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EU-China Social Protection Reform Project

Component 1: Support to strengthen NDRC institutional capacity

for the development and implementation of Social Protection reforms

Seventh Six-month Component Status Report

17 November 2017 – 16 May 2018

Report submitted by EXPERTISE FRANCE,

Component 1 Coordinator

(First draft)



May 2018

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# **Introduction**

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

During the period under review, the project component C1 completed its cycle of activities for 2017, and worked on the design, adoption and initial implementation of the programme of its activities for the year 2018.

In spite of difficulties inherent to specific feature of the programme, which included several overseas activities in countries not members of the consortium, thus requiring innovative approaches for planning and implementation, practically all those activities to be undertaken under C1 programme for 2017 could be successfully completed. The 2018 Programme of activities could be prepared jointly by all parties involved – including through a coordination meeting held in December 2017 for the first time overseas, namely in Rome[[1]](#footnote-1) . It was adopted during the Project advisory committee PAC, meeting on 6 February 2018 in Beijing.

Component 1 programme of activities for 2018 is again a very rich, ambitious and somehow complex one. Since the project was initially scheduled for completion in November 2018, it is important to note that the inclusion of new topics in the Component areas for research will allow for the full coverage of all topics initially assigned to it by the project Grant application form. Additionally, newly emerging areas of priority for Government action in the field of social protection were indeed added to this initial list.

The Component programme of activities for 2018 also prepares for the future, through the inclusion of elements dedicated to the conclusion of extended technical cooperation instruments between Chinese and European stakeholders, and the start of programmes of bilateral exchanges to be further continued between European pilot partners and the Component pilot regions. This projection towards the future testifies to the fact that the project Component One will duly attain its assigned objective, that[[2]](#footnote-2) “*partnerships between Specialized Public Bodies of EU Member States and the National Development and Reform Commission (NDRC) (…) on social protection are developed*”.

Responding to the request by the EUD, expressed during the PAC meeting in January 2018 following remarks made by the Mid-term evaluation team[[3]](#footnote-3) that more attention should be devoted to “*coherence and synergies*” among component-based activities, an ad hoc Task force on Project Coherence and Synergies was established in March 2018. Component One was entrusted with overall responsibility for this Task force, the works of which are therefore included in the present report under a separate section.

The Task force allowed for, inter alia, evidencing the wide array and level of details covered by project activities, of which Component One represents a very significant part. I am convinced that, over the period to come, events and developments will confirm the relevance and significance of Component One works and activities as well as those of the project as a whole for a successful and sustainable economic and social development of China in partnership with Europe.

Laurent de Lespinay,

Coordinator Component 1,

16 May 2018.

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**Relevant Acronyms**

|  |  |
| --- | --- |
| Acronym | Description |
| ACFTU | All-China Federation of Trade Unions |
| ACWF | All-China Women's Federation |
| CASS | China Academy of Social Sciences |
| CISS | Centre For International Social Security Studies |
| CRAPS | Comité de réflexion sur l’avenir de la protection sociale – French think-tank on the future of social protection |
| EN3S | École Nationale Supérieure de Sécurité Sociale (French National School of Higher Social Security Studies) |
| EU | European Union |
| EU MS | European Member State |
| EUD | European Union Delegation |
| GANTT | A Gantt Chart is a type of bar chart illustrating a project schedule |
| HLE | High Level Event |
| ICC | International cooperation centre of the NDRC |
| ILO | International Labour Organization |
| IMC | Internal Management Committee |
| INPS | Istituto Nazionale Previdenza Sociale, Italian National Social Security Institute |
| ISSA | International Social Security Association |
| 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 |
| SIDCA | State International Development Cooperation Agency |
| SOCIEUX | Social Protection European Union Expertise in development cooperation |
| TFCS | Project Task Force on Technical Coherence and Synergies |
| UNDP | United Nations Development Programme |
| UNECE | United Nations Economic Commission for Europe |

# **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 November 2017 – 16 May 2018 (seventh 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.

All of the above-mentioned results are being actively pursued at the time of writing this report.

Annex 1 provides a picture of progress made in terms of results achieved and envisaged by C1 component of the project, including reference to the challenges addressed, the best practices used and the core reform recommendations produced whenever relevant.

Topics to be considered

The initially 18 technical topics envisaged for possible review under the project working methodology (analysis and assessment of the situation, confrontation with most relevant European best practices, formulation and adoption of reform proposals by the Chinese side) have all started being explored at the time of writing this report[[4]](#footnote-4). Additionally, the evolution in national priorities led to the addition of new topics to the initial list that were subsequently endorsed by the PAC in 2016 and 2017.

Table 1 below presents the topics selected for implementation under C1 since 2015 activity plan. The PAC, meeting on 6 April 2016 and 24 February 2017, upheld the adjunction of new topics to the initial list (topics 1.1.3, 1.2.3, 1.2.4) to better respond to the evolving national priorities since the elaboration of the Grant application form. It also took note of the merger of various topics all corresponding to one aspect of the same consideration, namely the Parametric reform of pension schemes (topics henceforth grouped under 1.3.6)

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 | 1.2.1 | Relationship of pension benefit with minimum social wage | Merged with 1.3.6 |
| 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 – National feasibility study |
| 1.3.4 | Multi-tiered design of pension systems (public pension, enterprise annuity and individual pension) | 2015 |
| 1.3.5 | Occupational pension plans for public sectors and private pension plans | 2018 – Angle Income redistribution tools |
| 1.3.6 | Parametric reforms of pension system (Vesting, indexation, adjustment mechanisms of pension benefit, benefit formula etc.) | Reformulated 2017 – Merged with 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 | 2018 – Angle Population mobility |
| 1.3.9 | NDC (notional defined contribution) pension reform | Merged with 1.3.6 |
| R5 | 1.4.1 | Improvement of the individual account component in public pension system for urban workers | Merged with 1.3.6 |
| 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 via 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.

Under Component 1 auspices, overseas activities were already conducted in Belgium, the Czech Republic, Finland, France, Germany, Poland, Spain and Sweden. As part of 2018 programme of activities, overseas visits will be conducted in Belgium, Denmark, France, Italy and Spain.

During activities conducted since the beginning of the project, including the period covered by the present report, Chinese beneficiaries could interact with some 120 experts and officials coming from seventeen 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 on expertise from Chinese experts to provide assessment of topics under consideration, and submit related draft reform proposals for further discussion among Chinese stakeholders, in view notably of the matching most relevant European and international experiences. Since the beginning of the project, 14 technical topics were or are being explored under project auspices, mobilizing 31 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. Within China contacts and working relations are in force with a number of institutions such as Ministry of Human Resources and Social security, All China Federation of Trade Unions, All China Women’s Federation (Beijing), China Population Development and Research Center, UNDP, ILO, the World Bank …

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 to 31 January 2018. Ms. Shi Chuan has been appointed as C1 Component assistant from 1 February 2018. 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.

**Task force on Coherence and Synergies**

During its meeting on 6 February 2018, the PAC expressed the desire that project activities be better coordinated among components, so as to ensure internal coherence and identification of potential for synergies. The Project leader therefore decided to establish within the project office in Beijing a Task force on Technical coherence and synergies, which took effect on 20 April 2018 after being approved by the EUD.

Owing to the pivotal role played by Component 1 and its main Chinese stakeholder, the National Development and Reform Commission NDRC, in promoting integrated approaches to social protection notably through their contribution to the national economic and social development planning process, the Task force was placed under the responsibility of the EU Resident Expert for Component One, acting as its convener. Based in Beijing, the Task force includes members from each of the three project components as well as from the Project office. The assistant for Component 1 acts as Secretary to the Task force.

The Task force programme of activities as approved during its meeting held on 26 April 2018 is reproduced in annex 4. As per its terms of reference, the Task force reports directly to the Project leader. Within the project Logical framework, the Task Force responds to Result R1 of the project intervention logic, with the following indicator attached: “A Task Force to ensure coherence and synergies in project intervention is established, which contributes to enhancing the level of policy dialogue on social protection reform between the EU and China”.

# **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 and 6 February 2018.

For activities conducted earlier in 2017, kindly refer to the 6th Component status report

Finalizing 2017 Activities

The Programme of activities assigned to the component through its work-plan for 2017 as adopted by the PAC meeting on 24 February 2017 was duly completed during the period usually assigned for yearly activities within the Chinese context, i.e. the New Year eve for subsequent year[[5]](#footnote-5) - with the exception of a dialogue and study visit to Romania that had to be postponed for conflicting commitments.

Annex 5 provides the list of output and deliverables resulting from Component 1 programme of activities for the year 2017.

### Cross topic activities

The third volume of Component 1 assessment reports, devoted to works conducted in 2017, was edited and published in English in November 2017. This volume includes the text of all four assessment reports produced as part of the year work plan, namely topic 1.3.6 Parametric reform in Pension systems by prof. Zhou Hong plus background national papers from the Czech Republic, France, Germany, Italy, Poland and Sweden; topic 1.4.2 Redistribution through social security – impact of parametric reform by professor Li Shi; topic 1.2.2 National policy evaluation technique on employment (by prof. Yue Jinglun) and on social security (by professor Zheng Gongcheng).

NDRC is proceeding with the production of the equivalent volume in Chinese language.

The Reform proposals submitted as part of the Component programme in 2017 were identified in a specific electronic publication (English and Chinese) available from the project website.

### Training in Germany

As part of the EU-China Social protection reform project Component 1 programme of activities for the year 2017, a delegation of 17 NDRC national and provincial level senior officials, led by Mr Chang Tiewei, deputy Director general, Department of Employment and Income Distribution, undertook a two weeks training in Germany from 14 to 28 January 2018.

The training organised under the framework of Johannes Gutenberg University was held in Mainz and Berlin. Placed under the overall direction of prof. Axel Weber, it was centred on the Relevance and Efficiency of Employment and Social protection policies in Europe with special reference to long-term care.

The training therefore covered three focal areas:

• Evaluation of Employment

• Evaluation of Social security policies

• Services to provide care to the elderly.

It mobilised overall some 20 lecturers, with the Chinese side presenting its national situation over two sessions, so as to facilitate interactive discussion with the course faculty.

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

The objective of the training was to increase awareness of the participants on how issues subject to reforms in China are handled in Germany. In the end, the Chinese delegation returned to China with a good understanding of the methods and techniques used in Germany as well as a solid picture of the solutions in place. The training activity attracted a high rate of satisfaction from the participants (average mark from individual evaluations of 4.66 out of possible 5) and, according to NDRC mission report, presented a good degree of usefulness for future work activities of the participants.

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

NDRC is in the process of publishing the whole materials from the course to allow for its dissemination and further use in China.

### Preparing for 2018 activities

Based on the experience of previous years, it has been considered useful, at the request of NDRC, to organise an event to allow for proper advanced contacts with available representatives from host Countries for proposed Component 1 overseas activities to be held in the year 2018. These contacts took place on the occasion of a half-day round table discussion meeting scheduled for 30th November 2017 in Rome, around the topic of Active labour market policies.

Participants in the meeting were, together with the Coordinator and the Resident expert for component 1, Ms. Kristine Langenbucher, Labour Market Economist, OECD; Mr. Hervé Chapron, Vice-President, France Think-Tank on the future of Social protection CRAPS; Mr. Koen Vleminckx, Head of Research and International relations, Federal Public Service for Social Security, Belgium and Ms. Valeria Bonavolonta, INPS, Component 2 coordinator.

Although due to unexpected circumstances NDRC had to cancel at the last minute its participation in the events, the Round table discussion has indeed helped most directly concerned representatives from EU Member States to better understand the Chinese situation and expectations concerning active labour market policies through exchanges with project representatives. Conversely, presentations made from the OECD, France and Belgium helped better prepare for forthcoming project activities on Active labour market policies.

Work Plan for 2018

### Meeting with EU Representatives

On 9 February 2018, the European Delegation to China and Mongolia hosted in Beijing an information session meeting of the EU-China Social Protection Reform Project with representatives of EU Member States. During the meeting, chaired by Mr. Jerome Pons, Head of Cooperation, Ms Sakura Moretto (EUD attaché) introduced the project background and main objectives. Following, Mr. Jean-Victor Gruat, Resident Expert of Component 1, Ms. Valentina Pignotti, Component 2 Assistant (representing C2), and Mrs. Marzena Breza, Resident Expert of Component 3 of the project presented the objectives and activities of each Component while providing a brief background analysis on the areas tackled by the project. Overall, the meeting –which was the third of its kind since the inception of the project - represented a good opportunity to share information and updates among the invited stakeholders, thus promoting mutual exchanges and cooperation.

On the occasion, Component 1 representative shared with the audience its newly published brochure “*Some Striking features of the Chinese pension system*” produced as an update on the Component 2015 baseline data, and as a preface to its Technical notes[[6]](#footnote-6).

### Component researches[[7]](#footnote-7)

##### Methods and Experiences of Strengthening Vocational training

*Topic 1.1.3, Monitoring interaction between employment promotion and social protection policies*

China is going through a fundamental transformation from an economy in pursuit of high growth rate to one focusing on higher efficiency and equality, better structured, with more sustainability and relying on innovation. The upgrading of economic development demands that the labour force be equipped with a set of vocational competences quite different from those in the past. Thus it has become vital in the field of vocational training to explore how to promote a capacity building of the labour force which is compatible with the vision of a more dynamic Chinese economy.

In order to facilitate the transition from mass unskilled labour to skilled employment, which is required to accompany the development of the new normal economy where massive export of raw materials and modest quality cheap goods will no more be the vehicle for national development, it is important to identify the ways and means through which social protection embodies modern, lifelong vocational training technique, in which European experience will prove to be most useful. Chinese and European researches will be conducted in parallel for this important topic.

In pursuing their reflection on how to reform their labour market and vocational training systems accordingly, the Chinese authorities are keen to rely on the rich experience accumulated in European countries, in the form of reports on national experiences as well as direct interaction between European and Chinese specialists.

It was therefore decided to recruit several short-term European experts from countries having considered and completed systemic reforms of their labour market and vocational training systems over the last decade, or the experience of which is known to be particularly rich and efficient in these areas, to produce country briefs reporting on their national experiences – characteristics and monitoring of labour mobility, improving the quality of the labour force, relationship between economic development and vocational training systems.

Country briefs expected from Belgium, Denmark, France, Germany, Italy, Poland and the United Kingdom will be shared with the Chinese academic experts to help in their own analysis. European experts may be called upon to visit China in May-June 2018 to exchange with their Chinese counterparts[[8]](#footnote-8). Contents will also be presented on the occasion of an international workshop planned to be held in Belgium in June 2018 on High quality development and capacity building for labour market in China and in Europe (provisional title).

Mr Yang Weiguo, Dean, School of Labor and Human Resources, Renmin University of China, has been selected as Chinese expert. Terms of reference have been produced and shared for European expeerts.

##### Tools for redistribution of primary income

*Topic 1.3.5 Occupational pension plans – social security and other redistribution regulations and policy tools*

Primary income redistribution is crucial to the development of a harmonious society, especially when inequalities in primary income distribution are high, as is the case in China. After reviewing in 2016 and 2017 the influence of social protection, notably in old-age, over income redistribution in China, it is proposed to now include in the analysis the different tools available for income redistribution, which are direct and indirect taxation, social security contributions be they or not assessed on salaries, access to public services and public subsidies, social security and social assistance benefits, determination of wage levels and levels of remuneration for capital investment, etc. Such an analysis would evidence the complementarity among these mechanisms, and detail the reasons and consequences of putting more emphasis on one or the other.

It was therefore decided to recruit one short-term Chinese expert to conduct a study and analysis of the tools for redistribution of primary income (direct and indirect taxation, subsidies, access to public services, social security contributions and benefits) and their use in China, and to formulate policy recommendations in that respect.

To help in his assignment, the Expert will use related national information as well as information from selected European countries having a solid and broad experience in redistribution of primary income. The project will produce to this end a synthetic report on European practices.

This work will be used as pre-briefing training material for a two weeks training session for high level officials to be held in Italy in September 2018 on the Influence of the adjustment of economic and industrial restructuring on income distribution (provisional title).

Prof. Li Shi, from Beijing Normal University Business School, China institute for Income distribution, will conduct the research from the Chinese side. Mr Jean-Yves Hocquet, from the General secretariat of the French Ministries dealing with Social affairs, will produce a comparative study covering European member States policies and practices in income distribution.

##### Employment and social security issues under the background of population movement

*Topic 1.3.8 Issues related to informal sector integration into social security schemes*

Labour mobility is a key to ensure continued stable economic development in China. As a matter of fact the reality of population movement is year after year a more visible component of the Chinese society. However, the analysis of the phenomenon as well as its regulatory framework and accompanying labour and social policy measures are in a way lagging behind – which may in turn impair the required mobility and harm the pursuance of the goal of harmonious development of the society under the “new normal” economy.

It was therefore decided to recruit one short-term Chinese expert to conduct a study and analysis of Employment and social security issues under the background of population movement in China and to formulate policy recommendations in that respect.

To help in his assignment, the Expert will use related national information as well as information from selected European countries having a solid and broad experience in social protection concerns in relation with population movements. Country briefs expected from Belgium, Denmark, France, Germany, Italy, Poland and the United Kingdom will be shared with the Chinese academic experts to help in their own analysis. European experts may be called upon to visit China in May-June 2018 to exchange with their Chinese counterparts.

As for the activity on Vocational training (see above), this work will be used as pre-briefing training material for a two weeks training session for high level officials to be held in Italy in September 2018 on the Influence of the adjustment of economic and industrial restructuring on income distribution. (provisional title). It will also be presented during the International workshop to be held in Belgium on 20 June 2018 on High quality development and capacity building for labour market in Europe and in China.

Mr Jin Weigang, President of the Chinese Academy of Labour and Social Security, has been selected as Chinese expert for this research. European national background papers on vocational training will also cover the topic of employment and population movement. The same uncertainties related to confirmation of date (see note 7 above) currently apply.

##### Considering universal pensions in China

*Topic 1.3.3 Universal social pension models*

Since the reform of resident pension schemes in 2009, the number of persons covered under that scheme has considerably and rapidly increased in China. In 2016, the coverage under urban and rural resident or employees’ pension schemes was of some 900 million persons, which was considered as close to 90% of the eligible population.

However, this quasi-universal coverage is not achieved through a unified, coherent system, and raises a number of questions about equity, social efficiency, sustainability and mobility.

The question of achieving a fair and decent protection in old age for the whole China population is a core preoccupation for the Government at all levels, all the more when this population is experiencing a rapid demographic ageing.

It was therefore decided to recruit one short-term Chinese expert to conduct a study and analysis of the prospect to make use of resident pensions in China to consider the possibility of developing at the national level a truly integrated, satisfactory and sustainable universal pension scheme. In conducting his research, the expert will make full use of international experience and of previous works conducted within the Chinese Academy of Social Sciences. The international context especially the actual experience in selected EU countries with most relevant experience in universal social protection may be addressed in the report as well as the position of international organisations notably the ILO and the World Bank Global Partnership for Universal Social Protection USP2030.

Mr Qi Chuanjun, researcher with the Chinese Academy of Social Sciences, was selected to undertake this assignment.

##### Active Ageing

*Topic 1.3.7 Ageing population and possible strategies of dealing with the situation*

The Active Ageing Index is a project of the European Commission – Directorate General for Employment, Social Affairs and Inclusion - and of the United Nations Economic Commission for Europe (UNECE). The overall goal of the Active Ageing Index is to "*identify areas in which different policies and programmes can promote the contribution and potential of older people*". It covers 4 main domains, namely Employment; Participation in society; Independent, healthy and secure living; and, Capacity and enabling environment for active ageing (altogether 20 indicators). This Index can be of very great interest for China as a rapidly ageing society in search of a new normal economic development. It was therefore decided to conduct a research on the interest for and feasibility of the Active Ageing index in China. The activity will include an *ad hoc* research report, and a dedicated national seminar.

The Hong Kong University represented by Prof. Ashgar Zaidi, who is lead researcher for the Active Ageing Index project of the European Commission, has been selected in this respect. Collaboration with the China Population Development Research Center, the Chinese Social Security Association and the Chinese Academy of Social Sciences will be searched.

### Overseas activities[[9]](#footnote-9)

##### International Workshop

It is proposed to hold in Belgium during the first half of 2018 (tentatively in June 2018) an International Workshop on the topic of Active labour market policies within the framework of Social protection – Chinese and European experiences. Participation would include Chinese and European experts and national officials, as well as representatives from international organisations such as OECD and the European Commission. As already mentioned (see footnote 7 above) there are still, at the time of writing this report, uncertainties on the timing of the event. Belgium has confirmed its availability and interest in hosting the workshop.

##### Dialogue and Study visit

Immediately after the workshop, a delegation from NDRC high level officials will 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 – in addition to Belgium - where records concerning ALMP are particularly interesting, namely Poland and Denmark. The combined duration of the Workshop and Study visits would be of 10 calendar days, for a delegation of up to six people. Host countries have confirmed their interest in receiving the delegation.

##### Visit by the vice-chairman of NDRC

As was the case in 2017, it is expected that the Project will provide limited support to the visit of NDRC vice-chairman, Mr Wang Xiaotao, to the European Commission and to Spain, where he would finalize and sign cooperative agreements negotiated during the year 2017.

Mr Wang Xiaotao was just appointed Director of the newly created State International Development Cooperation Agency, or SIDCA. At the time of writing this report, NDRC had not made their views on the changes to intervene in this activity known to the Component secretariat.

##### High-level Training

It was proposed that the two-week training for NDRC central and provincial levels officials will be held in Italy during the second half of 2018 – tentatively from 15 to 28 October 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.

The training was agreed in principle by NDRC higher level authorities. The Italian side submitted by mid-February 2018 a tentative broad schedule for the training, and is working on a more detailed programme for endorsement by the Chinese stakeholders.

### Pilot Sites

##### Shanghai

As a follow up on activities already conducted with Shanghai under topic 1.3.7 Issues related to dependency insurance, it was 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 France and Spain, which are among European Countries having developed relevant researches and social programmes, would be organized during the fall for representatives of Shanghai authorities (2 Countries, 10 participants, 8 days).

Envisaged countries have agreed in principle to host the delegation. Confirmation is still expected from the Chinese side.

##### Guangdong

To start implementing this programme of cooperation, two subjects linked with topic 1.1.1, Social administration systems reform, were proposed for implementation in Guangdong 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 and Reform Commission. Preliminary terms of reference for this activity to be led by Expertise France and by the Belgian Banque Carrefour de la Sécurité Sociale (Data exchange and warehouse system of the Belgian Social Security system) were submitted to NDRC in March 2018;
* The Preparation of teaching material, to raise awareness on the importance of solidarity in social protection schemes and entrepreneurship with Qingyuan municipality. A first meeting between NDRC and the French National Education Mutual Fund (Solidarity in social Protection), which already has experience in working in China with comparable packages, was organised in April 2018, following which draft terms of reference were submitted to NDRC, for further discussion with concerned Guangdong authorities.

## Deliverables and Outputs

Annex 5 presents the outputs and deliverables from C1 component for the year 2017, which fully corresponds to the Component activity plan.

## Component Management

Annex 6 summarises the use made of human resources under the framework of Component 1 during the year 2017.

# **Planning for next period (17 May – 16 November 2018)**

CHAPTER

CHAPTER

The next six months period of the project will embrace the dates between 17 May and 16 November 2018 i.e. theoretically the last semester of the project. Over this period, the C1 team is expected to complete its programme of activities for 2018. The proposed use of human resources for the year 2018 is indicated in annex 7 to this report. Annex 8 provides the anticipated outputs and deliverables for the year 2018.

The revised work plan and Gantt Chart, reproduced as annexes 9 and 10, provide the anticipated evolution as far as C1 is concerned for the rest of the year 2018.

Of course one key element for the Component will be the result of the on-going discussion between the project leadership and the EUD concerning a possible extension of activities into the year 2019.

Although all parties involved have expressed an interest in such an extension, little is known about its possible contents and scope beyond, as far as Component 1 is concerned, the intention to take stock of progress made over the implementation of the 13th Five-year plan (2016-2020) in the fields of social security reform, income distribution and employment, while preparing possible inputs into the forthcoming Plan (2021-2025) forming the core of the proposal (pursuing further result R1). The component may also continue with pilot activities, and follow up on memoranda of understanding.

At the time of writing this report, there was however no formal information received from NDRC on their intention and desiderata concerning project extension.

v.1, 16 May 2018.

# ANNEXES

Annex 1

Pursuance of project results, C1

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Topic** | | **Challenge** | **EU Best Practice mobilized** | **Reform proposed** |
| **R2** | 1.1.1 | Social insurance administration systems reform – Contribution to the 13th Five-Years Plan | Contribute XIII-5  Complete SI management standardization | F, CZ, Be | Continuation efforts towards system wide standardization  In Reform proposals, vol. I |
| 1.1.2 | Coordination of policy making among government agencies in areas related to social protection reform | United direction for proposing, planning, monitoring | EU global  F |  |
| 1.1.3 | Monitoring interaction between employment promotion and social protection policies | Long term economic viability of SS protection | EU global  Be, Cz, F, I, Pl, Ro, Sp | Monitor cost and efficiency of social protection  In Reform proposals, vol. II |
| **R3** | 1.2.1 | Relationship of pension benefit with minimum social wage | Merged with 1.3.6 |  |  |
| 1.2.2 | National policy evaluation technique in the area of social protection (indicators, methods and programs) | Evaluate quality and relevance of reforms | Ge | SS & Employment.  SS: 5 main indicators: coverage, replacement, equity, contributions, sustainability  Empl.: Intra-governmental coordination; long term and short term views; balance industrial & social; focus on both quantity & quality of jobs; more autonomy to local  In Reform proposals, vol. III |
| 1.2.3 | Affordability of Pension schemes (contributions and Government subsidies | Financial affordability in context of new normal | Ge | Conduct regular actuarial analysis  In Reform proposals, vol. II |
| 1.2.4 | Gender considerations in pension schemes | Preservation of women’s rights during reform | EU, F | Forthcoming |
| **R4** | 1.3.1 | Pension reform for public sectors | Integration of civil servants into general scheme for employees | OECD; EU global  Be, F, SF, I, Nl, Sp | Fine tuning processes for integration  In Reform proposals, vol. I |
| 1.3.2 | Social pooling of the basic pension component – Evaluation of the combination between basic pension and individual accounts | Make individual accounts more attractive | I, Sw | Promote organic combination of social pooling and individual accounts  In Reform Proposals, vol. I |
| 1.3.3 | Universal social pension models | 2018 | SF | Forthcoming |
| 1.3.4 | Multi-tiered design of pension systems (public pension, enterprise annuity and individual pension) | Build comprehensive three-tier model | F | Comprehensive model proposed  In Reform proposals, vol. I |
| 1.3.5 | Occupational pension plans for public sectors and private pension plans | 2018 |  | Forthcoming |
| 1.3.6 | Parametric reforms of pension system (Vesting, indexation, adjustment mechanisms of pension benefit, benefit formula etc.) | Mobilize all parameters composing pension reform in pension scheme  Reformulated 2017 – Merged with 1.2.1, 1.3.9, 1.4.1) | Be, F, I, Cz, Pl, Sw, D | Avoid the government  confrontation towards social conflicts, make the reform into a kind of technical work.  Parametric reform of pension can be focused on both the contribution and the expenditure  Introduce social balance factor to enable the reforms cut spending and balance the gap between the rich and the poor.  In Reform proposals, vol. III |
| 1.3.7 | Ageing population and possible strategy of dealing with this situation | Ageing before become rich syndrome; degradation of SI demographic ratio | Sp | Keep ageing workforce active  Long term care insurance  In Reform proposals, vol. II |
| 1.3.8 | Issue related to the informal sector integration in social security schemes | 2018 |  | Forthcoming |
| 1.3.9 | NDC (notional defined contribution) pension reform | Merged with 1.3.6 |  |  |
| **R5** | 1.4.1 | Improvement of the individual account component in public pension system for urban workers | Merged with 1.3.6 |  |  |
| 1.4.2 | Relationship between social-economic development and the redistribution function of social security | Increase redistribution function of social security | EU global  SF, F | Monitor and improve redistribution through SS  Relate parametric reform and redistributive functions  In Reform Proposals, vol. II & III + forthcoming (1.3.5) |
| 1.4.3 | Strategy of integrating social security system in urban and rural context also through the portability of social insurances | Improve system integration | EU  Sp | Ensure smooth transition from rural to urban scheme  Improve mechanisms for vesting and portability  In Reform Proposals, vol. I |

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 |
|  | De Lespinay | m | FRA | Provincial review (Feb.March 2017) |
| Tretyak | 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 |
| 2018 | Weber Axel | m | D | Training course in Germany  (January 2018) |
| Krost Ramona | f | D |
| Boehle Mara | f | D |
| Hött Beate | f | D |
| Kunissen Katharina | f | D |
| Ahrend Helke | f | D |
| Landwehr Claudia | f | D |
| Rinne Ulf | m | D |
| Becker Bernd | m | D |
| Weissbrod Thomas | m | D |
| Rengers Martina | f | D |
| Mai Christoph-Martin | m | D |
| Rieckhoff Christian | m | D |
| Langelüddeke Anne | f | D |
| Tippelmann Ortrun | f | D |
| Baller Dirk | m | D |
| Zaidi Ashgar | m | UK | Active ageing |

Annex 3

Use of national expertise, C1

|  |  |  |  |
| --- | --- | --- | --- |
| **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 Gongcheng  Zeng Xiangquan  Zhang Juwei | PPt  PPt  Assessment report | April 2016  Apr.&Sept.16  Sept.2016 |
| 1.1.3 Methods and experiences of strengthening vocational training | Wei Guowang | Assessment report | April 2018 |
| 1.2.2 National policy evaluation technique (SS) | Zheng Gongcheng | PPT, Assessment report | July 2017 |
| 1.2.2 National policy evaluation technique (EMPL.) | Yue Jinglun | PPT, Assessment report | July 2017 |
| 1.2.3 Sustainability of pension schemes (contributions and government subsidies) | Zheng Bingwen  Liu Kegu  Xiong Jun | Assessment report  Notes  PPt | Sept.2016  Sept.2016  Sept.2016 |
| 1.2.4 Gender considerations (SC) | Lin Yi | Assessment report | November 2017 |
| 1.2.4 Gender considerations (GD) | Yue Jinglun | Assessment report | November 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 |
| 1.3.3 Universal social pension model | Qi Chuanjun | Research report | April 2018 |
| 1.3.4 Multi-tiered design of pension systems (public pension, enterprise annuity and individual pension) | Dong Keyong | Assessment report | July 2015 |
| 1.3.5 Occupational pension plans – social security and other redistribution regulations and policy tools | Li Shi | Assessment report | April 2018 |
| 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 Haihong  Dong Keyong | PPt  Assessment report | Sept.2016  July 2016 |
| 1.3.8 Issues related to informal sector integration into social security schemes | Jin Weigang | Assessment report | April 2018 |
| 1.4.2 Relationship between social-economic development and the redistribution function of social security | Li Shi  Hu Angang  Song Xiaowu | Assessment report  PPt  Notes | August 2016  Sept.2016  Sept.2016 |
| 1.4.2 Redistribution – Parametric reform | Li Shi | Assessment report  PPt | October 2016 |
| 1.4.3 Strategy of integrating social security system in urban and rural context also through the portability of social insurance | Wang Zeying  Jin Weigang  Yue Jinglun  Lin Yi | Assessment report  Notes  PPt  PPt | Nov.2015  Sept.2016  Sept.2016  Sept.2016 |
| Main Experts Component 1 | Zhang Guoqing  Fang Lianquan | Operations  Research | Since Feb.2015  Since Feb.2015 |

Annex 4

Task force on Project Coherence and Synergies – 2018 Work Plan

| **TERMS OF REFERENCE** | **ACTIVITIES 2018** | **INCUMBENT(S)** | **OUTPUT** | **PROGRESS END APRIL 2018** |
| --- | --- | --- | --- | --- |
| * 1. To ensure that the project provides appropriate responses to the main problems and needs of the Chinese social protection system identified in the Grant application form | 1.1 Establish inventory of project works addressing each of the 7 Problem areas, per component | TF Secretariat with support from each component | Project document | Completed up to and including 2017 Activities |
| * 1. To ensure that the project addresses the cross-cutting issues identified in the Grant application form | 2.1 Documenting project works addressing each of the 4 Cross-cutting issues | TF Secretariat with support from each component | Project document | Completed up to and including 2017 Activities |
| 2.2 Draft technical note on Disability | Ms Shi Chuan | Technical note | Completed. MoCA to be requested for translation into Chinese |
| * 1. To ensure that activities conducted under one Component benefit to and from inputs by other interested components (cross-fertilization) | 3.1 Systematic exchange of information and mutual participation in activities | Component teams | Participation list | On-going. TF secretariat prepared a standard form to evidence mutual participation in events |
| * 1. To review respective findings and recommendations of the project components on similar or connected issues, with a view to ensure their internal coherence | 4.1 Draw table of interaction among component based topical reviews | TF Secretariat with support from each component | Table | Completed |
| 4.2 Compare recommendations on connected topics from various components | TF Secretariat with support from each component | Comparative tables | On-going (C2-C3 table of interaction to complete) |
| **TERMS OF REFERENCE** | **ACTIVITIES 2018** | **INCUMBENT(S)** | **OUTPUT** | **PROGRESS END APRIL 2018** |
| * 1. To produce its own analytical works and publications on issues it considers of relevance for project coherence and quest for synergies | 5.1 Prepare joint publication on Ageing | C2 with support from other 2 components & TF | Publication | On-going. To be used as background material for Special event (pt 7.1) |
| 5.2 Produce project Memorabilia | TF Secretariat with support from each component | Publication | Compendium of project main findings and suggestions. Preferably 2019, for final event |
| * 1. To look after the compilation, analysis and publication of statistical and other data and materials supporting project coherence and synergies | 6.1 Develop a joint bibliography by topic | TF Secretariat | Publication | On-going. If necessary envisage limited HR support (internship) |
| 6.2 Continue publication of project statistics | C2 with support from other 2 components | Statistical notes | On-going (next issues: Belt & Road; Gender) |
| 6.3 Complete technical notes for C1 - C3, start technical notes for C2 | Component project teams | Technical notes | On-going. C1, 23 Notes; C3, 7 Notes) |
| * 1. Within the limits inherent to the project objectives, procedures and means of action, to propose and implement appropriate action and activities to promote its overall coherence and synergies | 7.1 Contribute to project visibility event on occasion of Elderly Day | C2 with TF support | Meeting | On-going. Target date mid-September |
| * 1. To ensure that compatible formats are used for similar outputs from the various components (including Technical notes) | 7.2 Review format of technical notes to ensure coherence | TF secretariat | Publication | To be started. C3 template to be explored as basis for standardization |

Annex 5

C1 - Main outputs and deliverables, 2017

**C1 OUTPUTS AND DELIVERABLES – 2017 PROGRAMME OF ACTIVITIES**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **R** | **Topic** | | **Activity** | **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.* |
| *Ministerial visit to Belgium, Spain and Italy* | *Mission report* | *NDRC* | *Completed* |
| *Round-table meeting in Rome on Active labour market policies* | *Meeting report* | *JV Gruat* | *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 & alia* | *Completed* |
| *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.* |
| ***R5*** | *1.4.2* | *Relationship between social-economic development and the redistribution function of social security* | *Situational analysis (parametric reforms)* | *Assessment report* | *Li Shi* | *Completed EN & CN; on website* |
| *Panel discussion with stakeholders on the Identification phase* | *Panel report*  *PPts* | *Li Lingxi* | *Completed* |
| *International workshop in France* | *Meeting reprot*  *PPts* | *Lin Guowang* | *Completed.* |
| *Dialogue and Study visit to Finland and Sweden* | *Mission report* | *Lin Guowang* | *Completed.* |
| *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* |
|  |  | *Assessment reports vol. III* | *Compilation and publication of 2017 research works* | *Publication* | *Li Lingxi* | *Completed EN. CN version under production by NDRC* |
|  |  | *Reform proposals, 2017* | *Reforms proposals submitted by the project Component 1 on 2017 topics* | *Publication* | *JV Gruat, Shi Chuan* | *Completed EN & CN on the website* |

Annex 6

C1 - Utilization of Human resources, 2017

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Project** | **Y.1&2** | **Y. 3** |  | **Activity / Output** |
| **(1193)** | **102\*\***  **+150** | **190** | **C1 Chinese expert staff except Main Experts** |
|  | Monthly fees | | Main Chinese expert 1 | Half-time - Operations |
|  | Monthly fees | | Main Chinese expert 2 | 1/3 of time - Research |
|  |  | 45 | CN EXPERT PARAMETRIC REFORM | AR\* 1.3.6 and related (Parametric reform) |
|  |  | 25 | CN EXPERT EVALUATION SOCIAL SECURITY | AR\* 1.2.2 Evaluation techniques |
|  |  | 25 | CN EXPERT EVALUATION EMPLOYMENT | AR\* 1.2.2 Evaluation techniques |
|  |  | 45 | CN EXPERT REDISTRIBUTION | Second AR\* 1.4.2 (Eco.dev.& Redistribution-link with Parametric reform) |
|  |  | 25 | CN EXPERT GENDER SICHUAN | AR\* 1.2.4 Gender considerations |
|  |  | 25 | CN EXPERT GENDER GUANGDONG | AR\* 1.2.4 Gender considerations |
|  |  |  |  | \* AR = Assessment report |
|  | Monthly fees | | Component assistant | Half-time |
|  | 416 | 183 | Resident expert C1 |  |
| **646** | **215** | **142** | **C1 EU Public sector staff+ Subcontracting** |  |
|  |  | 40 | EU Experts Parametric reform | 7 EU experts for country profiles Parametric reform |
|  |  | 10 | EU Experts Provincial activities | 2 EU Experts for Provincial activities (1.8.1, 1.8.2) |
|  |  | 12 | EU Experts, International Workshop and Policy dialogue | 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 |

\* Data of days worked between Year 1 and subsequent years for Chinese experts are not comparable, because of changes in unit costs

Annex 7

C1 - Proposed used 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 | 20 |
|  |  |  | CN EXPERT REDISTRIBUTION | 35 |
|  |  |  | CN EXPERT GENDER GUANGDONG | 5 |
|  |  |  | CN EXPERT GENDER SICHUAN | 5 |
|  |  |  | CN EXPERT AGEING SHANGHAI | 20 |
|  |  |  | CN EXPERT POPULATION MOBILITY | 35 |
|  | 442 | 155 | ***TOTAL OTHER CN EXPERTS (C1)*** | *155* |
|  |  | 110 | *Component assistant* | *110* |
|  | 599 | 179 | Resident expert C1 JV Gruat | *179* |
| 646 | 357 | 120 | ***C1 EU PUBLIC SECTOR STAFF+SUBCONTRACTING\*\*\**** | 120 |
|  |  |  | EU Experts Provincial activities | 20 |
|  |  |  | EU Experts Training | 40 |
|  |  |  | EU EXPERTS VOC. TRAINING+POPULATION MOBILITY | 30 |
|  |  |  | EU EXPERTS REDISTRIBUTION | na |
|  |  |  | EU EXPERTS GENDER | 30 |
|  |  |  | EU RESEARCH ACTIVE AGEING | na |
|  | | | | |
| \* 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 | | | | |
| \*\*\* Redistribution and Active ageing activities to be covered under dedicated Research budget line, | | | | |

Annex 8

C1 - Expected outputs and deliverables, 2018

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Topic #** | **Theme** | **Title** | **CN expert (s)** | **EU expert(s)** | **Final use** | **Outputs** |
| 1.1.3 | Vocational training | Methods and experiences of strengthening vocational training | Yang Weiguo | National monographs from Be, Dk, F, I, Pl, Ge, UK | Dialogue & Study visit | PPTs, reports |
| 1.3.5 | Redistribution | Tools for redistribution of primary income (taxations, subsidies, public services, social security contributions and benefits) | Li Shi | EU-wide study research based on data from I, F, UK, Scandinavia | Training course Italy | PPTs, Reports |
| 1.3.8 | Employ-ment | Employment and social security issues under the background of population movement | Jin Weigang | OECD | Training course Italy | PPTs, reports |
| Ashgar Zaidi |
| Cn SS Association | PPTs, reports |
| 1.2.4 | Gender | Gender considerations in Employment and social security | Already completed | F, EU Commission | Policy formulation | PPTs, reports |
| 1.3.3 | Universal pension | Prospects of using resident pensions as layer 0 for universal pensions in China | Qi Chuanjun | ILO, WB | Policy formulation | PPTs, reports |
| 1.1.1 | Govern-ance | Statistics management as tool for decision making | GD Pvce | Be ? F (Villac, Tretyak) | Pilot | TBD |
| Awareness raising on importance of social protection | Qingyuan | F (Weishaupt) | Pilot | TBD |
| 1.3.7 | Ageing | How to combat adverse effects of ageing population (Dependency insurance) | SH | F, Sp | Provincial study visit | PPTs |

Annex 9

C1 - Tentative work plan until November 2018

(SEE IN ANNEXED EXCEL FILE)

Annex 10

Revised Gantt Chart – Component 1

(SEE IN ANNEXED EXCEL FILE)

1. Although due to unexpected impediment intervening at the very last moment NDRC delegation could not attend the meeting, its full commitment to the process and its results was subsequently reiterated. [↑](#footnote-ref-1)
2. Result R.1 of the project Logical framework [↑](#footnote-ref-2)
3. See Sixth Component status report [↑](#footnote-ref-3)
4. Some topics were grouped under one combined heading “1.3.6 Parametric reform of pension schemes” [↑](#footnote-ref-4)
5. For 2018, Chinese New Year started on 16 February 2018. [↑](#footnote-ref-5)
6. Concerning the Technical notes, see 6th Component status report. The document is available from <http://www.euchinasprp.eu/en/components-en/component1-en/update-to-2015-baseline-data> [↑](#footnote-ref-6)
7. At the time of writing this report, preliminary technical discussions had been held between the project C1 team and each of the selected Chinese experts. [↑](#footnote-ref-7)
8. At the time of writing this report, dates for the related activities (panel discussion, international workshop, dialogue and study visit) were still to be confirmed – the whole sequence may have to be postponed to early fall, because of structural reorganization works on-going with NDRC following decisions made during the March 2018 session of the National People’s Congress. [↑](#footnote-ref-8)
9. Overseas activities are partly subject to the so-called “*tickets for translation*” scheme, whereby the project was authorised by the EUD to purchase for high-level Government officials a limited number of international air tickets within a prescribed amount. While the project Component 1 could strictly abide to the number of tickets previously purchased under the scheme, it could not respect the limit on average individual cost. Discussions are therefore on-going between the project authorities and the EUD to find ways of overcoming this difficulty, amounts left available under the scheme being insufficient to cater for the 6 international air tickets expected to be financed by Component 1 under its 2018 programme of activities. [↑](#footnote-ref-9)