DCI-ASIE/2014/350-601

EU-China Social Protection Reform Project

Component 1: Support to strengthen NDRC institutional capacity

for the development and implementation of Social Protection reforms

Sixth Six-month Component Status Report

17 May - 16 November 2017

Report submitted by EXPERTISE FRANCE,

Component 1 Coordinator

(First draft)



November 2017

TA to improve and develop the Social

# **Introduction**

This sixth Component 1 Status report presents component-related activities under the six-month period starting from 17 May 2017.

During the period under review, the project component C1 conducted most of the activities planned for 2016. It started working on the design of the programme of its activities for the year 2018.

The period under review was one of major changes for the project management – and those changes affected the Component itself. At the project level, Mr Massimo Antichi from INPS took over the task of project leader from Mr Conte shortly after the adoption of the Project plan of activities 2017 by the PAC meeting in February 2017, and this change in persons translated into adjusting and revisiting some working mechanisms.

As for the project main Chinese stakeholder, direct counterpart to component 1, NDRC Department for Employment and Income Distribution also experienced a change in leadership, with Director general Li Kang replacing Director general Pu Yufei. Here again, this change in personalities was conducive to adjustments in methods of work.

As far as the EUD is concerned, the period under review saw the end of operation of the main project host, namely the unit for technical cooperation, with both responsible persons Mr Lars Gronvald and Ms Yi Xiaolin leaving the base of operation. This is a major change for both the project team based in Beijing and the Chinese stakeholders, who used to interact with the EUD on a daily basis for a number of matters related to activity planning, implementation and monitoring.

It is important to report that thanks to accumulated experience and solidly established communication processes and administrative procedures, Component One activities could all in all proceed smoothly all over the period.

Component 1 programme of activities for 2017 is however a very rich, ambitious and somehow complex one. In addition to work in China and within Project consortium countries, major activities were planned for implementation in third party European countries, which generated more difficulties and required more innovative approaches than initially anticipated – thus leading to a postponement in implementation by several months of the training course abroad for 2017, which is an established feature of the Component’s annual plans of activities.

I have pleasure however in reporting that, thanks to collaborative efforts of all parties involved, all of the other activities included in the component plan of activities could be conducted as scheduled and, for most, successfully concluded. Our team experienced this year a new form of collaboration with NDRC, which consisted in grouping under the same broad thematic framework research, European best practices and international exchange that proved to be quite interesting according to the views expressed by all interested parties.

Further, although talks are progressing well towards the extension of the project by one additional year (i.e. until November 2019) Component One already prepared for its aftermath, and produced already by the end of Summer 2017 a compendium of technical notes available in English and in Chinese summarizing, in an easily accessible format, European approach for a number of technical questions confronting China – and obviously other countries as well – in designing a suitable, lasting and sustainable reformed pension system.

The fact that the Notes are easy to share and to use for a variety of partners definitely contributes to the pursuance of project Result 2 which is to help consolidate the leadership of NDRC the leadership of the NDRC in coordinating policy making among government agencies in areas related to social protection reform. Similarly, the more and more frequent participation of Beijing based C1 team representatives in events organised by other stakeholders interested in social protection reform in China testifies to the widening recognition of the project Component One relevance and efficiency.

It came therefore as no surprise to our Component that the assessment by the project mid-term evaluation team of C1 project towards the achievement of its objectives was positive, that the sense of ownership by NDRC was rated as very high and that, overall, “the design of the SPRP, along with the chosen instruments of EU short-term experts, Chinese experts and researchers, panel discussions, study tours to EU countries and trainings provide models and practices from EU MS for the elaboration of policies and perspectives for the social protection system in the PRC[[1]](#footnote-1).”

At the time of writing this Introduction, our Component is actively working on the preparation of proposals for its 2018 programme of activities – to be for the first time discussed in an ad hoc coordination meeting in Europe with participation of the Chinese stakeholders, to be held early in December 2017, before being formally approved by the PAC, to meet in Beijing in early 2018.

I am convinced that, thanks to the works already accomplished and the excellent climate of mutual trust and collaborative spirit between NDRC, Expertise France, the Consortium, the EUD and the Beijing based Component team, our forthcoming activities will continue to be viewed as representing very meaningful inputs into the development of the Chinese social protection reform, as well as for the continuous strengthening of dialogue and cooperative links between Europe and China in an area particularly sensitive for the well-being of the people.

Laurent de Lespinay,

Coordinator Component 1,

16 November 2017.

**Contents**

Introduction 2

1 Background Information and General Considerations 9

1.1 Results pursued 9

1.2 Topics to be considered 9

1.3 European best practices 11

1.4 National expertise 12

1.5 Stakeholders 12

1.6 Human resources 13

1.7 C1 specific Visibility action 13

1.8 Follow up on mid-term evaluation 13

2 Activities 15

2.1 Overall objective and expected results 15

2.2 Research Topics 15

2.2.1 Assessment reports 16

2.2.2 First 2017 Panel discussion meeting 17

2.3 Conducting overseas activities 18

2.3.1 Training activity in Germany 18

2.3.2 International workshop 18

2.3.3 Second EU-China High-level dialogue 19

2.3.4 Central officials Dialogue and Study visit 20

2.3.5 Visit by NDRC vice-chairman 22

2.4 Working with pilot sites 23

2.5 Deliverables and Outputs 23

2.6 Component Management 23

3 Planning for next periods 25

3.1 Introduction 25

3.2 Topics 27

3.2.1 Topics to be continued from 2017 27

3.2.2 Topics to be introduced in 2018 28

3.2.3 New topics including for 2019 possible extension 28

3.2.4 Topics common to all three components 28

3.3 Research 29

3.4 Overseas activities 30

3.4.1 International workshop 31

3.4.2 Dialogue and Study visit 31

3.4.3 High-level training 31

3.5 In country national activities 32

3.5.1 Panel discussion meeting 32

3.5.2 Seminar on Gender issues 32

3.5.3 Seminar on Universal basic income 32

3.6 Pilot sites 33

3.6.1 Guangdong 33

3.6.2 Shanghai 33

3.7 Outputs and Deliverables 35

3.8 Human resources 36

ANNEXES 37

****List of tables****

Table 1 – Consolidated list of topics, component 1 10

Table 2 – Venues for overseas activities, C1 11

Table 3 – Outside events with Component One participation 12

Table 4 - Tentative schedule for proposed 2018 activities 34

Table 5 – Possible outputs and deliverables, 2018 35

 **Table of Annexes**

[ANNEX 1](#_Toc497905788)

[Relation between objectives of the XIIIth 5-year Plan & the results assigned to C1 38](#_Toc497905789)

[ANNEX 2](#_Toc497905790)

[Use of European and International experts, C1 40](#_Toc497905791)

[ANNEX 3](#_Toc497905792)

[Use of national expertise 44](#_Toc497905793)

[ANNEX 4](#_Toc497905794)

[Logical framework – progress made towards achieving project results 47](#_Toc497905795)

[ANNEX 5](#_Toc497905796)

[Main outputs and deliverables, 2017 52](#_Toc497905797)

[ANNEX 6](#_Toc497905798)

[Use of human resources, 2017 55](#_Toc497905799)

[ANNEX 7](#_Toc497905800)

[Tentative work plan until November 2018 57](#_Toc497905801)

[ANNEX 8](#_Toc497905803)

[Revised GANTT – Component 1 59](#_Toc497905804)

[ANNEX 9](#_Toc497905806)

[Proposed use of Human resources, 2018 61](#_Toc497905807)

[ANNEX 10](#_Toc497905808)

[Dashboard 63](#_Toc497905809)

**Relevant Acronyms**

|  |  |
| --- | --- |
| Acronym | Description |
| ACFTU | All-China Federation of Trade Unions |
| ACWF | All-China Women's Federation |
| ALMP | Active Labour Market Policies |
| CEC | China Enterprise Confederation  |
| CASS | China Academy of Social Science |
| CISS | Centre For International Social Security Studies |
| EN3S | Ecole Nationale Supérieure de Sécurité Sociale (National School of Higher Social Security Studies) |
| EU | European Union |
| EU MS | European Member State |
| EUD | European Union Delegation |
| FES | Friedrich Ebert Stiftung |
| HLE | High Level Event |
| ICC | International cooperation centre of the NDRC |
| ICT | Information and Communication Technology |
| ILO | International Labour Organization |
| IMC | Internal Management Committee |
| ISSA | International Social Security Association |
| M&E | Monitoring and Evaluation  |
| MoCA | Ministry of Civil Affairs |
| MoF | Ministry of Finance |
| MOFCOM | Ministry of Commerce  |
| MoHRSS | Ministry of Human Resources and Social Security |
| NDRC | National Development and Reform Commission |
| NGO | Non-Governmental Organization |
| OECD | Organization for Economic Co-operation and Development  |
| PAC | Project Advisory Committee |
| ROM | Results oriented monitoring mission |
| SAFEA | State Administration of Foreign Experts Affairs |
| SOCIEUX | Social Protection European Union Expertise in development cooperation  |
| UNDP | United Nations Development Programme |
| UN Women | United Nations Entity for Gender Equality and the Empowerment of Women |

# **Background Information and General Considerations**

CHAPTER

CHAPTER

This report describes delivery of activities under the Component 1 - Support to strengthen NDRC institutional capacity for the development and implementation of Social Protection reforms - of the EU-China Social Protection Reform Project over the period 17 May – 16 November 2017 (sixth six-month period of implementation). The Grant establishing the project was signed on 17 November 2014.

## Results pursued

Component 1 of the project has specifically to pursue 4 of its altogether 11 identified results - results R2 to R5 inclusive -, namely:

- Improved interagency cooperation in social protection reform (R2);

- Enhanced capacity in policy development, implementation and evaluation (R3);

- Strengthening the interface of the various pension schemes towards full coverage in old-age (R4); and,

- Reform efforts in response to urbanization trends, concerning notably basic protection and portability of rights (R5).

NDRC is the main stakeholder and beneficiary for Component 1 activities.

Annex 1 provides a picture of the relation between the objectives assigned to social insurance by the Chinese XIIIth Five-year Plan, and the results / indicators pursued by the Component 1 of the EU-China Social protection reform project[[2]](#footnote-2).

## Topics to be considered

Table 1 below presents the consolidated list of topics selected for implementation under C1 since 2015 activity plan. It includes all modifications endorsed by the PAC meeting on 6 April 2016 and 24 February 2017, as well as the proposed revised wording of topics to be considered in 2018 (see chapter 3 hereafter).

Three new topics will be due for consideration in 2018 – with which the project component one will have completed its consideration of all entries initially listed in the Grant application form – no topic was removed from the list or ignored, but new entries were made, like the link between employment promotion and social security policies, the affordability of pension schemes or Gender considerations in pension reform, which responded to evolving priorities in Government consideration of social protection reform in China.

**Table 1 – Consolidated list of topics, component 1**

|  |  |  |
| --- | --- | --- |
|  | Topic | Observations |
| R2 | 1.1.1 | Social insurance administration systems reform – Contribution to the XIIIth Five-Years Plan | Reformulated 2015 |
| 1.1.2 | Coordination of policy making among government agencies in areas related to social protection reform | On-going |
| 1.1.3 | Monitoring interaction between employment promotion and social protection policies | Introduced 2016 |
| R3 | 1.2.2 | National policy evaluation technique in the area of social protection (indicators, methods and programs) | 2017 |
| 1.2.3 | Affordability of Pension schemes (contributions and Government subsidies | Introduced 2016 |
| 1.2.4 | Gender considerations in pension schemes | Introduced 2017 |
| R4 | 1.3.1 | Pension reform for public sectors | 2015 |
| 1.3.2 | Social pooling of the basic pension component – Evaluation of the combination between basic pension and individual accounts | Reformulated 2015 |
| 1.3.3 | Universal social pension models  | 2018  |
| 1.3.4 | Multi-tiered design of pension systems (public pension, enterprise annuity and individual pension) | 2015 |
| 1.3.5 | Occupational pension plans – Towards affordable and acceptable social protection levels in old-age | 2018 reformulation proposed |
| 1.3.6 | Parametric reforms of pension system (Vesting, indexation, adjustment mechanisms of pension benefit, benefit formula etc.) | Reformulated 2017 – includes former 1.2.1, 1.3.9, 1.4.1 |
| 1.3.7 | Ageing population and possible strategy of dealing with this situation | 2016 |
| 1.3.8 | Issue related to the informal sector integration in social security schemes – Active labour market policies’ considerations | 2018 – reformulation proposed |
| R5 | 1.4.2 | Relationship between social-economic development and the redistribution function of social security | 2016 – Ctd 2017 |
| 1.4.3 | Strategy of integrating social security system in urban and rural context also through the portability of social insurances | 2015 |

## European best practices

The project Component 1 benefits from exposure to European best practices through two main channels, one being direct exposure to outside realities through overseas capacity building, dialogue and study visits, and the other exchanges with European experts on topic of interest for the Chinese social security reform process.

Table 2 below provides a summary of overseas activities conducted under C1 programmes to date, including anticipated 2018 events.

Table 2 – Venues for overseas activities, C1

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | 2015 | 2016 | 2017 | 2018 proposed |
| International workshop | Belgium1 | (China)4 | France8 | Italy (TBC) 14 |
| Dialogue & Study visit | Spain,Poland,Czech republic2 | FranceBelgium5France, Czech Republic6 | Sweden, Finland910 | Denmark,Belgium 15 |
| High level training | France3 | Spain7 | Germany11 | Italy 16 |
| Other |  |  | Italy, Spain, Belgium – EC 12Italy 13 | Two countries TBD, provincial visit17 |
| Topics for overseas activities (name of non-consortium countries is highlighted)1 Reform of public pension schemes 2 Social protection and employment of migrant workers 3 Multi-tier pension systems 4 Relations between employment promotion and social security reform 5 Influence of Employment and Social Security Policies on Income Distribution in Post-Crisis Era 6 Provincial study visit on general administration and sustainability of social security and migrant workers vesting rights 7 Challenges posed to social security, notably pensions protection, by demographic ageing 8 Income redistribution and parametric reform – Pension schemes 9 Income redistribution through social security 10 A study visit to Romania on Gender issues in Social protection initially foreseen for 2017 had to be postponed because of conflicting commitments11 Evaluation of employment and social security policies, including relevance for social needs 12 Official visit to review employment and social security reforms, discuss prospects for future cooperation 13 Coordination meeting & RT discussion, ALMP 14 Active labour market policies within the framework of Social protection 15 Active Labour Market Policies as an integral part of Social protection 16  The influence on income redistribution of changes in economic and industrial structure 17 Shanghai DRC,  |

During activities conducted since the beginning of the project, including the period covered by the present report, Chinese beneficiaries could interact with some 100 experts and officials coming from eighteen European countries, including representatives from ten international organizations or projects. Details on the use of European and international expertise are to be found in Annex 2.

## National expertise

The project methodology relies Chinese experts to provide assessment of topics under consideration, and submit related draft reform proposals for further discussion among Chinese stakeholders with involvement of European experts. Since the beginning of the project, 12 technical topics were explored under project auspices, mobilizing 29 high-level Chinese experts. Details on the use of national expertise are provided in annex 3 of this Report.

## Stakeholders

The main Chinese stakeholder for Component 1 of the project is the National Development and Reform Commission, NDRC. NDRC Department of Employment and Income distribution is the lead technical unit for Component 1, which otherwise also deals with the Commission's International Cooperation Centre ICC - Division of International Cooperation. Stakeholders include target groups and final beneficiaries in selected pilot sites (Guangdong and Sichuan provinces, Shanghai city).

Component 1 of the project also entertains privileged relations with entities and individuals interested in project works, outside the circle of NDRC. The component has developed working relations with several international organizations based in Beijing, such as the ILO, the World Bank, the UNDP, the British Council, and the Friedrich-Ebert-Foundation FES. Visiting European Experts and the Resident Expert for Component 1 have taken part in a number of meetings organized by institutions outside the project where they contributed technical papers and made the project works under Component One know by other interested circles.

Table 3 hereafter presents the main non-project events where C1 representatives were invited to take part since the inception of the project.

Table 3 – Outside events with Component One participation

|  |  |  |
| --- | --- | --- |
| **Title** | **Date** | **Organizers** |
| Workshop on Social security protection of Migrant workers in China | April 2015 | ACFTU, ILO |
| Seminar on Social security response to economic crisis | Jan. 2016 | ILASS, CASS |
| Construction of the Governance Mechanism of Social Security during the Social Transformation | July 2016 | SSI, Renmin University |
| Social Security and Economic Development | Sept.2016 | FES,CAoSS, ILO, ISSA |
| ILO-China-ASEAN High Level Seminar to achieve the social development goals (SDGs) on Universal Social Protection | Sept. 2016 | ASEAN, ILO, MoHRSS |
| International Symposium on Past, Present and the Future of Welfare States | Aug. 2017 | CASS,Itotsub.Univ., Renmin Univ., ISSA |
| Seminar on the reform of pension benefits adjustment mechanisms in China | Sept.2017 | MoHRSS, ILO |
| Meeting on Non financial defined contribution pension schemes | Oct.2017 | CISS, CASS |

## Human resources

The contract of the EU Resident expert for Component 1, Mr Jean-Victor Gruat (Expertise France) took effect on 20 December 2014. Within the project Beijing office, Ms Wang Qingqing acted as assistant for Component 1 from August to December 2015. Ms. Xu Chenjia has been working as C1 Component assistant from February to September 2016, and Ms Li Xingli from 1 October 2016. Mr Zhang Guoqing and Mr Fang Lianquan act as Main Chinese experts for the project Component 1 since April 2015 – respectively Main expert Operations and Main expert Research.

## **C1 specific Visibility action**

Visibility activities for the whole project are entrusted to its horizontal Secretariat. A project website is accessible in English and Chinese languages. Selected important C1 project activities are reported in the bilingual Electronic bulletin of the EUD to China and Mongolia. Component 1 also produces (paper and electronic versions) a quarterly bilingual (English and Chinese) Newsletter.

The 3-volumes publication of the 2016 High level event is available and was dispatched both in English and Chinese versions.

## Follow up on mid-term evaluation

Among the recommendations of the Mid-term Evaluation mission report[[3]](#footnote-3), the following are of particular relevance for Component 1:

***Recommendation 1:*** The SPRP implementation modalities should continue as designed, with implementation variations between components supported through a flexible approach as well as clear rationale for variations in the SPRP step-by-step research validation process that supports the research with EU best practices and uses these reports/topics for the design and delivery of study tours, training visits and other Europe-based activities.

- This indeed corresponds to Component One approach since the beginning of its activities.

***Recommendation 4:*** The professional sequence of the production of reform proposals to the beneficiaries should be enriched with a Synthesis Phase in which Chinese and European experts - with guidance from the REs as planned for 2018 - produce a comprehensive set of recommendations that reflects both Chinese research and European experience and is adjusted to the needs of the beneficiaries.

- Component One team welcomes this suggestion, for which it has indeed started preparing with the annual production of Reform recommendations compendium and, in 2017, of a compendium of technical note relating European experience in a variety of areas considered for pension reform under the Chinese approach.

***Recommendation 5:*** The project team should develop a model related to the best possible capitalization on experience gained through cost-intensive study visits to and training programs in Europe. The model might include an assessment of expectations, the preparation of participants for institutions to be visited in Europe, feedback sessions during the trip to deepen the understanding of what has been learned, and follow-up workshops in China after the return. The joint assessment of the delegation’s report and final survey regarding utilization of results six-months/one year after the return to China will benefit all participants concerned.

- Here again, Component One welcomes this suggestion. It is its understanding that NDRC already practices assessment of expectations and briefing of participants before departure, as well as feedback sessions during the trip. Follow up workshops in China after return remain to be considered, as well as surveys to be conducted six months to one year after return.

***Recommendation 7:*** (to Project Team and EUDEL) – The SPRP Project Team (REs) together with EUDEL should aim at raising the commitment of the EU Member States (particularly those not directly involved into the project as consortium partners) by organizing and implementing briefings for the Embassies of the EU Member States in Beijing and events for enterprises from EU Member States doing business in China. More information about the project’s achievements might raise Member States’ interests in learning more about social protection reform in China; companies doing business in China might benefit from knowing more about the tendencies within GoC in relation to social protection reform.

- Component 1 team has participated in the two briefing sessions on the project for member states that were organised by the EU Delegation in Beijing in 2015 and 2017. NDRC took an active part in the second meeting, and renewing this type of experience is certainly worth considering. Component One also keeps regular contacts with Member States’ embassies in Beijing through its quarterly Newsletter, despatched both in electronic and paper format. Interacting with the European business community in Beijing could certainly also be considered, through national Chambers of Commerce or Embassies’ Labour or Commercial Attaches.

# **Activities**

CHAPTER

CHAPTER

The current chapter presents a summary of activities conducted during the period under review as far as Component 1 is concerned – as well as preparatory work already conducted for activities ahead. The presentation follows the structure of the Plans adopted by the Project advisory committee meeting on 24 February 2017.

For activities conducted earlier in 2017, kindly refer to the 5th Component status report

## Overall objective and expected results

During the first year of the project (2015) Component 1 activities reviewed the fundamentals of the pension system in China. During the second year (2016) they addressed the question of its sustainability. Beyond continuing those tasks that represent a central preoccupation for social security governance – namely managerial concerns, collaboration among all concerned government bodies and institutions, preservation of rights for rural-urban migrant workers – an sustainability – namely demographic, income redistribution and economic affordability questions -, research activities conducted in 2017 focused on the relevance and social efficiency of a reformed pension system.

Activities conducted in 2017 therefore covered all four of the project expected results assigned to this Component. Annex 4 provides more information on progress made to date towards achieving project results, on the basis of the indicators retained for measuring such progress. The Mid-term evaluation report evaluated C1 progress towards achieving its assigned objectives as “overall positive”[[4]](#footnote-4)

## Research Topics

### Assessment reports

Three new topics were introduced for project activities in 2017 – National policy evaluation technique in the area of social protection (indicators, methods and programs)(topic 1.2.2);Gender considerations in pension schemes (topic 1.2.4); Parametric reforms in pension reform (topic 1.3.6[[5]](#footnote-5)). Relationship between social-economic development and the redistribution function of social security (topic 1.4.2) was continued, through the review of the effects of Parametric reforms on redistribution through social security.

A national expert – Prof. Zhou Hong, from the Chinese Academy of Social Sciences –undertook and analysis and assessment of the Chinese situation in terms of parametric reform of the pension schemes. This study benefitted from the works conducted in parallel by EU experts who produced national country briefs on the situation in their respective countries resulting from parametric reforms conducted over the last decade or so. Countries concerned are France, Italy, the Czech Republic, Poland, Germany and Sweden. Chinese and European experts interacted on two occasions, one for a peer review (panel discussion) held in Beijing in August 2017, and one during an international workshop held in France in September 2017 on Parametric reforms and Redistributive functions of pension schemes.

Mr Li Shi, from Beijing Normal University, prepared a report (analysis, assessment and reform proposals) on the link between changes in pension parameters and redistribution. The expert interacted duly with the experts dealing with parametric reforms, and took part in the above-mentioned International workshop. His works were presented by one of his assistants during the Panel discussion meeting held in Beijing in August 2017.

The newly introduced topic on Gender considerations under pension reform was addressed at the local level. Prof. Lin Yi, from Sichuan South-West University, and Prof. Yue Jinglun, from Guangdong based Sun Yat Sen University, conducted these reviews targeting women’s social security rights and employment positions (including for female migrant workers). These reviews include both national and local considerations and will be used for the continued topic consideration under proposed Component One Plan of Activities for the year 2018.

Assessment reports are being posted on the project website as soon as available in English or Chinese versions[[6]](#footnote-6).

### First 2017 Panel discussion meeting

On 30th August 2017, C1 held a peer review - panel discussion meeting in People’s palace hotel, Beijing. The Panel covered the topics: 1.3.6 – Pension systems Parametric reforms; 1.4.2 - Redistribution effect of pension schemes’ parametric reforms; 1.2.2 - Evaluation of Social protection policies including both employment and social security policies. 32 participants took part in the meeting, including NDRC high level officials, Chinese and European experts, EU and Project representatives.

The panel discussion members had before them first draft reports prepared by Chinese experts Ms Zhou Hong – Parametric reform; Mr Li Shi – Redistribution effects; Mr Yue Jinglun – Evaluation of employment policies; and, Mr Zheng Gongcheng – Evaluation of social security policies. In addition to Chinese national experts and officials, European experts who had prepared national monographs on the situation regarding parametric pension reform in their respective countries, namely Mr Skorpik and Mr Suchomel from the Czech Republic, Mr Steinmeyer from Germany, Mr Mazzaferro from Italy, Mr Birkholz from Sweden, took part in the discussions.

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 and gave a brief introduction of employment and social security in China. Ms Zhu Yingjuan, Inspector General with NDRC and Mr. Chang Tiewei, Deputy Director General, chaired technical sessions.

Ms. Yi Xiaolin, representing the EU Delegation for China and Mongolia, addressed the meeting mentioning that this event was the last one in which she participated before her retirement.

Ms Yi mentioned she had been involved in China's social security program for more than 10 years, and has witnessed the development of social security in China. From the establishment of rural old-age insurance in the 1990s to the consolidation of old-age insurance for urban and rural residents at last, China's social security reform has been rapidly developed. She was very pleased to be able to make contribution to the China's social security reform.

The meeting expressed its warmest thanks and gratitude to Ms Yi for her dedication to the progress of social protection in China, and her restless work in favour of China – EU cooperation.

## Conducting overseas activities

### Training activity in Germany

Early contact had been made by NDRC and Expertise France with a German University expected to host a two weeks training course for some 20 NDRC High Level Officials on the topic of Evaluation of Social security and Employment policies, including long term care services for an ageing population. However, difficulties concerning budgetary and procedural matters led to delays, and another potential host institution in Germany had to be identified. The activity, initially foreseen for the month of June 2017, will be postponed to 14 to 28 January 2018 – which according to Chinese administrative practice can still be considered as part of activities conducted under 2017 work programme – and held under the auspices of Johannes Gutenberg University in Mainz. The project Component One coordinator has identified Prof. Axel Weber from Germany as main technical organizer for the training.

The participants in the training course were to benefit from a one-day technical briefing in Beijing before the date initially scheduled for their departure. The two specialists, Mr. Zheng Gongcheng, from Renmin University of China and Mr. Yue Jinglun, from Sun Yat Sen University, who agreed to address in assessment reports the issues at stake for the evaluation of respectively social security and employment policies had completed their first draft at the original date. It was therefore agreed that, notwithstanding briefing in due time for participants, they would present their findings during the first Panel discussion meeting on 2017 research topics held on 30 August 2017 in Beijing (see above, 2.2.2)

### International workshop

It had been decided that on the occasion of the NDRC Dialogue and Study visit to Nordic countries on the topic of income redistribution (see below, 2.3.4) and International Workshop would be held in Paris to complete research on the topics of parametric reform and redistributive effects addressed under the Project Component One programme of activities for 2017. The Workshop was held in Paris on 14 September 2015. 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 present.

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 30 minutes 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 Trend, 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 made closing comments on the international workshop, marking the success of the conference.

### Second EU-China High-level dialogue

Policy Dialogue is a core activity of the EU-China SPRP Component One. Policy dialogue takes places between NDRC and the EU institutions decision makers, with participation from a limited number of academics and experts. The First Dialogue under project auspices was held in Beijing in April 2016. The Second Dialogue took place in Paris on 15 September 2017 with some 15 participants.

Mr. Michel Villac, Vice-President of French High Council of Family, Children and Aged Persons (HCFEA) and Director General Li Kang co-chaired the sessions.

The dialogue was divided into two sessions, Employment and Social Integration and Social security and income redistribution.

Ms. Barbara Kaufmann, Director in the Employment, Social Affairs and Inclusion DG, European Commission and Mr. Stefano Scarpetta, Director for Employment, Labour and Social Affairs, OECD made key-note presentations. Comments were delivered by Mr. Antero Kiviniemi, Social Protection Expert, Finland Representation to the EU; Mr. Koen Vleminckx, Federal Public Service Social Security, Belgium; Ms Zhou Hong, Chinese Academy of Social Sciences and Mr. Li Shi, Beijing Normal University.

### Central officials Dialogue and Study visit

#### Dialogue and Study visit to Sweden and Finland

Between 18 and 21 September 2017, a high level delegation of 4 officials from the Chinese National Development and Reform Commission NDRC led by Mr. Li Kang, new 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 mechanism in these two Nordic countries. Mr Lin Guowang, from the project office team in Beijing, accompanied the delegation.

In **Sweden**, the delegation first met with the Swedish Pension Agency representatives led by Mr. Mats Öberg, Head of Fund and Finance. Presentations were made by Ms. Estrella Zarate, team manager and actuary of Swedish Pension Agency, andMr. Karl Birkholz, analyst of the Agency, who had also participated in the International Workshop in Paris. The presentation was on the pension system of Sweden, with more detailed information. During the presentation, Mr. Erik Granseth, analyst of the Agency, had made additional explanation to several points and the Chinese attendants also raised their questions, such as what is the comment of the speakers on the Swedish pension system and what are the challenges facing this system.

During the meeting between NDRC delegation and Swedish Ministry of Social Affairs and Health Ms. Cecilia Ryberg and Ms. Helena Kristiansson-Torp, officials from Ministry of Social Affairs gave joint presentation on the reform made by the current Swedish government, and what is the function of the Ministry during the reform. Problems that Sweden is concerned with were also introduced. After the presentation, the two Swedish officials also presented materials regarding Swedish reform to the Chinese delegation.

In **Finland**, the Delegation first met with United Nations University World Institute for Development Economics Research, UNU-WIDER, located in Helsinki, UNU-WIDER provides economic analysis and policy advice with the aim of promoting sustainable and equitable development for all, particularly developing countries. Prof. Finn Tarp, director of UNU-WIDER, hosted the meeting and gave the first presentation to NDRC, which was the introduction to UNU-WIDER and the researches the organization had done by then. Three more presentations were made, respectively by researchers at UNU-WIDER, as follows: Dr. Carlos Gradín, research fellow from Spain, Dr. Miguel Niño-Zarazúa, research fellow from Mexico, and Dr. Rachel M. Gisselquist, research fellow from US made presentation on their respective researches, that included inequality of pension protection among different ethnical groups.

The Delegation then met with the Finnish Unemployment Insurance Fund, TVR, which is the public body that manages unemployment insurance system for Finnish citizens. Mr. Janne Metsämäki, Managing Director of the TVR, hosted the meeting, with the participation of Mr. Tapio Oksanen, economist and Deputy Managing Director of TVR. Two presentations were given to the NDRC delegation. The first one, by Mr. Janne Metsämäki, was mainly on the general features of TVR, its mission and relationship with other public organs in Finland. Mr. Tapio Oksanen made the second presentation mainly on economical analysis on Finish situation, especially the situation after the 2008-2009 crisis. A key issue in the presentation is the recover of employment after the crisis, following the recovery of Finnish economy, for which Mr. Oksanen made economical comparison between Finland and China.

The Delegation also met withKELA, which is the Social Insurance Institution of Finland, managing the national pension for the Finnish citizens. It 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. The presentation was given by Mr. Simanainen Miska, one of the key participants in the experiment on universal minimum income. He listed the basic concepts related to and background of the experiment, in which the Chinese delegation was interested.

The Delegation then met with the Finnish Center for Pensions, ETK, which mainly manages earnings-related pension in Finland. Mr. Mika Vidlund, Liaison Manager of Planning Department, ETK, organized the meeting for the NDRC delegation, and Mr. Kaarlo Reipas, mathematician of ETK, also participated. Mr. Vidlund gave a presentation named Finnish Pension System at A Glance, which is on the general features of Finnish pension system, including the earnings-related pension and other kinds of pension. In particular, he introduced to the Delegation information on the legislation, supervision and execution of the earnings-related pension system in Finland. Mr. Kaarlo Reipas, as a mathematician, gave a presentation on Adapting to Changes to Life Expectancy in the Finnish Earnings-related Pension Scheme in which he introduced the basic situation on the reform 2015 and reform 2017 on Finnish pension system, the aim of which is mainly to adapt the pension system to changing life expectancy. Technological issues, such as simulation of life expectancy, were also contained in the presentation.

While the full report of the Delegation is under finalisation at the time of writing, it was clear from exchanges with participants after their return to China that NDRC Study Visit to France, Sweden and Finland was successful, with fruitful gains from the conference and meetings, satisfying the needs of Chinese beneficiary. The Chinese delegation had also established and consolidated the foundation for further co-operation with the EU agencies, which is also one of the objectives foreseen in the EU-China SPRP.

#### Proposed study visit to Romania

Contact had been established with the Romanian Secretary of State Ms. Tsoiu during her stay in Beijing on the occasion of the 2016 High Level Event, for the organization in her country of a study visit of a few days on the topic of Gender issues in Pension reform.

However, it appeared that this idea did not necessarily retain a high priority in the subsequently constituted new Romanian Government, since no sustained contacts could henceforth establish between the said Government and NDRC. It was therefore decided by the Chinese side to postpone considering implementing this activity, with the hope that the Coordination meeting scheduled for early December 2017 in Rome might contribute to reviving a proposal for later implementation.

### Visit by NDRC vice-chairman

It was envisaged that Mr. Wang Xiaotao, NDRC vice-chairperson, would be on a few days official visit with project support to Italy, Spain and the European Commission. The visit initially scheduled for April 2017 had to be postponed because of conflicting commitments. It finally took place early from 6 to 15 July 2017. However, due to conflicting commitments, it was finally Inspector Zhu Yingjuan who led the delegation of 4 high level officials. The delegation held policy dialogue with the Italian INPS, with the Spanish Ministry of Employment and Social Security (MEYSS), and the Directorate General for Employment, Social Affairs and Inclusion of the European Commission (DG EMPL) on the areas of employment, social security and income distribution. It also conducted negotiations for future bilateral cooperation with MEYSS of Spain and DG EMPL of the European Commission.

## Working with pilot sites

Tentative proposals for future technical cooperation with the pilot sites on themes identified were elaborated by Expertise France, acting as secretariat to a joint NDRC – Consortium Mission held from 26 February to 3 March 2017 to C1 pilot sites in Shanghai and Guangdong province. Those proposals were revised and amended on the basis of the comments and suggestions received from the concerned Chinese stakeholders. Following an another round of discussions held in Paris in September 2017, and after consulting again with European partners likely to be involved in corresponding activities, Expertise France submitted practical suggestions to be implemented already in 2018 as part of a specific collaborative programme with C1 pilot sites.

Those proposals, currently under consideration by NDRC, are summarized under Chapter 3 hereafter (Planning for next periods).

## Deliverables and Outputs

Annex 5 presents the outputs and deliverables from C1 component for the period under review, which basically corresponds to the Component activity plan – with exception of the 2-weeks training programme in Germany which has been postponed to early 2018, and the visit to Romania, also postponed..

## Component Management

Annex 6 summarises the use made of human resources under the framework of Component 1 during the year 2017. Attention has to be drawn to the fact that changes in applicable fees makes comparison between Year One and the following periods difficult when it comes to days worked, as far as Chinese Experts are concerned. Further, since Main Chinese Experts for the component are, since project Year 2, paid on a monthly basis, the rate applicable to individual days worked does not either correspond to the project standard rate for other national experts.

# **Planning for next periods (16 November 2017 onwards)**

CHAPTER

CHAPTER

The next six months period of the project will embrace the dates between 17 November 2017 and 16 May 2018. Over these months, the C1 team will have completed its programme of activities for 2017 and adopted its programme of activities for 2018 to be submitted to the PAC meeting early in 2018.

A Coordination meeting between Chinese stakeholders and Consortium members is scheduled to take place in Rome on 1 December 2017. On the occasion, details of the draft 2018 work plan - for which NDRC and the C1 team already had a couple of exchanges and preparatory meetings by the time of writing this report – will be fine-tuned. Discussions will also take place on the willingness of the various partners to apply for a project extension of one year from November 2018, as well as on the possible contents of activities to be conducted over this additional period.

As the time of writing this report, NDRC and the C1 team anticipate that the Component Activity Plan for 2018 might basically correspond to what they already discussed and agreed upon – which is summarized in the following paragraphs.

The corresponding work plan and GANTT, reproduced as annexes 8 and 9, provide the anticipated evolution as far as C1 is concerned for the year 2018.

## Introduction

The year 2018 will be the fourth and – according to initial plan – final year for the EU-China SPRP. As far as Component One is concerned, the initial list of topics as amended in 2016 and 2017 – see annex – should still be used to frame proposed activities in the year to come.

Changing and newly emerging priorities can and should of course influence upon the contents to be considered for activities under any given topic. Proposed activities should also build upon past and on-going experience in project management. In that regard, due consideration should be paid to the outcome of the Planning visit held in February-March 2017 to pilot sites in Shanghai and Guangdong, while activities already started but not necessarily completed on topics like Gender issues, Parametric reform, Ageing, Managerial optimization … will require additional efforts.

Another important consideration is the criteria for selecting hosts to activities to be conducted abroad – be it for workshops, for dialogue and study visits, or for high level training. Experience in conducting activities in 2017 has shown that the existence of previous contacts at a decision making level, confirmed agreement to host activities and relevance of host national conditions for the goals pursued at project or component levels are key elements for a successful endeavour.

Table 2 above presented countries visited over the past years for Component 1 activities, including suggestions for tentative venues concerning 2018 activities.

The general framework for C1 activities in 2015 was the fundamentals of the pension system reform in China; 2016 addressed more the issue of sustainability of the reform, while 2017 focused on the relevance and social efficiency of a reformed system.

It is now envisaged that the golden thread for 2018 activities be the Role of social protection reform in upholding societal changes, which would include such issues as coordination between social security and employment mechanisms, adapting to the Fourth industrial Revolution, developing entrepreneurial spirit and potential including for senior citizens, promoting lifelong training and education as part of social protection, ensuring genuine gender equality in all relevant respects, ensuring sensitization of the widest segments of the population to social protection goals and mechanisms, as well as continued monitoring and evaluation of social protection performance, within a context of well-established goals and acknowledged constraints.

Adding emphasis to Active labour market policy issues ALMP indeed responds to the ambitions of the XIIIth Five-year Plan that[[7]](#footnote-7) “puts great emphasis on the national strategies of science, technology and innovation as well as industrial upgrading. This, in the long run, may positively respond to the new demographic structure, featured by the decline of total workforce and the ageing population.”

This equally responds to the plea of President Xi Jinping at the opening of the XIXth Congress of the CCP, when he declared that “Employment is pivotal to people’s well-being. We must give high priority to employment and pursue a proactive employment policy, striving to achieve fuller employment and create better quality jobs.” This focus on Employment policies is of course not exclusive, to the contrary, of continuously seeking sustainable reforms of social security schemes which have to accompany, not run counter efforts towards better and more employment opportunities, as part of a comprehensive social protection model suitable for China’s needs.

As noted above, there are possibilities that the project may be extended for another year, making use of funds not committed during its initially foreseen four-year duration. NDRC has devoted some thoughts to this possibility, and will report on this during the coordination meeting to be held in Rome on 1 December 2017.

While in 2015 one of the key inputs of the project Component One at the inception of its activities was its contribution – through NDRC – to the relevant chapters of the then draft XIIIth Five year Plan, it could be envisaged, should the project benefit from one additional year of activities in 2019, to devote these fresh opportunities for EU-China collaboration to a tentative appreciation of reform works conducted under the XIIIth Plan in areas covered by Social protection – namely social security and employment promotion – backing a first anticipation on what priorities could be for the already in the offing XIVth Plan (2021-2025).

## Topics

The list hereafter presents all the topics that would, across a variety of activities, be present in the Component proposed programme for 2018. It is worth noting that the introduction of 3 new topics taken from the list initially assigned to the Component in the project Grant application form will allow for the integrity of concerned subjects to be addressed over the project’s (first) four years of implementation. Annex I provides a consolidated table of topics dealt with under Component One framework including those retained for first consideration during the year 2018.

### Topics to be continued from 2017

* **RESULT 2 (COORDINATION OF POLICY MAKING)**

1.1.1 Social insurance administration systems reform (Pilot level))

1.1.2 Coordination of policy making among government agencies in areas related to social protection reform

1.1.3 Monitoring interaction between employment promotion and social protection policies (Methods and experiences of strengthening vocational training)

* **RESULT 3 (POLICY EVALUATION)**

1.2.2 National policy evaluation technique in the area of social protection (indicators, methods and programs) (Pilot level)

1.2.3 Affordability of Pension schemes (contributions and Government subsidies

1.2.4 Gender considerations in pension schemes

* **RESULT 4 (FULL COVERAGE, PENSION SCHEMES)**

1.3.7 Ageing population and possible strategy of dealing with this situation

* **RESULT 5 (RESPONSE TO URBANIZATION TREND)**

1.4.3 Strategy of integrating social security system in urban and rural context also through the portability of social insurances

### Topics to be introduced in 2018

1.3.3 Universal pension models

1.3.5 Occupational pension plans for public sectors and private pension plans (Social security and other redistribution regulations and policy tools)

1.3.8 Issues related to the informal sector integration in social security schemes (Influence of the 4th Industrial revolution)

### New topics including for 2019 possible extension

1.1.4 Preliminary evaluation of measures taken under 13-5, and tentative proposals for 14-5 concerning social protection reform (social security and employment promotion)

## Research

**1.1.3 Monitoring interaction between employment promotion and social protection policies (Methods and experiences of strengthening vocational training)** – China will proudly host the Skills Olympics competition in 2018. 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, life long vocational training technique, an are in which European experience will prove to be most useful. Chinese and European research will be conducted in parallel for this important topic, also to be dealt with during overseas training in 2018.

**1.2.4 Gender considerations in pension reform –** The two reports entrusted to national experts (on the situation in Sichuan and Guangdong respectively) were delivered by end October 2017. During the first half of 2018, France (National fund for Family benefits) will be requested to produce a report on the situation in Europe with special reference to issues of productivity and competitiveness of women in employment in relation with social security protection. Collaboration with the European Institute for Gender Equality – EIGE[[8]](#footnote-8) – could also be sought.

**1.3.3 (also relates to 1.4.3) Universal pension model –** A report will be producedby a Chinese expert on the possible role of Resident pensions – urban and rural – in representing a basic, universal layer of protection in old-age or in case of disability. Considering this possible integration and extension of rural and urban provisions for residents in old-age pensions and its inclusion as basic tier in the otherwise more ambitious schemes for salaried employees would contribute significantly to the development and influence of China’s theoretical and practical contribution to the development of a social protection model suitable for the developing world.

**1.3.5 (also relates to 1.1.3 & 1.2.3) Occupational pension plans: social security and other redistribution regulations and policy tools (revised title) –** It is considered that the main aspect in coordinating social security and employment promotion policies to guarantee a fair distribution of primary and secondary income is to ensure that the financial burden on entreprises remain affordable and does not appearas reducing the opportunities for job creation. However, Government financial capability to alleviate the burden on entreprises is also limited. The idea of spreading the responsibility for overall acceptable levels of protection in old age over different mechanisms relying on different financial options is being reviewed. A research would therefore be conducted in China on the need and possibility to reduce the rate of contributions based on salaries without affecting the overall level of protection, and to assess the potential and experience to date in supplementary pension plans, both for civil servants and for other categories of employees. As for the European side reports on the national experience on social security financing and redistribution will be requested from individual members of the Consortium. Reports on the experience to date and prospects in supplementary pension provisions would be requested from the three countries where this type of protection is most developed, namely the Netherlands, Belgium and France.

**1.3.8 Issues related to informal sector integration in social security schemes – influence of the Fourth Industrial Revolution on policies for Employment and Social Security (revised title) –** Reports will be requested from Chinese experts on the influence of the 4th Industrial revolution and the ensuing new forms of economic development and societal arrangements. This would also include issues like removing the obstacles to developing entrepreneurial spirit among the active population; the role of social protection in promoting life-long training and personal development; and, - the possibilities to extend active life for senior citizens, including through entreprise creation and innovative employment. From the European side reports on active labour market policies geared at different segments of the population could be requested from competent international organizations such as the European Commission, the ILO or the OECD, as well as from Italy, Germany[[9]](#footnote-9) or Austria where such policies are highly developed.

## Overseas activities

Proposals that follow are based on the pattern used over the past three years for Component 1 overseas activities, namely a dialogue and study visit of 6 to 10 days in 2 to 3 countries; a high level training course of two weeks for both central level and provincial level officials; and, an international workshop with participation of Chinese and European decision makers and experts.

A Coordination meeting has been scheduled to be held in Rome on 1 December 2017 for all parties involved to reach preliminary agreement on proposed 2018 Programme of Activities and framework for possible activities should the project be continued over the year 2019. Representatives from the 3 Chinese main stakeholders – NDRC, MoF, MOCA – will attend, as well as representatives from the consortium members. Expertise France as coordinator for Component 1 and Secretariat for Components 1 and Component 3 will attend.

Overseas activities proposed for the year 2018 will be centred on the issues of employment promotion, since the development of suitable, decent employment opportunities will be the touchstone for the final success of Chinese social policies conducted under the circumstances of the “New normal” economic situation.

Based on the experience of previous years, it is being considered at the request of NDRC that an event be organised on the eve of the Coordination meeting to allow for proper advanced contacts with host countries for proposed Component 1 overseas activities to be held in the year 2018. These contacts will take place on the occasion of a half-day round table discussion meeting scheduled for 30 November 2017 in Rome, around the topic of Active labour market policies.

The Round table discussion will indeed help Chinese and most directly concerned representatives from EU Member States mutually better understand each other’s situation and expectations concerning active labour market policies, thus contributing, through a capacity building event, to the optimal preparation of overseas events to be included under C1 2018 programme of activities concerning Employment promotion and its relevance for social protection reform policies.

Otherwise, the combination of the International Workshop with the Policy Dialogue and Study visit allows for the coverage of costs related to international travel by three Chinese officials within the framework of the limits fixed by the EUD (for NDRC, 2 missions per year for 3 officials each).

International workshop **–** It is proposed to hold in Italy during the first half of 2018 an international workshop on the topic of Active labour market policies within the framework of Social protection – Chinese and European experiences. The delegation from China would include experts reporting on Issues related to informal sector (see above, point 2 – 1.3.8). Depending on the agenda, the workshop could be of one or two days’ duration and be followed by contacts in Italy with competent national authorities.

Dialogue and Study visit **–** Immediately after the workshop, a delegation would go on a Policy dialogue and Study visit on Active labour market policies as an integral part of social protection. The visit would last for a period of six days, and be conducted in 2 countries where records concerning ALMP are particularly interesting, namely Belgium and Denmark. The combined duration of the Workshop and Study visits would be of 10 calendar days, for a delegation of up to six persons[[10]](#footnote-10).

High-level training **–** It is proposed that the two-weeks high-level training for NDRC central and provincial levels officials be held in Italy during the second half of 2018 around the theme of Influence of the adjustment of economic and industrial restructuring on income distribution. The training will notably address the major European experiences in promoting social integration through expanding the middle-income group by the combined use of employment and social security policies; the main measures to prevent polarization and spreading social risks by the governments; the main measures to regulate and control the high-income group, and to provide subsistence allowances to the low-income group.

Pre-training briefing for participants would be assigned to Chinese experts dealing with researches on respectively vocational training (topic 1.1.3), redistribution regulations and policy tools (1.3.5) and Informal sector integration (1.3.8)[[11]](#footnote-11). Experts from various European countries inside and outside the Consortium would be called upon to participate, as well as representatives from competent international organizations and the European social partners.

*Deepening cooperation* – As was the case in 2017, it is expected that the project will provide limited support to the visit of NDRC vice-chairman Wang Xiaotao to the European Commission and to Spain, where he would finalize and signed cooperative agreements negotiated during the year 2017. This visit will hopefully be coordinated with the one to Belgium proposed under 3.2 above.

Concerning France, discussions should continue with France Stratégie - French General Commissary for Strategy and Prospective CGSP – to reach an agreement for extended collaboration. It is hoped that a representative from France Stratégie could visit China on the occasion of one of the project events, to hold specific discussions on the contents of the corresponding instrument.

## In country national activities

Panel discussion meeting **-** Following upon the successful example of past years, it is proposed that national activities in China include a peer review – with participation of international experts – in the form of a panel discussion meeting paving the way to the international workshop. The Panel discussion meeting would address three research activities – namely that devoted to Monitoring interaction between employment promotion and social protection policies (Methods and experiences of strengthening vocational training), that dedicated to Occupational pension plans for public sectors and private pension plans (Social security and other redistribution regulations and policy tools) and the one related to Issues related to the informal sector integration in social security schemes (Influence of the 4th Industrial revolution). The Panel discussion meeting would be held with the presence of selected authors of national European reports. It could take place in Beijing on in one of the Component pilot venues.

Seminar on Gender issues **-** Works of the Chinese and European experts on Gender issues will be presented on the occasion of a one-day national seminar to be held in China – possibly in Guangdong or Sichuan province - in collaboration with a Chinese interested academic institution. Representatives from competent international organizations would also be invited to attend.

## Pilot sites

Guangdong As mentioned under section 2.4 above, the Planning mission conducted to pilot sites in Shanghai and Guangdong in late February 2017 identified a number of potential sectors for future decentralized cooperation activities in the area of social protection policies. Those proposals were submitted by NDRC to the local authorities concerned, and subsequently amended to take their feedback into account.

To start implementing this programme of cooperation, two subjects linked with topic 1.1.1, Social administration systems reform may be proposed for implementation already in 2018, namely

- *The Enhancement of Statistics Management as a tool for decision-making in the field of Social Security with Guangdong Provincial Development reform Commission*. This activity might include internship in Europe and short-term assistance in China. It would be led by the Belgian Banque Carrefour de la Sécurité Sociale (Data exchange and warehousing system of the Belgian Social Security system) and two French Social security funds, the National Old-Age Insurance Fund (CNAV) and the National Familly Allowances Fund (CNAF); and,

- *The Preparation of teaching material to raise awareness on the importance of solidarity in social protection schemes and entrepreneurship with Qingyuan municipality*. This activity would include short-term technical assistance in China and delivery of sensitization sessions for the public. It would be led by the French National Employment Public Service (Entrepreneurship) and National Education Mutual Fund (Solidarity in social Protection), which already has experience in working in China with comparable packages.

Overseas activities linked to the above are subject to the identification of financial means to cover related expenditure (international and domestic transportation, cost of stay).

Shanghai Furthermore, and as a follow up on activities already conducted with Shanghai under topic **1.3.7 Issues related to dependency insurance** it is proposed to call again on the Shanghai Academy of Development and Reform requesting an update on their on-going pilot experiment. A study visit to European countries having developed relevant research and social programmes would be organized for representatives of Shanghai authorities (Spain and France, 10 participants, 8 days)

## Schedule

The table below presents a tentative schedule for proposed activities.

Table 4 – Tentative schedule for proposed activities

| **Topic / Activity** | **11-17** | **12-17** | **01-18** | **02-18** | **03-18** | **04-18** | **05-18** | **06-18** | **07- 18** | **08-18** | **09-18** | **10-18** | **11-18** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **1.1.1 Social insurance administration systems reform (Pilot level)** |
| **Statistics Management Guangdong** |   |   |   |   |   |   |   |  |  |   |   |   |   |
| **Awareness raising on importance of SS, Qingyuan** |   |   |   |   |   |   |   |  |  |   |   |   |   |
| **1.1.3 Monitoring interaction between employment promotion and social protection policies**  |
| **Seminar ALMP** |   |   |   |   |   |   |   |  |  |   |   |   |   |
| **Visit of NDRC Vice-Chairman**  |   |   |   |   |   |   |   |  |  |   |   |   |   |
| **Research on Vocational training** |   |   |   |   |   |   |   |  |  |   |   |   |   |
| **Panel discussion** |   |   |   |   |   |   |   |  |  |   |   |   |   |
| **Pre-training briefing** |   |   |   |   |   |   |   |  |  |   |   |   |   |
| **Two-weeks training** |   |   |   |   |   |   |   |  |  |   |   |   |   |
| **1.1.3, 1.2.3, 1.3.5 Social security and other redistribution regulations and policy tools**  |
| **Research reports** |   |   |   |  |  |  |  |  |   |   |   |   |   |
| **Panel discussion** |   |   |   |   |   |   |   |   |   |   |  |   |   |
| **1.3.3, 1.4.3 Universal income**  |
| **Research reports**  |   |   |   |  |  |  |  |   |   |   |   |   |   |
| **1.2.4 Gender considerations in pension reform** |
| **Research reports** |  |   |   |  |  |  |  |  |  |   |   |   |   |
| **Seminar** |   |   |   |   |   |   |   |   |   |   |   |  |   |
| 1.3.7 **Ageing population and possible strategy of dealing with this situation** |
| **Research report Shanghai pilot scheme on Long term care** |   |   |   |   |   |   |   |   |   |   |   |  |  |
| **Provincial Dialogue and study visit for Shanghai DRC, Ageing** |   |   |   |   |   |   |   |   |   |   |   |  |  |
| **1.3.8 Issues related to informal sector integration in social security schemes** |
| **Research reports** |   |   |   |  |  |  |  |  |  |   |  |   |   |
| **Panel discussion** |   |   |   |   |   |   |   |   |   |   |   |   |   |
| **International workshop** |   |   |   |   |   |   |   |   |   |   |  |  |  |
| **Dialogue and Study visit** |   |   |   |   |   |   |   |   |   |   |   |  |  |

## Outputs and Deliverables

The following table indicates the possible outputs and deliverables for 2018 envisaged activities.

Table 5 – Possible outputs and deliverables, 2018

|  |  |  |
| --- | --- | --- |
| **Topic** | **Activity** | **ENVISAGED OUTPUTS AND DELIVERABLES** |
| **1.1.1****Social insurance administration systems reform (Pilot level)** |
|   | **Statistics Management Guangdong** |  Assessment and mission reports |
|   | **Awareness raising on importance of SS, Qingyuan** |  Mission report, sensitization materials |
| **1.1.3****Monitoring interaction between employment promotion and social protection policies**  |
|  | **Seminar ALMP** | PPts, session report |
|  | **Visit of NDRC vice-chairman** | Mission report/MOUs |
|  | **Research on Vocational training** | Assessment reports/ National monographs |
|  | **Panel discussion** | Ppts, session report |
|   | **Pre-training briefing** |  PPts |
|   | **Two-weeks training** |  Training report, training materials |
| **1.1.3, 1.2.3, 1.3.5****Towards affordable and acceptable social protection levels in old-age**  |
|   | **Research reports** |  Assessment reports, best practices reports |
|   | **Panel discussion** |  Meeting report |
| **1.3.3, 1.4.3****Universal income**   |
|   | **Research reports**  | Assessment report, best practices report |
| **1.2.4****Gender considerations in pension reform**  |
|   | **Research reports** |  Assessment reports, Best practices report |
|   | **Seminar** |  Seminar report |
| **1.3.7****Ageing population and possible strategy of dealing with this situation** |
|  | Research report Shanghai pilot scheme on Long term care | Assessment report |
|  | Provincial Dialogue and study visit for Shanghai DRC, Ageing |  Mission report |
| **1.3.8****Issues related to informal sector integration in social security schemes**  |
|   | **Research reports** |  Assessment report, best practices report |
|   | **Panel discussion** |  Meeting report |
|   | **International workshop** |  PPts, meeting report |
|   | **Dialogue and Study visit** |  Mission report |

## Human resources

Annex 9 provides a tentative breakdown of human resources to be allocated for proposed implantation of activities in 2018.

v.7, 8 December 2017.

# ANNEXES

 Annex 1

 Relation between objectives of the XIIIth Five-year Plan and the results assigned to Component One



 Annex 2

 Use of European and International experts, C1

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Year** | **EU STE** | **Gender** | **Country** | **Notes** |
|
| **2015** | Vleminckx, Koen | m | BEL | Best practices |
| Von Nordheim | m | DK | International Workshop Brussels February 2015 |
| Holzmann | m | At |
| Queisser | f | D |
| Vleminckx | m | Be |
| Gieselinck | m | Be |
| Paldanius | m | SF |
| Crudo | m | I |
| Gortzak | m | Nl |
| Barbera | m | Sp |
| Desfosses | m | F |
| Fatome Thomas | m | FRA | Training in France June 2015 |
| Salinaro Edmondo | m | ITA |
| Guegano Yves | m | FRA |
| Libault Dominique | m | FRA |
| de Vives Aude | f | FRA |
| Denechere Agathe | f | FRA |
| Bras Pierre Louis | m | FRA |
| Aubert Patrick | m | FRA |
| Izard Jean-Luc | m | FRA |
| d'Yvoire Arnaud | m | FRA |
| Carta Allessandra | f | ITA |
| Ball Frederic | m | FRA |
| Landou Christophe | m | FRA |
| Pullman Tim | m | FRA |
| Weishaupt Thierry | m | FRA |
| Geraci Marco | m | FRA |
| Elena Dobre | f | ROM |
| Rusandu Olivia | f | ROM |
| Pablo Blazquez Antonio | m | SPA |
| Truphemus Sylvie | f | FRA |
| Meyet Michel | m | FRA |
| Pinel Philippe | m | FRA |
| Chastan Eric | m | FRA |
| Desfosses Philippe | m | FRA |
| **2016** | Gauvin | f | FRA | April Dialogue20 in total for all four experts (5 each) |
| Sacchi | M | ITA |
| Vleminckx, Koen | m | BEL |
| Coyer | M | FRA |
| Vleminckx, Koen | m | BEL | Dialogue + Training 10 in total (2 exp. x 5) |
| Coyer | M | FRA |
| Jeannerot | M | FRA | High Level Event 15 in total (5 exp. x3) |
| Bevers | M | BEL |
| Marksova | f | CZ |
| Toiu | F | ROM |
| Ortiz | F | SPA |
| Sacchi | M | ITA | High Level Event 30 in total (6exp. x5) |
| Hocquet | M | FRA |
| Kiviniemi | M | SF |
| Kyrieri | M | HE |
| Scholz | M | D |
| Vleminckx, Koen | m | BEL |
| Teresa Quílez | F | SPA | TRAINING COURSE IN SPAIN JUNE-JULY 2016 |
| Graciano Alia | f | SPA |
| Antonio Jesus Argüesn | m | SPA |
| Dolores Cano | f | SPA |
| Thomas Dominique | m | LUX |
| Dolores Ruiz | f | SPA |
| Thomas Filleur | m | FRA |
| Antonella Della Monacha | f | ITA |
| Beatriz Perez | f | SPA |
| Carlos Bravo | m | SPA |
| Ignacio Gutierrez | m | SPA |
| Gracia Castresana | f | SPA |
| Radek Mally | m | CZ |
| Rafael Domenech | m | SPA |
| Paula Roch | f | SPA |
| Carmen Armesto | f | SPA |
| Manuel Velazquez | m | SPA |
| Noami Garcia | f | SPA |
| Jesus Fuertes | m | SPA |
| Margarita Gomez | f | SPA |
| Raquel Herranz | f | SPA |
| Juan Villa | m | SPA |
| Antonio Blazquez | m | SPA |
| Andrew Reilly | m | OECD |
| Laura Molina | f | SPA |
| Michael Englert | m | BEL |
| Ernesto Ortega | m | SPA |
| Jeronimo Gonzalez | m | SPA |
| 2017 | De Lespinay Laurent | m | FRA | Provincial review (Feb.March 2017) |
| Tretyak Andrezj | m | FRA |
| Vleminckx Koen | m | BEL |
| Antichi Massimo | m | ITA |
| Pasqua Maria-Teresa | f | ITA |
| Lavigne | f | FRA | Parametric reform (August 2017) |
| Mazzaferro | m | ITA |
| Skorpic/Suchomel | m | CZ |
| Birkholz | m | SW |
| Steinmeyer | m | D |
| Szybkie | m | PL |
| Thevenot | f | OECD | International Workshop (Sept.17) |
| Vanhuisse | m | DK |
| Rangus | m | SV |
| Kauffmann | f | D | Policy dialogue (Sept. 2017) |
| Scarpetta | m | OECD |
| Vleminckx | m | Be |
| Kiviniemi | m | SF |
| Langenbucher | f | OECD | ALMP Seminar (Nov.2017) |
| Chapron | m | F |
| Vleminckx | m | B |

Annex 3

Use of national expertise

|  |  |  |  |
| --- | --- | --- | --- |
| **TOPIC** | **NAME** | **OUTPUT** | **TIMING** |
| 1.1.1 Social insurance administration reform | Tan Zhonghe | Assessment report | July 2015 |
| 1.1.1 Input into the XIIIth Five-year Plan | Tan Zhonghe | Assessment report | July 2015 |
| 1.1.3 Monitoring interaction between employment and social security policies | Zheng GongchengZeng XiangquanZhang Juwei | PPtPPtAssessment report | April 2016Apr.&Sept.16Sept.2016 |
| 1.2.2 National policy evaluation technique (SS) | Zheng Gongcheng | PPT, Assessment report | July –Nov. 2017 |
| 1.2.2 National policy evaluation technique (EMPL.) | Yue Jinglun | PPT, Assessment report | July - September 2017 |
| 1.2.3 Sustainability of pension schemes (contributions and government subsidies) | Zheng BingwenLiu KeguXiong Jun | Assessment reportNotesPPt | Sept.2016Sept.2016Sept.2016 |
| 1.2.4 Gender considerations (SC) | Lin Yi | Assessment report | October 2017 |
| 1.2.4 Gender considerations (GD) | Yue Jinglun | Assessment report | October 2017 |
| 1.3.1 Pension reform for public sector | Zhang Yinghua | Assessment report | Nov.2015 |
| 1.3.2 Evaluation of the combination of basic pension and Individual accounts | Song Xiaowu | Assessment report | July 2015 |
| 1.3.4 Multi-tiered design of pension systems (public pension, enterprise annuity and individual pension) | Dong Keyong | Assessment report | July 2015 |
| 1.3.6 Parametric reform | Zhou Hong | Assessment reform | October 2017 |
| 1.3.7 Ageing population and possible strategy of dealing with this situation | Pu HaihongDong Keyong | PPtAssessment report | Sept.2016July 2016 |
| 1.4.2 Relationship between social-economic development and the redistribution function of social security | Li ShiHu AngangSong Xiaowu | Assessment reportPPtNotes | August 2016Sept.2016Sept.2016 |
| 1.4.2 Redistribution – Parametric reform | Li Shi | Assessment reportPPt | October 2017 |
| 1.4.3 Strategy of integrating social security system in urban and rural context also through the portability of social insurance | Wang ZeyingJin WeigangYue JinglunLin Yi | Assessment reportNotesPPtPPt | Nov.2015Sept.2016Sept.2016Sept.2016 |
| Main Experts Component 1 | Zhang GuoqingFang Lianquan | OperationsResearch | Since Feb.2015Since Feb.2015 |

Annex 4

Logical framework – progress made towards achieving project results

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **INTERVENTION LOGIC** | **OBJECTIVELY VERIFIABLE INDICATORS** | **SITUATION BY** **MID-NOVEMBER 2017** | **SOURCES AND MEANS OF VERIFICATION** |
| **Overall Objective** | Furthering social equity and inclusiveness of economic development throughout Chinese society | * Social protection coverage, income distribution, poverty levels, government budget and GDP shares allocated to social protection
 |  | * National and provincial statistics.
 |
| **Specific Objectives** | C1. Greater effectiveness and inclusiveness of China’s social security system through strengthening the institutional capacity for developing policies | * Comprehensive reforms proposals are developed and subject of public discussion
 | * Comprehensive reform proposals have been developed in conjunction with the preparation of XIIIth Five-year plan in the realm of pensions. They were submitted to debate in meetings at different levels, and their contents shared with pilot provinces’ authorities
 | * See C1 six-months reports
 |
| **Result** | R1. Mechanisms for EU-China high level policy dialogue on social protection reform is established and partnerships between Specialized Public Bodies of EU Member States and the National Development and Reform Commission (NDRC), the Ministry of Finance (MoF) and the Ministry of Civil Affairs (MoCA) on social protection are developed | * High level conferences attract attention of the technical specialists and of the media
* Mechanisms for further high level dialogue on social protection policy development, financial management and social assistance after the end of the project agreed;
* Dedicated Project Website updated every month;
* 2 Electronic Newsletters a year;
* List of users registered to the Electronic Directory of Contacts is widespread among the participants each quarter;
* Cooperative work between EU and national stakeholders in social protection is documented
 | * C1: 2016 HLE on relations between employment promotion and social security held in September 2016
* C1 Dialogue mechanisms with EC started in 2016, continued in 2017. Dialogue with individual countries started in 2015, held in 2016 and 2017
* C1 contributes regularly to project website
* C1: bilingual newsletter published quarterly since 2016 (one issue in 2015)
* C1: Mailing list of some two hundred addresses maintained
* C1: Newsletters and website keep records of cooperative work
 | * External project evaluation reports;
* NDRC, MoF, MoCA and local government publications, documents and reports;
* National and ministerial statistics;
* National audit reports;
* Media & news report;
* Project Website;
* Electronic Newsletters;
* Directory of Contacts;
* Constitutional PAC meeting, Press Conference, High Level International Conferences and Closing Conference minutes.
 |
| **Result** | R2. Under the leadership of NDRC, coordination of policy making among government agencies in areas related to social protection reform is strengthened. | * NDRC proposals on social protection reform for inclusion in the XIIIth Five-years Plan are shared with other stakeholders and taken as a basis for discussion in preparatory works;
 | * The project contributed to the elaboration of NDRC proposals for inclusion in XIIIth Five-year plan. Those were discussed in a broadly opened meeting in January 2016
 | * See NDRC website and report on 2015 activities
* See project website
 |
| * A comprehensive proposal for social administration systems reform is elaborated and disseminated to interested stakeholders under project auspices.
 | * A report containing comprehensive proposal for social insurance administration systems reform was produced in July 2015
* In 2017 European experience in reform was synthesised across short technical notes suitable for discussion about available options among Chinese stakeholders
 |
| * Efficient participation in the public debate around State Council Plan on parametric reform of the pension system
 | * Assessment reports produced under the topics of Parametric reform and Redistribution are available. C1 team representatives and experts have been invited to present their research in a number of outside instances nationally and internationally.
 |
| **Result** | R3. Capacity of NDRC in policy development and implementation, notably establishing and enforcing a national policy evaluation technique in the area of social protection, is enhanced. | * A national policy evaluation technique in the area of social protection is developed and tested under the auspices of the project;
 | * Two reports on Evaluation techniques (Social security and Employment policies respectively) were produced in 2017
 | * See project website
 |
| * At least two-thirds of local officers involved in the training in China and in Europe demonstrate a high level of approval of the training activities;
 | * High rates of satisfaction for participants in training activities
 |
| * Clear goals are assigned to the pension system in terms of replacement of past income and minimum living standards
 | * This was first addressed under the Parametric reform and Evaluation works conducted in 2017
 |
| - A methodology to assess gender implications of proposed social protection reforms is developed  | * Assessment reports (GD and SC) were produced in 2017. Methodology to be pursued in 2018
 |
| **Result** | R4. National policy framework for a full coverage of old-age insurance system throughout China is consolidated by strengthening the interface of various schemes, permission funding pooling, old-age insurance scheme for civil servants/the employee of public agencies and the existing multi-lawyer pension system | * A comprehensive model for multitier design of the pension system is developed under project auspices;
 | * A model was developed and transmitted to NDRC in July 2015
 | * See project website
 |
| * A comprehensive policy for developing a universal social pension model is developed and disseminated under project auspices;
 | * Universal social pension model will be addressed in 2018
 |
| * An analysis of the consequences of demographic ageing on the pension system is conducted and discussed under project auspices.
 | * Analysis was conducted under 2016 activities
 |
| **Result** | R5. Reform efforts in response to urbanization trends, in particular the harmonization/integration of the various basic social protection systems for different groups of beneficiary, the portability of social insurances and better suited assistance schemes are supported | * Model provisions for totalization and vesting of pension rights across regions are developed and piloted in selected places
 | * A model was elaborated and shared with NDRC in November 2015. Works continued in 2016 (GD and SC Provinces)
 | * See project website
 |
| * An analysis of the interrelation between social and economic development and the suitability and sustainability of pension schemes is developed, and used for macro projections to support systemic reform proposals.
 | * Interrelation between economic development and suitability / sustainability was first reviewed in 2016, continued in 2017
 |

Annex 5

Main outputs and deliverables, 2017

**C1 OUTPUTS AND DELIVERABLES – 2017 PROGRAMME OF ACTIVITIES – SITUATION AT MID NOVEMBER 2017**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **R** | **Topic** | **Activity** | **Expected Outputs** | **Authors** | **Status** |
| ***ID*** | ***Title*** |
| ***R2*** | *1.1.1* | *Social insurance administration systems reform – Contribution to the 13th Five-Years Plan* | *Pilot sites - Provincial Exchange in Shanghai and Guangdong* | *Mission report* | *Expertise France* | *Completed* |
| *1.1.2* | *Coordination of policy making among government agencies in areas related to social protection reform* | *Exemplarity of European best practices in areas of special interest for Chinese pension reform* | *Technical Notes* | *JV Gruat & alia* | *Completed – En on website; Cn under proof reading* |
| *1.1.3* | *Monitoring interaction between employment promotion and social protection policies* | *2nd High level EU-China Policy dialogue* | *PPts**Meeting report* | *Lin Guowang* | *Completed. NDRC report expected* |
| *Ministerial visit to Belgium, Spain and Italy* | *Mission report* | *NDRC* | *Completed* |
| ***R3*** | *1.2.2* | *National policy evaluation technique in the area of social protection (indicators, methods and programs)* | *Situational analysis Social security* | *Assessment report* | *Zheng Gongcheng* | *Completed EN & CN* |
| *Situational analysis Employment* | *Assessment report* | *Yue Jinglun* | *Completed EN & CN.*  |
| *Panel discussion with stakeholders on the Identification phase* | *Panel report**PPts* | *Li Lingxi* | *Completed* |
| *Training in Germany* | *Report, training materials* | *Axel Weber* | *Postponed, January 2018* |
| *1.2.4* | *Gender considerations in pension schemes* | *Situational analysis SC*  | *Assessment report* | *Lin Yi* | *Completed En & Cn* |
| *Situational analysis GD* | *Assessment report* | *Yue Jinglun* | *Completed En & Cn* |
| *Dialogue and Study visit to Romania* | *Mission report* |  | *Postponed* |
| ***R4*** | *1.3.6* | *Parametric reforms of pension system (Vesting, indexation, adjustment mechanisms of pension benefit, benefit formula etc.)* | *Situational analysis* | *Assessment report* | *Zhou Hong* | *Completed En & Cn; on website* |
| *Identification and review of possible relevant EU experience* | *National reports* | *Birkholz,Lavigne,Mazzaferro, Skorpik, Steinmeyer, Zybkie* | *Completed En & Cn; on website*  |
| *Panel discussion with stakeholders on the Identification phase* | *Panel report* | *Li Lingxi* | *Completed* |
| *International workshop in France* | *Meeting report**PPts* | *Lin Guowang* | *Completed. NDRC report awaited* |
| ***R5*** | *1.4.2* | *Relationship between social-economic development and the redistribution function of social security* | *Situational analysis (parametric reforms)* | *Assessment report* | *Li Shi* | *Expected mid-November* |
| *Panel discussion with stakeholders on the Identification phase* | *Panel report**PPts* | *Li Lingxi* | *Completed* |
| *International workshop in France* | *Meeting reprot**PPts* | *Lin Guowang* | *Completed. NDRC report awaited* |
| *Dialogue and Study visit to Finland and Sweden* | *Mission report* | *Lin Guowang* | *Completed. NDRC report awaited* |
| *1.4.3* | *Strategy of integrating social security system in urban and rural context also through the portability of social insurances* | *Pilot sites - Case Study in Sichuan and Guangdong with special reference to women* |  |  | *See 1.2.4* |

31 Oct.2017

Annex 6

Use of human resources, 2017

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **w/d total** |  |  |  |  |  |
| **Project** | **Y.1&2** | **Y. 3** |  | **Names** | **Activity / Output** |
| **(1193)** | **102\*\*****+150** | **190** | **C1 Chinese expert staff except Main Experts** | \*\* Data of days worked between Year 1 and subsequent years for Chinese experts are not comparable, because of changes in unit costs |
|  | Monthly fees | Main Chinese expert 1  | Zhang Guoqing | Half-time - Operations |
|  | Monthly fees | Main Chinese expert 2  | Fang Lianquan | 1/3 of time - Research |
|  |  | 45 | CN EXPERT PARAMETRIC REFORM | Zhou Hong | AR\* 1.3.6 and related (Parametric reform) |
|  |  | 25 | CN EXPERT EVALUATION SOCIAL SECURITY | Zheng Gongcheng | AR\* 1.2.2 Evaluation techniques |
|  |  | 25 | CN EXPERT EVALUATION EMPLOYMENT | Yue Jinglun | AR\* 1.2.2 Evaluation techniques  |
|  |  | 45 | CN EXPERT REDISTRIBUTION | Li Shi | Second AR\* 1.4.2 (Eco.dev.& Redistribution-link with Parametric reform) |
|  |  | 25 | CN EXPERT GENDER SICHUAN | Lin Yi | AR\* 1.2.4 Gender considerations |
|  |  | 25 | CN EXPERT GENDER GUANGDONG | Yue Jinglun | AR\* 1.2.4 Gender considerations |
|  |  |  |  |  |  \* AR = Assessment report |
|  | Monthly fees | Component assistant | Li Lingxi |  Half-time |
|  | 416 | 183 | Resident expert C1 |  JV Gruat |  |
| **646** | **215** | **142** | **C1 EU Public sector staff+ Subcontracting** |  |  |
|  |  | 40 | EU Experts Parametric reform | Lavigne, Birkholz, Steinmeyer, Mazzaferro, Skorpik, Suchomel, Zybkie | 7 EU experts for country profiles Parametric reform |
|  |  | 10 | EU Experts Provincial activities | Vleminckx, Tretyak | 2 EU Experts for Provincial activities (1.8.1, 1.8.2) |
|  |  | 12 | EU Experts, International Workshop and Policy dialogue | Rangus, Vleminckx, Vanhuysse, Thevenot | 4 EU Experts for IWS and Policy dialogue in Paris |
|  |  | 18 | EU Experts Training in Germany | ? | 6 lecturers from Consortium countries |
|  |  | 80 | EU Subcontracting Training in Germany | ? | 8 German sub-contracted experts for 10 w/d each |

Annex 7

Tentative work plan until November 2018

(SEE IN ANNEXED EXCEL FILE)

Annex 8

Revised GANTT – Component 1

(SEE IN ANNEXED EXCEL FILE)

Annex 9

Proposed use of Human resources, 2018

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **PROJECT\*** | **Y 1 TO 3\*** | **Y 4** |  | **Total Y 4** |
| 1193 |  |  | Main C1 Chinese expert staff\*\* |   |
|  |  |  | *Main Chinese expert 1 Zhang Guoqing* |  |
|  |  |  | *Main Chinese expert 2 Fang Lianquan* |  |
|  |  |  | CN EXPERT STATISTICS GD | *10* |
|  |  |  | CN EXPERT AWARENESS RAISING QY | *10* |
|  |  |  | CN EXPERT VOCATIONAL TRAINING | *35* |
|  |  |  | CN EXPERT UNIVERSAL PENSION |  |
|  |  |  | CN EXPERT AFFORDABLE SOC.PROT.LEVELS | *35* |
|  |  |  | CN EXPERT GENDER GUANGDONG | *5* |
|  |  |  | CN EXPERT GENDER SICHUAN | *5* |
|  |  |  | CN EXPERT AGEING SHANGHAI | *20* |
|  |  |  | CN EXPERT INFORMAL SECTOR  | *40* |
|  | 442 | 160 | ***TOTAL OTHER CN EXPERTS (C1)*** | *160* |
|  |  | 110 | *Component assistant* | *110* |
|  | 599 | 179 | Resident expert C1 JV Gruat | *179* |
| 646 | 357 | 180 | ***C1 EU PUBLIC SECTOR STAFF+SUBCONTRACTING\*\*\**** | 180 |
|  |  |  | EU Experts Provincial activities | 20 |
|  |  |  | EU Experts Training | 40 |
|  |  |  | EU EXPERTS VOCATIONAL TRAINING | 30 |
|  |  |  | EU EXPERTS AFFORDABLE SOC.PROTEC.LEVELS | 30 |
|  |  |  | EU EXPERTS GENDER | 30 |
|  |  |  | EU EXPERTS INFORMAL SECTOR | 30 |
|  |
| \* Nb of days is notional since daily rates changed after first year |
| \*\* Main Chinese experts enjoy monthly fees since year 2 which does not match actually worked nb of days x standard daily fee |
| \*\*\* Gender related activities may be covered under dedicated Research budget line, totally or partially |

Annex 10

Dashboard

(SEE IN ANNEXED EXCEL FILE)

1. EU-China Social Protection Reform Project – Mid-Term Evaluation, page 38 [↑](#footnote-ref-1)
2. A detailed presentation of progress made in pursuing Component results is provided in Annex 4 of this report. [↑](#footnote-ref-2)
3. EU-China SPRP Mid-term evaluation, Final evaluation report, prepared by Beate Scherrer and Michael Gericke, August 2017. [↑](#footnote-ref-3)
4. EU-China SPRP Mid-term evaluation, Final evaluation report, p.12 [↑](#footnote-ref-4)
5. The PAC meeting on 24 February 2017 noted that: “Topic 1.3.6 (Vesting, indexation, adjustment) was the closest to the requirements of participation in the public debate to accompany the discussion of the forthcoming Plan on pension reform (parametric adjustment) to be disclosed by the State Council. This should include other elements like ageing (1.3.7), benefit formula (1.3.9, 1.4.1), minimum pension (1.2.1), basis for contributions and benefits, grouped under a “meta-topic” Parameters for reformed pension system, with associated indicator “Efficient participation in the public debate around State Council Plan on parametric reform of the pension system” – Result 2 “ [↑](#footnote-ref-5)
6. <http://www.euchinasprp.eu/en/components-en/component1-en> ; <http://www.euchinasprp.eu/cn/components-cn/component1-cn> [↑](#footnote-ref-6)
7. Ngok Kinglun (aka Yue Jinglun), project C1 report Evaluation of Employment policies, September 2017 [↑](#footnote-ref-7)
8. EIGE is located in Vilnius, Lithuania – see http://eige.europa.eu/ [↑](#footnote-ref-8)
9. Collaboration with IZA – Institute of Labour Economics, [https://www.iza.org/](https://www.iza.org/en/about) - could be pursued [↑](#footnote-ref-9)
10. This activity will be considered under the Tickets for Translation scheme through which the project covers international travel for selected NDRC officials. [↑](#footnote-ref-10)
11. See points 2 – 1.1.3, 1.3.5 and 1.3.8 above [↑](#footnote-ref-11)