



Social Protection Reform Project
中国-欧盟社会保障改革项目

COMPONENT ONE



MEMORIES

SEPTEMBER 2019

FOREWORD

This compendium contains all the annual summaries of activities for EU-China Social Protection Reform Project Component One from 2015 to 2019 as well as all the 16 issues of seasonal newsletters during its operation.

After practically five years of activities, the C1 project team is proud of work accomplished. Exchanges with over 140 European experts from two dozen nationalities, in relation with some 30 Chinese experts having produced as many research reports on all aspects of social security and employment promotion reform, high level training specifically designed and imparted for well over 100 cadres at managerial level from NDRC national and provincial entities, multiple overseas dialogue and study visits to all countries of the Consortium and beyond, compendia, publications and training materials in English and Chinese languages to help disseminate the project findings and outputs, bilateral agreements to guarantee the sustainability of cooperation between NDRC and its European partners in social security and employment promotion reform represent the legacy of our Component.

The EU-China SPRP was one of the instruments through which China could engage into multi-bilateral cooperation to help develop a better society for its people. Being part of this effort is by itself a motive for high pride to the Project C1 team, which is thankful to NDRC, to Expertise France acting as coordinator and secretariat for its activities and to the EU Delegation in Beijing for their trust and efficient, friendly cooperation.

JEAN-VICTOR GRUAT, RESIDENT EXPERT C1
ZHANG GUOQING, MAIN EXPERT (ORGANISATION)
FANG LIANQUAN, MAIN EXPERT (RESEARCH)
SHI CHUAN, COMPONENT ASSISTANT

September 2019.

CONTENTS

2015

2015 Annual Activities and Newsletter	7
---	---

2016

2016 Activities Overview	29
2016 Newsletters	37

2017

2017 Activities Overview	47
2017 Newsletters	55

2018

2018 Activities Overview	65
2018 Newsletters	73

2019

2019 Activities Overview	83
2019 Newsletters	103



2015

SUMMARY OF ACTIVITIES AND NEWSLETTER



EU-CHINA SOCIAL PROTECTION REFORM PROJECT COMPONENT ONE

PRESENTATION OF 2015 ACTIVITIES

OUR TASK:

**CONSOLIDATE INSTITUTIONAL CAPACITY FOR SOCIAL PROTECTION POLICY
DEVELOPMENT AND REFORMS IN CHINA**

WHO WE ARE

WHAT WE DO

2015 OVERSEAS ACTIVITIES (**Brussels International workshop**, **Training in France**, **3-Countries dialogue & Study visit**)

RESEARCH AND PEER REVIEWS (**First** and **Second** Panel discussions)

PILOT SITES IN CHINA

FORTHCOMING ACTIVITIES

CONTACTING US

TEMPORARY COMPONENT WEBSITE: <http://www.sprp-cn.eu>

OUR MAIN CHINESE PARTNER:
The National Development Reform Commission NDRC

Ms. Ji Ning, Counselor, Department of Employment and Income Distribution



C1 Project leader for NDRC



Ms. Tang Ling and Mr. Chang Hao
Project C1 coordinators – Employment & Income distribution Department,
NDRC International cooperation Centre

OUR COMPONENT COORDINATOR: EXPERTISE FRANCE (formerly ADECRI)



Mr. Laurent de Lespinay, Component coordinator

OUR TEAM



Resident expert Mr. Jean-Victor Gruat;



Main Chinese expert – Operations Mr Zhang Guoqing;



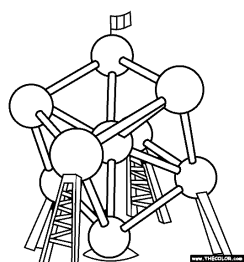
Main Chinese expert – Research Mr Fang Lianquan



Component assistant Ms Wang Qingqing

The Component 1 plan of activities for 2015 was formerly adopted during the Project advisory committee meeting held in Beijing on 28 April 2015. It includes consideration of 5 topics of utmost importance for pension reform in China. Three of them started being implemented right away, namely: The social insurance system administration reform through preparation for the country's XIIIth Five-Years plan, the respective importance of social pooling and individual accounts in pension benefits, and the design of a multi-tier pension system. Two more topics were introduced from July 2015, the strategy for integrating the pension system in urban and rural context – vesting rights and portability of benefits; and, the practical implementation of the legal decision to integrate civil servants into the general pension scheme for employees.

2015 OVERSEAS ACTIVITIES



BRUSSELS – FEBRUARY 2015

The workshop on the Reform of Public Pension systems was held on 2 and 3 February 2015, under the auspices of the Federal Public Service (FPS) of Social Security, working closely with the RVP/ONP (National Pension Office) of Belgium.

Delegations from the EU side and from China side included government officials, scholars from research institutions and universities, and managers from financial sectors. Representatives from the World Bank, from the OECD and from the European Commission attended and played an active role in the discussions. The head of Chinese delegation, Ms. Ji Ning, Counsel at the National Development and Reform commission NDRC met with the Belgian Federal Minister for Pensions, Mr. Daniel Bacquelaine (Picture)



In total, more than 50 persons participated in this event where six technical sessions were organized.

Plenary session 1: Reform Trend of Public Pension in a Global Context

Plenary session 2: EU Experience and Lessons on Public Pension System Reform

Plenary session 3: Multi-tier Pension System Construction

Plenary session 4: Political, Economic and Social Conditions of Pension Reforms

Plenary session 5: Comparison between Public Sectors and Private Sectors on Pension System

Plenary session 6: Lessons Learned and Conclusions

The Brussels Workshop was unanimously praised as a high quality event, which provided a broad European panorama of major reforms in public pension systems that could be put in a truly Chinese perspective, thanks to a wealth of national and

international reports. The input from non-Consortium member states and representatives from international organizations was particularly appreciated. The perfect organization and the kind hospitality of its Belgian hosts furthermore added to the quality and success of the Workshop.



The Chinese delegation at the Brussels Workshop

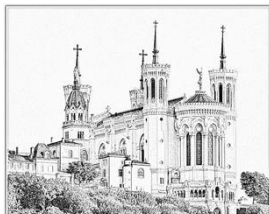


Ms. Ji Ning addressing the audience at the opening of the Brussels Workshop

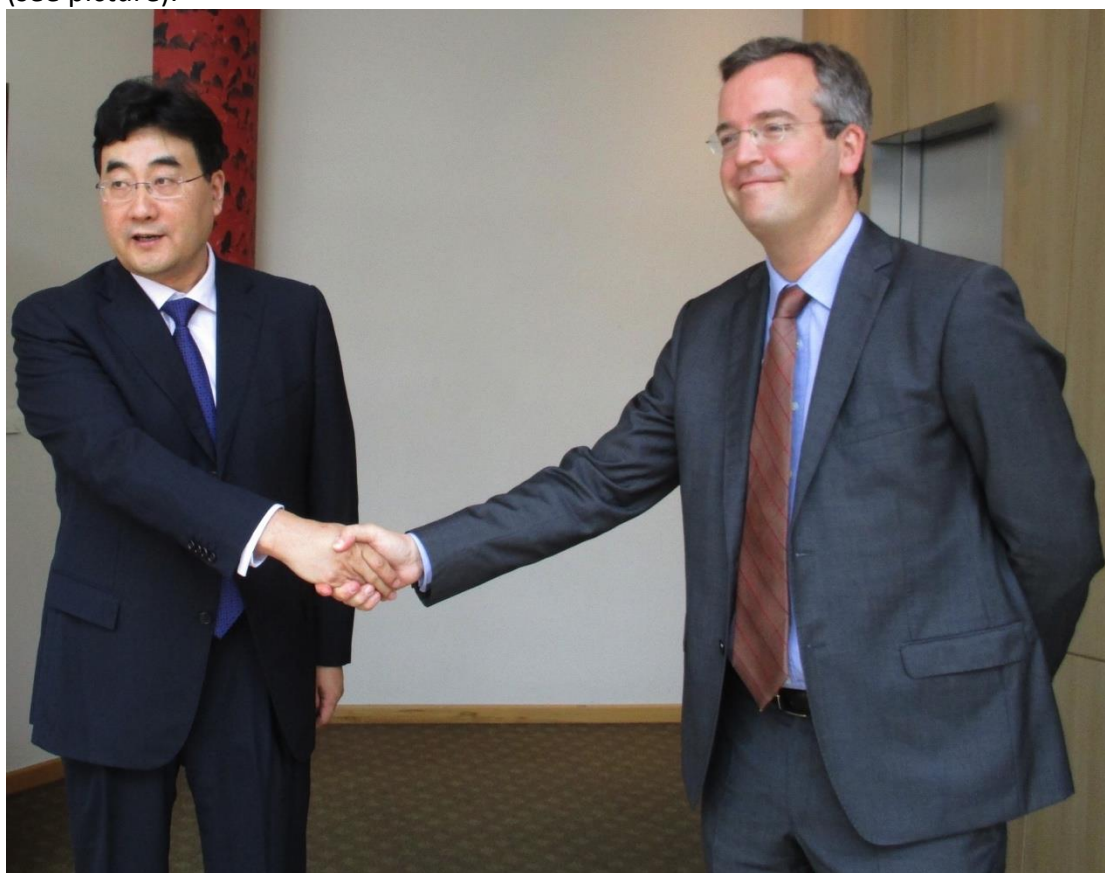


Brussels Workshop – View of delegates during plenary session

PARIS AND LYON – JUNE 2015



A high level training on Multi-tier pension systems in Europe was organized by ADECRI and EXPERTISE France in June 2015, for 20 high-level NDRC Officials – including 16 coming from Provincial delegations. The delegation was led by Mr. Ha Zengyou, Deputy Director General of the Department of Employment and Income Distribution of the NDRC – who also held direct discussions with Mr. Thomas Fatome, Director of French social security (see picture).



Lectures delivered included both the French and the European experience. Lecturers came from within the French system – general pension scheme, supplementary pension schemes, ministry of Finance, workers' and employers' representatives, the insurance sector, the rural pension scheme, the regional pension schemes, the National School for Higher Social Security Studies -, from several national pension systems across Europe – notably from Italy, Romania, Spain, - and from international organizations such as the International Labour Organization – ILO – and the OECD. A total of 20 training sessions were organized, covering a variety of topics such as Providing comprehensive responses to the challenges of pension systems

reforms, the Strategic analysis and monitoring of pension system, Inter-schemes coordination, Providing basic pensions to specific populations, Management and financing of public pension schemes, Pension and international labour standards, Active ageing, Pension schemes for non-salaried workers – farmers and the self-employed, Implementing the pensions reform at the regional level, IT management and database management for pensions, The impact of economic crisis on pension systems reforms.

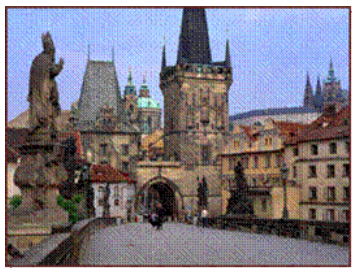


Group picture in front of the MGEN training center



One small group training session

The good organization of the training event, the variety of the topics covered, the high professionalism of the lecturers and the quality of training materials produced were highly appreciated by the participants, who confirmed this exercise would be of great practical value for their work in support of the Chinese social security reform at the central level, or at that of Provincial governments of China. It was noted that this training came at a crucial moment, when critical decisions were in the making concerning the future design of the Chinese pension system. The contribution of the project to enhance the level of understanding of key NDRC officials in European pension theory and practices was therefore highly relevant and deeply appreciated.



MADRID, PRAGUE AND WARSAW, OCTOBER – NOVEMBER 2015



Mr. Pu Yufei with Mr. Tomas Burgos, Secretary of State for Social Security, Spain

A group of 6 high-level NDRC officials and experts, led by Mr. Pu Yufei, Director General, Department of Employment and Income distribution, NDRC, undertook a Dialogue and Study visit to Spain, the Czech Republic and Poland between 27 October and 5 November, on the topic of Employment and Social security reform with special reference to Migrant workers questions.



In Prague, with Ms Iva Merhautová, Deputy Minister for Contributory Social Schemes

The programme for the visit was established in respective host countries on the basis of requirements expressed by NDRC, in view of their own sense of priorities concerning the subject matter. The sub-topics to be addressed were also divided between the three host countries according to their perceived best experiences and Consortium members' fields of competence to avoid repetition and maximize exchange opportunities. In that respect, it is worth noting that the title henceforth retained for this type of activity ("*Dialogue and Study visit*") clearly points to the desire of Government officials to make full use of project facilities to enter into real discussion with their European counterparts, so that contacts may be mutually beneficial.



In Warsaw, Ministry of Labour and Social Policy

Contacts held with participants since their return to China testifies to a high degree of satisfaction with the practical arrangements for which responsibilities were shared between host countries, EXPERTISE FRANCE as project coordinator and the project secretariat, as well as with the technical contents and exchanges with counterpart Agencies.

The summary of the evaluation made by participants in hereafter reproduced

	Logistics	Organisa- tion	Technical Contents	Open Discus-sion	Materials	Social Events	Overall
Mark over 5	4.76	4.27	4.81	4.17	4.15	4.67	5.00

RESEARCH AND PEER REVIEW

The C1 Activity plan for 2015 as adopted by the PAC meeting on 21 April 2015 foresaw that two panel discussions would be held to review the topics considered during the year. Topics were split into two batches, the first one grouping topics 1.1.1. - Social insurance administration systems reform – Contribution to the XIIIth Five-Year plan -, 1.3.2 - Social pooling of the basic pension component (Evaluation of the combination of basic pension & individual accounts) – and 1.3.4. - Multi-tiered design of pension systems (public pension, enterprise annuity and individual pension) - to be held towards mid-year, and the second one addressing topics 1.3.1 - Pension reform for public sectors – and 1.4.3 - Strategy of integrating social security system in urban and rural context also through the portability of social insurance – being scheduled for the end of the same year.

First Panel discussion

Three eminent Chinese experts were selected in April 2015 by the C1 project team and NDRC to conduct an in-depth research on the priority topics retained for the first half of the year 2015. Mr. Tan Zhonghe, from the National Social Security Institute, was in charge of the report preparing for the XIIIth Five-Years Plan (2016-2020). Mr. Song Xiaowu, one of the Chinese lead economists, reviewed the combination of social pooling with individual accounts. Mr. Dong Keyong, Dean emeritus of the School of Public Administration and Policy in Renmin University addressed the issue of the design of a suitable multitier pension system.



The three authors at the 1st Panel discussion meeting – from left to right, Mr. Dong Keyong, Mr. Tan Zhonghe, Mr. Song Xiaowu

Those three authors confronted their views during a panel discussion meeting held on 28 July 2015 under Ms. Ji Ning effective chairpersonship, with the interactive participation of Mr Koen Vleminckx



, a Belgian renowned European expert. Mr Vleminckx conducted a one-month mission to China to analyse the topics under review with the authors and other interested stakeholders – including Ministry of Human resources and Social security, in charge of implementing all social security schemes across China. On the basis of this joint analysis, a preliminary selection of most relevant European best practices could be made, and shared with NDRC on the occasion of the panel discussion meeting.

Participants were unanimous in praising this collaborative approach where European experience was actually confronted to the Chinese reality, in a manner that would ensure the selection of the most relevant European achievements on which to build future technical cooperation activities.



1st Panel discussion meeting



The bench of the assistants ...

The second panel discussion covering the other two topics considered in 2015 was held in Beijing on 13 November. It was co-chaired by Ms Ji Ning, Project leader on behalf of NDRC and the EU C1 Resident Expert. Chinese experts selected for conducting the national situation analysis were Ms Zhang Yinghua from the Chinese Academy of Social Sciences for the Reform of Public sector pensions, and Mr Wang Zeying, from the Social Security Institute by the Ministry of Human resources and Social security for the Strategy of integrating social security system in urban and rural context.



From left to right, NDRC Ms Ji Ning (Project leader), Zhang Xinmei (Division director), Tang Ling (Project coordinator), EUD Beijing Ms Yi Xiaolin

Participants from C1 side included the EU resident expert, the Main Chinese Experts – Research and Operations -, the two Chinese experts, authors of the reports under consideration (topics 1.3.1 and 1.4.3) and the EU Best practices Expert Mr. Koen Vleminckx who had just started his second mission to China. NDRC was represented by members of its Employment and Income distribution department and ICC, led by Ms Ji Ning, Inspector and project leader, assisted by Ms Tang Ling and Mr. Chang Hao, Component coordinators on behalf of national stakeholders. Representatives from Provincial authorities, of pilot sites both in Guangdong and Sichuan Provinces and of academic circles attended the sessions. The EU Delegation was represented by the Project official.



Second Panel discussion, 23 November 2015

The activity was rated as extremely useful and timely by all participants – including representatives from Sichuan and Guangdong Provinces who were invited to attend. It is worth noting that, thanks to the association to the discussion of representatives from the Provinces, participants could include in their review of the topics at stake first-hand information on the results achieved and difficulties encountered both in the implementation of the Public sector pension reform, and in handling claims related to the integration of rural and urban pension schemes. The latter was thoroughly documented through a specific case study produced on the basis of Huizhou city experience, to be used as a basis for future technical cooperation activities to be conducted under C1 framework.

PILOT SITES

The Project Advisory Committee, meeting on 21 April 2015, had endorsed the choice of three pilot sites for C1 activities, namely Shanghai city – topic on Ageing population -, Sichuan Province - city of Luzhou - for rural-urban integration including migrant workers issues and Guangdong province - city of Huizhou - for Migrant workers' questions.



Luzhou city



Huizhou city

At the initiative of NDRC, two field visits were organised in September 2015, to respectively Huizhou and Guangzhou cities (Guangdong Province) and Luzhou and Chengdu cities (Sichuan Province). Those missions aimed at gaining first-hand knowledge of the situation in pilot sites, and at listening to the expectations of local authorities concerning their collaboration with the project C1 component. Representatives from the EU delegation took part on the mission to Sichuan province, thus marking their interest in project activities.



Visiting Social security community center, Luzhou City



Meeting with City Government officials

Detailed documents expressing the respective provincial fields of interest were subsequently sent to NDRC and shared with the C1 team. Basically, the Provinces request exposure from the project on General introduction to social security policy in the EU, Monitoring and operational systems, Building IT systems for social security and fund raising, Vesting and portability of social security rights for migrant workers. They requested that knowledge sharing take the form of capacity building either in-country or abroad.



Visiting pharmaceutical company in Huizhou

Not to delay implementation of cooperative activities with the Pilot sites, it was decided by NDRC and the C1 team that the second Panel discussion, dealing inter alia with issues related to migrant workers' social security, would associate representatives from selected pilot sites in Guangdong and Sichuan provinces. It is foreseen that a further training will be provided in situ in February 2016.

Contacts with Shanghai pilot site will take place at a later stage, tentatively in February 2016, since the preferred topic for that site is Ageing, a theme at the core of proposed C1 related project activities for the year 2016 (Training in Spain) for which the advanced suggestions from Pilot site representatives will be sought.

2016 – ENVISAGED PROGRAMME OF MAIN ACTIVITIES

Title	Timing	Title	Timing
5-topics Workshop, Beijing	Jan.2016	Dialogue & study visit, Belgium and France	2 nd half
Provincial training, Guangdong or Sichuan	Feb.2016	Panel discussion on 2016 topics (preparation for HLE)	Jul.2016
Visit to Shanghai Pilot site	Feb.2016	High level event on 2016-2020 Perspectives for Employment policies and Social security reform	Sept.2016
Policy dialogue & International Workshop, Employment & Social security	Apr.2016	Dialogue & Study visit Czech R. & France Provincial & NDRC HQ officials, SS management	Oct.2016
Training, Spain, Ageing and Social security	Jun.2016	Dialogue & Study visit Italy, NDRC HQ officials (combined with preceding)	Oct.2016

HOW TO CONTACT US

Guangyao Mansion, 17 Chaoyangmen Outer Street, Office 10-08
contact@sprp-cn.eu Tel. +86-10-65802888*1008

Our temporary component website: <http://www.sprp-cn.eu>

The contents of this publication is the sole responsibility of the Component 1 Resident Expert for the EU-China Social protection Reform project, and can in no way be taken to reflect the views of the European Union



2016

SUMMARY OF ACTIVITIES AND NEWSLETTERS

EU-CHINA SPRP COMPONENT ONE – SUMMARY OF ACTIVITIES, 2016

• Workshop on 2015 Research Topics

The workshop served as the conclusion for the research activities in 2015 organised by Component 1 of SPRP and NDRC was held in Beijing on 20 January 2016. The Workshop was co-chaired by Mr. Pu Yufei, Director General, Department of Employment and Income Distribution of NDRC and Mr. Jean-Victor Gruat, C1 Resident Expert of the Project. Topics under specific review were linked to the pension reform, in direct relation with the 13th Five-Year Plan. Around 40 persons including representatives from Ministry of Human Resources and Social Security, Ministry of Finance, All-China Federation of Trade Unions and the EU Delegation attended.



Workshop organized to conclude the research topics of 2015

• Seminar on Crisis and Social Security

The seminar on Crisis and Social Security was organized at the Institute for American Studies of the Chinese Academy of Social Sciences on January 21, 2016. Mr Koen Vleminckx introduced the topic, with several scholars from CASS intervening on specific subjects. Mr. Zheng Bingwen, Director of the Institute, reacted to the presentations.



Seminar on Crisis and Social Security hosted by CASS

- **Field Survey to Shanghai on Demographic Aging**

From 1 to 3 February 2016, a project mission composed of representatives from NDRC and from Component 1 technical team visited Shanghai, a city selected as pilot site for issues related to demographic ageing and social protection. Accompanied by members of Shanghai Development and Reform Commission, the mission visited several institutions specialized in social and medical care for the elderly. It conducted useful exchanges with local authorities.



Visited a care centre for elderly at Yangjin Community, Pudong

- **Employment and Social Security Policy Dialogue and International Workshop**

On 26 April 2016 in Beijing, a policy dialogue and international workshop on Employment and Social Security Policies gathered high-level officials from the European Commission and NDRC, as well as Chinese and European experts, to discuss interrelations between employment and social security policies, in the perspective of addressing emerging labour market challenges under the context of the new normal economy of China, and the recovering European economies.

Discussion further lays foundation for the continued cooperation between NDRC and the European Commission in the labour and social fields, and the results would be used in the preparation of the projects 2016 High Level Event themed on Perspective of Employment Policy and Social Security Reform 2016 - 2020.



Mr. Wang Xiaotao, Vice Chairman of NDRC met with Mme. Carmen Cano, Deputy Head of Delegation of the European Union to China and Mongolia



Participants of Policy Dialogue and International Workshop

• Training in Guangdong on Portability of Social Security Scheme

A training and exchange seminar was held in Foshan, Guangdong Province on 27 and 28 April 2016. 25 participants came from Development Reform Commission and Social Security Bureau of different government levels in Guangdong and Sichuan Provinces. Keynote speeches were delivered by Chinese and European experts on topics such as the integration of rural and urban pension schemes, the portability of migrant workers' social security entitlements, use of information technology in social security management, governance and financing of institutions. Representatives from local governments also presented their experiences in these areas, ensuring a fruitful dialogue and exchange among experts and participants.



Training in Foshan, Guangdong Province

• Training in Spain

A training course for 22 senior officials from NDRC and DRCs at provincial level, led by Mr. Ha Zengyou, Deputy Director General, Department of Employment and Income Distribution of NDRC, was held from 19 June to 2 July 2016 in Spain (Madrid and Valladolid) around the topic of challenges posed to social security, notably pensions protection, by demographic ageing. It was organized jointly by NDRC, the Spanish Ministry of Employment and Social Security, Expertise France, and the C1 team within the Beijing Project Office, with support from the project horizontal components. During the training, some 30 lectures were delivered by Spanish and other European specialists, while Chinese members of the delegation also introduced the relevant characteristics of their demographic and social security environment.



Chinese delegation at the Spanish Ministry of Employment and Social Security

• **Dialogue and Study Visit to France and Belgium**

A Chinese delegation from NDRC, led by Mr. Pu Yufei, Director General, Department of Employment and Income Distribution, visited France and Belgium from 28 August to 4 September 2016 for a Dialogue and Study Visit on the Influence of Employment and Social Security Policies on Income Distribution in Post-Crisis Era. In Paris, the delegation met with representatives from Ministry of Labour, Employment, Vocational Training and Social Dialogue, France Strategie, as well as National Employment Public Service. They also held discussions with Expertise France on forthcoming activities. In Brussels, the delegation had in-depth discussions with eminent specialists from Belgium, Germany, OECD and European institutions organized by the Federal Public Services Social Security of Belgium. The delegation also visited the European Commission to meet with relevant officials from DG Employment, Social Affairs and Inclusion to discuss the perspective and implementation of next-step cooperation with EU in terms of optimizing the structure of income distribution and increasing the number of middle-class.



Chinese delegation with officials from Expertise France on EF office in Paris



Chinese delegation at the Federal Public Services Social Security of Belgium



Chinese delegation paid visit to DG Employment, Social Affairs and Inclusion at the European Commission

• Panel Discussion

On September 6, 2016, a panel discussion meeting gathered the authors of reports on topics explored as part of project Component 1 programme of activities for 2016, with NDRC and project resident team. The EU Delegation in Beijing also took part in the meeting. Topics under review were Monitoring of the Interaction between Employment Promotion and Social Protection Policies introduced by Mr. Zhang Juwei (Institution of Population and Labour Economics, Chinese Academy of Social Sciences CASS), the Financial Sustainability of Urban Basic Old Age Insurance System in China by Mr. Zheng Bingwen (CASS), Population Ageing and Possible Influences on the Economic and Society in China by Mr. Dong Keyong (Renmin University of China, RUC) and the Relationship between Social-economic Development and the Redistribution Effects of Social Security by Mr. Li Shi (Beijing Normal University, BNU). These works will, after finalization on the basis of the panel discussion, be used as major technical inputs for 2016 High Level Event on Perspective of Employment Policy and Social Security Reform 2016-2020 (Beijing, 28-29 September 2016).



Panel Discussion held in Beijing

• High Level Event on Perspective of Employment Policy and Social Security Reform 2016-2020

Organised by the Chinese National Development and Reform Commission NDRC and the Component 1 of the EU-China Social protection reform project SPRP, the project 2016 High Level Event was held in Beijing (DiaoYutai Hotel) on 28 and 29 September 2016. The theme for the event was Perspective of Employment and Social

Security Reform 2016-2020. More than 120 participants attended the sessions, practically in equal proportions between Chinese representatives and representatives from European countries and international organizations. Chinese participants came from central ministries, academic circles and provincial governments, while 11 European countries and 4 international organisations were represented. Mr Wang Xiaotao, Vice Chairman of the NDRC, and Mr Hans Dietmar Schweisgut, Ambassador of the European Union to China and Mongolia, addressed the opening ceremony, chaired by Ms Cheng Jianlin, Deputy Secretary General of NDRC. The meeting consisted of 5 technical sessions, each of them co-chaired by eminent Chinese and European personalities.

Mr Claude Jeannerot, Ambassador of France in charge of International Social Relations, and Mr Xu Lin, Director General of the Department of Development Planning of NDRC, co-chaired the first session devoted to the review of macro-economic and employment situation during the period 2016-2020. Key-note speeches were delivered by Mr Pu Yufei, Director General of the Department of Employment and Income distribution of NDRC, and Mr Michel Servoz, Director General of the European Commission for Employment, Social Affairs and Inclusion.



NDRC Vice Chairman Wang Xiaotao addressed the opening ceremony.



Mr Hans Dietmar Schweisgut, Ambassador of the European Union to China and Mongolia, addressed the opening ceremony.



Mr Michel Servoz, Director General of the European Commission Directorate General for Employment, Social Affairs and Inclusion presented key-note speech

Two eminent scholars, Mr Hu Angang, Director of the Center for China studies at Tsinghua University and Mr. Stefano Sacchi, from the University of Milano, Italy, also delivered speeches on, respectively, Innovation driving development and employment during China's thirteenth five-year plan, and Labour market policies in the European countries - Comlementing structural reforms with growth.

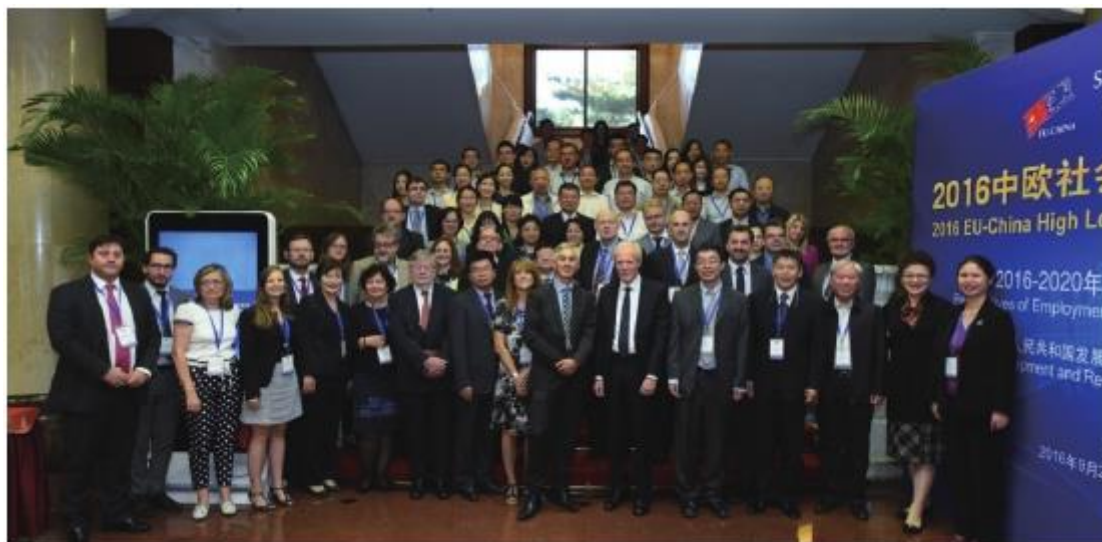
The second session, co-chaired by Mr. Pu Yufei, Director general of the Department of Employment and Income distribution of NDRC and Mr. Tom Bevers, Chairman of the European Union Employment Committee EMCO, reviewed New-type urbanization and support policies for employment and job creation. Keynote speeches were delivered by Mr. Stefan Olsson, on EU Employment and Social Priorities - EU initiatives, Mr. Zeng Xiangquan, Renmin University, on Youth Employment policies - Good models from China, Mr. Jean-Yves Hocquet, France, on Social protection and employment - Trade off or synergies, and Mr. Zhang Juwei, Chinese Academy of Social Sciences, on Population changes, labour market and reform of the Urban employees basic pension insurance system.

Mr. Jin Weigang, Director General of the Research Institute for Social security of the Ministry of Social security and Human resources, and Ms. Michaela Marksova, Minister of Labour and Social Affairs of the Czech Republic, co-chaired the third session devoted to universal coverage of social security systems and adaptation to Mobility. Mr. Koen Vleminckx, Belgium, delivered a keynote speech on universal coverage, while Ms. Katerina-Marina Kyrieri, Greece, addressed the protection of migrant workers under social security schemes in Europe. Professor Yue Jinglun, Sun Yat-Sen University then introduced the Guangdong province case study on transfer and continuation of pension insurance of migrant workers, while Professor Lin YI, South-western University of Finance and Economics submitted a case study on the interaction of urban and rural social security schemes in Sichuan Province.

The fourth session devoted to social efficiency and inclusive growth, was co-chaired by Ms. Oana Silvia Toiu, Secretary of State, Ministry of Labour, Family and Social Protection of Romania, and Mr. Song Xiaowu, Former Director of the Office of North-East Region Revitalization, State Council. Mr. Cao Wenlian, International Cooperation Center ICC of NDRC, delivered a keynote speech on understanding China's pension system reform from the perspective of equity and redistribution function, followed by Mr. Antero Kiviniemi, who presented income distribution, social fairness and welfare policies in Finland. Ms. Jiang Wei, Ministry of Civil Affairs, introduced social assistance and poverty alleviation under the security of basic life needs, while Ms. Pu Haihong, Shanghai Academy of Development and Reform, presented the Shanghai case study on population ageing and related counter-measures.

Session five reviewed the sustainability of social security systems and the financial reform, with Ms. Lucia Ortiz Sanz, Deputy Director General of International Social and Labour Relations of the Ministry of Employment and Social Security of Spain and Mr. Liu Keguo, Deputy Director, Academic Advisory Board, China Centre for Economic Exchanges, acting as co-chair persons. Mr. Wolfgang Scholz Germany, introduced the "Riester Pensions" financing experience in his country. Mr. Xiong Jun, National Council for Social Security Fund talked about improvements in the financing and management system of the social security fund, while Mr. Zheng Bingwen, Chinese Academy of Social Sciences delivered a keynote speech on the Financial sustainability of the Urban basic old-age insurance system in China.

Mr. Jean-Victor Gruat, SPRP project, presided over the closing ceremony, where Mr. Giuseppe Conte, SPRP Project Leader, Mr. Cyril Bouyeure, Special Adviser to the President, Expertise France, and Ms. Song Gongmei, Deputy Director General of the International Cooperation Center ICC of the NDRC, addressed the audience.



- **Study Visit and Dialogue to France, the Czech Republic and Germany**

From October 24 to 29, 2016, NDRC conducted a study visit to France and the Czech Republic on the theme of the reform, modernisation and coordination of social security schemes, with special reference to migrant workers and computerisation. In France, the delegation met with the Ministry of Health and Social Affairs, Pensions Advisory Board, CLEISS (the national liaison body for migrant workers' social security rights), National Pensions Information Technology Center, etc. In the Czech Republic, the delegation held discussions with the Ministry of Labor and Social Affairs and Social Security Administration. After finished the study visit and dialogue, the NDRC delegation continued its trip to Germany until November 2, where the representatives held discussions with the Rhein-Bonn-Sieg University concerning the organisation of a training course in 2017 under Component 1 framework of activities.



NDRC delegation had meeting in the Ministry of Health and Social Affairs of France, joined by the representatives from Project's pilot sites Sichuan Province and Guandong Province.



FROM THE RESIDENT EXPERT, COMPONENT 1

Stakeholders unanimously considered the first year of activities for the EU-China Social protection reform project Component as a successful and productive one. Research and events conducted under the auspices of the project, both in China and abroad, effectively contributed to the quality of

the contribution of the National Development and Reform Commission NDRC to the elaboration of the draft and related discussion of the XIIIth China's Five-year Plan.

While the first year of the project was largely devoted to a definition of the desirable features of a future universal pension system in China, the second year is expected to focus more on issues of sustainability – included those linked to employment promotion, since no robust social protection system can be established, without an underlying solid, integrated and dynamic labour market.

To ensure that the project continues to provide services at the appropriate level to its Chinese partners, the European Consortium decided to

introduce from January 2016 a number of improvements in its managerial organization – which resulted notably in enhancing the responsibilities of the coordinator for Component 1, Expertise France.

This edition of our Newsletter presents the first activities conducted under the new project arrangements. It also introduces the main component proposals for a 2016 programme of activities, which promises to be at least as dense and as innovative as the one successfully concluded during the first year of the EU-China SPR project.

Jean-Victor Gruat,
1 March 2016.

2016 PRELIMINARY ACTIVITY PLAN

A meeting of the Project Advisory Committee (PAC) is scheduled to take place in Beijing in early 2016 to notably adopt the yearly plan of activities for the three components.

As far as Component 1 is concerned, the project technical team and the National Development and Reform Commission NDRC agreed to propose to the PAC meeting that activities focus during the second year of the project on the issue of sustainability, including interrelation between social protection and employment creation. The main topics to be addressed would therefore be those of demographic ageing, of the relation between employment and social security policies and of the coverage of migrant workers under social insurance mechanisms. A policy dialogue and international workshop joining EU Commission and Chinese high level officials with European and Chinese experts is to be held in April 2016 in Beijing to address Employment and social security policies both in China and in Europe. A high level forum convened in September 2016 will follow up on this event, discussing *2016-2020 Perspectives for Employment Policies and Social Security Reform*. Demographic ageing will be the core subject of a two-weeks training course for national and provincial levels NDRC officials, to be organized by Spain in late Spring of 2016. Shanghai SPRP pilot region will play a distinctive role in the preparation of this event. Overseas dialogues and study visits on the theme of social security governance and relations between employment and social security policies will be organised to selected European countries members of the consortium – France, Belgium, and the Czech Republic – for both officials at the Central Government level and delegations from SPRP pilot sites in Guangdong and Sichuan provinces. Work will continue at the Central and Provincial levels on the integration of urban and rural pension schemes, including the portability of social insurance credentials for migrant workers.

The Component 1 Workshop on 2015 Research topics was held in Beijing on 20 January 2016, and was quite successful from the opinion of all participants. Topics under review were linked to the Pension reform, in direct relation with the XIIIth Five-years Plan.

The Workshop was co-chaired by Mr. Pu Yufei, Director general of NDRC Department of Employment and Income distribution, and Mr. Jean-Victor Gruat, Resident expert for Component 1 of the Project. Around 40 persons including representatives from MOHRSS, MoF, ACFTU and the EU Delegation attended. The report can be found on <http://www.sprp-cn.eu/workshop2015.pdf>.

The C1 Workshop on 2015 Research



Seminar on Crisis & Social Security



Component 1 organised a seminar on Crisis and Social Security on 21 January 2016 on the premises of the Institute for American Studies of the Chinese Academy of Social Sciences - CASS.

Mr Koen Vleminckx introduced the topic, with several scholars from CASS intervening on specific subjects. Mr. Zheng Bingwen, Director of the Institute, reacted to the presentations. In his concluding remarks, the EU resident expert for C1 stressed that this seminar would definitely help shaping C1 programme of activities for 2016 concerning the relation between social security and its economic environment. The report can be downloaded from <http://www.sprp-cn.eu/crisis2016.pdf>

From 1 to 3 February 2016, a project mission composed of representatives from NDRC and from Component 1 technical team visited Shanghai, a city selected as pilot site for issues related to demographic ageing and social protection. Accompanied by members of Shanghai Development and Reform commission, the mission visited several institutions specialized in social and medical care for the elderly. It conducted useful exchanges with local authorities, and discussed with the Shanghai DRC and the Shanghai Academy of Development and Reform possible avenues for associating them to future relevant project activities. The report can be found on <http://www.sprp-cn.eu/shanghaiFeb2016.pdf>.

Demographic Ageing: Visit to Shanghai Pilot Site



Assessment Reports Volume 1 The EU-China SPRP C1



The EU-China Social Protection Reform Project Component 1 has published the first volume of its Assessment reports.

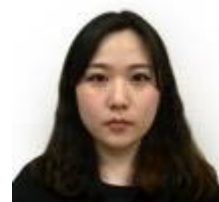
This volume covers the situation in China on major issues for pension reform, such as the combination of social pooling and individual accounts, the design of a multi-tier pension system, public sector pension reform, the integration of urban and rural social security protection, the management of social insurance. A survey of most relevant European best practices is also included in the report, the content of which can be downloaded from <http://www.sprp-cn.eu/1stassessmentreport.pdf>.

A bilingual (English-Chinese) version is under preparation by the National Development and Reform Commission NDRC to be available by April 2016.

WELCOMING NEW TEAM MEMBER

Ms Xu Chenjia, who works since 1 February 2016 as Assistant for Component 1 of the EU-China Social Protection Reform Project.

Ms Xu is a graduate from Beijing Normal University, and from the University of London in the United Kingdom.



GET IN TOUCH

EU-China Social Protection reform project

Guangyao Mansion, 17 Chaoyangmen Outer Street, Office 10-08

contact@sprp-cn.eu Tel. +86-10-65802888*1008

Our component website: <http://www.sprp-cn.eu>





FROM THE RESIDENT EXPERT, COMPONENT 1

The EU-China Social Protection Reform Project Advisory Committee, PAC, met on 6 April 2016 and adopted the Components proposed programme of activities for 2016. After a fruitful year of 2015, which has seen Component 1 conducting multiple activities in China and abroad to contribute to the elaboration of the main features of reformed pension scheme, C1 2016 programme will be marked by the search for sustainability and relevance of the social protection system

evolving in the context of a “new normal” Chinese economy, for a society confronted with the challenge of demographic ageing.

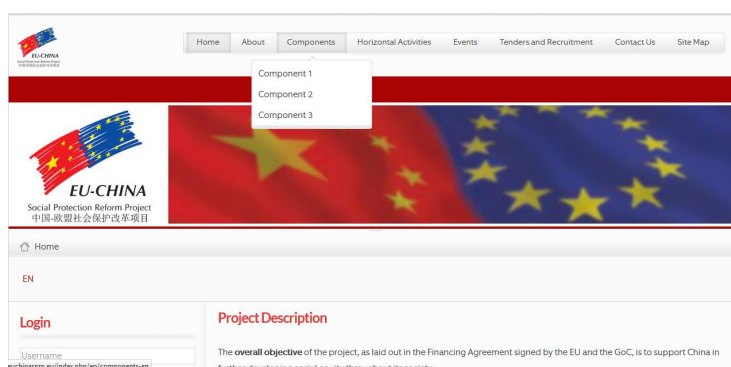
In that context, Component 1 Programme of Activities for 2016 will address six technical topics – including social insurance administration reform notably at the provincial level, the integration of urban and rural pension schemes with special reference to migrant workers’ rights – a continuation from 2015 activities, the interaction between employment promotion and social protection policies, the financial sustainability of pension schemes, the ageing population challenge and the relationship between economic development and the redistribution function of social security.

Works started very early in the year on the implementation of this

programme, and the current newsletter presents activities conducted during late Spring of 2016 by a C1 project team that welcomed the new project team leader, Mr. Michele Bruni, and the new project website which can be accessed at <http://euchinasprp.eu>.

We feel confident that, thanks to the very efficient and trusting collaboration established among the project team, the NDRC and the EU Delegation, smooth but real progress will continue to be made towards achieving the goals assigned to the social protection reform, viz. furthering social equity and inclusiveness of economic development throughout Chinese society.

Jean-Victor Guat
June, 2016



Welcome the new project team leader to Beijing

EU-China Social Protection Reform Project has launched new project website:

<http://euchinasprp.eu>

GET IN TOUCH

EU-China Social Protection reform project

Guangyao Mansion, 17 Chaoyangmen Outer Street, Office 10-08

contact@sprp-cn.eu Tel. +86-10-65802888*1008

Our component website: <http://www.sprp-cn.eu>

Professor Michele Bruni has taken over the functions of resident expert for component 2 and team leader of the project in Beijing as from mid-May 2016. Professor Bruni is a well-known and highly respected Italian academic, specialized in demographics and labour market issues. With his vast experience of international cooperation and in-depth knowledge of the Chinese reality, Professor Bruni will be a very strong asset for the project.

Since the beginning of the project, more than 75 experts from European social security institutions, International organizations and projects shared their experience with our C1 Chinese counterparts. These contacts with specialists from 13 different European countries (the Consortium members cover "only" 7 countries) have done a lot towards enhancing national and provincial institutional capacity for conceiving and developing suitable social protection policies and reforms.

Exposure to European Circumstances



Employment & Social Security Policy Dialogue & Workshop



On 26 April 2016 in Beijing, a policy dialogue and international workshop on Employment and Social Security gathered high-level officials from the European Commission, NDRC leaders, Chinese and European Experts, to discuss interrelations between employment and social security policies, in the perspective of addressing emerging labour market challenges under the context of the new normal economy for China, and the recovering European economies.

Discussions will hopefully pave the way to continued contacts between NDRC and the European Commission in the labour and social fields, and their results will be used in the preparation of the project forthcoming 2016 High Level Event on the Perspective of Employment Policy and Social Security Reform.

As part of the project 2016 Component 1 programme of activities for pilot sites, a training and exchange seminar was held in Foshan, Guangdong Province on 27 and 28 April 2016. Participants came from Development Reform Commission and Social Security Administration from different government levels in Guangdong and Sichuan Provinces. Keynote speeches were delivered by Chinese and European experts on topics such as the integration of rural and urban pension schemes, the portability of migrant workers social security entitlements, use of information technology in social security management, governance and financing of institutions. Representatives from local governments also presented their experiences in these areas, ensuring a fruitful dialogue and exchange among experts and participants. Some 25 participants took part in the sessions, which were rated very positively by all those involved.

Provincial Training Seminar



Upcoming Events



06/16 Training in Spain

A training visit to Spain will take place between 19 June and 3 July, 2016. Under the leadership of Mr. Ha Zengyou, Deputy Director General of NDRC Employment and Income Distribution Department, the group, consisting of 24 central and provincial government officials, mostly from the pilot sites, will learn about the EU experience and practices in dealing with the challenges of demographic ageing. Particularly, the training will revolve around major themes including financing, accessibility, design and level of benefits provision.

09/16 High Level Event

In September 2016 in Beijing, a High Level Event convening a number of Chinese and European experts to exchange over the **Perspective of Employment Policy and Social Security Reform during the period of 2016 to 2020** will be the highlight of C1 project activities for this year. More details on this very important activity will be available in our next Newsletter.

Another two overseas visits, respectively by the central government officials and by the delegations from the local pilot sites are planned for the second part of the year. Host countries will be France, Belgium, the Czech Republic and Germany. It is hoped that through the visit, the government officials establish extensive communication and interaction with the policy makers of the EU, especially in terms of the general design of employment policies and other macro-level issues regarding social security. As for the visit of local delegations, the rationale is to provide them with the occasion to learn more about the practicalities of policy implementation in EU, so as to enhance their own administration capacity of social security including for social security governance, computerised management, long-term care, and social security rights of migrant workers.





Social Protection Reform Project
中国-欧盟社会保障改革项目



**FROM THE
RESIDENT EXPERT, COMPONENT 1**

This 3rd issue for 2016 of our EU-China Social protection reform project Component 1 Newsletter is being finalised on the eve of the 2016 High Level Event, co-organised with the Chinese National Development and Reform Commission NDRC on the topic of Employment and Social security policies in Europe and in China over the period 2016-2020. Over two days, on 28 and 29 September 2016, over a hundred European and Chinese decision makers and technical specialists will gather in Beijing under the auspices of our project, to exchange views and discuss alternatives for the two main pillars of stable and prosperous societies in our respective environments - namely facilitating

MAJOR RESEARCH - EMPLOYMENT AND SOCIAL SECURITY

As part of the SPRP Research Component, Mr. Jean-Yves Hocquet, on behalf of the National School for Higher Social Security studies of France – EN3S – undertook a major review of relations between Employment and Social security policies in Europe (available at <http://sprp-cn.eu/Emp&SS/JYHRevFinalEN.pdf>).

In Europe, social protection was affirmed as one of the main objectives of European construction. However its place was limited in European law to the achievement of the single labour market. Because social protection is organized in the Member States according to very different models (level, funding, benefits) reflecting the national diversity, it offers to the third country policymakers a wide range of possibilities even if, in all the countries, there is a major trend towards adapting the post-World War II systems to the sociological changes taking care not to load the wages with undue charges. Through the development of social security coordination, Europe is trying to identify these changes (new risks, new forms of work) but also to fight against social fraud that can distort labour markets. The need for coordination is responding to adapting European Regulations, by improving the convergence of national social policies and by better bridging the employment and social policies through the Open method of coordination. The contribution of recent studies shows that social protection could have a direct although limited impact on employment. Its main added value to a sustainable growth and to employment lies in traditional social objectives as the reduction of inequalities in the search of a more employment friendly balance. This major publication will be available in English and Chinese version to participants



GET IN TOUCH

EU-China Social Protection reform project

Guangyao Mansion, 17 Chaoyangmen Outer Street, Office 10-08 contact@sprp-cn.eu Tel. +86-10-65802888*1008 Our component website: <http://www.sprp-cn.eu>

C1 Newsletter

Autumn 2016

access to full employment for all those aspiring to or in need of working, and guaranteeing the quality of this employment as well as the security of income derived from it through adequate, accompanying and not antagonistic social protection measures. Reconciling employment and social security policies is all the more necessary that our societies are ageing, while sustainable, employment-generating growth cannot be as easily achieved, as may have been the case in the past. Of course, our project Component 1 programme of work for 2016 cannot be subsumed to a two-days meeting, whichever its importance - and this newsletter proudly presents a number of our achievements since June 2016. Most if not all of our activities, however, bore a relation with the general theme of Employment and Social security, thus marking the coherence of our Component contribution to mutual understanding and cooperation between China and Europe in the realm of social protection reform.

Jean-Victor Gruat
September, 2016



CUM LAUDE

In May 2016, since the two training activities of the EU-China SPRP had gained consecutive approval from the Chinese State Administration of Foreign Experts Affairs (SAFEA) and both had been implemented successfully, the Training Centre of NDRC has recommended the Component 1 Training for National and Provincial NDRC officials on Multi-tiered Pension System held in France in June 2015 as one of the two best overseas trainings for official purposes during the 12th -five-year Plan period. This nomination is indeed a great honour for the project. It testifies to its relevance for the on-going Chinese reform process, and to the quality of its design and implementation as far as Component 1 is concerned.



Mr Jean-Yves Hocquet

PREPARING FOR THE 2016 HIGH LEVEL EVENT

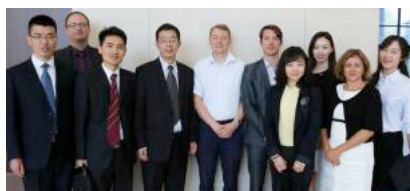
The 2016 High Level Event on Employment and Social security policies (2016-2020) will be organised on 28 and 29 September 2016 in Diaoyutai Hotel in Beijing - a very classy example of modernisation in the respect of traditions. To prepare for the event, the C1 team held a number of discussions with the authors of reports to be used as inputs into the discussion - as in the attached picture with professor Li Shi. We indeed wait for your active participation in this event, either in person, or via e-mail passing on comments and suggestions to our address, contact@sprp-cn.eu

A high-level two-weeks training course for 20 senior officials from the Chinese National and Provincial Development and Reform Commission, led by Mr. Ha Zengyou, Deputy Director General of NDRC Employment and Income distribution department, was held from 20 June to 1 July 2016 in Spain (Madrid and Valladolid) around the topic of challenges posed to social security, notably pensions protection, by demographic ageing. It was organized jointly by the Spanish Ministry of Employment and Social security, EXPERTISE FRANCE, and the Component One team within the Beijing project office, with support from the project horizontal component. During the two-weeks training, some 30 lectures were delivered by Spanish and other European specialists, while Chinese members of the delegation also introduced the relevant characteristics of their demographic and social security environment.



Training in Spain

The participants in the training course benefited from a one days technical briefing in Beijing before their departure, where Mr. Dong Keyong, from Renmin University of China and Mr. Michele Bruni, a renowned demographer newly appointed team leader for the Beijing-based project team, explained the issues at stake for social security in a context of rapidly ageing societies.

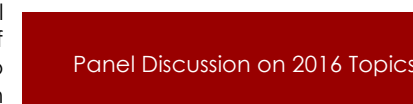


Dialogue and Study Visit to France (↓) and Belgium (↑)



A high level delegation from NDRC, led by Mr Pu Yufei, Director General of the Employment and Income Distribution Department, visited France and Belgium from 29 August to 4 September 2016 for a Dialogue and Study Visit on the Influence of Employment and Social Security Policies on Income Distribution in Post-Crisis Era. The delegation met with representatives from Ministry of Labour, Employment, Vocational training and Social Dialogue, the General Commission for Strategy and Policy Planning, as well as the National Agency in Unemployment Compensation and Employment Promotion. They also held discussions with Expertise France on forthcoming activities. In Brussels, the delegation had in-depth discussions with eminent specialists from Belgium, Germany, the UK and European institutions organised by the Federal Public Services Social security of Belgium. The delegation also held a meeting at the European Commission with the Director General of the Directorate for Employment, Social Affairs and Inclusion to discuss the perspective and implementation of next-step cooperation with EU in terms of optimising income distribution and increasing the number of middle class.

On 6 September 2016, a panel discussion meeting gathered the authors of national assessment reports on topics explored as part of project Component 1 programme of activities for 2016, with NDRC and Project resident team. The EU Delegation in Beijing also took part in this session. Topics under review were Monitoring of the interaction between employment promotion and social protection policies introduced by Mr. Zhang Juwei (Institution of Population and Labour Economics, CASS), the Sustainability of pension schemes (contributions and government subsidies) by Mr. Zheng Bingwen (ISSS, CASS), the Ageing population and possible strategy of dealing with this situation by Mr. Dong Keyong (RUC) and the Relationship between social-economic development and the redistribution function of social security by Mr. Li Shi (BNU). These works will be, after finalization on the basis of the panel discussion, be used as major technical inputs for the 2016 High Level Event on Employment and social security Policies.



Panel Discussion on 2016 Topics



External Activities

On 31 May 2016 The EU Resident expert for Component 1 and the Main Chinese Expert - Operations - Mr. Zhang Guoqing met at ACFTU HQ with Ms Xu Lu, Deputy Secretary General of the Chinese Workers' Centre for International Exchanges, ACFTU. Ms Xu was accompanied by colleagues from ACFTU International Department. ACFTU being a member of the project advisory committee, and a particularly important actor in discussing social security reform options in China, the aim of the meeting was to brief Ms Xu about project's progress and plans, and to hear from her opinions and suggestions concerning social security reform, notably pension reform in China. ACFTU is extremely interested in on-going reflections concerning the future of social security protection in China, and is therefore very much willing to have on-going exchanges with the project.

From 6 to 8 September 2016 in Beijing, the Resident experts from the 3 components of the EU-China SPRP project took part in the ILO-China-ASEAN High Level Seminar to achieve the social development goals (SDGs) on Universal Social Protection. This event was placed under the joint patronage of the Ministry of Human Resources and Social security of China, the International Labour Office and its International Training Centre in Turin. A number of very interesting case studies on universal social security coverage and pension reforms were presented, included examples particularly relevant for China of South-South and triangular cooperation.



Upcoming Events

28-29 September 2016 Beijing, High level event on Employment and Social security policies

23 October to 1 November 2016 Delegations from Guangdong and Sichuan Provinces, Provincial Dialogue and Study Visit on Employment and Social Security Administration to France and the Czech Republic

31 October 2016 (TBC) Visit to Germany of NDRC delegation to prepare for proposed 2017 training activity and review long-term care insurance provisions.





FROM THE
RESIDENT EXPERT, COMPONENT 1

This 4th issue for 2016 of our EU-China Social protection reform project completes a very rich second year of operations.

Of course the 2016 High Level Event HLE co-organised by NDRC and the project Secretariat was a very important landmark for our Plan of activities, as indeed for the project as a whole. The HLE allowed for interaction among a wealth of Chinese and European specialists and decision makers, addressing the most critical issues of the contemporary realm of social protection reform.

Surprisingly or not, there was a striking coincidence in topics of significance for the European and the Chinese side respectively, which allowed for a real mutual enrichment of all participants.

The time-frame even – 2016 to 2020 – has a relevance for both China and Europe, corresponding for the former to the horizon of its current 5-year plan, and for the latter to its strategy for smart, sustainable and inclusive growth.

The Project component technical team is now proceeding with the aftermath of the HLE – which will impact on all future activities of the project starting with its 2017 programme of activities for Component 1.

The publication of all materials related to the HLE should be completed soon – target is end of the current year – and include besides the proceedings of the Event, the 19 presentations made by European and Chinese experts, five background reports – including substantive policy recommendations whenever appropriate – on respectively relations between employment and social security policies in Europe, Redistributive effects of social security in China, the Effects of demographic ageing on the Chinese pension system, the Changes in labour market as it affects China's old-age pension insurance and the Financial sustainability of the basic old-age pension system in China. This publication which will be fully bilingual will present as well 7 European country papers – one per country member of the Consortium – an aspects of interest for the Chinese side in the relations between employment and social security policies.

After the High Level Event, the Component still organised a Provincial Dialogue and Study visit to France and the Czech Republic for provincial delegations from Guangdong and Sichuan – two of the Component pilot sites – who wanted to review matters related to social insurance management and vesting / portability of pension rights for migrant workers. A team from central NDRC level accompanied this delegation and pursued its trip to Germany, where talks were held with the Rhein-Bonn-Sieg University that agreed to organize a training programme in 2017 on Evaluation and Relation of Social security schemes. Also in 2017, the project Component 1 is expected to play a very active role in the discussion of the Parametric Pension Reform law of China, currently in the final drafting phase, through joint European and Chinese research and evaluation on such aspects as retirement age, benefit formula, pension adjustment, minimum benefits, qualifying conditions ...

The C1 project team welcomed Ms Li Lingxi as Component assistant from 1 October 2016. She was briefed by Ms Xu Chenjia, who left us to return to her studies in London. This Newsletter provides me with the opportunity to thank Ms XU for her outstanding contribution to our project throughout the months she spent with us.

Jean-Victor Guat,
November 2016

Provincial Dialogue and Study Visit

Between 23 and 30 October 2016, provincial delegations from Guangdong and Sichuan Provinces (two of the project Component 1 pilot sites) undertook a dialogue and study visit to France and the Czech Republic. The main focuses of interest for the delegations were the reform, modernisation and coordination of social security schemes, with special reference to mobile workers and computerisation. The Provincial delegations were accompanied by representatives from NDRC Central level, and in total 16 Chinese officials benefitted from this activity. Contacts in France, arranged by Expertise France, included the Pensions Advisory Board; the French liaison body for migrant workers' social security rights CLEISS, The National Pensions Information Technology Center and the responsible ministries.

In the Czech Republic, the programme coordinated by the Ministry of Labour and Social Affairs included exchanges with the Social administration, the Public employment services and the Ministry at the highest level, with Minister Ms Marksová meeting with the delegations.

The representatives from NDRC central bodies continued their mission on 1 November to Germany, where they held discussions with the Rhein-Bonn-Sieg University concerning the organisation of a training course in 2017 under Component 1 programme of activities.



FRANCE – BRIEFING OF THE DELEGATIONS



PRAGUE – MINISTER MS MARKSOVA MEETS WITH THE DELEGATIONS

GET IN TOUCH

EU-China Social Protection reform project

Guangyao Mansion, 17 Chaoyangmen Outer Street, Office 10-08 contact@sprp-cn.eu Tel. +86-10-65802888*1008 Project website: <http://www.euchinasprp.eu/>

EU – CHINA 2016 HIGH LEVEL EVENT ON PERSPECTIVE OF EMPLOYMENT POLICY AND SOCIAL SECURITY, 2016 - 2020

Organised by the Chinese National Development and Reform Commission NDRC and the Component 1 of the EU-China Social protection reform project SPRP, the project 2016 High Level Event was held in Beijing (Diao Yutai Hotel) on 28 and 29 September 2016. The theme for the event was Perspective of Employment and Social security reform, 2016-2020. More than 120 participants attended the sessions, practically in equal proportions between Chinese representatives and representatives from European countries and international organizations. Chinese participants came from central ministries, academic circles and provincial governments, while 11 European countries and 4 international organisations were represented. Mr Wang Xiaotao, vice chairman of the NDRC, and Mr Hans Dietmar Schweisgut, ambassador of the European Union to China and Mongolia, addressed the opening ceremony, chaired by Ms Cheng Jianlin, Deputy Secretary General of NDRC. The meeting consisted of 5 technical sessions, each of them co-chaired by eminent Chinese and European personalities.

Mr Claude Jeannerot, Ambassador of France in charge of International social relations, and Mr Xu Lin, Director General of the Department of Development planning of NDRC, co-chaired the first session devoted to the review of Macro-economic and employment situation during the period 2016-2020. Key-note speeches were delivered by Mr Pu Yufei, Director General of the Department of Employment and Income distribution of NDRC, and Mr Michel Servoz, Director general of the European Commission Directorate general for Employment, Social Affairs and Inclusion.



MEETING
WITH
FRIENDS



REGISTRATION

Two eminent scholars, Mr Hu Angang, Director of the Center for China studies at Tsinghua University and Mr. Stefano Sacchi, from the University of Milano, Italy, also delivered speeches on, respectively, Innovation driving development and employment during China's thirteenth five-year plan, and Labour market policies in the European countries – Complementing structural reforms with growth.

The second session, co-chaired by Mr. Pu Yufei, Director general of the Department of Employment and Income distribution of NDRC and Mr. Tom Bevers, Chairman of the European Union Employment Committee EMCO, reviewed New-type urbanization and support policies for employment and job creation. Keynote speeches were delivered by Mr. Stefan Olsson, on EU Employment and Social Priorities – EU initiatives, Mr. Zeng Xiangquan, Renmin University, on Youth Employment policies – Good models from China, Mr. Jean-Yves Hocquet, France, on Social protection and employment – Trade off or synergies, and Mr. Zhang Juwei, Chinese Academy of Social Sciences, on Population changes, labour market and reform of the Urban employees basic pension insurance system.

Mr. Jin Weigang, Director General of the Research Institute for Social security of the Ministry of Social security and Human resources, and Ms. Michaela Marksová, Minister of Labour and Social affairs of the Czech Republic, co-chaired the third session devoted to Universal coverage of Social security systems and adaptation to Mobility. Mr. Koen Vleminckx, Belgium, delivered a keynote speech on Universal coverage, while Ms. Katerina-Marina Kyrieri, Greece, addressed the Protection of Migrant workers under social security schemes in Europe. Professor Yue Jinglun, Sun Yat-Sen University then introduced the Guangdong province case study on transfer and continuation of pension insurance of migrant workers, while Professor Lin Yi, South-western University of Finance and Economics submitted a case study on the interaction of Urban and Rural social security schemes in Sichuan Province.

The fourth session devoted to Social efficiency and inclusive growth, was co-chaired by Ms. Oana Silvia Toiu, Secretary of State, Ministry of Labour, Family and Social protection of Romania, and Mr. Song Xiaowu, Former Director of the Office of North-East Region Revitalization, State Council. Mr. Cao Wenlian, International Cooperation Center ICC of NDRC, delivered a keynote speech on Understanding China's pension system reform from the perspective of equity and redistribution function, followed by Mr. Antero Kiviniemi, who presented Income distribution, social fairness and welfare policies in Finland. Ms. Jiang Wei, Ministry of Civil Affairs, introduced Social assistance and poverty alleviation under the security of basic life needs, while Ms. Pu Haihong, Shanghai Academy of Development and Reform, presented the Shanghai case study on population ageing and related counter-measures.



NETWORKING DURING
TEA BREAK



Session five reviewed the sustainability of social security systems and the financial reform, with Ms. Lucia Ortiz Sanz, deputy Director General of International social and labour relations of the Ministry of Employment and Social security of Spain and Mr. Liu Keguo, Deputy Director, Academic Advisory Board, China Centre for Economic Exchanges, acting as co-chair persons. Mr. Wolfgang Scholz Germany, introduced the "Riester Pensions" financing experience in his country. Mr. Xiong Jun, National council for Social security fund talked about improvements in the financing and management system of the social security fund, while Mr. Zhang Bingwen, Chinese academy of social sciences delivered a keynote speech on the Financial sustainability of the Urban basic old-age insurance system in China.

Mr. Jean-Victor Guat, SPRP project, presided over the closing ceremony, where Mr. Giuseppe Conte, SPRP Project leader, Mr. Cyril Bouyeure, Special adviser to the President, Expertise France, and Ms. Song Gongmei, Deputy director general of the International cooperation Center ICC of the NDRC, addressed the audience.

WELCOMING NEW TEAM MEMBER

Ms. Li Lingxi, who works since 1 October 2016 as Assistant for Component 1 of the EU-China Social Protection Reform Project.

Ms. Li is a graduate from Beijing Normal University. She took over from Ms Xu Chenjia, who went back to the United Kingdom to complete her post graduate studies.



EU-CHINA



Upcoming Events

The project Component 1 programme of activities for the year 2017 is under finalization at the time of issuing this Newsletter. It will most likely include a two-weeks training in Germany on Social security Evaluation, reform-oriented research on parametric aspects of pension schemes in China and a high level study visit to Northern Europe on Redistributive effects of social security mechanisms.



2017

SUMMARY OF ACTIVITIES AND NEWSLETTERS

EU-CHINA SPRP COMPONENT ONE – SUMMARY OF ACTIVITIES, 2017

NDRC AND CONSORTIUM CONDUCT AN EXPLORATORY MISSION TO SHANGHAI AND GUANGDONG

From 26 February to 3 March 2017, under the auspices of Component 1 programme of activities for the year, NDRC and the interested Consortium members led a mission to C1 pilot sites in Shanghai and Guangdong Province. This activity intervened at the request of NDRC. Its objective was for members of the Consortium to get better acquainted with the economic and social situation in the places visited, and to formulate with NDRC proposals for future cooperation activities matching the expectations of the pilot sites, as well as the competences and availability of the European party.

Ms. Zhu Yingjuan, who was just appointed Director General in the Department of Employment and Income distribution of NDRC, and for the Consortium Mr. Laurent de Lespinay, Coordinator for C1, Expertise France, jointly led the mission. Mr. Tretyak (France), Mr. Vleminckx (Belgium), Mr. Antichi and Ms. Pasqua (Italy) participated. The NDRC delegation included representatives from its Employment and Income distribution Department, as well as from its International Cooperation Center. Provincial and local DRC leaders were present and active at all times. The Beijing-based C1 project team was also part of the mission.

In Shanghai, the mission focused on long-term care, and innovative enterprises. It had fruitful discussions with representatives of the local Development and Reform Commission as well as with representatives from innovative enterprises, from the department of human resources and social security and the department of civil affairs. It appeared that Shanghai authorities had developed very interesting ways of handling long term care including through a pilot social insurance scheme, and that its technique was in a number of instances not second to that of European organizations. This opens interesting avenues for mutually beneficial cooperation that should be explored further.

In Guangdong Province, the mission focused more on social security computerisation and the integration of rural and urban pension schemes, including through schemes coordination for the vesting and portability of pension rights.

The mission had first contacts with provincial authorities and Municipal Government in Guangzhou city, before discussing the situation also in Qingyuan, which is a very vast half urban/rich and half rural/poor prefecture in Guangdong Province. In the course of the discussion, where experts had ample time to reflect on the local situation and to refer to their own national backgrounds, it was very clear that the plans to be developed by the Chinese side for extension of social protection and improved computerization in social security would benefit from further direct cooperation from European partners. In turn, European partners would gain in getting better acquainted with approaches taken in Guangdong province, where modern technology is becoming more and more accessible, and is actually used in all aspects of social security management.

The local Development Reform Commissions and the concerned Consortium members will now prepare their respective suggestions for continued cooperation which, after reconciliation, will hopefully become part of the project future plans of activities and form a basis for technical cooperation programmes to develop beyond the project time frame.



From left to right, Su Yanxian, GD DRC; Li Gangchao, GD DRC; Gu Wanjun GD DRC; Li Xinquan, Deputy Mayor, Qingyuan; Koen Vleminckx, Federal Social security, Belgium; Zhu Yingjuan, Director, NDRC; Ge Changwei, Municipal Party Secretary, Qingyuan; Tang Ling, NDRC; JV Gruat, Resident Expert; Chang Hao, ICC NDRC; Andrei Tretyak, Expertise France; Laurent de Lespinay, Expertise France; Dai Bowen, ICC NDRC

Strengthening Cooperation

From 6 to 15 July 2017, a delegation from NDRC Employment and Income distribution department led by Inspector Zhu Yingjuan visited partner organisations in Italy, Spain (see picture) and at the European Union Headquarters in Brussels. During the visits, the delegation held bilateral talks on employment promotion and social security reform, including challenges caused by population ageing. At the same time, ties for future technical and policy bilateral cooperation were further strengthened.



EU EXPERTS VISIT BEIJING, DISCUSS PARAMETRIC REFORM

From 27 August to 1 September 2017, a group of EU experts composed of Jan Škorpík, Head of Actuarial unit, Department of Social insurance and Marek Suchomel, Researcher, Actuarial Unit, Ministry of Labour and Social Affairs, Czech Republic; Heinz-Dietrich Steinmeyer, Professor, University of Muenster, Germany; Carlo Mazzaferro, Associate professor in Public Economics, University of Bologna, Italy; and, Karl Birkholz, Analyst, Research Department, Swedish Pension Agency, visited Beijing as part of the EU-China Social protection reform project (SPRP) Component One programme of activities for 2017. While the mission was centered around the contribution of the project to discussions on the envisaged parametric reform of the pension system in China, as conducted by the State Council, the team made use of this opportunity to actively participate on 29 August in an international symposium on the future of Welfare states, organised by the Institute of Political Sciences of the Chinese Academy of Social Sciences (CASS).

On 28 August, the team of experts was briefed about the situation of pension reform of China via an introduction made by the Resident Expert for Component 1 Mr. Jean-Victor Gruat and the main Expert – Research – of the said component, Mr. Fang Lianquan. The briefing insisted on the main characteristics of the Chinese pension system, namely its impressive records in terms of improving personal coverage over the last decade or so, its marginally decreasing attractiveness among modern enterprises, the spatial fragmentation of the system, its still relatively low level of protection in terms of replacement rates, especially in rural areas, the threat from a rapidly ageing population and the related questioning about long term affordability (see <http://www.euchinasprp.eu/en/components-en/component1-en/update-to-2015-baseline-data>)

On 29 August, the team took part in an international Symposium on “Past, Present and Future of the Welfare State” organized by the Institute of Political Sciences of CASS in collaboration with Hitotsubashi University in Japan. A special session, where the Resident expert JV Gruat acted as moderator, while the main Expert - Research Fang Lianquan acted as moderator was dedicated to the presentation of respective national reform experiences by the project EU experts.

On 30 August, the Experts took part in the Panel discussion meeting organized by NDRC as a mid-term review of work in progress by 4 Chinese experts on as many technical topics part of the Component One programme of activities for the year 2017, namely Prof. Zhou Hong (Member of Academic Board, Deputy Chair of Academic Division for International Studies, Chinese Academy of Social Sciences) on Pension systems parametric reforms; Ms Zhu Mengbing (China Institute for Income distribution, Beijing Normal University) on behalf of Prof. Li Shi on Redistributive effects of pension schemes’ parametric reform; Prof. Zheng Gongcheng (Member of the Standing Committee of the National People’s Congress, professor of Renmin University of China) on the Evaluation of Social security policies; and, Mr. Chan Wingkit (Sun Yatsen University) on behalf of Mr. Ngok Kinglun (aka Yue Jinglun) on Evaluation of Employment policies.

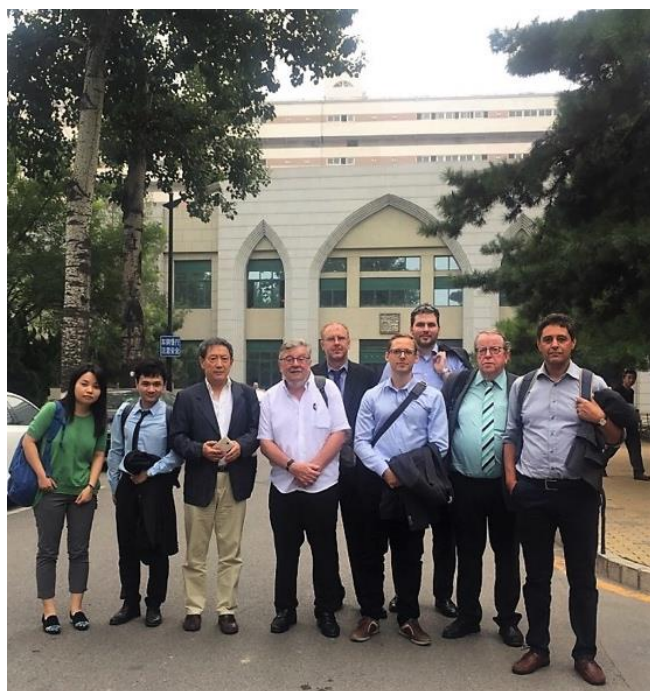
The meeting was opened by Mr. Li Kang, Director General, Employment and Income Distribution department of NDRC, who had a brief courtesy call with the team before the opening ceremony. Technical sessions were chaired by Ms Zhu Yingjuan, Inspector General with NDRC and Mr. Chang Tiewei, Deputy Director General. Ms Zhang Xinmei, Director of Social security division, NDRC, drew the conclusions of the various sessions while Mr. Jean-Victor Gruat summed up operational conclusions on behalf of the project. Ms Yi Xiaolin from the EU Delegation for China and Mongolia, also addressed the meeting on behalf of the European Union.

On 31 August, The delegation had a fruitful discussion with Mr. Tim de Meyer, Director of the ILO Office for China and Mongolia, and Ms Li Qingyi, Officer in charge of Social protection. The general topic of the meeting was the contribution of international cooperation to the social protection reform process in China.

The ILO introduced its Decent work country programme for China 2016 – 2020 which had been endorsed by its tripartite constituents, Ministry of Human Resources and Social Security MOHRSS, All-China Federation of Trade Unions ACFTU, China Enterprise Confederation CEC as well as by the State Administration for Work safety SAWS.

Later on that same day, the team met in Renmin University. with Prof. Dong Keyong, who authored two major reports for Component 1 bearing direct influence on the parametric reform of the pension system, one on the development of a multi-pillar system in China, and one on the consequences of ageing on social protection system in China. Ms Li Zhen, Director of the Social security research institute of Renmin University took part in the discussion, as well as some students from the school of Public administration.

During a short debriefing session held at the Project office, it was noted that the mission had indeed helped a lot in better focusing comments and suggestions based on European experience, to match the real concerns of the Chinese side in the area of pension reform. Experts will now prepare for their forthcoming intervention during the international workshop to be held in Paris on 14 September 2017 on Parametric Reform and Redistribution through Public Pension Schemes. Based on the findings of the Beijing mission, they will revise their respective inputs (background national papers and power points) to adjust them better to the expectations of the Chinese stakeholders.



IN RENMIN UNIVERSITY



PANEL DISCUSSION MEETING



PARIS: INTERNATIONAL WORKSHOP AND POLICY DIALOGUE

An International Workshop to complete research on the topics of parametric reform and redistributive effects in pension reform was held in Paris on 14 September 2017. Some 20 participants took part in the discussions, among which Chinese and European high-level officials as well as Academics and Experts. The EU Social Protection Committee and the OECD were also represented.

The Workshop was opened by Mrs Nathalie Nikitenko, Delegate for the European and International Affairs, Ministry of Solidarities and Health, Ministry of Labour (France) and Mr. Li Kang, Director General, Department of Employment and Income distribution, NDRC. Mr. Andraz Rangus, Chair of EU Social Protection Committee Working Group on the Pension adequacy report also made a presentation on Pension adequacy in European Union countries.

Mr. Koen Vleminckx, Director General Strategy, Research and International, Federal Public Service Social Security, Belgium chaired the 1st session on Parametric Reforms in Public Pension System. Ms. Zhou Hong, Researcher, Member of Academic Board of Chinese Academy of Social Sciences (CASS), made her presentation on Chinese pension reform, and the relevance of the European experience. Following, experts from EU member-states gave reviews on pension systems in their respective countries namely Mr. Jan Skorpik and Mr. Marek Suchomel, from Ministry of Labour and Social Affairs of Czech Republic; Ms Anne Lavigne, General secretary, Pensions Orientation Council from

France; Mr. Carlo Mazzaferro, from University of Bologna, Italy; Mr. Andrzej Szybkie, from the Social Insurance Institution ZUS, Poland; and Mr. Karl Birkholz, from the Swedish Pensions Agency, Sweden.

Ms. Zhou Hong, CASS, chaired the 2nd session on The Influence of Parametric Reform on Redistribution through Public Pension Schemes. Mr. Li Shi, Dean of China Institute for Income Distribution, Beijing Normal University, made his presentation on Current and prospective redistribution through the Chinese pension scheme for urban employees. Mr. Pieter Vanhuysse, Danish Center for Welfare Studies made his presentation on Political Economy of Pensions and Redistribution effects in Europe and Ms. Céline Thévenot, Social Policy Division, Directorate for Employment, Labour and Social Affairs, OECD, made her presentation on Trends, causes and remedies to income inequality in OECD.

Following the 2nd session was the general discussion, and then Mr. Li Kang, Director General, DEID, NDRC and Mr. Bertrand Barbé, Director General Delegate, Expertise France gave closing comments on the international workshop, marking the success of the conference.

On 15 September, still in Paris, was held the **Second EU-China Policy Dialogue** under the framework of the project component I (the first Policy dialogue had been held in Beijing in April 2016).

The policy dialogue allowed for high level exchange between the Chinese delegation and European representatives, including Ms. Barbara Kaufmann, Employment, Social Affairs and Inclusion DG, European Commission; Mr. Stefano Scarpetta, Director for Employment, Labour and Social Affairs, OECD; Mr. Antero Kiviniemi, Social Protection Expert, Finland Representation to the EU; Mr. Koen Vlemminckx, Federal Public Service Social Security, Belgium. Mr. Michel Villac, Vice-President of the French High Council of Family, Children and Aged Persons (HCFEA) and Mr. Li Kang, Director general of NDRC Employment and Income distribution Department were the co-chairs of the Dialogue which addressed over two sessions issues of Employment and Social Integration, and of Social security and income redistribution.



STUDY VISIT TO FINLAND AND SWEDEN

Between 18 and 21 September 2017, a high level delegation from the Chinese National Development and Reform Commission NDRC led by Mr. Li Kang, Director General of the Department of

Employment and Income Distribution, conducted a Policy Dialogue and Study visit in Sweden and Finland, around the topic of income redistribution through social security mechanisms in these two Nordic countries.

In Sweden, the delegation first met with the Swedish Pension Agency Fund and Finance Department which explained the pivotal role of the pension system. A meeting with the Ministry of Social Affairs and Health followed, to gain a better global vision of the Swedish social protection comprehensive mechanism.

In Finland the delegation first met with the United Nations University World Institute for Development Economics Research, UNU-WIDER, located in Helsinki. The Institute provides economic analysis and policy advice with the aim of promoting sustainable and equitable development for all, particularly developing countries.

The delegation then visited the Finnish Unemployment Insurance Fund, TVR, which is a public body managing unemployment insurance system for Finnish citizens, also in charge of observing evolution in the labour market.

To follow, the Delegation met with KELA, which is the Social Insurance Institution of Finland, managing the national pension for the Finnish citizens. KELA is conducting the experiment on universal minimum income on behalf of the current Finnish government, which is interesting to social protection policy makers and researchers around the world.

At the Finnish Centre for Pensions – ETK – which mainly manages earnings-related pension scheme, the Delegation received information on the legislation, supervision and execution of the earnings-related pension system in Finland. A presentation was also made on the 2015 - 2017 Finnish pension reforms, the aim of which were mainly to adapt the pension system to changing life expectancy.

In conclusion of the meetings and the visit, the NDRC delegation expressed its thanks to his hosts and to Expertise France for arranging the mission. The information gathered in Nordic countries will indeed be crucial for conducting further NDRC's own reflections and proposals concerning income redistribution through social protection, which started being conducted under project Component 1 auspices in the year 2016.



GERMANY – TRAINING ON EVALUATION OF EMPLOYMENT AND SOCIAL PROTECTION POLICIES

As part of the EU-China Social Protection Reform Project Component One programme of activities for the year 2017, a delegation of 17 NDRC national and provincial level senior officials, led by Mr Chang Tiewei, Deputy Director General, Department of Employment and Income Distribution, undertook a two-week training in Germany from 14 to 28 January 2018.

The training organised under the framework of Johannes Gutenberg University was held in Mainz and Berlin. Placed under the overall direction of Prof. Axel Weber, it was centred on the Relevance and Efficiency of Employment and Social Protection Policies in Europe with special reference to Long-Term Care.

The training therefore covered three focal areas:

- Evaluation of Employment

- Evaluation of Social Security Policies

- Services to Provide Care to the Elderly

The first two areas focused on methods and tools of evaluation of systems and policies, the third area on functioning and financing of services. Training was imparted through a combination of classroom exchanges by eminent specialists from Germany and other European countries or international institutions – selected Chinese delegates also introducing the specificities of their national situation, and visits to relevant German institutions in Rhein-Palatinate and Berlin Province. Institutions visited included the German Federal Statistical Office, the Ministry of Labour and Social Affairs, the Ministry of Public Health, the Trade Unions Confederation and the German Employers' Association, the German Public Pension System, the Federation of Welfare Institutions.

The objective of the training was to increase awareness of the participants on how issues that are subject to reforms in China are handled in Germany. In the end, the Chinese delegation returned to China with a good understanding of the methods and techniques used in Germany as well as a solid picture of the solutions in place.

As was the case for similar training exercises held under project auspices in 2015 and 2016, the members of the delegation benefitted from a day technical briefing before departure – held in Beijing on 13 January 2018. Placed under the responsibility of the Project, this briefing was imparted by prominent Chinese specialists, Mr. Zheng Gongcheng for social security evaluation techniques, Mr. Yue Jinglun for the evaluation of employment policies and Ms. Zhang Yinghua for long term care insurance.





FROM THE
RESIDENT EXPERT, COMPONENT 1

This first issue for 2017 of the EU-China Social protection social reform project Newsletter for Component 1 – Policy Development – comes out after the Project Advisory Committee adopted, in late February, the proposed programme of activities for the year to come, and just before a mission fielded by the European Union critically reviews, in April of this year, the achievements of a project entering into the latter part of its existence.

Initially foreseen for a period of 4 years, our project, and specifically its Component One, has already accumulated a significant number of achievements, and actively contributed to the continued modernisation of the Chinese social security system. After reviewing during its first year (2015) the fundamentals of the pension system reform in China, the Component addressed during the second year (2016) the core issue of systemic sustainability of the pension reform. The third year (2017) will now focus on the relevance and social efficiency of the reformed pension system, accompanying Government efforts into the operationalization of the country's XIIIth Five-year Plan.

2017 will indeed be a pivotal year for the project Component 1 since, beyond research activities specific to the current year; its plan of activities will already include preparation for future cooperative activities.

The project legacy to the Chinese reform will hopefully be significant, and the 2017 programme of activities also provides for the production of different leaflets presenting in a concise way most interesting, relevant and up-to-date European experience in key parametric aspects of pension reforms; for a gathering in Rome of all main Chinese and European stakeholders to discuss project exiting and aftermaths; a visit of NDRC; vice-chairman to selected European countries and the EU Commission to agree upon the contents of memorandums for future continued cooperation; as well as a just conducted exploratory and planning visit for future cooperation with Component 1 pilot sites in Shanghai and in Guangdong Province.

In short, 2017 will be for the project Component 1, a full year of collaborative work, and one of planning ahead for lasting, multifaceted and mutually beneficial cooperation.

Jean-Victor Gruat
March 2017

2017 – RESEARCH TOPICS FOCUS ON RELEVANCE AND SOCIAL EFFICIENCY OF PENSION SYSTEMS

The year 2016 research production was compiled in a three-volumes publication including the summary of works at the High Level Event on Employment and Social security, the thematic assessment reports on Demographic ageing, Employment promotion, Income distribution and Financial sustainability, and seven European country monographs responding to the Chinese stakeholders most critical questions on Pension schemes sustainability forecasts.



On 20 March 2017, C1 team members JV Gruat, Fang Lianquan and Zhang Guoqing meet in Project office with Chinese experts Ms Hua Ying - representing prof. Zheng Gongcheng - and prof. Zhou Hong assisted by Yang Chengyu.



COMPILATION OF 2016 RESEARCH TOPICS

In 2017, key research topics will focus on Evaluation of social security schemes (with leading Chinese expert Prof. Zheng Gongcheng, from National People's Congress and Chinese Association for Social Security), Parameters for Pension insurance reform (with prof. Zhou Hong, Director of the Institute for European Studies from the Chinese Academy of Social Sciences), Influence of parametric reform on income redistribution through pension insurance (with Prof. Li Shi from China Institute for Income Distribution at Beijing Normal University) and Gender considerations in Pension reform (based on a case study to be conducted at the city level in Chengdu, Sichuan, a pilot site for the project). Seven European experts have already been selected to contribute national monographs on pension reforms held over the last decade in their respective countries.

GET IN TOUCH

EU-China Social Protection reform project
Guangyao Mansion, 17 Chaoyangmen Outer Street, Office 10-08 contact@sprp-cn.eu Tel. +86-10-65802888*1008 Project website: <http://www.euchinasprp.eu/>

NDRC AND CONSORTIUM CONDUCT AN EXPLORATORY MISSION TO SHANGHAI AND GUANGDONG

From 26 February to 3 March 2017, under the auspices of Component 1 programme of activities for the year, NDRC and the interested Consortium members led a mission to C1 pilot sites in Shanghai and Guangdong Province. This activity intervened at the request of NDRC. Its objective was for members of the Consortium to get better acquainted with the economic and social situation in the places visited, and to formulate with NDRC proposals for future cooperation activities matching the expectations of the pilot sites, as well as the competences and availability of the European party.

Ms. Zhu Yingjuan, who was just appointed Director General in the Department of Employment and Income distribution of NDRC, and for the Consortium Mr. Laurent de Lespinay, Coordinator for C1, Expertise France, jointly led the mission. Mr. Tretyak (France), Mr. Vleminckx (Belgium), Mr. Antichi and Ms. Pasqua (Italy) participated. The NDRC delegation included representatives from its Employment and Income distribution Department, as well as from its International Cooperation Center. Provincial and local DRC leaders were present and active at all times. The Beijing-based C1 project team was also part of the mission.

In Shanghai, the mission focused on long-term care, and innovative enterprises. It had fruitful discussions with representatives of the local Development and Reform Commission as well as with representatives from innovative enterprises, from the department of human resources and social security and the department of civil affairs. It appeared that Shanghai authorities had developed very interesting ways of handling long term care including through a pilot social insurance scheme, and that its technique was in a number of instances not second to that of European organizations. This opens interesting avenues for mutually beneficial cooperation that should be explored further.



Shanghai, meeting with Government and start-up employers



Shanghai, Xuhui Social welfare facility and Mingzhu Creative Park



In Guangdong Province, the mission focused more on social security computerisation and the integration of rural and urban pension schemes, including through schemes coordination for the vesting and portability of pension rights.

The mission had first contacts with provincial authorities and Municipal Government in Guangzhou city, before discussing the situation also in Qingyuan, which is a very vast half urban/rich and half rural/poor prefecture in Guangdong Province. In the course of the discussion, where experts had ample time to reflect on the local situation and to refer to their own national backgrounds, it was very clear that the plans to be developed by the Chinese side for extension of social protection and improved computerization in social security would benefit from further direct cooperation from European partners. In turn, European partners would gain in getting better acquainted with approaches taken in Guangdong province, where modern technology is becoming more and more accessible, and is actually used in all aspects of social security management.

The local Development Reform Commissions and the concerned Consortium members will now prepare their respective suggestions for continued cooperation which, after reconciliation, will hopefully become part of the project future plans of activities and form a basis for technical cooperation programmes to develop beyond the project time frame.



Meeting at Social security Headquarter



Social security center

Guangzhou

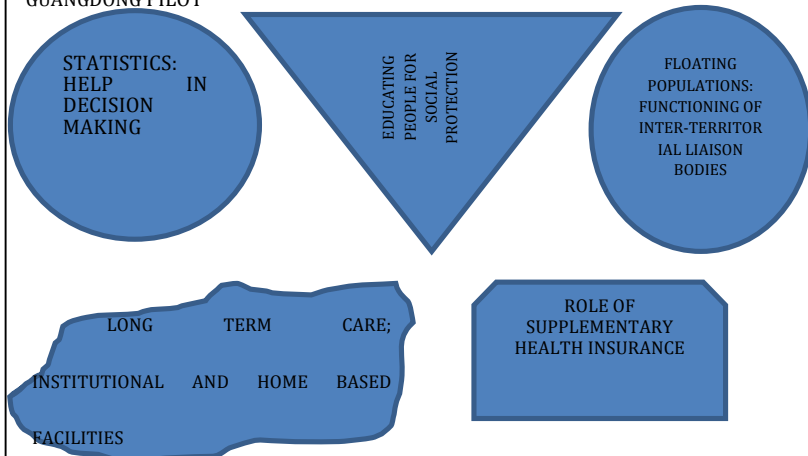


Meeting with Qingyuan Development and Reform Commission



Qingyuan City

A FEW POSSIBLE AREAS FOR MUTUALLY BENEFICIAL PRACTICAL COOPERATION IN THE AREA OF SOCIAL PROTECTION REFORM – EUROPE, SHANGHAI AND GUANGDONG PILOT



The delegation leaves Qingyuan

From left to right, Su Yanxian, GD DRC; Li Gangchao, GD DRC; Gu Wanjun, GD DRC; Li Xinquan, Deputy Mayor, Qingyuan; Koen Vleminckx, Federal Social security, Belgium; Zhu Yingjuan, Director, NDRC; Ge Changwei, Municipal Party Secretary, Qingyuan; Tang Ling, NDRC; JV Gruat, Resident Expert; Chang Hao, ICC NDRC; Andrei Tretyak, Expertise France; Laurent de Lespinay, Expertise France; Dai Bowen, ICC NDRC





Social Protection Reform Project
中国-欧盟社会保障改革项目



FROM THE
RESIDENT EXPERT, COMPONENT 1

Following upon the Component One 2017 workplan of activities adopted by the EU-China Social Protection Reform Project Advisory committee meeting, the second quarter of the year was mainly devoted to consolidating recently concluded interventions, and preparing for operations scheduled to take place during the second half of the year.

This edition of our Component Newsletter is of course reflecting the situation. Details will therefore be provided on the consultation meeting held between the Component One team and two of its Chinese authors involved in the review of possible public pensions parametric reforms in China, with European specialists also providing support through the analysis of their own related national experiences.

On 8 June, a briefing session on the SPRP project and its components was held at the EU Delegation in Beijing for representatives of interested member states, NGOs and Beijing-based international organizations. The meeting, while providing a wide range of information on the scope of the project, past achievements, and future activities, was a very successful and promising opening for future cooperation, presenting an opportunity to exchange information among the participants on ongoing activities in the field of social protection and propose areas of interest for collaboration.

Jean-Victor Guat
June, 2017

C1 Newsletter

Summer 2017

IN THE MAINSTREAM OF THE REFORM

On 17 June 2017, the Chinese Social Security Association organised a very important seminar on Basic pension Insurance personal accounts – which findings were submitted to the State Council as a significant contribution into the reform process. It is of great significance and pride to the Component project team that all three of the main speakers at this seminar – and several more from the audience – are active experts for the C1 activities, thus testifying to the presence of our works in the mainstream of the Chinese pension reform process.



Song Xiaowu and Zheng Gongcheng at the 19 June Pension seminar. Third SPRP C1 expert main speaker at this seminar is prof. Zhou Hong (source: China economy net, www.ce.cn)

NEW AND FORTHCOMING PUBLICATIONS

The three-volume report on Component one 2016 High Level Event on Employment Promotion and Social security reform is soon to be available in Chinese. English and Chinese versions can be downloaded from project website, while hard copies can be made available on request. Ms Li Lingxi, project assistant for Component One, was in charge of editing the Chinese version of the HLE report.

Available Notes:

TOPICS	NOTES
PENSION REFORM	0 – Selected Pension reforms in Europe
MANAGEMENT REFORM	111-Fraud
PENSION SCHEME EVALUATION	122-General principles for pension reform
	122-Social security performance indicators
	122-Evaluation of Social security
AFFORDABILITY OF PENSION SCHEMES	123-State budget financing
GENDER	124-Gender considerations
REFORM FOR PUBLIC SECTORS	131-Reform of public pension schemes
MULTITIER PENSION SYSTEMS	134-Multitier pension systems
PARAMETRIC REFORM	0 – Selected Pension reforms in Europe
	136-Extending working life
	136-Parametric-Minimum standards
	136-Indexation
DEMOGRAPHIC AGEING	137-Demography and social security
	137-Long term care insurance
	137-Retirement Age
NOTIONAL DEFINED CONTRIBUTIONS	139-NDC European Best Practices
	139-NDC self-financing
INDIVIDUAL ACCOUNTS	141-Adjusting for Longevity
	141-Adjusting individual records
	141-Regulations for Funded schemes
VESTING AND PORTABILITY	143-Principles of Coordination (migrant workers)
	143-Social insurance for mobile workers in Europe

TECHNICAL NOTES

Over project life, a number of technical research, exchanges and dialogues have been conducted, addressing a great variety of technical topics, and reporting the wealth of European experience in the various aspects of social protection reform to the Chinese reality and prospects. While these activities have been duly documented and enshrined in a very rich and detailed series of publications and reports available notably from the project website in English and in Chinese languages, it was felt useful to supplement this scientific documentation with a set of short notes, presenting in a concise yet accessible manner the fundamentals of European experience in main pension reform topics, as those might be relevant for the Chinese – and indeed other countries' endeavors to improve upon their respective existing systems. 22 such Notes, covering 12 technical topics, have already been drafted, and are in the process of being translated into Chinese. Their contents is derived from project works, be it works under the current project or under its predecessor, the EU-China Social security reform project (2006-2010).

European Experience and Best Practices
in Pension Reform

SELECTED TECHNICAL NOTES



GET IN TOUCH

EU-China Social Protection reform project
Block A, Full Link Plaza, 18 Chaoyangmen Outer Street, Office 23-08 contact@sprp-cn.eu Tel. +86-10-85306520 Project website: <http://www.euchinasprp.eu/>

PARAMETRIC REFORM AND REDISTRIBUTION: MEETING WITH CHINESE EXPERTS

The meeting was first intended at having the two authors in charge of related reports linked with social insurance reform - namely prof. Li Shi for Redistribution aspects and prof. Zhou Hong for Parametric reform - meet and exchange views on the hypothesis they envisage at this stage - since obviously considered parametric reform may have an effect on redistribution through social security, especially when those effects are cumulative, while some parametric reforms may run counter otherwise promoted objectives of redistribution through social security. In this regard, those present had a substantive exchange of views based on prof. Zhou Hong's preliminary findings.

On the occasion of the meeting participants also had an opportunity to discuss working arrangements, deadlines and timing for forthcoming events. In particular, it was agreed that prof. Zhou Hong would provide an early release of her first draft report for the briefing of NDRC delegation to visit Spain, Italy and the European Union in July 2017, while prof. Li Shi would base its preliminary simulations concerning possible redistribution through pension schemes on hypothesis concerning parametric reform to be submitted for testing by prof. Zhou Hong's team. Peer review associating several European experts providing analysis of their own national parametric reforms is scheduled for late August 2017 in Beijing.

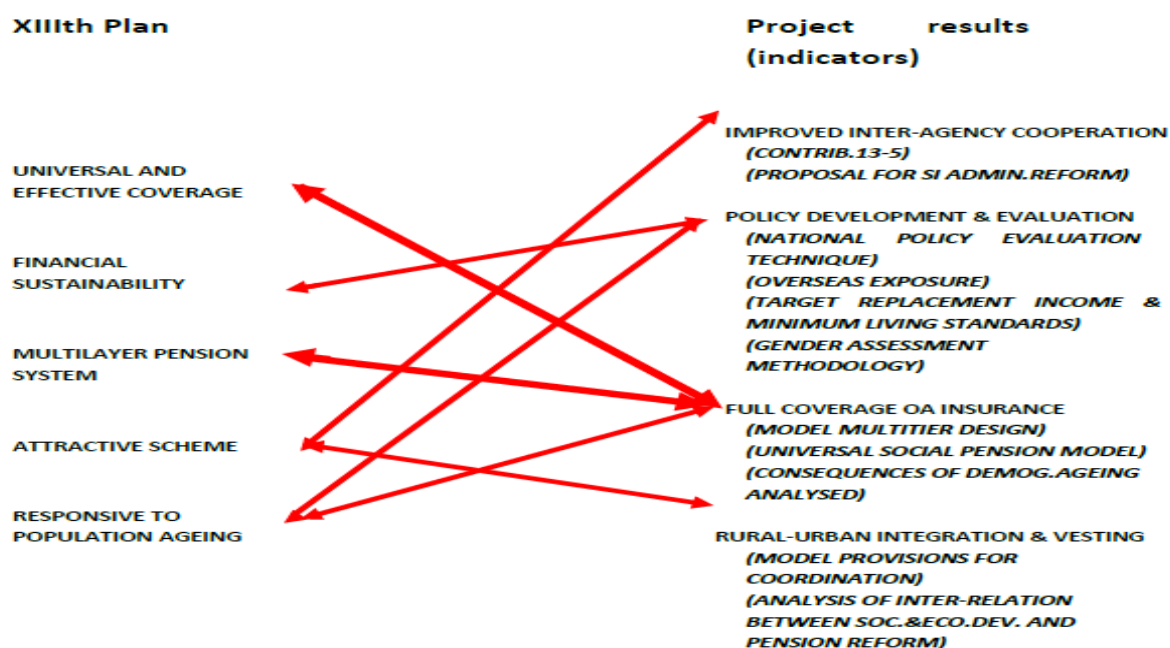
Parametric reforms of pension schemes are those reforms affecting, notably but not exclusively, the following parameters: Benefit formula; Credit periods; Basis for contributions; Minimum pensions; Retirement age; Conditions for early retirement; Accumulation of pension and earnings from continued activity; Bonuses for deferred retirement; Fringe benefits (such as extended health care for pensioners, taxation, pension supplements, access to social services); Other qualifying conditions; Indexation of past earnings; Indexation of benefits in course of payment; Periodicity in payment of benefits; New financial resources alternative to contributions.



FROM LEFT, CLOCKWISE : JV GRUAT, EU RESIDENT EXPERT C1, PROF. LI SHI, PROF. ZHOU HONG, MS ZHANG JUN (CASS), MR FANG LIANQUAN AND MR ZHANG GUOQING (C1)

COMPONENT ONE RELEVANCE FOR THE XIIIth FIVE-YEAR PLAN

(Diagram submitted during the EUD briefing for Member States on 8 June 2017)



SOME DATA ABOUT SOCIAL INSURANCE PENSION SCHEMES IN CHINA (2015)

Income:

- Minimum wage monthly Shanghai 2300 RMB (twice Anhui, 1150)
- Average monthly salary Beijing 9000 (2014: 6700) RMB, Anhui 4500
- Average monthly pension (project calculation) National 2350, Beijing 3400, Anhui 2045
- Average replacement rate 44 % (declining trend)
- GDP 68.550 trill. RMB ($\sim 69 \cdot 10^{12}$)
- Social ins. income all branches 4.600 trillion RMB (6.7% of GDP)
- Soc. insurance expenditure 4 trillion
- Accumulated surplus 3 trillion RMB.

Coverage:

- Employed urban 404 million, empl. rural 370 million persons
- Old age all schemes 858 million persons including: urban workers active contributors 262, urban workers retired 91, rural-urban residents 357, rural-urban beneficiaries 148.
- Migrant workers registered under OA insur. 56 million (out of 277 million migrant workers, of which 169 million interprovincial migration)
- Urban workers coverage rate estimated 2/3
- Enterprise annuity schemes: 75.000 enterprises totaling 23 million workers



The EU-China SPRP is conducted with the assistance of the European Union. However, the newsletter can in no way be taken as reflecting the views of the European Union.



Social Protection Reform Project
中国-欧盟社会保障改革项目



FROM THE RESIDENT EXPERT, COMPONENT 1

Summer 2017 was not an idle time for the EU-China Social Protection Reform Project Component 1 team. After moving to new premises, the Team actively prepared for covering the main technical topics chosen together with NDRC to support Pension reform in China during the current year. A group of European experts visited Beijing to take part with their fellow Chinese researchers in a peer review exercise on parametric reform and evaluation of social security as well as employment policies.

On the occasion, the group of experts also introduced the situation in their respective countries to a forum of Chinese researchers discussing the future of Welfare states, and prepared for the forthcoming international workshop on reform and redistribution, to be held by mid-September in Paris. Almost simultaneously, the undersigned took part in a very important gathering of Chinese policy makers and researchers on proposals for the future national indexation of pension schemes, responding to an invitation showing the growing influence of our project among interested circles. Meanwhile, the NDRC delegation had completed a study and dialogue study visit to countries of Europe, where it strengthened links to prepare for future bilateral and multilateral cooperation activities.

Jean-Victor Gruat
September, 2017

C1 Newsletter

Autumn 2017

Farewell to Yi Xiaolin

By the end of August 2017, Ms Yi Xiaolin left the European Delegation in Beijing for retirement after a long and successful career devoted to strengthening the ties between China and the EU. Having already monitored the predecessor of the current SPSP Project, Ms Yi was a very good and efficient friend of NDRC, and of the whole C1 team. Her advices, her dedication to the cause of social protection, her innovative ideas will be greatly missed by our project!



Ms Yi Xiaolin addressing the C1 Panel discussion meeting on 30 August 2017, her last day in office.

More to come

Paris, 14-15 September International workshop on Parametric reform and Redistribution through social security pension schemes, High-level policy dialogue on Promoting Inclusive growth.

Stockholm, Helsinki, 18-22 September 2017, Dialogue and Study visit on Income redistribution through social security programmes.

Germany, date to be confirmed, High-level two weeks training on Evaluation of social security and employment policies.



Strengthening Cooperation

From 6 to 15 July 2017, a delegation from NDRC Employment and Income distribution department led by Inspector Zhu Yingjuan visited partner organisations in Italy, Spain (see picture) and at the European Union Headquarters in Brussels. During the visits, the delegation held bilateral talks on employment promotion and social security reform, including challenges caused by population ageing. At the same time, ties for future technical and policy bilateral cooperation were further strengthened.

Indexation in pension schemes

On 1 September 2017, the Component 1 Resident expert was invited to address an ILO/MOHRSS Seminar on the reform of pension benefits adjustment mechanisms in China. The objective of the meeting was to gather the opinion of a number of decision makers, practitioners, and researchers from China, as well as from international quarters, to amend and enrich their initial approach. Participants in the meeting – over 40 in total – were representatives from various Ministries and Departments interested in pension reform – including NDRC -, from the social partners, from various academic institutions – of which several acted as experts for the SPRP project already – and from a few Provincial authorities. One may see a sign of the importance attached to the project by the organizers in the fact that the SPRP representative was the last speaker of the meeting. His contribution, translated into Chinese courtesy of ILO Beijing Office, has been transmitted to the ISSR team of researchers, together with other documents submitted to the meeting.



New Office

In June 2017, the EU-China Social protection reform project moved to new premises in Beijing, thus increasing project visibility on Beijing international scene.

The C1 Team – from left to right, Zhang Guoqing, JV Gruat, Fang Lianquan, Li Lingxi – with project financial assistant Ms Ma Lan, in the hall of new office.

GET IN TOUCH

EU-China Social Protection Reform Project SPRP

Block A, Full Link Plaza, 18 Chaoyangmen Outer Street, Office 23-08 contact@sprp-cn.eu Tel. +86-10-85306520 Project website: <http://www.euchinasprp.eu/>

EU EXPERTS VISIT BEIJING, DISCUSS PARAMETRIC REFORM

From 27 August to 1 September 2017, a group of EU experts composed of Jan Škorpič, Head of Actuarial unit, Department of Social insurance and Marek Suchomel, Researcher, Actuarial Unit, Ministry of Labour and Social Affairs, Czech Republic; Heinz-Dietrich Steinmeyer, Professor, University of Muenster, Germany; Carlo Mazzaferro, Associate professor in Public Economics, University of Bologna, Italy; and, Karl Birkholz, Analyst, Research Department, Swedish Pension Agency, visited Beijing as part of the EU-China Social protection reform project (SPRP) Component One programme of activities for 2017. While the mission was centered around the contribution of the project to discussions on the envisaged parametric reform of the pension system in China, as conducted by the State Council, the team made use of this opportunity to actively participate on 29 August in an international symposium on the future of Welfare states, organised by the Institute of Political Sciences of the Chinese Academy of Social Sciences (CASS).

On 28 August, the team of experts was briefed about the situation of pension reform of China via an introduction made by the Resident Expert for Component 1 Mr. Jean-Victor Gruat and the main Expert – Research – of the said component, Mr. Fang Lianquan. The briefing insisted on the main characteristics of the Chinese pension system, namely its impressive records in terms of improving personal coverage over the last decade or so, its marginally decreasing attractiveness among modern enterprises, the spatial fragmentation of the system, its still relatively low level of protection in terms of replacement rates, especially in rural areas, the threat from a rapidly ageing population and the related questioning about long term affordability (see <http://www.euchinasppr.eu/en/components-en/component1-en/update-to-2015-baseline-data>)



On 29 August, the team took part in an international Symposium on "Past, Present and Future of the Welfare State" organized by the Institute of Political Sciences of CASS in collaboration with Hitotsubashi University in Japan. A special session, where the Resident expert JV Gruat acted as moderator, while the main Expert - Research Fang Lianquan acted as moderator was dedicated to the presentation of respective national reform experiences by the project EU experts.

On 30 August, the Experts took part in the Panel discussion meeting organized by NDRC as a mid-term review of work in progress by 4 Chinese experts on as many technical topics part of the Component One programme of activities for the year 2017, namely Prof. Zhou Hong (Member of Academic Board, Deputy Chair of Academic Division for International Studies, Chinese Academy of Social Sciences) on Pension systems parametric reforms; Ms Zhu Mengbing (China Institute for Income distribution, Beijing Normal University) on behalf of Prof. Li Shi on Redistributive effects of pension schemes' parametric reform; Prof. Zheng Gongcheng (Member of the Standing Committee of the National People's Congress, professor of Renmin University of China) on the Evaluation of Social security policies; and, Mr. Chan Wingkit (Sun Yatsen University) on behalf of Mr. Ngok Kinglun (aka Yue Jinglun) on Evaluation of Employment policies.

The meeting was opened by Mr. Li Kang, Director General, Employment and Income Distribution department of NDRC, who had a brief courtesy call with the team before the opening ceremony. Technical sessions were chaired by Ms Zhu Yingjuan, Inspector General with NDRC and Mr. Chang Tiwei, Deputy Director General. Ms Zhang Xinmei, Director of Social security division, NDRC, drew the conclusions of the various sessions while Mr. Jean-Victor Gruat summed up operational conclusions on behalf of the project. Ms Yi Xiaolin from the EU Delegation for China and Mongolia, also addressed the meeting on behalf of the European Union.



Meeting with Mr Li Kang

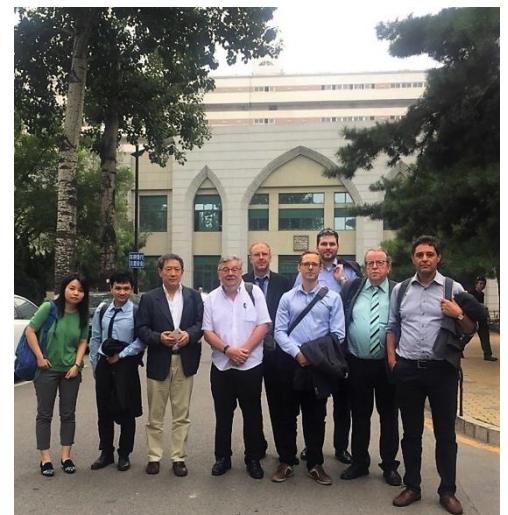


On 31 August, The delegation had a fruitful discussion with Mr. Tim de Meyer, Director of the ILO Office for China and Mongolia, and Ms Li Qingyi, Officer in charge of Social protection. The general topic of the meeting was the contribution of international cooperation to the social protection reform process in China.

The ILO introduced its Decent work country programme for China 2016 – 2020 which had been endorsed by its tripartite constituents, Ministry of Human Resources and Social Security MOHRSS, All-China Federation of Trade Unions ACFTU, China Enterprise Confederation CEC as well as by the State Administration for Work safety SAWS.

Later on that same day, the team met in Renmin University. with Prof. Dong Keyong, who authored two major reports for Component 1 bearing direct influence on the parametric reform of the pension system, one on the development of a multi-pillar system in China, and one on the consequences of ageing on social protection system in China. Ms Li Zhen, Director of the Social security research institute of Renmin University took part in the discussion, as well as some students from the school of Public administration.

During a short debriefing session held at the Project office, it was noted that the mission had indeed helped a lot in better focusing comments and suggestions based on European experience, to match the real concerns of the Chinese side in the area of pension reform. Experts will now prepare for their forthcoming intervention during the international workshop to be held in Paris on 14 September 2017 on Parametric Reform and Redistribution through Public Pension Schemes. Based on the findings of the Beijing mission, they will revise their respective inputs (background national papers and power points) to adjust them better to the expectations of the Chinese stakeholders.



In Renmin University, from left to right: Ms Li Lingxi, Lin Guowang (interpreter), Zhang Guoqing, JV Gruat, Jan Skorpic, Karl Birkholz, Marek Suchomel, Heinz-Dietrich Steinmeyer, Carlo Mazzaferro



Mr. Tim de Meyer, Director, ILO Office for China and Mongolia



Presentation by Prof. Dong in Renmin University





FROM THE RESIDENT EXPERT, COMPONENT 1

With the year 2017 coming to an end, our Component was proud to report to the project Coordination meeting held in Rome on 1 December 2017, that not only it completed or substantially advanced in all parts of its ambitious programme for the year, but also launched new elements that, although not initially foreseen, proved to be of great interest for improving project efficiency.

Information was already provided in the previous editions of this newsletter on the update in baseline data and production of technical notes which, beyond servicing the Chinese stakeholders and experts visiting China, might help conducting reforms in other countries by making accessible to a wide audience both the Chinese experience, and the European response to some world-wide challenges in social security planning and management. In order to ensure that activities planned for 2018 take place in a well-informed context, the Component took the initiative to make and advance review, held in Rome on 30 November 2017, of the topic of active labour market policies, which will be the common thread of most of our overseas activities for next year. We are entering what was initially scheduled to be the last year of our project. Even though discussions are on going to consider a possible cost-neutral extension with the European Union,

results already achieved are quite substantial – and the recently conducted EU project evaluation mission unambiguously confirmed that our component was on track pursuing the results assigned to it. Our plan of activities for 2018, already substantially discussed and agreed with the Chinese National Development and Reform Commission NDRC, will be formally adopted during a Project advisory committee meeting to be held around the Chinese Spring Festival in February of next year. For our component, 2015 was the year of reviewing the fundamentals of the pension system, 2016 that of Sustainability issues, 2017 was dedicated to the relevance and efficiency of pension schemes. For 2018, our ambition is to contribute to a better understanding of the role of social protection in upholding societal changes – which is in fact about the very legitimacy of a country's social system...

Jean-Victor Gruat
December 2017

PUBLICATION

The three-volume Chinese version of the report on Component One 2016 High level event on Employment promotion and social security policies is published. Available on request from the project office. Free download from Project website – <http://www.euchinasprp.eu/cn/>



ROME 1 DECEMBER – PROJECT COORDINATION MEETING The meeting held at the invitation of the Italian National Social Protection Institution INPS, which is in charge of overall project leadership on behalf of the European consortium, allowed Chinese stakeholders, component coordinators and other members of the Consortium, secretariats as well as resident experts to exchange views on the various aspects of the project, without the pressure inherent to official decision-making statutory sessions. Participants could therefore conduct a friendly though efficient and in-depth discussion around major topics such as the evaluation of past activities, proposals for 2018 programme, the prospects for inter-component collaboration and the possible contents of an envisaged project extension. Progress made on the occasion of the coordination meeting will no doubt facilitate further exchanges among all parties involved, until and during the 2018 project advisory committee meeting.



GENDER AND SOCIAL PROTECTION

Professors Lin Yi, Director, Centre for Insurance & Social Security Research (CISSR), Southwestern University of Finance and Economics, Chengdu and Ngok Kinglun (aka Yue Jinglun), vice-dean of the School of Government/Center for Public Administration Research, Sun Yatsen University, Canton, completed for the project Component one two major researches on the employment and social protection situation of women in their respective provinces. This work will feed in a major item on the Component programme of activities for 2018, with exchange of views and experiences and formulation of recommendations for overcoming factors of gender imbalance in the related fields. The studies indeed show that, both in Sichuan and Guangdong provinces, the situation of women, especially migrant workers, lags well behind that of male in terms of accessing decent employment, enjoying stability in labour relation, and benefitting from a robust, well- established social protection scheme.

GET IN TOUCH

EU-China Social Protection reform project

Guangyao Mansion, 17 Chaoyangmen Outer Street, Office 10-08 contact@sprp-cn.eu Tel. +86-10-65802888*1008 Project website: <http://www.euchinasprp.eu/>

PARIS: INTERNATIONAL WORKSHOP AND POLICY DIALOGUE

An International Workshop to complete research on the topics of parametric reform and redistributive effects in pension reform was held in Paris on 14 September 2017. Some 20 participants took part in the discussions, among which Chinese and European high-level officials as well as Academics and Experts. The EU Social Protection Committee and the OECD were also represented.

The Workshop was opened by Mrs Nathalie Nikitenko, Delegate for the European and International Affairs, Ministry of Solidarities and Health, Ministry of Labour (France) and Mr. Li Kang, Director General, Department of Employment and Income distribution, NDRC. Mr. Andrzej Rangus, Chair of EU Social Protection Committee Working Group on the Pension adequacy report also made a presentation on Pension adequacy in European Union countries.



Mr. Koen Vleminckx, Director General Strategy, Research and International, Federal Public Service Social Security, Belgium chaired the 1st session on Parametric Reforms in Public Pension System. Ms. Zhou Hong, Researcher, Member of Academic Board of Chinese Academy of Social Sciences (CASS), made her presentation on Chinese pension reform, and the relevance of the European experience. Following, experts from EU member-states gave reviews on pension systems in their respective countries namely Mr. Jan Skorpik and Mr. Marek Suchomel, from Ministry of Labour and Social Affairs of Czech Republic; Ms Anne Lavigne, General secretary, Pensions Orientation Council from France; Mr. Carlo Mazzaferro, from University of Bologna, Italy; Mr. Andrzej Szybkie, from the Social Insurance Institution ZUS, Poland; and Mr. Karl Birkholz, from the Swedish Pensions Agency, Sweden.

Ms. Zhou Hong, CASS, chaired the 2nd session on The Influence of Parametric Reform on Redistribution through Public Pension Schemes. Mr. Li Shi, Dean of China Institute for Income Distribution, Beijing Normal University, made his presentation on Current and prospective redistribution through the Chinese pension scheme for urban employees. Mr. Pieter Vanhuyse, Danish Center for Welfare Studies made his presentation on Political Economy of Pensions and Redistribution effects in Europe and Ms. Céline Thévenot, Social Policy Division, Directorate for Employment, Labour and Social Affairs, OECD, made her presentation on Trends, causes and remedies to income inequality in OECD.

Following the 2nd session was the general discussion, and then Mr. Li Kang, Director General, DEID, NDRC and Mr. Bertrand Barbé, Director General Delegate, Expertise France gave closing comments on the international workshop, marking the success of the conference.

On 15 September, still in Paris, was held the **Second EU-China Policy Dialogue** under the framework of the project component I (the first Policy dialogue had been held in Beijing in April 2016).

The policy dialogue allowed for high level exchange between the Chinese delegation and European representatives, including Ms. Barbara Kaufmann, Employment, Social Affairs and Inclusion DG, European Commission; Mr. Stefano Scarpetta, Director for Employment, Labour and Social Affairs, OECD; Mr. Antero Kiviniemi, Social Protection Expert, Finland Representation to the EU; Mr. Koen Vleminckx, Federal Public Service Social Security, Belgium. Mr. Michel Villac, Vice-President of the French High Council of Family, Children and Aged Persons (HCFEA) and Mr. Li Kang, Director general of NDRC Employment and Income distribution Department were the co-chairs of the Dialogue which addressed over two sessions issues of Employment and Social Integration, and of Social security and income redistribution.

STUDY VISIT TO FINLAND AND SWEDEN

Between 18 and 21 September 2017, a high level delegation from the Chinese National Development and Reform Commission NDRC led by Mr. Li Kang, Director General of the Department of Employment and Income Distribution, conducted a Policy Dialogue and Study visit in Sweden and Finland, around the topic of income redistribution through social security mechanisms in these two Nordic countries.

In Sweden, the delegation first met with the Swedish Pension Agency Fund and Finance Department which explained the pivotal role of the pension system. A meeting with the Ministry of Social Affairs and Health followed, to gain a better global vision of the Swedish social protection comprehensive mechanism.

In Finland the delegation first met with the United Nations University World Institute for Development Economics Research, UNU-WIDER, located in Helsinki. The Institute provides economic analysis and policy advice with the aim of promoting sustainable and equitable development for all, particularly developing countries.

The delegation then visited the Finnish Unemployment Insurance Fund, TVR, which is a public body managing unemployment insurance system for Finnish citizens, also in charge of observing evolution in the labour market.

To follow, the Delegation met with KELA, which is the Social Insurance Institution of Finland, managing the national pension for the Finnish citizens. KELA is conducting the experiment on universal minimum income on behalf of the current Finnish government, which is interesting to social protection policy makers and researchers around the world.

At the Finnish Centre for Pensions – ETK – which mainly manages earnings-related pension scheme, the Delegation received information on the legislation, supervision and execution of the earnings-related pension system in Finland. A presentation was also made on the 2015 - 2017 Finnish pension reforms, the aim of which were mainly to adapt the pension system to changing life expectancy.

In conclusion of the meetings and the visit, the NDRC delegation expressed its thanks to its hosts and to Expertise France for arranging the mission. The information gathered in Nordic countries will indeed be crucial for conducting further NDRC's own reflections and proposals concerning income redistribution through social protection, which started being conducted under project Component 1 auspices in the year 2016.



Finland – Meeting at United Nations University WIDER



The Delegation meets with Sweden Pensions Agency



The Delegation in Paris



2018

SUMMARY OF ACTIVITIES AND NEWSLETTERS

EU-CHINA SPRP COMPONENT ONE – SUMMARY OF ACTIVITIES, 2018

GERMANY – TRAINING ON EVALUATION OF EMPLOYMENT AND SOCIAL PROTECTION POLICIES



As part of the EU-China Social Protection Reform Project Component One programme of activities for the year 2017, a delegation of 17 NDRC national and provincial level senior officials, led by Mr Chang Tiewei, Deputy Director General, Department of Employment and Income Distribution, undertook a two-week training in Germany from 14 to 28 January 2018.

The training organised under the framework of Johannes Gutenberg University was held in Mainz and Berlin. Placed under the overall direction of Prof. Axel Weber, it was centred on the Relevance and Efficiency of Employment and Social Protection Policies in Europe with special reference to Long-Term Care.

The training therefore covered three focal areas:

- Evaluation of Employment
- Evaluation of Social Security Policies
- Services to Provide Care to the Elderly

The first two areas focused on methods and tools of evaluation of systems and policies, the third area on functioning and financing of services. Training was imparted through a combination of classroom exchanges by eminent specialists from Germany and other European countries or international institutions – selected Chinese delegates also introducing the specificities of their national situation, and visits to relevant German institutions in Rhein-Palatinate and Berlin Province. Institutions visited included the German Federal Statistical Office, the Ministry of Labour and Social Affairs, the Ministry of Public Health, the Trade Unions Confederation and the German Employers' Association, the German Public Pension System, the Federation of Welfare Institutions.

The objective of the training was to increase awareness of the participants on how issues that are subject to reforms in China are handled in Germany. In the end, the Chinese delegation returned to China with a good understanding of the methods and techniques used in Germany as well as a solid picture of the solutions in place.

As was the case for similar training exercises held under project auspices in 2015 and 2016, the members of the delegation benefitted from a day technical briefing before departure – held in Beijing on 13 January 2018. Placed under the responsibility of the Project, this briefing was imparted by prominent Chinese specialists, Mr. Zheng Gongcheng for social security evaluation techniques, Mr. Yue Jinglun for the evaluation of employment policies and Ms. Zhang Yinghua for long term care insurance.

2018 MEETING ON RESEARCH TOPICS

Component One Panel discussion meeting on 2018 Research topics of the EU-China Social protection reform project SPRP was held on 13 September 2018 in Beijing, Tangla Yaxiu Hotel.

Some 30 participants took part in the event that was chaired by Mr. Michele Bruni, SPRP European Team leader and Mr. Zhang Guoqing, Main Expert, SPRP Component One.

The Panel discussion meeting allowed for a first in-depth discussion of reform proposals put forward on the topics being considered, before a policy dialogue event held in Brussels later on in September 2018 followed by a high-level NDRC representatives' Study visit to Belgium, Denmark and Poland help refine and finalize those.

Chinese and European experts first discussed the topic of income distribution, based on a European comparative study prepared by Mr. Jean-Yves Hocquet and a Chinese assessment report prepared by Mr. Li Shi. The meeting then discussed the topics of Population mobility based on an Assessment report prepared by Mr. Jin Weigang, and of High-Quality Development and Workforce Quality improvement on the basis of an Assessment report prepared by Mr. Yang Weiguo. European experts from Belgium (Ms. Ann Coenen), France (Ms. Veronique Dunaud) and Poland (Ms. Agnieszka Majcher- Teleon) contributed their comments to the discussion.



DIALOGUE AND STUDY VISIT

From 19 to 28 September 2018, a delegation of high-level NDRC officials led by Mr. Li Kang, Director General, department of Employment and Income distribution, has visited Belgium, Denmark and Poland to get better

acquainted with the relations between economic development and active labour market policies supported by social protection reform.

In Belgium, the delegation had a working session with the European Commission Directorate General for Employment, Social Affairs and Inclusion. It also took part in the International Workshop on High-Quality Development and Workforce Quality Improvement where some 25 participants attended. The meeting first discussed employment and social security issues under the background of population movement with keynote addresses on the situation in China, and on Active labour market policies (Obstacles to mobility) in OECD countries. It then turned to reviewing income distribution in its relations with and influence on the functioning of the labour market on the basis of key note addresses on the situation in Europe and in China respectively. Finally, the meeting discussed Methods and experiences for achieving quality development on the labour market for which the situation in China and in selected European countries (Belgium, France, Italy, Poland and the United Kingdom) was introduced through national monographs presented by their authors.

In Denmark, the Delegation had bilateral discussions with the Ministry of Employment on Danish Active Labour Market Policies. It also had a working session with the Danish Confederation of Trade Unions L.O.

In Poland, the delegation met in Warsaw with the Ministry of Family, Labour and Social Affairs to discuss relevant policy issues. It also visited a number of ground institutions active in the implementation of Polish labour market policies in Krakow and in Warsaw.



Opening session of international workshop in Brussels



In Krakow the delegation meets with municipal authorities

SPAIN – NDRC SIGN MEMORANDUM OF UNDERSTANDING

Negotiated and concluded with the efficient support of the Project component one a Memorandum of Understanding was signed in Madrid on 29 November 2018 between Mr. He Lifeng, President of the NDRC, and Ms Magdalena Valerio, Minister of Labour, Migration and Social Security. President Xi Jinping and the Spanish Government President Mr. Pedro Sanchez attended the ceremony. The MoU focuses on the question of the incidence of demographic ageing on employment and social security, which is an important concern for both countries.



HIGH LEVEL TRAINING IN ITALY

The EU-China SPRP is conducted with the assistance of the European Union. However, this newsletter can in no way be taken as reflecting the views of the European Union.

A delegation of 22 officials from the Chinese National Development and Reform Commission and Provincial DRC, attended a two weeks training in Italy - Rome and Milan – from the 15th to 26th October 2018 on “Effects and Tendency of Income Redistribution Policies”. Mr. HA Zengyou, Director General of the Department of Employment and Income Distribution of the NDRC led the delegation. *(Right picture: Mr Ha and Mr Antichi, Project leader exchange views with Mr Boeri, INPS President, during a session break in Rome)*

The Italian National Institute of Social Protection (INPS) and the Italian National School of Public Administration (SNA), with the support of Expertise France and SISPI - Italia Previdenza (respectively the C1 and C2 Secretariats), organized the course.

The training was structured in 22 sessions, aimed to improve the participants’ knowledge and understanding of the EU experiences and best practices in the field of the income redistribution in an evolving social and economic scenario, with a focus on the impact of the new technologies on the labour market.

The 22 lecturers and experts who gave their presentations came from Academia (University of Rome, Milan, Modena) and European and Italian Institutions, such as the Organisation for Economic Co-operation and Development (OECD), the EU

Commission, the Finnish Social Insurance Institution (KELA), the Italian Social Insurance Institution (INPS), the Italian National School of Administration, the Italian Agency for Active Labour Policies, the Italian National Institute for public policy analysis, etc.

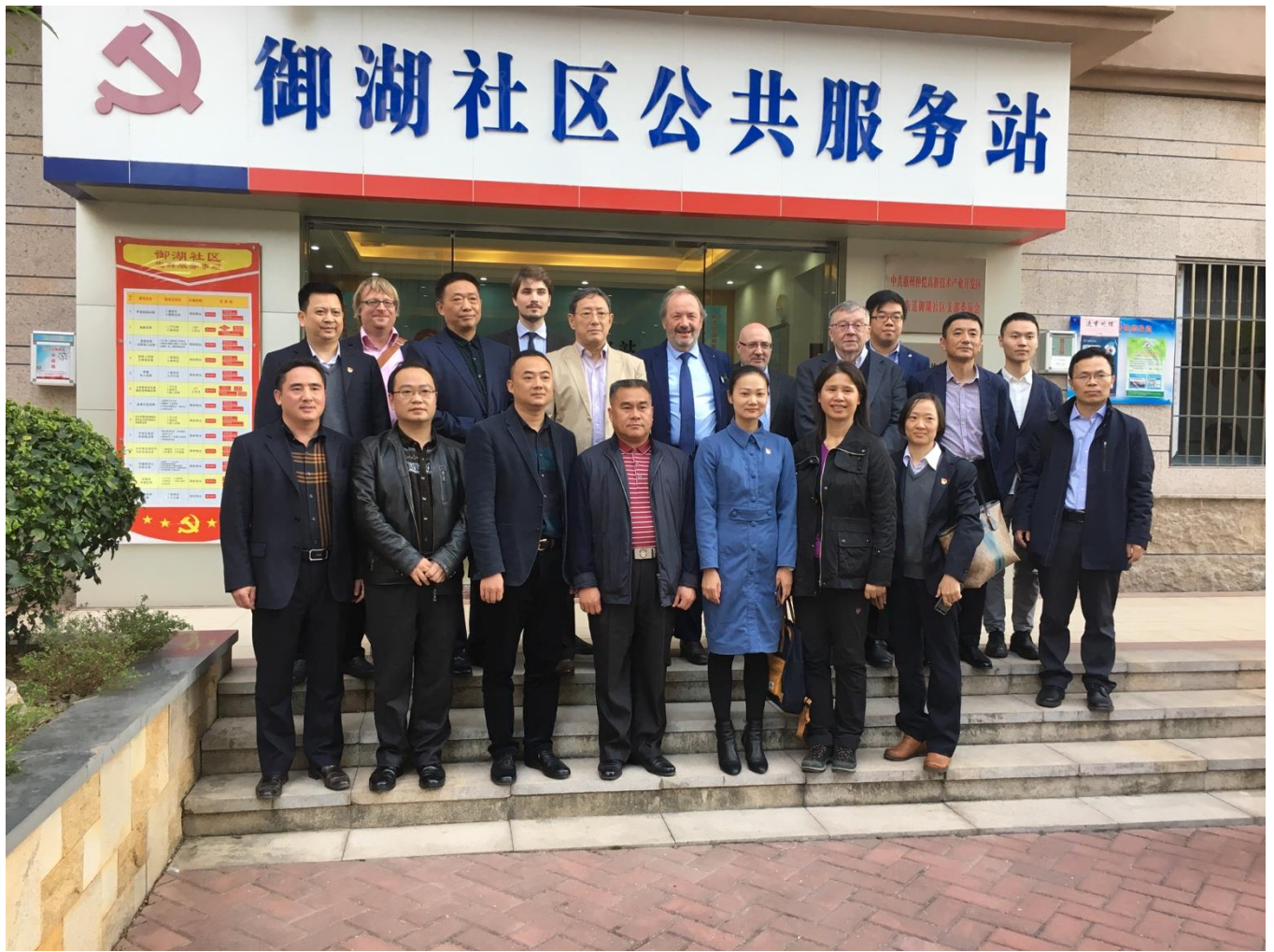
The Italian Ministry of Economy and Finance, the Bank of Italy and the City of Milan hosted three sessions of the training and presented detailed analysis and data on poverty in Italy, highlighting the effects of current policies for poverty reduction.



During a session break, head of delegation talks with Mr. Antichi, project leader (glasses) and Mr. Boeri, President, INPS

PILOT ACTIVITIES - GUANGDONG PROVINCE

From December 17 to December 21, 2018, a mission conducted in the pilot area of Guangdong province focused on social security awareness raising and social security management, reviewing the situation and carrying out local training activities. The team was led by the Director of the Social Security Division of the Department of Income and Distribution NDRC Ms Tang Ling, the International Cooperation Center of the NDRC and the Resident expert in the Beijing Office SPRP. Four experts from France specially gave lectures on the above two topics, introducing international experience. The experts' team was composed of Mr. Andrei Tretyak, Director of Social Security Department of Expertise France, Mr. Michel Villac, President of the French National Family, Children and Senior persons Council, Mr. Thierry Weishaupt, General Manager of VYV Group China Operations, and Mr. Romain Chave, Project Manager, International Department of National Teacher Health Foundation. At the pilot area in Guangdong, relevant departments, business representatives and individuals from the Provincial Development and Reform Commission, personnel and taxation departments, and Tianhe District and Huizhou City (Pilot Area) in Guangzhou participated in the activities.



The delegation at a local social community point, Huizhou city



EU-CHINA

Social Protection Reform Project
中国-欧盟社会保障改革项目



FROM THE
RESIDENT EXPERT, COMPONENT 1

The first quarter of the year 2018 was marked, as far as our SPRP Project Component One is concerned, by four major events, namely the implementation in Germany during the month of January of a two-week high level training course for the National Development and Reform Commission (NDRC) Central and Provincial officials on the Evaluation of employment and social security programmes – including long term care, the fourth Project Advisory Committee Meeting in February which adopted the Project Programme of Activities for 2018 and paved the way for a project extension into the year 2019, a meeting with representatives of Member States also in February 2018 where updates could be provided not only on the Project achievements, but equally on the situation of the Chinese social protection

system, and in March a meeting of all three Components of the project office in search of synergies and coherence across the analysis conducted and recommendations formulated. Component One programme of activities for 2018 will complete the review of some 20 technical topics assigned to the Policy aspects in the original project document. Over its first four years of existence, our Component will therefore have covered all relevant aspects of social protection reform, with the aim of achieving the four objectives assigned to it, viz. contributing with NDRC to the coordination of policy making among government agencies in areas related to social protection reform; enhancing the capacity of NDRC in policy development and implementation in the area of social protection; establishing a national policy framework for a full coverage of the old-age insurance system; and, supporting reform efforts in response to urbanization trends, in particular the harmonization and integration of the various basic social protection systems for different groups of beneficiaries and the portability of social insurances. More specifically, our 2018 programme of activities will address issues of crucial relevance for the future of a constantly and radically reforming China – such as the progress towards gender equality

C1 Newsletter

Spring 2018

through social protection and employment policies; the exploration of a possible future universal and unified pension system; life-long learning and employment promotion through adapted social protection mechanisms for a technologically advanced and silver economy; the diversification of vehicles for income redistribution, making social protection at the same time sustainable, affordable, equitable and socially efficient. In addition to working with the Central institutions, our Component will put even more emphasis in 2018 on activities conducted with our pilot regions – with a strengthened collaboration with Sichuan province, where the situation of women, including among migrants will draw special attention, with Shanghai, where long term care considerations will be central issues, and with Guangdong province, where special activities will be conducted to help in the use of statistical data for provincial decision making in social protection, as well as to make the general public more aware of the importance of being part to an efficient, well-functioning social protection system. 2018 will also be a year when hopefully NDRC will conclude a few cooperation agreements with European countries in matters under the purview of the Project, which long term influence will thus be secured.

Jean-Victor Guat
March 2018

COOPERATION WITH INTERNATIONAL LABOUR ORGANIZATION (ILO)

On 12 January 2018, a delegation from the ILO composed of Mr. Nuno da Silva, Senior Social Security Specialist with the Bangkok-based sub-regional multi-disciplinary team of the ILO, and Ms. Li Qinyi, Social Protection Programme Officer with the ILO Office in Beijing, visited the SPRP project office. Discussions were held with the three Components of the Project during which views were exchanged on the respective programmes and activities, as well as the prospects for future cooperation within the framework of European Union facilities.



SYNERGIES AND COHERENCE

On 6 March 2018, the three Project Office Components joined to explore the prospects of better integrating their respective findings. It was notably agreed to ensure: that the Project provide appropriate responses to the main problems and needs of the Chinese social protection system identified in the Grant Application Form; that activities conducted under one Component benefit to and from inputs by other interested Components (cross-fertilization); and that respective findings and recommendations of the Project Components on similar or connected issues enjoy internal coherence.

GET IN TOUCH

EU-China Social Protection Reform Project
Room 2308, Building A, Fullink Plaza, No. 18 Chaoyangmenwai Dajie, Chaoyang District, Beijing, China, 100020
Email: contact@sprp-cn.eu Tel: +86-10-85306520 Project website: <http://www.euchinasprp.eu/>

GERMANY – TRAINING ON EVALUATION OF EMPLOYMENT AND SOCIAL PROTECTION POLICIES

As part of the EU-China Social Protection Reform Project Component One programme of activities for the year 2017, a delegation of 17 NDRC national and provincial level senior officials, led by Mr Chang Tiwei, Deputy Director General, Department of Employment and Income Distribution, undertook a two-week training in Germany from 14 to 28 January 2018.

The training organised under the framework of Johannes Gutenberg University was held in Mainz and Berlin. Placed under the overall direction of Prof. Axel Weber, it was centred on the Relevance and Efficiency of Employment and Social Protection Policies in Europe with special reference to Long-Term Care.

The training therefore covered three focal areas:

- Evaluation of Employment
- Evaluation of Social Security Policies
- Services to Provide Care to the Elderly



PART OF THE GERMAN FACULTY SERVICING
THE TRAINING

The first two areas focused on methods and tools of evaluation of systems and policies, the third area on functioning and financing of services. Training was imparted through a combination of classroom exchanges by eminent specialists from Germany and other European countries or international institutions – selected Chinese delegates also introducing the specificities of their national situation, and visits to relevant German institutions in Rhein-Palatinate and Berlin Province. Institutions visited included the German Federal Statistical Office, the Ministry of Labour and Social Affairs, the Ministry of Public Health, the Trade Unions Confederation and the German Employers' Association, the German Public Pension System, the Federation of Welfare Institutions.

The objective of the training was to increase awareness of the participants on how issues that are subject to reforms in China are handled in Germany. In the end, the Chinese delegation returned

to China with a good understanding of the methods and techniques used in Germany as well as a solid picture of the solutions in place.

As was the case for similar training exercises held under project auspices in 2015 and 2016, the members of the delegation benefitted from a day technical briefing before departure – held in Beijing on 13 January 2018. Placed under the responsibility of the Project, this briefing was imparted by prominent Chinese specialists, Mr. Zheng Gongcheng for social security evaluation techniques, Mr. Yue Jinglun for the evaluation of employment policies and Ms. Zhang Yinghua for long term care insurance.



PRE-TRAINING BRIEFING SESSION IN
BEIJING



A VERY ATTENTIVE AUDIENCE



INFORMAL EXCHANGES BETWEEN HEADS OF
DELEGATIONS



INTERACTIVE EXCHANGES

WELCOME TO OUR NEW COLLEAGUE

From 1 February 2018, Ms Shi Chuan took over the functions of assistant for Component One, following Ms Li Lingxi's departure to undertake more responsibilities with her University. With a solid academic background, a previous experience in editing and translation, as well as a previous practice of technical cooperation in-country and abroad, Ms Shi is a very important asset for our Component.



THE CHINESE DELEGATION IN JOHANNES
GUTENBERG UNIVERSITY, MAINZ



Social Protection Reform Project
中国-欧盟社会保障改革项目



FROM THE RESIDENT EXPERT, COMPONENT 1

For Component One of the EU-China Social Protection Reform Project SPRP, this second quarter of 2018 was mostly devoted to the preparation of forthcoming activities, and to the consolidation of past achievements in terms of coherence and synergies among the various components of our project.

The overall programme of activities for the current year had been agreed by the Project Advisory Committee – PAC – meeting in Beijing on 6 February 2018. Component One main central topics, which will be the focus for joint Chinese and European research, deepened through dialogue and study visits as well as high-level training conducted in Europe, include employment promotion – vocational training and population mobil-

ity, tools for redistribution of primary income, gender considerations in employment and social protection, as well as the prospects for universal pensions in China, using resident pensions (urban and rural) as a starting point. As accustomed over past years, the Project C1 team is conducting an active dialogue with Chinese and European researchers to ensure the full relevance of their works for matching the preoccupations and interests of the Chinese authorities. It was therefore felt potentially interesting for the readership of this Newsletter to be provided with some insight on this continuing dialogue between the project team and its authors. At the time of issuing this copy, two preparatory meetings could be held with each of the Chinese authors, and fruitful exchanges be conducted with European specialists, thus paving the way for fruitful developments to occur during the fall of 2018.

Meanwhile, the Project Component One team handled the new task assigned to it by the Project authorities, that of leading and facilitating the works of the Task force on Project Coherence and Synergies, the creation of which was approved on 20 April by the EU Delegation in Beijing. The first report of the Task Force, issued on 16 May 2018, shows that the component-based activities of the Project since its inception in

C1 Newsletter

Summer 2018

late 2014 were indeed adequately articulated by resident experts – and that they formed a solid basis for the production of very useful materials beyond the scope of individual components.

Our Component also continued over this quarter to maintain contacts with partners outside the framework of the project paper, and to disseminate its findings, suggestions and proposals to an ever growing number of followers, thanks to an active publications policy, remarkably supported by NDRC which ensured the translation into Chinese language of all technical materials produced under Component One programmes of activities. This public availability of a great variety of original documentation on social security reform and employment promotion in both Chinese and English versions will be part of the legacy of a project that testifies to the openness and pragmatism of Chinese stakeholders in pursuing the active modernization of what is already the most important and, qualitatively speaking, one of the richest social protection system around the world.

Jean-Victor Gruat
June 2018

MEETING WITH NEW ILO REPRESENTATIVE IN BEIJING

On 20 April 2018, Mr. Zhang Guoqing, Main Expert (Operations) and Mr. Jean-Victor Gruat, Resident Expert, Component 1 of the EU-China Social Protection Reform Project, met with Ms. Claire Courteille-Mulder, newly appointed Director of the Beijing Office of the International Labour Organization. The meeting allowed for an exchange of information of the two parties' fields of interest in social protection and employment in China. It led to the confirmation of the mutual intention to continue a solidly established cooperation that started from the very first year of the project in 2015 and included national activities as well as involvement in China MoHRSS initiatives with the ILO concerning development of South-South Cooperation. It was confirmed that the EU Delegation in Beijing as well as the Project Component 1 would be welcomed to take part in the works of the UN theme group on Poverty of which ILO is the vice-chair. The Theme group has in turn established sub-working groups some of which might also be of specific interest to the Project and the EUD.



Task force members meeting on 26 April 2018.
From left to right (seated) Mr JV Gruat, Mr Michele Bruni, Mr Zhang Guoqing (standing) Ms Ma Lan, Ms Valentina Pignotti, Ms Marzena Breza, Ms Iwona Rogacka-Hu, Ms Shi Chuan, Mr Giovanni Lin.

SYNERGIES AND COHERENCE

Formally created on 20 April 2018, the Task Force on Project Technical Coherence and Synergies includes members from each of the three Project Components as well as from the Project office. Its most substantial completed works and reports are available from the project website, <http://www.euchinasprp.eu/>, under the section devoted to horizontal activities. As part of its Action Programme, the Task Force monitors the overall project contribution to solving problem areas in Chinese social protection and addressing cross-cutting issues. It looks after the internal coherence of project recommendations on connected issues, and produces its own analytical work. This will include participation in a project special event on Ageing organised around the time for the International Day of the Elderly (second half of September or early October 2018) and the compilation of Project Memorabilia and Bibliography. Component One was honoured to be selected as Convener and Secretariat of the Task Force.

GET IN TOUCH

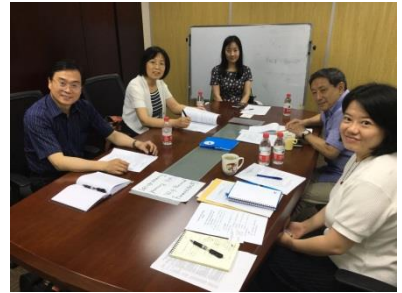
EU-China Social Protection Reform Project
Room 2308, Building A, Fullink Plaza, No. 18 Chaoyangmenwai Dajie, Chaoyang District, Beijing, China, 100020
Email: contact@sprp-cn.eu Tel: +86-10-85306520 Project website: <http://www.euchinasprp.eu/>

2018 RESEARCH WORKS

This year will be a rich one as far as researches on policy matters conducted under the framework of EU-China SPRP Component One are concerned. The Project team already met or had fruitful contacts with all of the identified authors for these research works – which golden thread will be the role of social protection in upholding societal changes.

• EMPLOYMENT AND SOCIAL SECURITY UNDER THE BACKGROUND OF POPULATION MOBILITY

Labour mobility is a key to ensure continued stable economic development in China. As a matter of fact the reality of population movement is year after year a more visible component of the Chinese society. However, the analysis of the phenomenon as well as its regulatory framework and accompanying labour and social policy measures are in a way lagging behind. Mr Jin Weigang, President of the Chinese Academy of Labour and Social Sciences (on the picture, visiting the SPRP Office for the second time on 15 May 2018) has accepted to prepare an assessment report with policy recommendations on this phenomenon. Background national papers requested from European experts from a variety of countries will help entertain the China-Europe exchange and dialogue in this respect.



• QUALITY-ORIENTED DEVELOPMENT AND CAPACITY BUILDING FOR THE LABOUR FORCE



In order to facilitate the transition from mass unskilled labour to skilled employment, which is required to accompany the development of the new normal economy where massive export of raw materials and modest quality cheap goods will no more be the vehicle for national development, it is important to identify the ways and means through which social protection embodies modern, lifelong vocational training technique, in which European experience will prove to be most useful. Chinese and European researches will be conducted in parallel for this important topic, for which Mr Yang Weiguo, Dean of the School of Labor and Human Resources in Renmin University of China has kindly accepted to conduct an assessment with policy recommendations. Prof. Yang visited the SPRP Beijing Office on 9 May 2018, and the project team visited Renmin University on 27 June (see left picture).

• POLICY AND REGULATIONS FOR INCOME DISTRIBUTION

Primary income redistribution is crucial to the development of a harmonious society, especially when inequalities in primary income distribution are high, as is the case in China. Mr Li Shi, from the China Institute for Income Distribution- on the picture, visiting the SPRP Beijing Office on 9 May 2018, has kindly agreed to undertake the analysis of the different tools available for income redistribution, which are direct and indirect taxation, social security contributions be they or not assessed on salaries, access to public services and public subsidies, social security and social assistance benefits, determination of wage levels and levels of remuneration for capital investment, etc. From the European side, Mr Jean-Yves Hocquet will produce a comparative study on European practices, where the situation in France, Italy, Sweden and the United Kingdom will be addressed in more details.



These above-listed research works will be submitted to and discussed on a panel discussion meeting held during the summer of 2018, and an international workshop to be convened in Belgium in September of the same year.

• CONSIDERING UNIVERSAL PENSIONS IN CHINA



In 2016, the coverage under urban and rural residents or employees' pension schemes was of some 900 million persons, which was considered as close to 90% of the eligible population. However, this quasi-universal coverage is not achieved through a unified, coherent system, and raises a number of questions about equity, social efficiency, sustainability and mobility. The question of achieving a fair and decent protection in old age for the whole China population is a core preoccupation for the Government at all levels, all the more when this population is experiencing a rapid demographic ageing. Mr. Qi Chuanjun (see left picture, visiting the SPRP Beijing Office on 8 May 2018), from the Chinese Academy of Social Sciences, CASS, has agreed to conduct a study and analysis of the prospects to make use of resident pensions in China to consider the possibility of developing at the national level a truly integrated, satisfactory and sustainable universal pension scheme.

• ACTIVE AGEING

In its programme of activities for 2016, 2017 and indeed 2018, the project Component One has devoted research and assessment works to reviewing the implications of demographic ageing affecting the Chinese society, including in the realms of employment and social protection. While pursuing the development of a New Normal economy in the country, it was considered important to take into account the experiences conducted in Europe in terms of promoting what is called "active ageing" for residents of demographically vulnerable countries, and to envisage the extent to which these experien-

ces and related underlying concepts and methodological tools would be of use for China.

The JC Institute of Ageing, Chinese University of Hong Kong, was selected to conduct this study, for which Prof. Asghar Zaidi, Lead Researcher, Active Ageing Index Project of the European Commission's DG for Employment, Social Affairs and Inclusion and the United Nations Economic Commission for Europe (UNECE), will be the main resource person. It is expected that his works will be presented during the Annual meeting of the China Social security association in September 2018, as well as on the occasion of the Project special event for the International day of the Elderly. Prof. Zaidi had visited the Project Office in Beijing in December 2017.



A TRULY BILINGUAL PROJECT

Since early 2015, the documents available in both English and Chinese versions produced by the Project Component One represent some 1.000 pages in each language. Those technical reports and presentations made by eminent Chinese and European specialists as well as by the Project team members are available to all from the dedicated website <http://www.euchinasprp.eu/>. It is thanks to the National Development and Reform Commission that all required translation work could be performed, to constitute what has become a unique source of information for researchers on social protection from China and from the rest of the World.





Social Protection Reform Project
中国-欧盟社会保障改革项目

C1 Newsletter

Autumn 2018



FROM THE RESIDENT EXPERT, COMPONENT 1

When this Autumn 2018 issue of SPRP Component One Newsletter is being prepared, no final decision yet has been made on the possible extension of the EU-China SPRP reform project, which otherwise will be terminated by mid-November 2018.

Work accomplished towards the fulfillment of the 4 results initially assigned to Component One is indeed quite impressive, and the past four years of activity will definitely have contributed efficiently to the shaping and coherence of China's on-going social protection reform.

In September 2018, Component One activities contributed to a number of very significant event and works conducted under the framework of our component's programme of activities gained broad recognition and acknowledgment among national and international specialists. Further, Component One could, basing itself on the rich production of research materials it sponsored over the past four years, elaborate its own comprehensive Pension

reform proposal for China, which innovative approach attracted a lot of interest from a wide array of specialized circles and fora.

It is therefore with reasonable confidence in the judgment that may be attached to our works, that project Component One team invites its readership to review its most recent progress, and looks forward to the completion of its 2018 programme, which will include policy dialogue, overseas training, seminars on "hot topics" such as Gender and Universal pensions, as well as collaboration with pilot counterparts in Shanghai, Guangdong and Sichuan provinces.

Jean-Victor Guat
September 2018

2018 MEETING ON RESEARCH TOPICS

Component One Panel discussion meeting on 2018 Research topics of the EU-China Social protection reform project SPRP was held on 13 September 2018 in Beijing, Tangla Yaxiu Hotel. Some 30 participants took part in the event that was chaired by Mr. Michele Bruni, SPRP European Team leader and Mr. Zhang Guoqing, Main Expert, SPRP Component One. Chinese and European experts first discussed the topic of income distribution, based on a European comparative study prepared by Mr. Jean-Yves Hocquet and a Chinese assessment



report prepared by Mr. Li Shi. The meeting then discussed the topics of Population mobility based on an Assessment report prepared by Mr. Jin Weigang, and of High-Quality Development and Workforce Quality improvement on the basis of an Assessment report prepared by Mr. Yang Weiguo. European experts from Belgium (Ms. Ann Coenen), France (Ms. Veronique Dunaud) and Poland (Ms. Agnieszka Majcher-Teleon) contributed their comments to the discussion.

The Panel discussion meeting allowed for a first in-depth discussion of reform proposals put forward on the topics being considered, before a policy dialogue event held in Brussels later on in September 2018 followed by a high-level NDRC representatives' Study visit to Belgium, Denmark and Poland help refine and finalize those.



PARTICIPATION IN THE XIVTH ANNUAL MEETING OF THE CHINA SOCIAL SECURITY ASSOCIATION



Responding to an invitation by Mr. Zheng Gongcheng, chairperson of the China Social security Association, representatives for SPRP Component One took part to the fourteenth national meeting of the Association, held in Dalian on 15 and 16 September 2018. The event was co-sponsored by the Friedrich Ebert Foundation, the International Labour Organization ILO and China Northeast University of Finance. The event gathered some 300 participants from China, Japan, Korea, Germany, Poland, France and the USA. On behalf of Component One, Prof. Asghar Zaidi from Seoul University delivered a key note address on the Active Ageing Index AAI and its perspectives for China. The audience was also appraised of a comprehensive proposal to reform the Chinese pension system just articulated by Component One Resident Expert on the basis of project works and research.

GET IN TOUCH

EU-China Social Protection Reform Project
Room 2308, Building A, Fullink Plaza, No. 18 Chaoyangmenwai Dajie, Chaoyang District, Beijing, China, 100020
Email: contact@sprp-cn.eu Tel: +86-10-85306520 Project website: <http://www.euchinasprp.eu/>

ACTIVE AGEING INDEX – PROSPECTS FOR CHINA

The Active Ageing Index, AAI, was developed for the European Union (EU) member States during the 2012 European Year on Active Ageing and Solidarity between Generations. Since then, it has been extended into several non-EU countries offering an approach to measure and monitor the concept of active and healthy ageing among population of older persons. The strength of this approach is in the selection of a dashboard of indicators of active and healthy ageing which are aggregated into single composite scores around several policy domains, and by country, providing monitoring and benchmarking around ageing that is complementary to policy frameworks such as the Madrid International Plan of Action on Ageing (MIPAA).



Since ageing is indeed one of the core challenges confronting the Chinese social protection

system, the project Component One approached prof. Asghar Zaidi, who is one of the top universally recognized specialists in this field. Prof. Zaidi agreed to prepare an assessment of the Chinese situation in terms of Active ageing, which was introduced to national and international audiences in the course of September 2018.



This study reviews data sources in China and assesses their potential relevance and applicability for developing the AAI for China. It offers critical policy relevant insights for China given its size and rapid ageing experience. Since the strength of the AAI is in comparative analysis of multiple countries, we have also undertaken work towards the construction of the AAI for South Korea,

another East Asian country where the speed of ageing is considerable. The AAI results for China have been compared with South Korea as well as with the average across the EU countries to better understand the situation in China, and to identify strengths and weaknesses in its relative position in the pursuit of active and healthy ageing.

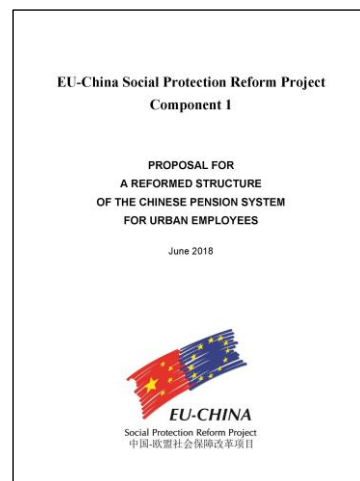
This analysis provides for an enhanced understanding to Chinese authorities of the AAI, and its potential relevance and applicability in the Chinese economic and social contexts. The Chinese performance on the AAI is revealed to be strong in terms of healthy life expectancy, physical exercise, and mental well-being. However, in several areas China's comparative position to the EU AAI average has been lower, such as in terms of older persons' internet access, social participation, levels of lifelong learning, and on income inequalities in later life.



A COMPREHENSIVE PROPOSAL FOR PENSION REFORM IN CHINA

After carefully reviewing the assessment reports and pension reform proposals respectively submitted by Chinese experts under the framework of Component One programmes of activities 2015 to 2017 – as well as the most recent works produced under Component 2 auspices in 2018 concerning pensions financing and contributory patterns, the EU Resident Expert for Component One produced a comprehensive Proposal for a reformed Chinese pension scheme for Urban employees. The Proposal was introduced to Chinese and international audience on a number of opportunities and is available for the Project website in its English and Chinese versions. It is the pride of the project Component One to have thus intellectually directly contributed to the pension reform process in China.

As it stands, the Proposal intends at responding to the expectation that the protection under the pension system for urban employees be diversified between basic public protection and a segregated second pillar, while reinforcing the attractiveness of the system, ensuring its sustainability and resulting in pension benefits that are both equitable (fair to the most vulnerable) and efficient (fair to the contributors).



It is proposed to develop a reformed pension system for urban employees where the amounts in existing individual accounts – mostly virtual – would be allocated to a revised formula for the basic pension while the future individual contributions for pensions would go to a second pillar started from the date of the reform and managed by specific financial institutions. This second pillar would include assets already accumulated under Enterprise annuity funds arrangements, whenever appropriate.

The overall cost of the system would be kept at an acceptable level, thanks to improvements in compliance expected from Ministry of Finance future involvement in contributions collection. The reform could be implemented rapidly and be easy to understand by all those concerned.

Of course, the Proposal represents only the broad contents of a future reform. Should this be considered by Chinese authorities as worth elaborating further, a number of additional researches would have to be conducted, hopefully through an extended collaboration between European and Chinese partners.



Social Protection Reform Project
中国-欧盟社会保障改革项目



FROM THE RESIDENT EXPERT, COMPONENT 1

All parties to it – the Chinese stakeholders, the EU Delegation and the project consortium – having concurred, the EU-China Social protection reform project was extended by one year, until mid-November 2019. For our Component, this will allow for a new cycle of activities focusing on the core mandate of our main Chinese partner NDRC, namely planning for employment and social protection.

An agreement was reached already on the main contents of events to be jointly organised during the extension period, which will successfully conclude an impressive record of achievements since cooperation actually started in early 2015. Meanwhile, steps are already taken to ensure the project sustainability beyond the period of its active life. A Memorandum of Understanding between NDRC and the Spanish ministry of Labour, Migration and Social security was thus signed in Madrid early in December 2018, centered on the consequences of ageing affecting both countries.

The project Task force for Technical coherence and Sustainability which responsibility is incumbent upon our component already started to take stock of all events and outputs registered

C1 Newsletter

Winter 2018

over the past years under the project framework. This includes a register of publications used in the course of project research as reference materials from Europe or from China – which amounts to the impressive amount of 1,800 entries testifying to the seriousness and thoroughness of our works.

It is therefore with full confidence in the legacy and significance of our Component for the future of Chinese and European cooperation in the realm of social protection that we now embark on what should be the final leg of our project itinerary.

Jean-Victor Gruat
December 2018

EU MEETS WITH MOHRSS AND NDRC

On 15 and 16 October, a delegation from the European Union (Directorate General for Employment, Social Affairs and Inclusion) held policy dialogue sessions with Ministry of Human Resources and Social Security and NDRC (left below picture),



in which our project was invited to take part. Topics discussed included social protection for atypical forms of work and labour mobility, on which the SPRP project had conducted important research works over the years.

CCTV INTERVIEWS RESIDENT EXPERT

On 29 October 2018, a team from Chinese Central Television, CCTV came to the project office for an interview with the C1 Resident Expert Mr. Jean-Victor Gruat (right picture). The questions and answers session lasted for 2 hours, dealing with various aspects of national and domestic social protection for a series of programmes to be aired in near future on China 40th anniversary of opening to the world.



THE TEAM OF THE EU-CHINA SOCIAL PROTECTION PROJECT – COMPONENT ONE – WISHES YOU

A PROSPEROUS AND SUCCESSFUL HAPPY NEW YEAR 2019

GET IN TOUCH

EU-China Social Protection Reform Project
Room 2308, Building A, Fullink Plaza, No. 18 Chaoyangmenwai Dajie, Chaoyang District, Beijing, China, 100020
Email: contact@sprp-cn.eu Tel: +86-10-85306520 Project website: <http://www.euchinasprp.eu/>



Negotiated and concluded with the efficient support of the Project component one a Memorandum of Understanding was signed in Madrid on 29 November 2018 between Mr. He Lifeng, President of the NDRC, and Ms Magdalena Valerio, Minister of Labour, Migration and Social Security. President Xi Jinping and the Spanish Government President Mr. Pedro Sanchez attended the ceremony. The MoU focuses on the question of the incidence of demographic ageing on employment and social security, which is an important concern for both countries.

HIGH LEVEL TRAINING IN ITALY

A delegation of 22 officials from the Chinese National Development and Reform Commission and Provincial DRC, attended a two weeks training in Italy - Rome and Milan – from the 15th to the 26th October 2018 on "Effects and Tendency of Income Redistribution Policies". Mr. HA Zengyou, Director General of the Department of Employment and Income Distribution of the NDRC led the delegation. (Right picture: Mr Ha and Mr Antichi, Project leader exchange views with Mr Boeri, INPS President, during a session break in Rome)

The Italian National Institute of Social Protection (INPS) and the Italian National School of Public Administration (SNA), with the support of Expertise France and SISPI - Italia Previdenza (respectively the C1 and C2 Secretariats), organized the course.

The training was structured in 22 sessions, aimed to improve the participants' knowledge and understanding of the EU experiences and best practices in the field of the income redistribution in an evolving social and economic scenario, with a focus on the impact of the new technologies on the labour market.

The 22 lecturers and experts who gave their presentations came from Academia (University of Rome, Milan, Modena) and European and Italian Institutions, such as the Organisation for Economic Co-operation and Development (OECD), the EU Commission, the Finnish Social Insurance Institution (KELA), the Italian Social Insurance Institution (INPS), the Italian National School of Administration, the Italian Agency for Active Labour Policies, the Italian National Institute for public policy analysis, etc.

The Italian Ministry of Economy and Finance, the Bank of Italy and the City of Milan hosted three sessions of the training and presented detailed analysis and data on poverty in Italy, highlighting the effects of current policies for poverty reduction.



DIALOGUE AND STUDY VISIT

From 19 to 28 September 2018, a delegation of high-level NDRC officials led by Mr. Li Kang, Director General, department of Employment and Income distribution, has visited Belgium, Denmark and Poland to get better acquainted with the relations between economic development and active labour market policies supported by social protection reform.

In Belgium, the delegation had a working session with the European Commission Directorate General for Employment, Social Affairs and Inclusion. It also took part in the International Workshop on High-Quality Development and Workforce Quality Improvement where some 25 participants attended. (Right picture: opening of international workshop in Brussels. From left to right: Mr van der Heyden, Federal public service for Social security, Belgium; Mr Tom Bevers, Federal public service for Employment, Labour and Social dialogue, Belgium; Mr Li Kang, Director general, Department of Employment and Income distribution, NDRC; Mr Lluís Prats, Directorate General for Employment, social affairs and Inclusion, European Commission)

The meeting first discussed employment and social security issues under the background of population movement with keynote addresses on the situation in China, and on Active labour market policies (Obstacles to mobility) in OECD countries. It then turned to reviewing income distribution in its relations with and influence on the functioning of the labour market on the basis of key note addresses on the situation in Europe and in China respectively.



Finally, the meeting discussed Methods and experiences for achieving quality development on the labour market for which the situation in China and in selected European countries (Belgium, France, Italy, Poland and the United Kingdom) was introduced through national monographs presented by their authors.

In Denmark, the Delegation had bilateral discussions with the Ministry of Employment on Danish Active Labour Market Policies. It also had a working session with the Danish Confederation of Trade Unions L.O.

In Poland, the delegation met in Warsaw with the Ministry of Family, Labour and Social Affairs to discuss relevant policy issues. It also visited a number of ground institutions active in the implementation of Polish labour market policies in Krakow and in Warsaw. (Left picture: The delegation with local authorities in Krakow, Poland)



2019

SUMMARY OF ACTIVITIES AND NEWSLETTERS

EU - CHINA SPRP COMPONENT ONE – SUMMARY OF ACTIVITIES, 2019

GENDER ISSUES IN EMPLOYMENT AND SOCIAL PROTECTION

The International workshop on Gender issues on Employment and Social protection took place in the Provincial DRC premises in Chengdu, Sichuan Province, on 25 January 2019. Some 20 participants participated in the meeting, including Provincial and municipal representatives of the DRC and of the department of Human resources and social security. Reports were presented by European expert Ms. Yasmina Lakmad, and national experts prof. Ngok Kinglun aka Yue Jinglun (Sun Yat Sen University Guangzhou) and prof. Lin Yi (South-West University of Finance and Economics, Chengdu). The meeting was chaired by Mr. Jean-Victor Gruat, Resident expert for SPRP project Component 1. Opening remarks were delivered by Mr. Laurent de Lespinay, European project coordinator for Component 1, Expertise France, and by Mr. Liu Jinfeng, vice-director, Sichuan Provincial Development and Reform Commission.

Ms. Yasmina Lakmad, European specialist, presented the main concerns with gender equality in employment and social protection according to the European experience, before prof. Ngok and prof. Lin introduced their respective findings concerning the situation in Guangdong and Sichuan provinces. In the discussion that followed, Mr. Ceng Zhigang, from the Provincial HRSS Department, described in more details the situation in Sichuan province concerning gender equality and inequalities in the field of employment. The three experts entered into a dialogue about their respective contributions. The Chair then summarized the technical conclusions of the meeting (see box), before Ms. Tang Ling, national Component 1 project coordinator for NDRC, delivered the closing statement for a meeting highly appreciated by all participants, as reported to Mr. Fan Bo, Director of Sichuan Provincial development and reform commission, who came to visit them for a direct briefing.



From left to right, prof. Ngok, Ms. Lakmad, prof. Lin

- CHAIRPERSON'S CONCLUSIONS –

1. The two national reports by prof. Ngok Kinglun and prof. Lin Yi and the European overview by Ms. Yasmina Lakmad largely coincided on a number of key aspects related to gender considerations in employment and social protection, thus allowing for the following concluding points.
2. There is no such thing as gender neutrality in employment and social protection. To be socially efficient, social protection has to address the factors affecting negatively gender equality also at an early stage, including though education and employment promotion measures.
3. The specifics of female employment and working conditions have to be further analysed, so that related discrimination maybe be actually combatted.
4. The situation of female migrant workers requires particular attention, including concerning the conditions under which return to the place of origin take place.
5. Old-age pension insurance should take into account the negative effects of women's actual participation in the labour market on their capacity to accrue sufficient rights over their active lives.
6. Social protection of the elder generations should be carefully monitored, to avoid deprivation and poverty for women, who are more likely than men to be in a vulnerable position.
7. The particular contribution of women to social and economic development should be fully recognized, notably when it comes to the acquisition of pension rights.
8. Advocacy campaigns should help in raising awareness among women about their social protection entitlements, and the possibilities for their individual economic and social empowerment.
9. Statistics, and their analysis, should systematically include gender components in all aspects of employment and social protection.
10. The project should advocate the inclusion as a cross-cutting issue of gender related considerations in future technical cooperation endeavors between Europe and China in the employment, social protection and income distribution areas.

PANEL DISCUSSION MEETING

The 2019 Panel discussion meeting for Component One, EU-China Social Protection Reform Project SPRP was held on 21st May 2019 in Beijing Tangla Yaxiu Hotel. Some 25 participants joined the event, which focused on the research topics around planning in social protection policy - namely planning for a multi-tier social protection system and mid-term evaluation of the 13th Five Year Plan and preliminary proposals for inclusion in the draft of the 14th Five Year Plan on issues of employment promotion and social protection. The meeting was chaired by Mr. Jean-Victor Gruat, Resident expert for Component One. Professor Zhou Hong and her research team gave a presentation on European experience and lessons on building multi-tier social protection systems; Mr. Bai on behalf of Professor Yang Weiguo prepared a report on the evaluation of employment promotion policy in the past three years during the

13th FYP and proposal of issues to be included in the 14th FYP; and Mr. Song Xiaowu delivered a speech on the detailed proposals on social protection for inclusion into the 14th FYP. Professor Konrad Obermann from Germany contributed his comments towards the topics under discussion as well as his own presentation on long term care in selected European countries, which was of great relevance for Chinese researchers and policy makers in the field of social protection.



Multi-tier pension protection, draft report by Ms Zhou Hong



Professor Zhou Hong commences her presentation by briefly introducing the institute she works in: the Institute of European Studies in China Academy of Social Sciences deals with everything about Europe, yet the research focus for the recent years has been on social protection model, reform measures and welfare state, which also says a lot about the priority of the Chinese social and economic reform in recent years. Professor Zhou gives her thanks to Ms Tang and Mr. Gruat for providing great opportunities and technical

support towards the academic activities in social protection research. Professor Zhou introduces the team members of hers that are present at the meeting: Ms Peng and Ms Zhang.

Professor Zhou explains the basic logic of the research: firstly, the report tries to illustrate the significance and purpose of studying the European experiences in the field of their social protection system, and secondly, the tentative findings and conclusions achieved so far. The reason for conducting the research is historically evident since China has learnt great deal of social security experiences from outside world including EU countries, and with the deepening of its institutional reform, China not only needs to know how but also why.

The general approach of the research is designed as a result of thorough discussion among the project office and the research team on the basis of available academic resources, relevance to the Chinese context and countries of interest to NDRC. Therefore, six countries are selected namely Germany, the UK, Italy, France, Netherland, and Spain, whose social security systems are under examination.

Germany

The sub-report on German social protection system is conducted by Professor Liu Tao and Ms Tian Tong. The general observation of the report is that in the last two decades, the market mechanisms have been obviously strengthened in the German social protection system, however, it does not necessarily relate to the “retreat of the state” or the “welfare retrenchment”, rather, the state has changed its role, function and organizational pattern, reshaping the nexus between state and market. The welfare state has changed its role of direct provider/supplier of public goods to a new regulatory agency.

The multi-pillar of old age protection in Germany consists of four layers: a statutory pension insurance scheme, the Riester Pension, company pension schemes and the basic security for old age and people with reduced earning capacity. Among the different layers, the Riester Pension scheme stands out as a unique type of social protection for the elderly. The Riester Pension is a state-subsidized and privately funded pension provision. Unlike the prototype of the multi-pillar model proposed by the World Bank, the Riester Pension involves a state-promoted but voluntary private pension scheme that differs from the pillar of a mandatory funded pension. All employees are entitled to participate in the Riester Pension; however, they are not legally obligated to be insured in this funded pension scheme. From the angle of “compulsory” insurance, the Riester Pension scheme significantly differs from the statutory pension insurance scheme in Germany.

However, the Riester Pension is highly regulated by the state. The payment of the Riester Pension shall only be allowed to commence after the age of 60. Early payment of the Riester Pension is not allowed. During the pension payment stage, prior pension contributions and the additional state subsidies paid into the Riester Pension accounts (as a minimum amount of Riester Pensions) shall be guaranteed. The Riester Pension contracts shall be fully gender neutral. Financial institutes will ensure a lifelong pension payment for Riester clients. Riester investors will be regularly informed by financial providers about the investment portfolio, the structure of the investment funds and the possible risks of the investment. The Riester Pension contracts and the capital contained within it cannot be pledged, and they are not subject to insolvency.

The critics towards the Riester Pension are twofold: firstly, the Riester pension may have a marginal effect on low-income individuals and families as well as on households without any regular income since they do not have the necessary financial resources to pay the extra Riester contributions. Consequently, the Riester pension may favour the middle or upper-middle classes. Secondly, the question of “pension justice” has thus arisen since those who engage in atypical and irregular employment in the labour market are actually excluded from the Riester

pension. Old age-poverty is preprogramed and many retired people in Germany are increasingly exposed to risk of poverty in their old age.

The most intriguing observation of German pension reform concerns the blurring of boundaries between state and market. Unlike the drastic market-oriented pension reforms in new emerging markets, and unlike the welfare market sector in the Anglo-Saxon and Anglo-American world, the German pension market is a heavily regulated welfare sector. Comprehensive and rigorous public laws, strongly shaped by the tradition of state regulation over the market prevalent in the German model of a “social market economy”, have set the line of demarcation for safe and responsible investment. This structure has profoundly shaped an intermediary sphere that links market mechanisms to a public policy field.

Rigorous administration and heavy regulation through the welfare state has resulted in an emergent hybrid welfare sector, which engages multiple stakeholders: a supervisory agency, consumer protection agencies and financial actors. This new form of hybridized sector has been labelled a “regulatory welfare state”, social policy regulation or a “welfare market” by German scholars signifying a fundamental semantic and structural transition from the conventional welfare state. The transition from a providential welfare state to a regulatory welfare state mirrors a fundamental reconfiguration of the nexus between state and market rather than a simple social-technological type of reform.

United Kingdom

Professor Zhou then moves from the case of Germany to the UK. For the UK, the report takes a historical perspective. After World War II, the UK established what was called the Beveridge Model for its social security system. With the refining of the model and wealth accumulation of economic development, national insurance payment standards and payment levels as well as the coverage of different protection schemes continued to increase, and a unified management body was established with the merging of the Ministry of National Health and the Ministry of Social Security. The state bears 50-60% of the social protection system.

This social welfare institution was cast aside by Ms. Thatcher’s government when the Oil Crisis hit Europe. The state-oriented system was quickly transformed by a series of reform measures including reduction of social welfare expenditures, government fiscal expenditure, and emerging emphasis of individual obligations and responsibilities. The Social Security Law was introduced in 1986 which changed the welfare “normality” to welfare “selectivity” with privatization and marketization – the level of pension benefits was reduced, sickness and unemployment short-term allowances associated with income were also cancelled.

This logic of state withdrawing from social protection provision has been retained by the subsequent governments ever since the 1970s. The advocacy for “the third way” proposed by Anthony Giddens in the 1990s shifted the social protection system from demand-side management to the supply side, with the focus on improving human capital with “education, education and education”, who also advocated that the government should be “providing work for able workers, providing protection for those who cannot” “making work profitable”. Individual accountability was emphasized by the Brown government and the Cameron government since the 2010s. Responsibility is mainly reflected in the fact that every British who has the ability to work should go to work. The Pension Reform Law abolished the basic pension and the second state pension and merged into a unified public pension. The minimum qualification period in the full field was extended to 35 years.

Current pension system in the UK is composed of three components. Public pensions – a low-level pay-as-you-go system with a replacement rate of 22.1% in 2016, an occupational Pension - NEST which employees “automatically join”, and the private pensions whose coverage is relatively high at 43%, and the voluntary private pension replacement rate is 30%. The social assistance system is highly correlated with encouraging employment.

The New State Pension began in April 2017, which combines the State Basic Pension and the Additional State Pension into a new pension with equal treatment. Based on income, work conditions and other factors, the payment standards for four different groups of people are designed. It is a comprehensive protection plan, a payment port, corresponding to a package of insurance and allowance projects.

The eligibility requirements have been further tightened. The minimum period of “qualifying years” is more than 10 years. There is no early retirement policy. Only when the legal retirement age is reached benefits can be collected. The full new national pension must be paid for over 35 years, and the direct equal proportion of accounting for people who contribute less than 35 years. When accounting for the effective number of years of payment, it will take care of the interests of vulnerable people or special groups who are sick, disabled, unemployed, pregnant, caring for children or responsible for care, and give preferential treatment as a payment.

Italy

Professor Zhou goes on to the study of Italy for its social protection system. Compared to other European welfare states, Italy’s social security system is quite unique. Firstly, Italy’s public pensions occupy an absolute dominant position; the proportion of supplementary pensions is small. Secondly, there is a serious group imbalance in unemployment income protection. Thirdly, social assistance is only focused on old age. Family plays important role in coping with individuals’ unemployment and poverty. Fourthly, the National Health Service System is under the principle of salvation.

The pension system in Italy at present is characterized with an immature three-pillar structure. The first pillar consists of non-contributory old-age assistance and compulsory PAYG pension plan; pension expense accounts to 2/3 of total social expenditure in Italy which is the highest among EU member states. The second pillar is the total accumulated occupational pension which is based on voluntary participation of individuals; different ratios of occupational pension exist in different industries, much of which is from the TFR – severance pay. The third pillar is the individual pension scheme where people join open fund voluntarily or participate in PIP – Individual pension plan.

The reforms of the Italian social security system is characterized with institutional learning from the EU level while at the same time still maintained much legacy from its own institutions; it is an ongoing process constantly adjusting to the changes of economic and social situations; the tendency of reform is to strengthen the role of the market and personal responsibility, to moderately reduce the state’s burden, and to look for a more balanced structure of social expenditure.

The social security reform in Italy has exerted positive impact in several aspects. Firstly, the financial sustainability of public pensions has been enhanced to some extent as a result of strengthening individual’s responsibilities and stringent regulations on pension-drawing. Secondly, the imbalance of social assistance and unemployment insurance has been corrected to some extent. Thirdly, the imbalance of income security has been corrected by establishing unemployment relief scheme in 2015 and “Citizen's Basic Income” scheme in 2019.

There are also unsettled issues brought about by the reform. Firstly, the redistributive role of public pensions has been greatly weakened, and the lack of supplementary pensions will worsen the problem of old age poverty. Secondly, under the current pension system, workers’ occupational stability and continuity, and life span become important factors which have much impact on the pensionable income. The counter measures on raising the retirement age and payment period will worsen the problem of income inequality, especially for flexible employment and self-employment groups facing the risk of living standard worsening sharply after retirement. The reform of Italian National Health Service system tends to localize the

administrative and fiscal authority. Regions play more and more direct and important roles in health policy. This means the deterioration of regional imbalances in health service supply.

France

Ms Peng, the researcher on Professor Zhou's team whose expertise is in study of French speaking countries takes over the floor to introduce the structure of French social protection system. The structure of social protection system in France consists of three parts: social security which includes schemes of retirement insurance, medical-maternity insurance, occupational injuries and diseases insurance, and family benefit; unemployment insurance, and social aid.

The main characteristics of French social protection system can be summarized as followed: it is mainly a PAYG system with no compulsory funding and the State plays a key role in provision and management; a health care scheme with universal coverage is in place; the benefits and allowances for families are very generous; unemployment support is strong both financially and technically; and the social aid system is also very well organized. The strength of the social protection system in France is evident: with the State taking over the main responsibility, the aspect of solidarity and universalism in social protection has been achieved to a large extent, which has provided the majority of the population with a social safety net in a comprehensive, generous and effective manner.

The challenges brought by this model are also typical enough: France is among the highest spenders in the OECD in terms of social spending which is the cause for huge public deficit; the consideration of fairness outweighs efficiency, which makes the social protection system more socially sustainable than financially sustainable; structural reform on social protection has been difficult to put forward due to the veto power of the trade union.

Nevertheless, there have been some tendencies and orientations for systematic reform of social protection in France. Reform measures in the field of pension have been focused on parametric adjustment because of the general resistance for a structural reform; the issue of financial sustainability has been addressed to some extent, however, polarization of pension benefit becomes evident, the social aid expenditure increases, and the issue of intergeneration equity stands out.

Other debates brought about by social protection reform in France includes cutting of non-means-tested allowances and increase of mean-tested allowances for family benefits; the shift from unemployment compensation to employment incentives in unemployment protection; and the roadmap towards a unified and simplified pension scheme where same rules apply to all employees no matter the social sectors they are in. To sum up, the main problem for France at present is to seek the balance between adequacy and sustainability for its social protection system.

The Netherlands

Ms Zhang from Professor Zhou's research team then introduces the social protection system in Netherlands. Netherlands holds a mixed structure for its social protection system as a result of its socio-economic background, which can be seen on three different levels: schemes based on citizenship, schemes based on employment status, and social assistance. With the emergence of an ageing population, increased participation of women in labour market, and the development of non-standard employment, new challenges for social protection occur and priorities have to be reconsidered.

Seen from the perspectives of social investment, the welfare state should carry three functions in terms of social protection. Firstly, it must provide labour market capacity for those who are able to take part in employment of any kind, i.e., the state must ensure a stable level of labour market participation rate; secondly, it must strive to invest in human resources so as to maximize its human capital; and thirdly, it must provide countermeasures to buffer against systemic social risks.

There are two lines of reform measures in the social protection system in Netherlands, namely welfare reform and workfare reform. For welfare system reform, the basic protection such as pension scheme and medical care have been strengthened by measures such as sustaining the universal flat-rate public pension schemes, extending coverage of the occupational pension schemes and expanding the basic medical care insurance and long-term care insurance to cover the whole population. The welfare system reform has resulted in significant rise of social and public expenditure, which can be potentially challenging for financial sustainability.

For work-based social protection, the main logic of reform is to promote individual responsibility in social protection and to encourage able work force to take part in labour market. For instance, the reform in pension scheme for employees is trying to put stronger limitation towards early retirement; the benefit of unemployment insurance is set at a lower level and the number of years for receiving unemployment insurance is shortened; on top of that, employment promotion measures are incorporated into the scheme as well. The criteria for receiving disease and disability allowances are also more strict as Netherlands redefines its categorization for illness and disability; child care has been developed and included into the national social protection system.

As the state takes the main responsibility of providing basic social safety net for its people, resources from the market are also mobilized to provide supplementary income or services alongside. In some field, the management of social security schemes is based on market competition.

Spain

Ms Zhang goes on to introduce the social protection system in Spain. The social protection system in Spain is constructed as a collaborative effort by several administrative entities including the Ministry of Employment and Social Security, the Institute of Elderly and Social Services, Ministry of Health, Social Services and Equality MSSSI and other autonomous communities. These entities are responsible for different schemes in social protection including contributory benefits such as retirement pensions, invalidity benefits, maternity benefits; non contributory disability pensions, non contributory retirement pensions, system for autonomy and the care of dependency, and other services and economic benefits such as residential care, child protection, minimum integration income, aids for victims of domestic violence, etc.

Just like other EU member states, the social protection system in Spain is established upon solidarity principle which takes the main form of PAYG mechanism under social and political agreements. The basic non-contributory schemes are mostly financed by the government while contributory and professional benefit schemes are financed by employers and employees. To cope with the potential risks posed by changes in socio-economic development, the objective for reform lies in the maintenance of a mandatory PAYG public pension system for all employees which is financially sustainable. The funding requirements and the adequacy of benefits are assessed by using revenue's and expenditure's projections in the medium and long term.

The recent reform measures in social protection in Spain has been focused on postponing retirement age and the requirements for early retirement are being tightened gradually. Moreover, an annual increase in the accrual rate will be applied for employees who retain their employment status after legal retirement age. The accrual rate is +2% for people with career length below 25 years, which goes up to +2.75% for people with career length between 25 and 37 years and +4% for people with career length over 37 years.

Mid-term evaluation of the 13th FYP and preliminary proposals for inclusion in the draft of the 14th FYP on issues of employment promotion, draft report by Mr. Yang Weiguo



Professor Yang first gave a general account of the research project. The research is specifically focusing on the evaluation of employment promotion policy in the past three years during the 13th FYP and proposal of issues to be included in the 14th FYP. The research team consists of Professor Yang himself, and Mr. Bai, the Associate Professor from Renmin University, and several postgraduates.

Mr. Bai takes over the floor and starts the presentation. Three questions are touched upon in the study of employment promotion evaluation: how did we carry out this evaluation? What have been done? What to do next? As the background of the research, the 13th FYP and its implementation period of 2016 to 2020 coincide with the most recent and profound endeavour of socio-economic reform in China, which is characterized by four trends. First, employment is regarded as the biggest livelihood of the people and most fundamental support for economic development; secondly, market will play a decisive role in human resources allocation while the government turns to service-oriented functions; thirdly, employment promotion depends more on entrepreneurship and innovation; and lastly, employment promotion devotes more to improvement of quality in both employment and labor force.

A lot has been achieved in the implementation of the 13th FYP in terms of employment promotion. Employment scale grows steadily with accumulative newly-increased urban employment reaching 40.61 million. The structure of employment based on industry is also changing with the rising proportion of service sectors employees taking up 44.6% in first three quarters in 2018 and the proportion of urban employees going up to 56% in 2018. The legal stability of employment is also improving steadily.

Human resource and labour quality are also improving during the last three years. Till 2018, China has 0.16 billion skilled labor population, of which about 29%, 47.9 million in number can be categorized as high-tech labor. More attention has been paid to empowering the job-creation capability of entrepreneurship & innovation start-ups through providing series of policy supports. An outstanding example would be the rise of digital economy including internet retail and network platform economy, which serve as new engines for employment growth.

Series of policies have been designed to promote and refine market regulation and free flow of human resources. The estimated total market value for human resource service has reached 343.6 billion RMB in 2017 with compound annual growth rate as high as 21.9%. And the number of employment in human resources services is over 580 thousand in 2017.

Certain focus groups are examined in depth to grasp the bigger picture of general employment status during the past three years. First group is the active labour force in rural areas. The total number of working population from/in rural areas has reached 0.29 billion, the number is still growing but it is slowing down because of overall population ageing. Over 50% are population born in the 1980s who are in their prime years in labour market; yet the average age of the group is 39.7, showing a structural lack of vitality to some extent. 51.5% of the rural migrant workers are employed in the secondary industry sector while the number of workers engaging in the third industry sector is growing steadily.

The second focus group is the college graduates. The amount of university graduates has reached 7.53 million and the annual growth is slowing down. The overall employment rate for university graduates is steady with 80% of them going to full-time jobs, 3% trying out start-up business, and 10% choosing to engage in further study. More and more young graduates choose to work in mid-China and west China. Education sector and digital economy have attracted more graduates each year.

The last focus group is workers with job placement. In 2016, about 726 thousand workers mostly from heavy industrial enterprises were reassigned by government because of strategic remodeling and upgrading of productivity, 55.8% of whom are either placed with jobs in service sector within the same enterprise or considered eligible for internal early retirement plan. An estimation is that around 180 million workers will need to be re-employed by 2020 and most of them are from steel and coal industry. Numerous policies were made by local government to solve workers' employment due to adjusting of excess production capacity of heavy industry. There are of course unsettled aspects in employment policy that are prominent and calling for actions. First and foremost, structural dilemmas are still persistent because of the mismatching of the demand end and the supply end of labour market. On one hand, labor demand gap has sharply expanded since 2016 and peaked in 2017 (107 million); High Tech talent is in short and its demand ratio is above 2.0. On the other hand, unemployment issues remain acute although registered unemployment rate is far below 5% (3.8%) and keep decreasing.

Secondly, the emerging digital economy, network platforms in particular, are challenging the classical definition of employment relationship with new patterns of employment which is exerting impact on the whole employment security system. Rather than simply emphasizing the job-creation capacity of platform economy, much more attention should be paid on institutional and technical adjustment on social protection schemes to protect the platform employees and to regulate platform operators. Based on a preliminary analysis of 158 judicial cases on disputes around employment relationship, the employees are usually legally unsupported by legislation. Most network platforms tend to deny the existence of a formal employment relationship with their employees by asserting a partnership instead.

Thirdly, there is still big demand for skilled labour to be fulfilled. The overall labor quality is still at a relative low level, poor educated workers are majority and only 10%-20% receive vocational training. The percentage of working population who have got university degree and above only counts for 11.9%. Moreover, the discrepancy of labour quality between urban and rural areas is also getting bigger.

Fourthly, public service in the field of employment support is still lacking in general. As a matter of fact, the scale of public service in employment is getting smaller each year; and the type of service that is provided mainly focuses on short-term employment training and preliminary and intermediate qualification training. High level professional and qualification training are still very much lagging behind.

When looking at possible frameworks for proposals as what should be included in the 14th FYP in the field of employment promotion, it is essential to consider the new trends and emerging circumstances for social and economic development so that the proposals would provide matching responses. The most prominent background for the near future lies in the fast growth

of digital economy. The research team also provides a prediction of some new trends in employment promotion: firstly, employment policies are redefined as political measures for macro management instead of micro public policies; secondly, industries that contribute to employment promotion is shifting from construction/manufacturing to service sector; thirdly, rapid change is happening to the demographic structure in China, which may trigger social issues of population ageing, labour supply decline, and overall low participation in labour market. The estimation is that by 2049 the amount of working age population will shrink to 0.8 billion; working age population aged from 45-64 will account for more than 45% in 2045; labor market participation is estimated to decrease dramatically from nearly 85% to 75%, especially for women to 65%.

Another lens through which proposals can be drawn is through observations of initiatives and advocates coming from international organizations. First and foremost, we can see that the focus on digital economy has become a global one, with predictions of both the positive and negative impact on employment; secondly, inadequate wage growth and the income polarization are worsening at a global scale; thirdly, population ageing has also become a global challenge for employment policy; and the issues of social safety net and gender equality in employment are still prominent.

On the basis of the analysis and observation, several policy suggestions can be drawn as potential proposals for inclusion into the 14th FYP in terms of employment promotion which can be categorized into three layers. The first layer is the overarching framework for employment promotion policy. The fundamental principle lies on the emphasis that there should be a comprehensive mechanism to ensure the employment balance in short term and labor market development in long term. The 14th FYP should try to incorporate the dimension of employment protection into the “supply-market-demand” policy triangle. More attention should be paid on the connection between employment and digital economy.

The second layer of policy suggestions is the concrete items to be considered to include in the 14th FYP which are as followed:

- The management of unemployment should be restructured and reclassified according to the nature of unemployment, which are structural unemployment, frictional unemployment and cyclical unemployment. Different nature of unemployment calls for different measures to be taken including human capital investment, market re-allocation, and macro control mechanisms.
- Improve the overall labour quality by: seeking the potential of individual employees, supporting the transformation of rural labour force, encouraging human capital investment and accumulation on both public and individual level, and introducing channels of inflow for international talents.
- Ensure fluidity within the labour market by enhancing the efficiency and efficacy of human resource allocation by market itself.
- Establishing social protection system for non-formal and flexible employment by designing special protocols for flexible participation in insurance schemes and payment, and by strengthening supervision of employers.
- Emphasis on employment support and public services in vocational and professional training.
- To cope with demographic ageing, it is crucial to build a safety net for the elderly with social protection and other mechanisms where the potential of the elderly as human resources can be optimized.
- Family should be regarded as a social unit when designing employment promotion and protection policies.

The third layer of policy suggestions refers to the operational level of employment promotion with two principles. The principle of coordination points out the importance of a collaborative framework among different governmental bodies under which employment promotion policy can be implemented in the most efficient manner. The governmental bodies including macro-level monitoring organizations, statistics and data providers should be involved more profoundly in employment promotion. The principle of accuracy asks for a more scientific

evaluation mechanism, a refined classification management, and more precise intervention procedures.

Mid-term evaluation of the 13th FYP and preliminary proposals for inclusion in the draft of the 14th FYP on issues of social security, draft report by Mr. Song Xiaowu



Mr. Song introduced the research done by his team on the evaluation of social protection policies in the 13th FYP and the preliminary framework of proposals for the 14th FYP. He pointed out that his team took a rather different approach towards the research topic compared with that of Professor Yang's team: the evaluation part is rather general and brief and the major focus is put on the proposals for the 14th FYP. There are altogether 8 sections under the proposals of social protection, but only 7 of them will be elaborated at the presentation because the one on urban-rural coordination is still under development.

The first section focuses on the evaluation of progress made during the implementation of the 13th FYP in terms of social protection and a general account of the potential risks, problems to be dealt with, as well as socio-economic context for the design of the 14th FYP. The following 6 sections are the detailed proposals for inclusion into the 14th FYP including national coordination of basic pension scheme, postponement of retirement age, multi-pillar social protection system, health care service system for the elderly, children welfare, and housing provident fund.

Great progress has been made during the 13th FYP in terms of social protection. The coverage of population under social protection schemes are expanding steadily. The population covered by medical insurance is over 1.3 billion, and the number is reaching 1 billion for coverage of basic pension scheme in China. A lot of reform measures are also under effective implementation including the transfer of state-owned capital to enhance social security system, market-oriented investment of pension funds, basic medical insurance as strategic purchaser, and pilot for long term care insurance.

There are of course emerging challenges to be taken into consideration for social protection policy in the 14th FYP. The first one is demographic ageing which will inevitably pose a huge impact on social protection system. It is estimated that China will step into the era of deep ageing society in 2026 with the percentage of population over 65 years old reaching 14%. On the other end of the line, the risk of low fertility trap is becoming more and more evident as the total fertility rate stays low even after adjustment of fertility policy in 2015. When looking at the primary distribution of social income, the Gini coefficient is still hovering at a high level which shows the income distribution inequality is not getting better. Moreover, the

macroeconomic environment is facing downward pressure, which will influence the financial capacity of social protection and bring unfavorable possibility of unemployment issues. As was mentioned by Mr. Bai earlier, the thriving of digital economy and network platforms quickly bring new form of employment with increasing flexibility and informality. All these factors will have a huge impact on the priorities of social protection policies in the next FYP.

Mr. Song then goes into detail on the proposals to be included in the 14th FYP. The first one concerns with the national pooling mechanism of basic pension scheme. The pension scheme at present is deeply fragmented in that there are huge discrepancies among different regions in China. As is quite perceivable, the support ratio of retired population by active labour population varies drastically in different parts of China (1.26:1 in Hei Longjiang Province while 6.71:1 in Guangdong) but the current pooling system lacks the redistributive capacity to unease the imbalance. Policies around social protection including contribution rate are not unified in most provinces with a very low level of coordination. As a result, the funding for pension at some regions depends heavily on public financial subsidy when expenditure exceeding revenue based on contribution. On top of these, the ambiguity of administrative function between central and local government poses an overarching problem in terms of management. To tackle the above-mentioned issues, Mr. Song proposes several measures to be taken to achieve national pooling including the establishment of Central adjustment funds which takes up 3.5% of the pension contribution revenue at provincial level and the scale is about 600 billion.

The second proposal to be included in the 14th FYP deals with the issue of postponing the retirement age. The average life expectancy has grown substantially during the past 70 years in China from under 60 in the 1950s to around 70 at present; the number is even higher in large cities like Beijing. Meanwhile, the number of newly-increased labour force is lowering each year. Thus it is reasonable to reconsider the retirement age to adapt to the changes in demographic structure which will exert great impact on the social and economic development in China. There has been resistance to postponement of retirement age from people engaging in hard labour employment – therefore, another term called flexible retirement can be justified in this regard but of course the general mentality is towards postponing the retirement age.

The third proposal focuses on the construction of multi-tier social protection system. The social protection system in China has been and still is governmental-oriented with very little involvement and participation from the private sector. For instance the current number in the enterprise annuity scheme is only over 20 million people, which is very little compared with the basic pension scheme. Policies have been put forward to promote enterprise annuity during the XII Plan but the effect is very limited. One of the reasons is that enterprises are already burdened by the contribution to basic pension scheme and are reluctant to pay for extra schemes. The report will try to propose measures to adjust proportions in first pillar and second pillar to seek a better balance.

The fourth proposal discusses how to build a comprehensive health care service system for the elderly. The current basic pension scheme has a rather broad coverage, but problem remains that most elderly do not have access to satisfactory health care service even if they have the money. The proposal points out that the health care service for the elderly should be home based with intense community support and institutional supplement, to be combined with medical care. It is also proposed that the private sector are highly encouraged to engage in the service industry, which is anticipated to provide more than 50% of beds in old-age service institutions. This topic is also connected on the discussion of long-term care insurance but the proposal decides that the focal point be put on the establishment of health care service system not only because it is more pressing but also because it already tackles the core issue for long-term care insurance.

The fifth proposal is dedicated to the discussion of child welfare, which has been largely neglected in the past in China's social protection system. Mr. Song would propose to put child

welfare to a much prominent position in social protection system as a response to the rapid demographic ageing and societal transformation. It is estimated that there are around 9 million “left-behind children” in China – children or adolescents whose parents are constantly absent in their childhood life – the number would go up to 50 to 60 million if calculated under different criteria. This would not only cause developmental issues for the children or adolescents themselves but also social issues for the society as a whole. The measures to be taken include more public financial support, increasing civil society participation, establishment of child allowance, improving urban MAF systems and refinement of public administrative system. The sixth proposal is about housing provident fund and how to lessen the burden for enterprises as well as low income group in this regard. As a matter of fact the collection of public housing fund in China has a regressive impact on social equality. The essential reform target lies in the establishment of a housing security bank which functions as the professional administration body to monitor and manage the housing fund.

Comments submitted by Prof. Konrad Obermann (European Expert) and presentation of Long term care in Germany



On the supply side of long-term care Professor Obermann mentions one study he took part in in Germany that patients with prescription of long term medication are asked to bring all the medicines they take every day which are reviewed by a group of doctors, nurses, and pharmacists; the result of the study shows that half of the medicines can be omitted and by doing so, the patients feel less affected by the cross side effect. Thus the review of pharmaceutical treatment can be helpful regularly in examining the cost efficiency as well as medical effectiveness of long term care.

According to Professor Obermann, social protection is a basket mixed with many different things. Pension is essentially a financial issue in that the success of it lies heavily on cash flow, financial sustainability, and actuarial science. Health care insurance on the other hand, is highly technical. Therefore, for different schemes of social protection, different and highly diverse qualifications are required, which puts a question mark on the methodology of grouping everything under the umbrella of social protection; it might be more useful to look at specific issues as they are supposed to.

He takes the Gini coefficient as an example. Obviously, people don't want 0.0 or 1 for Gini coefficient, but anything in between is a place where normative elements matter. What is needed therefore might be a general guiding system. The notion of harmonious society in China or equivalent idea of solidarity in European countries argue for some basic understanding or assumption of what a society people want and how far are people willing to go to actually make it happen; that's more of a question of value and the translation of it into policy. One more issue

brought about by Professor Obermann is the issue of data. It is quite often that researches and studies nowadays are done without a good foundation of solid data, which makes it very hard for people to see in perspective. A good set of data can be a very good starting point for people to discuss where to go next.

Professor Obermann then goes into the introduction of SUSTAIN Project which is a case study sponsored by EU with 7 countries taking part in the discussion how to take care of old people in a sustainable and efficient manner. The background or the challenge the project tried to face is now a common one in Europe, which is the increasing number of people with chronic conditions who demand health social care; yet the current health care and long term care systems are often poorly coordinated and planned due to historical restraints; therefore, people would like to be more involved in the decision-making system which affects their own health and treatment.

The SUSTAIN consortium then came up with an approach of integrated care to optimize long term care/ health system with five core elements: proactive case by case assessment, involving older people, multiple disciplines of qualifications, coordination of the above groups, and identification of a set of interventions. Challenges related to this type of integrated care include the best way to design integrated care, the effectiveness, how to implement integrated care, how to make integrated care sustainable, and how to transfer successful initiatives from one country to another.

The SUSTAIN project then aims at supporting and monitoring improvements to established integrated care initiatives for older people living at home with multiple health and social care needs; and contributing to the adoption and application of these improvements to other health and social care systems and regions in Europe. There are four core domains in the SUSTAIN project. The first one is person-centeredness which means the patient or the old person is at the centre of consideration and organization of a customized care plan. The second one is the focus on prevention of potential side-effects of medication and/or accidents that can be minimized with modest efforts. The third one concerns with the issue of efficiency which means cost effectiveness of financial resources and last one concerns with safety for both the patients and the care givers.

The main deliverable SUSTAIN project achieved is what is called a roadmap. The logic is that if you want to improve integrated care, there is a process and procedure to follow. The first thing to do is identifying good practices which can be transferred; secondly, an instrument to develop an improvement project; thirdly, data collection, identification of indicators, and the proper method to interpret the data; fourthly, the solution for implementation issues; and lastly, some tips and tricks about how to get things done. The value of international collaboration in the light of SUSTAIN project and according to Professor Obermann is very enlightening. International collaboration provides: access to experiences of other countries; the possible action of learning from experiences of other countries; getting to know and understand other countries; insight into generic vs. context-specific factors; knowledge and uniformity of indicators for evaluating integrated care; translating scientific knowledge into practical recommendations.

MULTITIER SOCIAL PROTECTION: INTERNATIONAL WORKSHOP, DIALOGUE AND STUDY VISIT



The delegation visiting Milan municipality to exchange on social affairs policy and decentralised management

On 23 and 24 May 2019, a high level NDRC delegation, led by Mr. Chang Tiewei, Deputy Director General, visited the Headquarters of the European Commission in Brussels where they had an in-depth policy exchange with high level specialists from the Commission directorate for Employment and Social affairs. The delegation was accompanied by three Chinese experts – Ms Zhou Hong for Multitier social protection; Prof. Yang Weiguo for planning in Employment promotion; Mr. Guan Bo on Planning for social security protection - During the sessions held with the European Commission, opening remarks were made by Mr Joost Korte, Director General, DG EMPL, European Commission and Mr Chang Tiewei, NDRC. Exchanges were subsequently held around the following topics, each of them being introduced by a European and a Chinese expert: Overview of social protection systems – structure, financing, adequacy, fairness; pension systems – private & public, ageing; Healthcare and long-term care; Trust in institutions and political economy of structural reforms.

While in Brussels the delegation visited the Secretariat of the International association for Mutual benefits funds AIM to discuss issues related to multitier social protection in health care insurance.

In Rome the delegation and accompanying experts took part in a high level International workshop organised at INPS Headquarters on 27 May around the topic of Planning for multitier social protection systems in Europe and in China. The ILO Deputy Director for Social protection department Ms Valerie Schmitt delivered a keynote address on the Current situation and prospects concerning multi-level social security protection – including social protection floor initiatives. Specialists from the OECD, the ISSA, AIM, Germany, Belgium, France and Italy also delivered presentations at this meeting. Topics addressed were the Prospects for multitier social protection in the Chinese context; the European experience in multitier social protection; the Future of social protection – coping with atypical employment. While in Rome, the Delegation could exchange with representatives of the Italian Ministry of Finance about the process and the results of the national pension reform and introduction of Notional defined contributions method, before proceeding to Milan where it could discuss with the Municipality aspects related to decentralisation of social protection management. The Delegation then proceeded to Portugal on 30 May where they could interact with the Portuguese Ministry of labor, solidarities and social security as well as the national social security institution before returning to Beijing on 1 June 2019.

NON CONTRIBUTORY PENSIONS REFORM IN CHINA AND EUROPEAN EXPERIENCE



From left to right: Mr Fang Lianquan, SPRP Main expert (research); Mr Zhang Guoqing, SPRP Main expert (Operations); Mr Qi Chuanjun (CASS, SPRP ST Expert)

On 12 June 2019, the SPRP project Component 1 and the National institute of Social development of the Chinese Academy of Social sciences organised a technical seminar chaired by Mr. Fang Lianquan, main Expert, SPRP, to discuss Non-Contributory Pension Reform in China and the EU Experience. This topic was the subject of an assessment report on Urban and Rural resident pensions in China produced by Mr. Qi Chuanjun – CASS Center of International Social Security Research - as part of the Component 2018 Programme of Activities.

Mr. Qi's presentation was supplemented by an introduction to the situation in Europe concerning universal social protection.

Component 1 resident experts Mr. Jean-Victor Gruat concerning social security, and Ms Marzena Breza as regards social assistance.



Ms Zhang Yinghua then presented the framework of the China Pension Report 2019 to be centered on the topic of Non-Contributory Pension Reform.

TIANJIN PROVINCIAL ROUND TABLE MEETING



Mr. Zhang Zhiyun (center) opens the meeting. From left to right Ms Tang Ling, Mr. Song Xiaowu, Mr. Zhang Zhiyun, Mr. Guo Qimin, Mr. Chang Hao

On 13 and 14 June 2019, the Tianjin Development and Reform Commission organised a round table event with representatives from C1 SPRP pilot sites as well as from other Provinces participating in the Component's domestic or overseas events. Some 35 participants took part in this event which was opened by Mr. Yang Zhiyun, Deputy director general of Tianjin Municipal Development and Reform Commission, in the presence of Mr. Guo Qimin, Deputy Director general of NDRC Department of Employment, Income distribution and Consumption and Mr. Chang Hao, deputy director general of NDRC International cooperation center ICC. Participants first benefitted from key note addresses by Mr. Jean-Victor Gruat and by Mr. Song Xiaowu who submitted their views on the future of Social protection in Europe and in China respectively. On behalf of the project component 3, Ms Marzena Breza detailed the experience of the project with MOCA in dealing with social assistance mechanisms in pilot areas of Jilin, Sichuan, Jiangsu provinces as well as Inner Mongolia autonomous region.

Presentations were also made on behalf of C1 pilot sites, namely Shanghai on Demographic ageing, Sichuan on Rural urban integration and Guangdong on widening the scope and efficiency of pension scheme. Mr. Fang, Main Expert (research) from SPRP C1 introduced the new rules applicable for computation of contributions under Chinese social security system and the need to increase awareness among workers and employers on the interest to join in the scheme. Participants then submitted their views and suggestions to NDRC leadership on the most urgent issues for social security reform at the decentralised level. On the second day of the event, participants visited Human resources and Social security administrative centers in Tianjin, where they could get better acquainted with qualitative progress made in servicing the public.



Participants outside the meeting room

DIALOGUE AND STUDY VISIT ON PLANNING FOR EMPLOYMENT AND SOCIAL PROTECTION



From 19 to 27 May 2019, a high-level NDRC delegation led by Mr Guo Qimin, Deputy director general of the Department of Employment, Income distribution and consumption, visited France, Lithuania and Romania for a dialogue and study visit on the Evaluation of Employment and Social Security Policies, Promotion of women's participation in High quality Employment. In France and in Lithuania, the delegation was accompanied by Mr Fang Lianquan, SPRP Main expert (Research) and by Mr Yue Jinglun aka. Ngok Kinglong, ST expert on Employment and gender issues.

In France, meetings were held with France Strategie – High Commission for Strategy and Prospective on the Evaluation of the long term impact of Social protection policies, with Pole Emploi – National public Agency for Employment on the review of employment policies with a focus on gender related questions and on the High Council for Equality between Women and Men on Promoting high quality employment for Women. The Delegation also held discussions with Ministry of Labour - Mr Guillaume Cravero, Diplomatic Counsellor; Ms Elvire Aronica, Deputy general delegate for European and international affairs - and Expertise France on possible avenues for future bilateral cooperation in the employment and social protection fields.

In Lithuania, the delegation visited the State Social Insurance Fund of the Ministry of Social Protection and Labour, and held bilateral discussions on Social Protection and Employment policy evaluation.

In Romania, the delegation held a policy dialogue with the Ministry of Labour and Social Justice and the National Agency for Employment on social policies and employment policies evaluation. It then had a meeting on gender issues in social policies with the Ministry of Labour and Social Justice and the National Agency for Equal Opportunities between Women and Men, before returning to Beijing on 28 June 2019.



Social Protection Reform Project
中国-欧盟社会保障改革项目



FROM THE
RESIDENT EXPERT, COMPONENT 1

The EU-China Social Protection Reform Project has entered into the final year of its activities. Meeting on 23 January 2019, the Project Advisory Committee indeed acknowledged the progress accomplished since 2015 towards achieving the goal of developing a comprehensive, efficient and sustainable social protection and employment reform with Chinese characteristics, drawing from European experience.

As far as Component One is concerned, the main thrust of our activities for the year 2019 will be to take stock of progress made during the implementation of the XIIIth China 5-year Economic & Social Development Plan, to which the project contributed during its early stages, as well as to already proceed with the identification of themes that could be addressed during the forthcoming XIVth Plan (2021 – 2025) in the realm of employment and social protection. This final round of activities will of course also be used to provide for the sustainability of our Component's results, through both the compilation and fine tuning of materials produced that may contribute to the further dissemination of reform principles and good practices, and the strengthening of ties established over the past years between European consortium members

C1 Newsletter

Spring 2019

and NDRC, our main Component stakeholder. During the period under review, covering the first quarter of 2019, the C1 team first worked on completing activities planned to be implemented under 2018 programme – that could not formally be conducted by mid-November 2018. It also started actively preparing for activities to be concluded in 2019, where it is foreseen that technical events should be fully delivered by the month of August. This final year represents a very demanding task from the Component team, since a "quasi normal" programme with its in-country and overseas events, researches and exchanges will have to be conducted over eight months only. It will be the pride and honour of our team to successfully deliver all of expected outputs, even under such stringent conditions.

Jean-Victor Guat
March 2019

PREPARING FOR RESEARCH WORK

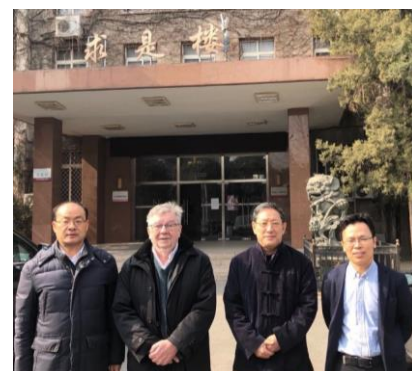
The SPRP Component One programme of research activities in 2019 is focusing on supporting the planning functions of its main partner, the National Development and Reform Commission, in the field of social protection and employment promotion. More specifically, three studies will be conducted, combining overseas (European) approaches and more specific Chinese assessment. Those are Planning for multitier social security protection, mostly but not exclusively for the pension system, for which prof. Zhou Hong from the Chinese Academy of Social Sciences and her team will take the lead; mid-term evaluation of the XIIIth Five-year Plan and preliminary proposals for inclusion in the XIVth Plan related to Employment promotion, handled by prof. Yang Weiguo from Renmin University and his team; same approach to XIIIth and XIVth Plans in the area of social security protection, with national research contributed by Mr. Song Xiaowu, one of the most highly respected experts in this field, President of the China Economic System Reform Research Association. On 27 and 28 February, each of the three authors discussed preliminary contents and expected support with the Component one team before starting their works –to be presented during a peer review session in Beijing to be held towards the end of April 2019, as well as on the occasion of an International workshop to be organised in Rome on 27 May, with participation of ILO, OECD, ISSA and AIM lead specialists.



Mr Song Xiaowu and his assistants visited the project office on 27 February.



Ms Zhou Hong and Ms Peng Shuyi (back of the row) in Beijing Office



With Prof. Yang Weiguo in Renmin University

GET IN TOUCH

EU-China Social Protection Reform Project
Room 2308, Building A, Fullink Plaza, No. 18 Chaoyangmenwai Dajie, Chaoyang District, Beijing, China, 100020
Email: contact@sprp-cn.eu Tel: +86-10-85306520 Project website: <http://www.euchinasprp.eu/>

GUANGDONG PILOT ACTIVITIES

From December 17 to December 21, 2018, a project Component one mission conducted a visit to Guangdong Province with focus on two themes, namely social security awareness raising and social security management, reviewing the situation and carrying out local training activities. The team was led by the Director of the Social Security Division of the Department of Income and Distribution NDRC Ms Tang Ling, the International Cooperation Center of the NDRC and the Resident expert in the Beijing Office SPRP. Four experts from France specially gave lectures on the above two topics. Introducing international experience, namely Mr. Andrei Tretyak, Director of Social Security Department of Expertise France, Mr. Michel Villac, President of the French National Family, Children and Senior persons Council, Mr. Thierry Weishaupt, General Manager of VYV Group China Operations, and Mr. Romain Chave, Project Manager, International Department of National Teacher Health Foundation. Relevant government departments, business and trade union representatives and individuals from the Provincial Development and Reform Commission, personnel and taxation departments, and Tianhe District and Huizhou City (Pilot Area) in Guangzhou participated in the activities.



Huizhou city, a Community center

CHENGDU – SICHUAN PROVINCE – GENDER ISSUES IN EMPLOYMENT AND SOCIAL PROTECTION



Visiting one Service and Social security center in Chengdu city

As part of its programme of activities for 2018, the EU-China SPRP Component 1 conducted a mission to Chengdu (Sichuan Province) on 24 and 25 January 2019. The mission's goals were on 24 January to get better acquainted with the local situation regarding access to social protection benefits in Chengdu (a pilot site for Component one activities), and on 25 January to conduct an international workshop on Gender conditions in Employment and Social protection, organized by the Provincial Development and Reform commission under the framework of the project plan of activities.

The International workshop on Gender issues on Employment and Social protection took place in the Provincial DRC premises. Some 20 participants participated in the meeting, including Provincial and municipal representatives of the DRC and of the department of Human resources and social security. Reports were presented by European expert Ms. Yasmina Lakmad, and

national experts prof. Ngok Kinglun aka Yue Jinglun (Sun Yat Sen University Guangzhou) and prof. Lin Yi (South-West University of Finance and Economics, Chengdu). The meeting was chaired by Mr. Jean-Victor Guat, Resident expert for SPRP project Component 1. Opening remarks were delivered by Mr. Laurent de Lespinay, European project coordinator for Component 1, Expertise France, and by Mr. Liu Jinfeng, vice-director, Sichuan Provincial Development and Reform Commission.

Ms. Yasmina Lakmad, European specialist, presented the main concerns with gender equality in employment and social protection according to the European experience, before prof. Ngok and prof. Lin introduced their respective findings concerning the situation in Guangdong and Sichuan provinces. In the discussion that followed, Mr. Ceng Zhigang, from the Provincial HRSS Department, described in more details the situation in Sichuan province concerning gender equality and inequalities in the field of employment. The three experts entered into a dialogue about their respective contributions. The Chair then summarized the technical conclusions of the meeting (see box), before Ms. Tang Ling, national Component 1 project coordinator for NDRC, delivered the closing statement for a meeting highly appreciated by all participants, as reported to Mr. Fan Bo, Director of Sichuan Provincial development and reform commission, who came to visit them for a direct briefing.



From left to right, prof. Ngok, Ms. Lakmad, prof. Lin

CHAIR CONCLUSIONS ON GENDER ISSUES IN EMPLOYMENT AND SOCIAL PROTECTION

1. There is no such thing as gender neutrality in employment and social protection. To be socially efficient, social protection has to address the factors affecting negatively gender equality also at an early stage, including through education and employment promotion measures.
2. The specifics of female employment and working conditions have to be further analysed, so that related discrimination maybe be actually combatted.
3. The situation of female migrant workers requires particular attention, including concerning the conditions under which return to the place of origin takes place.
4. Old-age pension insurance should take into account the negative effects of women's actual participation in the labour market on their capacity to accrue sufficient rights over their active lives.
5. Social protection of the elder generations should be carefully monitored, to avoid deprivation and poverty for women, who are more likely than men to be in a vulnerable position.
6. The particular contribution of women to social and economic development should be fully recognized, notably when it comes to the acquisition of pension rights.
7. Advocacy campaigns should help in raising awareness among women about their social protection entitlements, and the possibilities for their individual economic and social empowerment.
8. Statistics, and their analysis, should systematically include gender components in all aspects of employment and social protection.
9. The project should advocate the inclusion as a cross-cutting issue of gender related considerations in future technical cooperation endeavors between Europe and China in the employment, social protection and income distribution areas.



Social Protection Reform Project
中国-欧盟社会保障改革项目



FROM THE RESIDENT EXPERT, COMPONENT 1

The EU-China Social protection reform project is now entering into its final stage. At the time of writing this lines, the last overseas activities conducted under the auspices of the project component 1 is about to start in France, Lithuania and Romania. While the time of summaries and memories has not yet come, it is already a motive for pride for the Component One project team to have successfully conducted over the first six months

of this final year of operations all of the scheduled activities corresponding to a complete year of "normal" operations. As the reader will see, this second quarter of 2019 was particularly active, with notably a peer meeting review to allow Chinese experts to expose to their peers, including European experts, their preliminary findings on the future of planning for social protection – be it in pensions, in social security or for employment promotion. A very efficient dialogue and study visit to the European Commission, to Italy and to Portugal followed, with in Rome a high level International workshop on Planning for social protection, where the presence of international organisations like the ILO, the OECD, the International Social Security Association ISSA and the International Association for Mutual Benefit Funds AIM was particularly visible and appreciated. The SPRP Component

C1 Newsletter

Summer 2019

One programme of activities for this quarter also included a research seminar jointly organised with CASS on the theme of Universal pensions, which will be the topic for this year annual China Pension report as well as, last but certainly not least, a round table event held in Tianjin where representatives for the Component pilot sites – Shanghai, Guangdong and Sichuan – and from other Provinces taking part in project activities in country or abroad could gather, to exchange views on experience gained, on progress made in handling decentralised social protection and on expectations raised towards NDRC leadership for future activities. In short, another very busy and profitable quarter for the SPRP Component One team and beneficiaries.

Jean-Victor Guat
June 2019

MEETING BETWEEN NDRC AND FRENCH LABOUR ATTACHE IN BEIJING

On 25 April, representatives from NDRC led by Mr. Guo Qimin, Deputy director general of the Department for Employment, Income distribution and Consumption, met at NDRC Headquarters with Ms Anne Bruant-Bisson, Social and Labour Attaché at the French Embassy in Beijing. The main purpose of the meeting was to exchange preliminary views on the possible contents of future cooperation between France and NDRC in the field of employment promotion and social protection reform.



PANEL DISCUSSION MEETING



On 21 May 2019, some 25 participants from NDRC and the EU China Social protection reform project met with Chinese experts in charge of 2019 Research reports on Pensions, Social security and Employment promotion planning Ms Zhou Hong – CASS, Mr. Song Xiaowu – China Institute for Income distribution, Prof. Yang Weiguo, Renmin University. The aim of the meeting, chaired by the EU Resident Expert for Component 1, was to submit to peer review the experts' preliminary findings. Mr. Konrad Obermann, professor at the University of Heidelberg (Germany), was also present at the meeting, where he commented on the experts' presentations and submitted his own works on Long term care within the framework of EU sponsored SUSTAIN project – demographic ageing placing long term care at the core of social protection reform focus in both China and Europe.

GET IN TOUCH

EU-China Social Protection Reform Project
Room 2308, Building A, Fullink Plaza, No. 18 Chaoyangmenwai Dajie, Chaoyang District, Beijing, China, 100020
Email: contact@sprp-cn.eu Tel: +86-10-85306520 Project website: <http://www.euchinasprp.eu/>

TIANJIN PROVINCIAL ROUND TABLE MEETING

On 13 and 14 June 2019, the Tianjin Development and Reform Commission organised a round table event with representatives from C1 SPRP pilot sites as well as from other Provinces participating in the Component's domestic or overseas events. Some 35 participants took part in this event which was opened by Mr. Yang Zhiyun, Deputy Director general of Tianjin Municipal Development and Reform Commission, in the presence of Mr. Guo Qimin, Deputy Director general of NDRC Department of Employment, Income distribution and Consumption and Mr. Chang Hao, Deputy Director general of NDRC International cooperation center ICC. Participants first benefitted from key note addresses by Mr. Jean-Victor Gruat and by Mr. Song Xiaowu



Participants outside the meeting room

contributions under Chinese social security system and the need to increase awareness among workers and employers on the interest to join in the scheme. Participants then submitted their views and suggestions to NDRC leadership on the most urgent issues for social security reform at the decentralised level. On the second day of the event, participants visited Human resources and Social security administrative centers in Tianjin, where they could get better acquainted with qualitative progress made in servicing the public.



Mr. Yang Zhiyun (center) opens the meeting. From left to right Ms Tang Ling, Mr. Song Xiaowu, Mr. Yang Zhiyun, Mr. Guo Qimin, Mr. Chang Hao

who submitted their views on the future of Social protection in Europe and in China respectively. On behalf of the project component 3, Ms Marzena Breza detailed the experience of the project with MOCA in dealing with social assistance mechanisms in pilot areas of Jilin, Sichuan, Jiangsu provinces as well as Inner Mongolia autonomous region. Presentations were also made on behalf of C1 pilot sites, namely Shanghai on Demographic ageing, Sichuan on Rural urban integration and Guangdong on Widening the scope and efficiency of pension scheme. Mr. Fang, Main Expert (research) introduced the new rules applicable for computation of



One of Tianjin Social security and Human resources call-centers

NDRC DELEGATION VISITS EUROPEAN COMMISSION, ITALY AND PORTUGAL TO DISCUSS MULTITIER SOCIAL PROTECTION



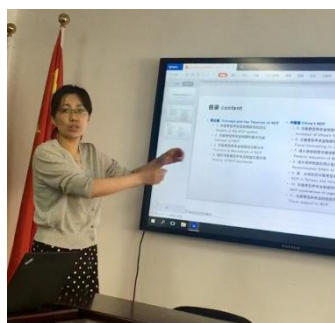
The delegation visited Milan municipality to exchange on social affairs policy and decentralised management

On 23 and 24 May 2019, a high level NDRC delegation, led by Mr. Chang Tiwei, Deputy Director General, visited the Headquarters of the European Commission in Brussels where they had an in-depth policy exchange with high level specialists from the Commission Directorate for Employment and Social affairs. While in Brussels, the delegation visited the Secretariat of the International association for Mutual benefits funds AIM to discuss issues related to multitier social protection in health care insurance. The delegation was accompanied by three Chinese experts – Ms Zhou Hong for Multitier social protection; Prof. Yang Weiguo for planning in Employment promotion; Mr. Guan Bo on Planning for social security protection – who also took part in Rome in a high level International workshop organised at INPS Headquarters around the topic of Planning for multitier social protection systems in Europe and in China. Specialists from the ILO, the OECD, the ISSA and the AIM also delivered presentations at this meeting. While in Rome, the Delegation could exchange with representatives of the Italian Ministry of Finance about the process and the results of the national pension reform and introduction of Notional defined contributions method, before proceeding to Milan where it discussed with the Municipality aspects related to decentralisation of social protection management.

The Delegation then proceeded to Portugal on 30 May where they interacted with the Portuguese Ministry of Labor, Solidarities and Social Security as well as the National Social Security institution before returning to Beijing on 1 June 2019.

UNIVERSAL PENSIONS – MEETING WITH CASS

On 12 June 2019, the SPRP project Component 1 and the National institute of Social development of the Chinese Academy of Social sciences organised a technical seminar chaired by Mr. Fang Lianquan, main Expert, SPRP, to discuss Non-Contributory Pension Reform in China and the EU Experience. This topic was the subject of an assessment report of an assessment report on Urban and Rural resident pensions in China produced by Mr. Qi Chuanjun – CASS Center of International Social Security Research - as part of the Component One 2018 Programme of Activities. Mr. Qi's presentation was supplemented by an introduction to the situation in Europe concerning universal social protection, by resident experts Mr. Jean-Victor Gruat concerning social security, and Marzena Breza as regards social assistance.



Ms Zhang Yinghua (left picture) then presented the framework of the China Pension Report 2019 to be centered on the topic of Non-Contributory Pension Reform.



From left to right: Mr Fang, Mr Zhang, Mr Qi

FROM THE COMPONENT ONE PROJECT TEAM

This issue is the last one to be published by the EU-China Social protection reform project Component One. It is being printed on the eve of the Project final event, to be held on 20 September 2019 in Beijing. After practically five years of activities, the C1 project team is proud of work accomplished. Exchanges with over 140 European experts from two dozen nationalities, in relation with some 30 Chinese experts having produced as many research reports on all aspects of social security and employment promotion reform, high level training specifically designed and imparted for well over 100 cadres at managerial level from NDRC national and provincial entities, multiple overseas dialogue and study visits to all countries of the Consortium and beyond, compendia, publications and training materials in English and Chinese languages to help disseminate the project findings and outputs, bilateral agreements to guarantee the sustainability of cooperation between NDRC and its European partners in social security and employment promotion reform represent the legacy of our Component. The EU-China SPRP was one of the instruments through which China could engage into multi-bilateral cooperation to help develop a better society for its people. Being part of this effort is by itself a motive for high pride to the Project C1 team, which is thankful to NDRC, to Expertise France acting as coordinator and secretariat for its activities and to the EU Delegation in Beijing for their trust and efficient, friendly cooperation.



JV GRUAT, RESIDENT EXPERT C1; ZHANG GUOQING, MAIN EXPERT (ORGANISATION); FANG LIANQUAN, MAIN EXPERT (RESEARCH); SHI CHUAN, COMPONENT ASSISTANT

September 2019.

C1 IN THREE BOXES

For each year, a theme was central to activities conducted

2015 - The fundamentals of the pension system in China

2016 - The issue of its sustainability

2017 - The relevance and social efficiency of a reformed system

2018 - The role of social protection reform in upholding societal changes

2019 - Planning for reform, the core mandate of NDRC

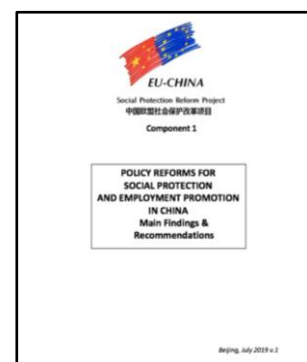
C1 LEGACY

- Reform proposals
- Training materials
- Compendium of recommendations
- Memorabilia
- Cooperation instruments

A total of 93 activities – Not included NL, publications ...

Per year 2015 – 25; 2016 – 29; 2017 – 18; 2018 – 17; 2019 – 14

Per type of output		Per result	
Mission report	12	R.2 (Policy coordination)	28
Technical report	36	R.3 (Policy evaluation)	11
Set of Tg. materials	10	R.4 (Full coverage)	35
Meeting report	32	R.5 (Harmonization)	19
Others	2		



TO KEEP IN TOUCH

The project website – <http://www.euchinasprp.eu> – will stay online for a few months after the project is discontinued. The address contact@sprp-cn.eu will remain operational even longer. Project outputs in English will also be accessible through <http://sprp-cn.eu/Memorabilia/>

DELEGATION FROM GUANGDONG PROVINCE VISITS SPAIN, FRANCE

According to the work plan of EU-China Social Security Reform Project (SPRP) Component One, Mr. Huang Huadong, Chief Economist of Guangdong Provincial Development and Reform Commission led a delegation to visit Spain and France from April 21 to 28, 2019 on the theme of social security management and administration. The delegation was sent by the National Development and Reform Commission and under the invitation of the Spanish Ministry of Labour, Migration and Social Security (MLMSS) as well as Expertise France. In Spain, the delegation met and exchanged views with the officials of MLMSS and visited Social Security IT Management Center (GISS). In France, the delegation had in-depth discussion with French National School for Higher Social Security Studies (EN3S), National Fund for Family Benefits (CNAF), Advisory Committee on Pensions (COR), National Institute for Statistics and Economic Studies (INSEE) and General Complementary Scheme for National Education (MGEN). During the study visit, the delegation gained a general understanding of the history and status quo of the social security system of France and Spain, and their experiences and practices provide reference for the development of social security of Guangdong Province. Mr Zhang Guoqing, SPRP Component One Main Expert (Operations) accompanied the delegation. This activity is part to the overall project programme of activities with Pilot sites, and aims at facilitating sustainability in cooperation once the project has been completed.



The delegation visiting the Spanish Ministry

DELEGATION VISITS FRANCE, LITHUANIA AND ROMANIA

From June 19 to 28, 2019, NDRC Deputy Director-General Guo Qimin of the Department of Employment Income Distribution and Consumption led a delegation to France, Lithuania and Romania to carry out the policy dialogue and exchange under Component 1 of the China-EU Social Security Reform Cooperation Project. During the visit, the delegation held meetings with the French Ministry of Labour, the French National Fund for Family benefits, the French Public Employment Agency, the Lithuanian Ministry of Social Protection and Labour, the Lithuanian National Social Security Fund Committee and the Romanian Ministry of Labour and Social Justice, to evaluate respective employment and social security policies. In-depth exchanges and discussions were held on issues such as family subsidy policy, promotion of women's participation in high-quality employment insurance, and further bilateral cooperation in the future.

In French Ministry of Labour



The delegation visiting Expertise France



Romania – Ministry of Labour and Social Justice



Lithuania – National social security fund



Social Protection Reform Project
中国-欧盟社会保障改革项目

This publication has been produced with the assistance of the European Union. The contents of this publication are the sole responsibility of the EU-China Social Protection Reform Project and can in no way be taken as reflecting the views of the European Union.