates.

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

#### **3.1 Content of the requested external contribution**

Given the context outlined above, the subcontractor is required to:

- Provide a discussion paper containing relevant points for reflection on the impact of Covid-19 on the future of pensions in the EU;
- Hold an online seminar to trade unionists to enable them to exchange on the future of pension policy in the EU.

Given the enduring situation and its ongoing evolution, **the paper** should – in main lines:

- **Picture** the main phenomena linked to the Covid 19 pandemic potentially impacting pensions across the EU;
- **Provide** some national examples;
- **Sketch** the foreseeable consequences of such phenomena – making reference to some Member States and to the EU as a whole;
- **Draw** some content for policy debate;
- **Propose** some interlocutory paths for reflection for trade unions in the context of pension policy and funding;
- **Consolidate the discussion paper** including the trade union views, where relevant.

Such discussion paper serves to provide some highlights and critical, open reflections on the consequences of Covid-19 on pensions in the EU.

It will also serve as a basis for a trade union seminar to be held online, targeting the members of the ETUC Social Protection Committee and the SociAll project team. A draft version of the paper in fact will be presented and discussed with its members in an online event, animated by the subcontractors.

The draft paper will then be finalised with the inclusion (even in critical/interlocutory key) of the outcomes of the trade union debate, if relevant.

In order to achieve the project's objectives, the discussion/reflection paper will include examples of selected national cases, and it will also embrace the EU perspective - in line with the project context and the focus topic.

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

(Critical) remarks on the challenges, policy suggestions, including references to the use of the RRF and other funds as foreseeable, will be welcome.

### **3.2 List of tasks**

The paper has to be developed taking into consideration the aims and the focus topics of the SociAll project. 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.

Specific tasks:

- Liaising with the ETUC project team for a preliminary exchange of information;
- Possibly liaising with national trade unions in MS, if necessary, upon assistance of the ETUC;
- Drafting a 30-page discussion/reflection paper in English, including conclusions and indications for policy making;
- Preparing a power point presentation and training material;
- Presenting the reflection/discussion lines and animating a seminar for the members of the ETUC Social protection committee and the SociAll project team in a **webinar to be held before the end of April 2021**;
- Revising/integrating the paper in the light of the trade union exchange in the seminar session, if relevant.

### **4. Expertise, experience and skills required**

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

- Knowledge in macroeconomics
- EU pension policies, both in a national and comparative perspective;
- EU micro/macro-economic policies/public finance;
- 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 ETUC 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, presentation and training 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 activities and Meetings</u>	
<ul style="list-style-type: none"> <li>• Drafting of the 30-page reflection paper in English</li> <li>• Participation in an online training session to present the study - and integrate it if necessary- and in the project's final conference</li> <li>• Liaising with the ETUC project team and national affiliates when necessary</li> </ul>	
<b>Total budget for the Expertise</b>	<b>9 500 € (VAT and all taxes included)</b>

The subcontractor will be remunerated in two 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 24 February 2021. Offers must be sent at the latest on 22 March 2021 at noon.** 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.