



*EaSI Progress - Social innovation and national reforms
Access to social protection and national reform support
VP/2018/003/0052*

*1° Kick-off meeting
Bruxelles - 28 January 2019*

Modernizing Social Protection Systems in Italy M.O.S.P.I. Project

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The socio-economic background

- One of European Pillar of Social Rights states that: workers, and, under comparable conditions, the self-employed, have the right to adequate social protection regardless of the type and duration of their employment relationship.
- Many European States leave people in self-employment and people in non-standard employment without sufficient access to social protection benefits.




Increase of inter or intra-generational inequality



- 1. Risk of unsustainable social protection systems**
- 2. Risk of a decrease of professional mobility**
- 3. Risk of difficulties to plan the individual career and to accrue benefits**

Motivations and Aims of the call

Motivations

- Digitalization, changing world of work, ageing of population and related constraints on public finances  parts of the Labor Force may **struggle** to achieve **adequate social protection**.
- Possible **policy solutions**:
 - Individualised entitlements not conditional on the economic status;
 - better targeting of benefits;
 - development of multi-pillar pension systems

Aims

- Support governmental and non-governmental actors  2 LOTS:
 - ACCESS TO SOCIAL PROTECTION and
 - **NATIONAL REFORM SUPPORT**

Support the modernization of the social protection system in Italy to respond to the changes in the labor market and to avoid **the greater risk of social exclusion.**

The Italian context

- Until 1995 an **earnings-related defined benefit scheme** (called *RETRIBUTIVO*);
- **1995 Pension reform:** pensions are computed on the base of accrued contributions along the whole working life (called *CONTRIBUTIVO*).



Advantages:

- It provides incentives for individuals to pay contributions;
- It is a sort of automatic stabilizer of public spending for pensions.



Disadvantages:

- It does not provide any redistributive tool.
- It applies the same rate of return to every individual.

- To assess challenges coming from the new architecture of the public pension system, **the Italian labor market has to guarantee to all workers long and profitable careers;**
- To assess the adequacy of future pensions benefits, we have to **define individual's labor market outcomes.**



Modernizing Social Protection System in Italy (M.O.S.P.I.)project

1. ***Define future of work scenarios*** with a specific focus on ***the evolution of non-standard workers and self-employed career*** in view of the challenges presented by the digitalization of work;
2. ***Assess the relevance of the risks of inadequacy of public pension benefits*** by simulating the future career of workers (by a dynamic micro-simulation model T-DYMM);
3. ***Assess pros and cons of the current design of the Italian private second and third pensions pillars*** and analyze ***the influence of the private pensions schemes.***

The co-applicants

- **National Institute for the Public Policy Analysis (INAPP – ‘the coordinator’)**: is a public research body supervised by the Ministry of Labour and Social Policies. It is responsible for the analysis, monitoring and evaluation of all public policies having an impact on the labour market. Its mission is two-fold: building public assets such as databases accessible to all and implementing policy-oriented research aimed at analysing policy-relevant phenomena
- **Fondazione Giacomo Brodolini (FGB)**: an Italian independent and non-profit research organization that deals with labor, economics, development and culture in Europe. FGB supports policy development, implementation and impact evaluation to institutions at all levels.
- **Ministero dell’Economia e delle Finanze – Dipartimento del Tesoro (MEF-DT)**: The Department of Treasury, headed by the Director General of Treasury, carries out activities of technical support for the Government's economic and financial policy choices, draws up macroeconomic strategies and the most relevant programming documents.

The added value of M.O.S.P.I. project

- It offers the opportunity to evaluate a number of alternative policy scenarios in order to assess the effectiveness and sustainability of different recommendations to reform the social protection system with the aim to ensure the access to social protection for non standard workers and self employed.

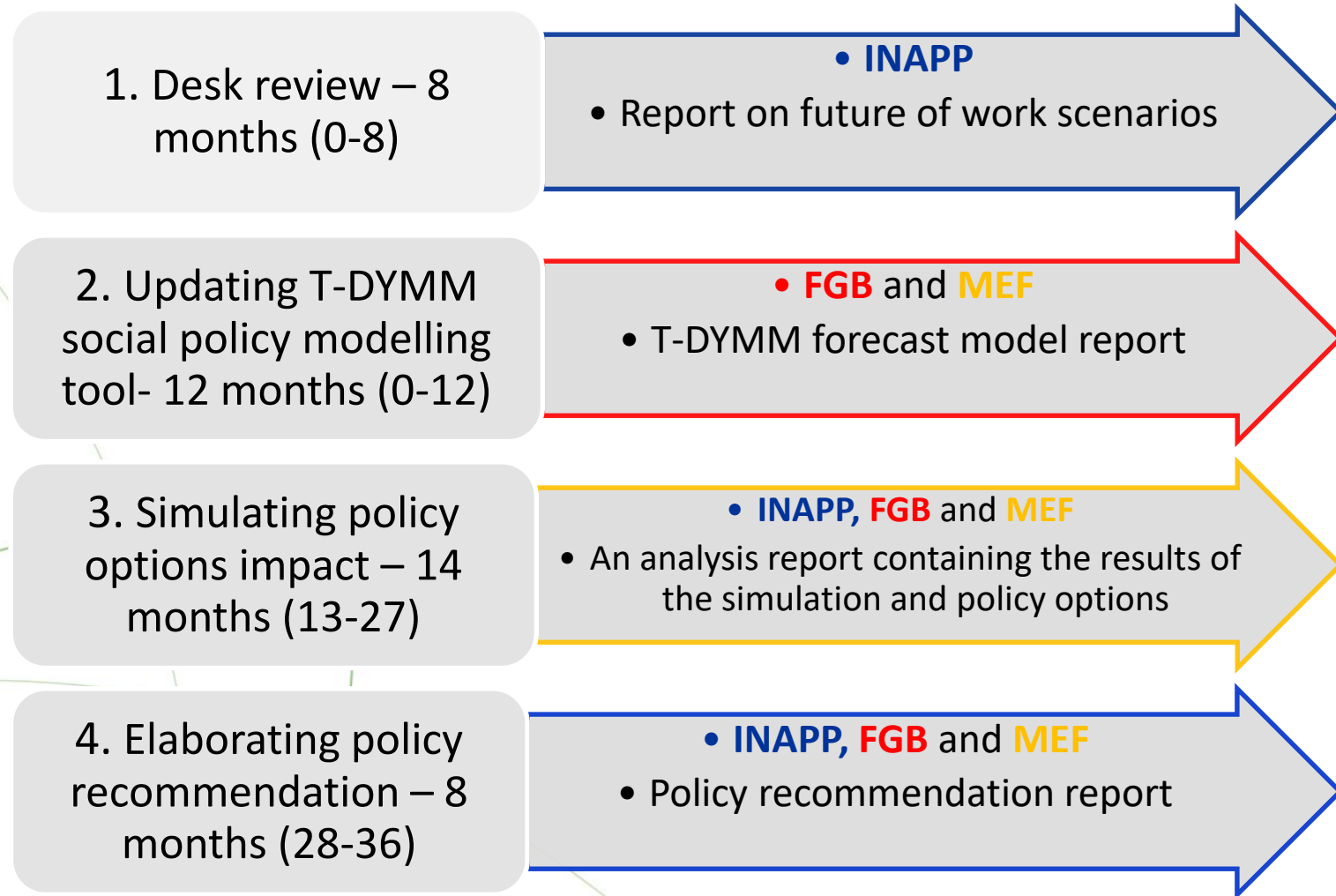
At National level

- The presence of the most relevant stakeholders allows to have access to first hand dataset and, to build precise scenarios and estimations of costs and benefits of suggested reforms.

At European level

- The MOSPI exercise is a pilot experience both in terms of methodology and results;
- The use of sophisticated econometrics techniques and dynamic simulation models.

The project work programme



The project work programme

Cross or iterative actions, M1-M36

5. Monitoring and evaluation

- **FGB**

- Two intermediate monitoring reports, intermediate evaluation report, final monitoring report, ex-post (final) evaluation report

6. Dissemination

- **INAPP**

- Project leaflet (IT, EN); final conference

7. Project Management

- **INAPP**

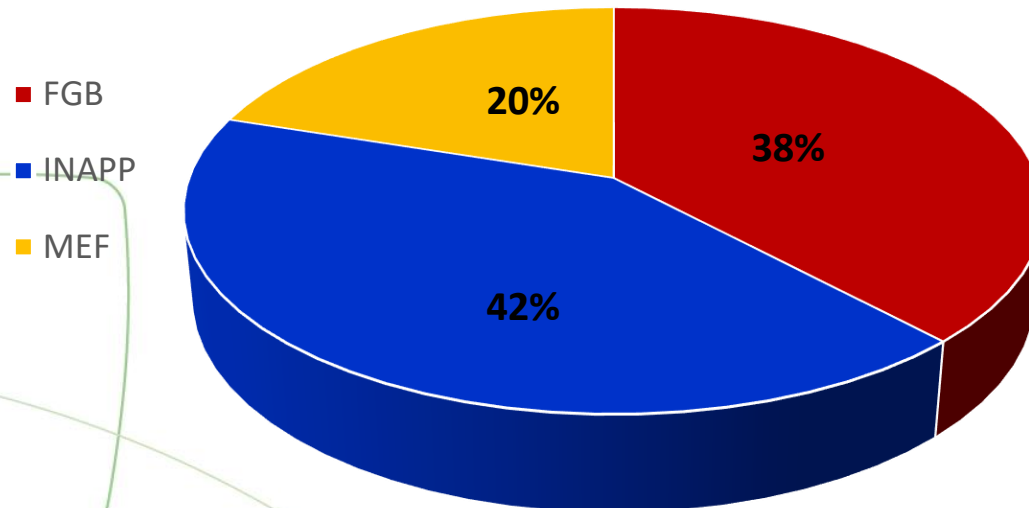
- Intermediate report, final report

The budget

PROJECT BUDGET = 1,456,203.06

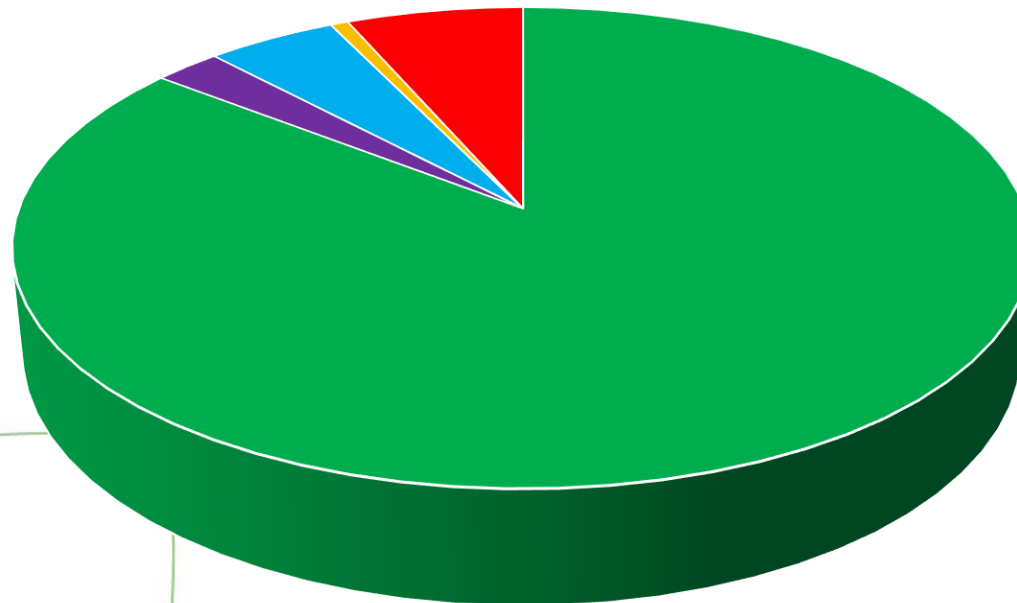
Co-financing: 291,250

Share of the grant to each partner



Budget by item of cost

- Labor intensive project
- Very low outsourcing



■ Staff costs
■ Costs of services
■ Overheads

■ Travel and accommodation
■ Administration costs

THANK YOU FOR YOUR ATTENTION

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