



Brussels, 12 December 2019

EX-ANTE PUBLICITY for a middle value contract

Subject: Negotiated procedure – Study on Distributional Impact Assessment

This publication is made pursuant to Annex I.14 of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, to award a middle value contract as a result of a negotiated procedure.

Interested economic operators, with a proven experience in the field of distributional impact assessment and/or income inequalities, of budgetary planning in the framework of the EU semester and/or of national budgetary procedures, as well as in the field of drafting policy reports and recommendations taking into account the variety of national contexts, should express their interest.

Only the candidates invited by the contracting authority to participate in the second phase of the present procedure for awarding this middle value contract will be admissible.

1. Purpose of the study

As a policy approach, mainstreaming distributional concerns in policymaking builds on the direction set notably by The European Pillar of Social Rights. Distributional Impact Assessment (“DIA”)¹ can contribute to a more informed approach to addressing (income) inequalities. The study should take due account of Article 6(3)(d)² of the Regulation No 473/2013 of the European Parliament and of the Council of 21 May 2013 on common provisions for monitoring and assessing draft budgetary plans and ensuring the correction of excessive deficit of the Member States in the euro area.

¹ Distributional Impact assessment refers to an analysis, usually quantitative in nature, which assesses the effects of policy measures across the income distribution. Such assessment can be undertaken both ex ante and ex post, and often involves the use of microsimulation models. In this study, DIA refers to ex-ante DIA (i.e. before the implementation of a measure (but possibly after its adoption)) and concerns budgetary measures.

² “The draft budgetary plan shall contain [...] relevant information on the general government expenditure by function, including on education, healthcare and employment, and, where possible, indications on the expected distributional impact of the main expenditure and revenue measures”.

The purpose of this study is to provide a clear view on the use of DIA (notably in Draft Budgetary Plans for the European Semester (“DPB”)³) by Member States and what may prevent it, as well as to provide recommendations for increasing this use and recommendations on what should be the design of a possible future common framework in this area.

The study covers 3 tasks, one inception report, one interim report and one final report (as well as an executive summary of this report).

The tasks foreseen under the contract are:

- Task 1 - Mapping the use by Member States of DIA

The analysis should cover the following aspects:

- For each of the Euro Area Member States: Mapping the use of DIA in their DPB for the years 2018, 2019 and 2020, as well as providing details on the mapped uses of DIA (e.g. data used, methodologies used, models/tools⁴ used, reliability of the DIA analyses, resources needed, etc.).
- For each of the Euro Area Member States: Mapping the use of DIA in their DPB for the years 2015, 2016 and 2017, as well as commenting on the evolution of DIA use in DPB over 2015-2020.
- For each of the Member States (Euro Area and non-Euro Area): Mapping the use of DIA (outside of DPB⁵) in the budget preparation process and for the ex-ante evaluation of adopted budgetary measures, as well as providing details on the use made of DIA in general based on this mapping (e.g. data used in general, methodologies used in general, models/tools used in general, reliability of the DIA analyses in general, etc.).

-Task 2 – Identifying what may prevent Euro Area Member from using DIA more and assessing the degree of similarity of their respective approaches when using DIA

The analysis should cover the following aspects for each of the Euro Area Member States:

- Determining (country-specific analysis) the reasons/obstacles that may prevent Euro Area Member from using DIA more (would it be in their DPB, in their budget preparation process or for the ex-ante evaluation of adopted budgetary measures).
- Assessing the degree of similarity of the Euro Area Member States’ respective approaches when using DIA (would it be in their DPB, in their budget preparation process or for the ex-ante evaluation of adopted budgetary measures).

³ Unless specified otherwise, “DPB” in this document refers to DPB submitted by Euro Area Member States in the context of the European semester.

⁴ Such as Euromod for instance.

⁵ Only Euro Area Member States have to submit DPB.

-Task 3 – Providing recommendations for increasing the use of DIA in DPB and providing recommendations on the design of a possible EU common framework for this use

The analysis should cover the following aspects:

- Provide a set of recommendations (i.e. concrete actions) that Euro Area Member States could implement for increasing their use of DIA in DPB.
(Only if relevant and to the extent possible, the recommendations may also be usable by Euro Area Member States and by non-Euro Area Member States for increasing their use of DIA in their budget preparation process (at national level).)
- Providing recommendations (i.e. sets of concrete principles/guidelines) on what should be the design of a possible EU common framework⁶ for DIA use in their DPB (which data to use, which common methodology(ies) to use, which common model(s)/tool(s) to use, which other resources would be needed, how to present the DIA results in DPB, what should be the process for conducting DIA and its timing, etc.).

Also, briefly validating these recommendations by conducting – in the recommended common tool(s)/model(s) and following the recommended design for such common framework - a few examples of DIA analyses for a small sample of a few Member States.

(Only if relevant and to the extent possible, the recommended principles/guidelines may also be usable (i.e. fit to) by non-Euro Area Member States for their budget preparation process (at national level).)

As well, as regards all the tasks listed above:

- The contractor should also identify the limitations of the study, including limitations in data availability, difficulties in defining concepts or possible problems relating to horizontal comparability of approaches across Member States or policy areas.
- Where relevant, the contractor should also provide some brief insights from desk research/literature review on the subject.

2. Price

The maximum amount of the contract for the study is **EUR 135 000**.

3. Indicative time schedule and contact point

⁶ By “common framework”, one should understand here a common set of practical principles/guidelines for all Euro Area Member States as regards, notably, how to conduct and how to use DIA in DPB.

The goal of such common framework would be to help increasing the use DIA in DPB, while ensuring that DIA are conducted - across Member States and across different types of revenue or expenditure measures - in a standard and reliable manner. This would be crucial both for enabling a standard interpretation of the DIA results but also for ensuring that these DIA results are of good quality.

The indicative time schedule for launching the negotiated procedure is **January/February 2020**. Interested economic operators can express their interest to participate in this negotiated procedure until **15th of January 2020 (by 12:00:00 CET)** in writing to EMPL-STUDY-DIA@ec.europa.eu .

4. Protection of personal data

If processing a tender involves the recording and processing of personal data (such as name, address and CV), this data will be processed pursuant to Regulation (EC) No 2018/1725 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies, and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC.

Unless indicated otherwise, any personal data will be processed solely for evaluation purposes under the negotiated procedure by the Head of Unit of Unit F4 - Programme Management & Implementation, DG Employment, Social Affairs and Inclusion. Details concerning the processing of personal data are available in the privacy statement at:

https://ec.europa.eu/info/data-protection-public-procurement-procedures_en

The tenderer's personal data may be registered in the Early Detection and Exclusion System (EDES) if the tenderer is in one of the situations mentioned in Article 136 of the Financial Regulation¹.

For more information, see the privacy statement:

http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm