

16 January 2017

DCI-ASIE/2014/350-601
EU-China Social Protection Reform Project

Component 1 Macro-Activity 1.1

Parametric Reform of the Pension System

Up to 7 Short-Term European Experts

(Annual Work Plan 2017 – Activity 1.2.1)

TERMS OF REFERENCE (ToR)

1. Background

1.1 General

The purpose of the EU-China Social Protection Reform Project (“the Project”) is to contribute to the improvement and inclusiveness of China’s social protection system through strengthening the institutional capability for developing policies, for implementing legal and regulatory frameworks and for supervising systems of social insurances, social assistance and financial management in the area of social security. In particular, the Project’s purpose will be pursued through the following three components in relation to which specific Chinese government entities playing the role of partner of the consortium have been identified:

Component 1: Consolidation of institutional capacity for social protection policy development and reforms in collaboration with the National Development and Reform Commission (“NDRC”);

Component 2: Enhancing of institutional capacity for financial management and supervision concerning social security funds in collaboration with the Ministry of Finance (“MoF”); and

Component 3: Improving of legal framework and policy for social assistance in collaboration with the Ministry of Civil Affairs (“MoCA” and, together with NDRC and MoF, the “Chinese Ministries”),

This ToR falls under Component 1 of the Project.

2. Description of the Assignment

2.1 Overall and Specific Objectives

2.1.1 Overall Objective:

The overall scope of the SPRP project is to further develop social equity and inclusiveness of economic development throughout Chinese society. Under the leadership of the NDRC, coordination of policy making among government agencies in areas related to social protection reform is strengthened.

There are 4 topics of Component 1 to be considered for deep study this year according to the Plan Activities 2017:

1.2.1 Parametric reform of the pension system (also includes topics 1.3.6, 1.3.7,1.3.9,1.4.1);

1.2.2 Evaluation techniques for social security policies;

1.2.4 Gender considerations in pension schemes reform.

This ToR is for the topics 1.2.1 and 1.2.2

2.1.2 Specific Objective:

To fine-tune the on-going reform of the Chinese pension system, the State Council has decided to develop a plan of parametric reforms for the Chinese pension schemes and pension system.

It is the ambition of the project Component 1 to contribute to this Plan through a dedicated situation analysis and assessment of the various relevant parameters of the pension system – such as benefit formula, basis for contributions, minimum pensions, retirement age and other qualifying conditions, indexation of past earnings and of benefits in course of payment, etc. – for which a Chinese academic expert was already identified. To help in the situation analysis and in the EU-China dialogue over parametric reform of pension schemes, the project will use as a reference the experience of selected European countries having passed through parametric reforms of their respective pension systems over the recent past.

It was decided to recruit several short-term European experts¹ (hereafter referred to as “the Experts”) from countries having considered and completed parametric reforms of their pension systems over the last decade, to produce country briefs reporting on their experience – reasons for parametric reform, contents of the reform, process to have it endorsed, results analysis, cumulative effects of possible various reforms, remedial measures against undesired effects, overall evaluation.

Country briefs will be shared with the Chinese academic experts to help in her own analysis. Their contents will also be presented on the occasion of an international workshop planned to be held in France in October 2017 on the topics of Parametric reform and Income Redistribution through Social security in China and in Europe.

2.2 Requested Services

The Experts will perform their assignment in close collaboration with the EU C1 Resident Expert. They will submit a mid term draft for comments and amendment suggestions by the project team. They will also take part in the dedicated International workshop referred to in paragraph 2.1.2 above.

The Experts will each produce in English a detailed national country brief on their country experience with parametric reform of pension schemes over the last decade, it being understood that parameters being considered may include (list non exhaustive):

- The legal age of retirement and provisions for early retirement;
- Other qualifying conditions for accessing to pension benefits;
- The basis for contributions assessed on the basis of salaries and other income;
- The pension benefit formula, indexation of past income and of benefits in course of payment;
- Provisions for minimum and maximum pension benefits;
- Credit periods and other non-contributory services;
- Taxation of pension benefits;
- Accumulation of pension benefits and income derived from continued occupational activity.

¹ There is particular interest in documenting reforms from Belgium, France, Italy, Poland, Spain, Germany and the Nordic Countries within the period 2007 – 2016.

Country briefs will address the reasons behind parametric reform, the description of previous related studies and analysis, the contents of the parametric reforms, the evaluation of their results, possible remedial measures in case of unwanted effects, and public opinion views on the reform and aftermath.

2.3. Expected Results

The result of the assignment will provide an informed input into the State council plan for parametric reform of the Chinese pension system to be issued in 2017.

The outputs of the assignment will be for each Expert:

- a Country brief of 15 pages in English
- a power point corresponding to a 15 minutes presentation in English.

The experts will also, as requested, present the main contents of their works during the International workshop on Parametric reform of pension schemes and their influence on income redistribution through social security (provisional title) to be organized in France in October 2017.

3. Experts' Profile

The Expert's required qualifications are:

Professional qualification:

Relevant University Degree within the relevant sectors of Demographic Analysis, Social Protection, Law, Political Science, and Economics Study;

Experience

- 10 years experience of working in areas related to Social Protection and/or Employment policies at the domestic and international levels
- A proven record of accomplishment in preparing and implementing EU or other donor technical cooperation funded projects.
- Excellent organizational, communication, writing and interpersonal skills

Working Languages

The incumbent should be fluent in English both verbally and in writing.

4. Location, Duration and Budget

Location: Experts' countries and France

Timing: 01 January to 31 October 2017. First draft of country brief by mid February 2017, final document by mid-March 2017. Power point presentation by end September 2017.

Working days: For each expert maximum 15 w/days

5. Proposed CVs:

Candidatures to be submitted to Expertise France within 3 weeks of the publication of these ToR.