

Name of the institution

Federal Public Service Social Security (<http://socialsecurity.fgov.be/>), referred to hereafter as the Public Institution.

Name of the project

Social Protection Microsimulation Model: development of the model by adding behaviour reactions of individuals and families, testing the Microsimulation Model against studies regarding the financial tenability of the social security system, maintenance of the Microsimulation Model.

Acronym

Microsim

Description of the project and situation of the project within the context of the Public Institution

Three university teams were commissioned by the Federal Public Service of Social Security for project AG/01/086 (see the summary of this project on <http://www.belspo.be/belspo/fedra/proj.asp?l=en&COD=AG/FF/086>) to develop a pilot version of a Microsimulation Model of the Social Protection. The objective was to enable the simulation of changes in a number of policy domains of the social security system based on anonymised but individual administrative data. It must be possible to evaluate the results yielded by the Microsimulation Model of the Social Protection against expectations regarding the global financial tenability of the social security system in our country. In addition the modelling of behaviour reactions, specifically regarding the effect of policy changes on the labour market, is important. In view of an optimal valorisation of the model an adapted procedure needs to be developed for the recurrent updating and maintenance of the model including behaviour routines.

Tasks to be accomplished

a. by the research team:

- i. Testing the model against the expectations for the financial tenability of the social security system in our country (cf. reports of the Commission for Ageing);
- ii. Exploring the data/the model in a European/international perspective in order to allow for harmonisation or comparability. The team will produce a report in this respect;
- iii. Modelling behaviour reactions, more specifically regarding the labour market (employment traps, end of career...) in the simulation routines of the model;
- iv. Adapting a procedure to be developed for the recurrent updating and maintenance of the model regarding behaviour routines and the expectations concerning the financial tenability of the social security system;
- v. Delivering an in accordance with points i. and ii. adapted Microsimulation model of the Social Protection so the employees of the FPS Social Security are able to use the model.

b. by the Public Institution:

- i. As the federal reference institution for Social Security, the FPS Social Security is in charge of the coordination between the research team and the various public institutions of the social security that manage the primary data files;
- ii. The FPS Social Security will actively contribute to the efforts of the research team in defining the list of operational tasks for the recurrent updating and maintenance of the Microsimulation model of the Social Protection; the institutions of the social security that manage the primary data files will be consulted in the context of this assignment.

Expected final product

a. by the research team:

- i. The production and delivery of the Microsimulation Model of the Social Protection including behaviour reactions, more specifically with regard to the labour market;
- ii. A report on the findings regarding the evaluation of the model against recent research concerning the financial tenability of the social security system.

- iii. A methodological manual and documentation with specific attention for the procedures followed while adapting the Microsimulation Model of the Social Protection with behaviour reactions;
- iv. A procedure for the recurrent updating and maintenance of the Microsimulation model of the Social Protection regarding behaviour routines and the findings of point ii;
- v. Participation of the research team in a European seminar regarding microsimulations of social protection; the team will report on the results yielded and the experience gained.

b. For the Public Institution:

The coordination of the use as well as the timely update of the Microsimulation Model of the Social Protection in view of an optimal valorisation.

Valorisation of the final product

a. for the Public Institution:

Application of the Microsimulation Model of the Social Protection regarding:

- i. Recurrent (per trimester, per semester, per year,...) and ad-hoc reporting;
- ii. The analysis of policy proposals in a national and international context (SPC, OECD committees, etc.); and
- iii. The execution of policy-targeted research by third parties.

b. for the 'public':

In its capacity of a federal reference institution, the FPS Social Security will make available information, based on the Microsimulation Model of the Social Protection, in the shape of:

- i. Recurrent (per trimester, per semester, per year,...) and ad-hoc reporting;
- ii. Aggregated data for policy-targeted research;
- iii. After the evaluation of an official request that has been submitted to the relevant institutions, data can be made available at micro level for researchers in view of policy-targeted research that is coordinated by the FPS Social Security.

Timing, planning and allocated budget

a. Timing of activities:

1 September 2005 – 31 August 2007

b. Planning: phasing of the tasks

i. for the research team:

At the start of the study draw up a project taking into account the possibilities of the primary data.

ii. for the institution:

A list of priorities will be drawn up taking into account the availability of the primary data and policy requirements.

Particular conditions

b. Proposition for the composition of the steering committee

The steering committee will preferably consist of the representatives of the social security institutions which also belong to the Interdepartmental Steering Committee of the Agora programme.

c. Confidentiality clause (if applicable)

The confidentiality of the information will be guaranteed in accordance with the current stipulations of article 5 of the Crossroads Bank Law¹ (*see the website of the Crossroads Bank for Social Security, the institution in charge of linking data held by social security offices* : <http://ksz-bcss.fgov.be/En/CBSS.htm>) and the Law regarding the protection of Personal Data².

d. Presence of the research team in the public institution (if applicable)

Members of the research team should have the opportunity to work within the various public institutions for social security, which manage the primary data files.

e. Other

The research team will submit a progress report every three months.

¹ Law of 15 January 1990 *regarding the establishment and organisation of a Crossroadsbank of the Social Security*.

² Law of 8 December 1992 *on privacy protection in relation to the processing of personal data* and Royal Decree of 13 February 2001 *in relation to the implementation of the law of 8 December 1992 on privacy protection in relation to the processing of personal data*.