

EU-CHINA SPRP Component 3 Panel Discussion on

Experiences on unified standards for calculation of Social Assistance benefits & Social Assistance specific groups - services for children, elderly, people with disabilities, with a special focus on poor rural people (topics 3.2.1&3.3.1)

Panel Discussion report

The meeting followed the agenda agreed.

Director Liu Xitang MoCA and Marzena Breza C3RE welcomed and presented every participant to the meeting.

The Panel Discussion was based on the consolidated presentation (which is an attachment to the Panel Discussion report) prepared by the Chinese and European experts. The content of the presentations of the Chinese and European experts was a key element of the bilateral knowledge exchange meeting between the EU and CN experts held before the Panel Discussion.

The Panel Discussion meeting started with the two presentations done by the Chinese short-term experts Prof. Guo Yu and Prof. Gang Shuge. Than EU short-term expert Ms Larcamioara Corches, PhD from Romania continued with a presentation on the EU experiences.

The first topic discussed was dedicated to the calculation of minimum standards of living (Dibao) topic - 3.2.1.

Prof. Guo Yu focused during her presentation introduced the theoretical methods and current policy framework, challenges and reform trends. She stressed that different methods are used by different provinces in China and no real standard for calculating the Dibao exits. Some of the methods relate to average wage, average consumption or minimum wages (set-up on provincial level). She stressed the different needs and conditions which should differentiate urban and rural areas.

She indicated that the standards which exist in current Dibao policy are increasing but still low and the indexation by CPI is not enough. The issue of huge urban and rural gap was very much indicated throughout the whole presentation.

Prof. Guo mentioned the gaps between estimated and poverty lines and the minimum living thresholds for urban and rural areas. The different between them allowed concluding



that the level of Dibao on rural and urban is not efficient to keep people on the minimum standards of living.

She stressed also the level of the Dibao is strictly related to the fiscal capacities of the provinces (disposable public funds). Due to the regional differences the national Dibao standards is not achievable however establishing an index for Dibao standards is needed. Till now is mainly based on income however evaluation of assets and consumption spending for means testing should be applied.

The second presentation under the topic 3.2.1 was delivered by Prof. Gang who focused on the socio-economic factors on rural-urban Dibao (minimum livelihood standards).

Prof. Gang stressed the process of going form the reform on open economy to guarantee the livelihood of the people to promote social harmony and social justice. He indicated the importance on not well balanced country dividing China into three groups: western, middle and eastern part. Additionally big differences are experienced by different cities according to their level of development (e.g. Beijing or Shanghai). Prof. Gang stressed that the differences between urban and rural Dibao are narrowing. Prof. Gang shared also some experiences on the Dibao delivered in Beijing.

The third presentation was given by Ms Lacramioara Corches, PhD. The EU experts presented some relevant experiences form the EU countries including Romania (the country of origin of Ms Corches). Ms Corches presented a comparative analysis of guaranteed minimum income by indicating the eligibility criteria for the "Dibao" benefit in Europe. She stressed also the importance of the labour market measures which can be used to support the social assistance benefits for working age population in need. She mentioned the benefit level differentiation and the period of benefits eligibility. Ms Corches explained the issue of indexation and equivalence of scale within the households based on the EU countries. Other issues mentioned on the minimum standards of living were the adequacy generosity (and the country differences) and the governance mainly in the part of financing the social assistance instruments which is done on central, local or both levels.

Comments from Marzena Breza C3RE

There is difference in the way of presenting social assistance issues in China and EU presented by Prof. Guo and Prof. Gang and then by Ms Corches. In the presentations of Chinese system, the calculation of Dibao, it focuses more on the social assistance itself, but if you listen to the EU social assistance experiences, the trend is to show the connections to the labor market instruments. One reason is probably that the social protection and social assistance in the EU has years of their history and in China the issue of development of social assistance is just progressing. It means that in the EU, in principle we do not have people who can live without any income (due to the social security scheems), since in China, it's still a challenge as there social protection system is still developing and for elderly Chinese citizen the only support could be offered e.g. in rural areas by Five Guaranties. However, China is developing very much and also

progressing a lot in the social assistance system. We assume that in the future, the connection between social assistance and labor market situation will be common to the EU. The link between social assistance and labor market mentioned by Ms Corches especially, how to make people keep enthusiastic to the labor market instead of interests them in getting social assistance benefits is very much valuable. As you could see, even the benefits of social assistance should be less attractive than the benefits from taking jobs in the labor market also based by the Romanian experience. In the EU, we use a mechanism (Open Method of Coordination) which seems like a kind of competition to motivate ourselves we use a unified index or standards to calculate it. The poverty line should be the 60% of relative income. We can compare the differences between 28 countries to see where and how we can improve.

Director Liu expressed an interest to learn on the IT system in Romania which allow delivering the *Romanian Dibao* to the beneficiaries and makes the application and verification process digitalized.

The second part of the panel discussion was begun by the two presentations done by the Chinese short-term experts Prof. Zuo Ting and Prof. Gang Shuge. Than the experts contribution was followed by an EU short-term expert Ms Monika Gabanyi.

The second topic discussed was dedicated to specific (vulnerable) groups: children, elderly, disabled and rural areas poor people topic - 3.3.1.

The first presentation in this part was delivered by Prof. Zuo Ting the main aim was to express the different treatment within the Social Assistance system the general poor and the most vulnerable groups. One of his focuses was also given to the dedicated social assistance programs.

Prof. Zuo focused on 5 types of the Social Assistance measures: Five Guarantees (Wubao), Dibao, medical, temporary assistance rural development oriented poverty reduction program.

First prof. Zuo indicated the Five Guarantee Program (collective or individual support) for rural areas which is providing some basic services and products for people with three noes (no income, no family support, and no ability to work).

When presenting the dedicated social assistance programs (rural medical assistance, support to disabled, support to child-lost family, support to street children, nutrition improvement for poor children and students, support to maternal and infant, subsidy to seniors and temporary assistance) he stressed that some of them are provided just on regional – provincial level and the receipt s are limited e.g. subsidy to seniors.

As the main challenges he stressed the incomplete support for Five Guarantees care, staff skills and the cross sectoral coordination supported by strengthening the role for the rural community and village committee organizations. The second contribution on the Chinese situational analysis was given by Prof. Gang who focus on the role of social organisations in the social assistance and poverty eradications. Prof. Gang stressed the issue of philanthropy and private donations which could be used together with the state for social assistance services. There are some social organizations as China Women Federation (for which some achievements has been shared) but the overall number of social organisations is increasing rapidly from 1990. One of the role of social organization could also be linked to the care services, educational projects for migrant works.

The EU input was given by Ms Monika Gabanyi, PhD from Germany. Ms Gabanyi presented the social care based on the EU experience. The focus was given to the beneficiaries of social care (their incapability in daily life activities- ADL). It has been stressed that now the main focus is given to the home care not institutional (residential). It was underlined that the quality of the services provided should respond to the standards (including staff requirements and the benefits in kind offered). Than Ms Gabanyi provided information on the benefits in cash and in kind for different beneficiary with different levels of dependency – benefits in cash are delivered on a lower amount than the benefits in kind. Beside that the funding provisions has been shred. Germany is based on the long term care security when the other countries – Scandinavian countries based on the budget provisions (central and local level). Some countries include copayment of social care services.

Comments given by:

Marzena Breza C3RE

The most interesting issue mentioned by Prof. Zuo is the coordination between different actors within social assistance system. In the next three years, I believe I will have more chances to better understand the complicated government systems in different sectors from provincial, county and local governments. The inter-sector coordination in social assistance system is very much needed even it is could be very much complicated. According to the presentation of Prof. Gang, there is an important role of social organizations in the delivery of social assistance service. In China, social organizations which provide social assistance are usually partly funded by the government and partly by funds from charity - donations. This has similar tendency with EU countries. In the future we will not only discuss the calculation of Dibao standards, but also the issues on the social assistance systems. China has a strong social assistance system administration, also lots of social organizations. Another interesting thing is the female issues in the nursing homes or other similar institutions; it is an aspect which can be compared with the issues in EU situation when we actually invest more power for ageing in place not in institutional care. As Monica mentioned, more and more old adults tend to aging in place to receive this kind of social assistance services at their homes. Another problem is when we give someone social support, we should also try to prevent his/her whole family which

may face heavy finance burdens due to the care responsibilities and gaps in their labour market activity.

Ms Yi Xiaolin from the EUD:

This project is very important and it is drawn into the "13th Five Years Plan". Ms Corches gave us a comprehensive introduction of experiences from Romania and EU countries. Monica also participated in the first 5 years plan and as the team leader of social protection project, she focused on the long term care systems in Hunan and Sichuan Province. As I heard from the meeting of central government which stated the plan until the year of 2020, we would let 20 million people get out of the poverty from Dibao system. She said it is a big responsibility for Marzena to and her colleagues to provide some good suggestions to our project. As we have planned, a high-level workshop maybe the next step for policy suggestions.

Ms Yi mentioned also on the management meeting - IMC, which allow changing the organization of managing issues in the future. She stressed her support to the project and Component 3 in the future.

Mr Liu Xitang Director General MoCA

The Chinese government pays much attention to the collaboration between China and EU; maybe in the future we can have a formal and regular dialogue in the social assistance. He mentioned that by this project, they found there are many common points in China and EU, and there is a need for more exchange on social assistance experience. Last time during the High Level Forum on Social Assistance, the experience from Italy attracted many officers, this could be a good introduction which we can learn from it.

Mr Liu stated that there is another meeting possibility to meet EU experts to deepen the exchange knowledge with EU experts and the EU resident for C3.

Marzena informed that on the experience on the calculation of minimum standards of living from Italy, some updates will be shared within next days.

Discussion has been summarized by Mr Liu Xitang – Director General of Social Assistance Department of MoCA

The social assistance issue is complicated and the Dibao standard should be connected to some kind of consumer spending.

Even in EU countries the issue of minimum living conditions is complicated and different methods have been used. Therefore, a unified way is impossible, but China can get a

relative good method on the bases of its situation. In China there are different social assistance standards, but the methods used could be the same.

And another point is the gap between urban and rural area would be more and narrower. In the next step, China also thinks about the gap between eastern and western part of the country. I think the next step, our experts need to revise our reports and make it more advanced.

Drafted by Marzena Breza C3RE Dec 9th, 2015.

Annex 1. Panel Discussion agenda

EU-CHINA SPRP Component 3 Panel Discussion on

Experiences on unified standards for calculation of Social Assistance benefits & Social Assistance specific groups - services for children, elderly, people with disabilities, with a special focus on poor rural people (topics 3.2.1&3.3.1)

<u>Venue: NO 5 meeting room Ministry of Civil Affairs</u> (ROOM 1350, 3rd Floor, No.1 Building) Dec 4th, 2015, 14:00-17:00

Agenda

14:00 – 17:00	Moderator: Mr. Liu Xitang, Director General,	
(Consecutive	Department of Social Assistance, MoCA	
interpretation)*		
14:00 – 14:10	Welcome speech by Mr. Liu Xitang, Director General,	
	Department of Social Assistance, MoCA	
Experiences on unif	ied standards for calculation of Social Assistance benefits topic 3.2.1	
14:10 – 14:30	- 14:30 Ms Guo Yu, Assistant Professor, Renmin University of China	
	(Coordinator of the report 3.2.1) – presentation on concept of the	
	Dibao standards	
14:30 - 14:40	Mr Gang Shuge, Associate Professor, Beijing Academy of Social	
	Sciences, P.R.China – presentation on the Dibao standards	
	challenges	
14:40 - 15:00	Comments by Ms Lăcrămioara Corches, PhD, EU expert – first	
	comments on the draft report and its outputs	
15:00 – 15:20	Discussion	
15:20 – 15:40	Break	
Social Assistance s	pecific groups - services for children, elderly, people with disabilities,	
W	rith a special focus on poor rural people topic 3.3.1	
15:40 – 16:00	Mr Zuo Ting, Professor, Professor, Development Studies, China	
	Agricultural University, P.R.China (Coordinator of the report 3.3.1)	
	- presentation on the specificity of vulnerable groups and social	
	assistance services for elderly, children and disabled person.	

16:00 – 16:10	Mr Gang Shuge, Associate Professor, Beijing Academy of Social		
	Sciences, P.R.China – presentation on the evaluation of some		
	social assistance services for vulnerable groups		
16:10 – 16:30	Comments by Ms Monika Gabanyi, PhD, EU expert – first		
	comments on the draft report and its outputs		
16:30 - 16:50	Discussion		
16:50 - 17:00	Ms Marzena Breza, PhD, C3 EU RE Comments and follow – up		
	activities		
17:00	Summing up by Mr Liu Xitang, Director General, Department of		
Social Assistance, MoCA.			
	Dinner hosted by MoCA		

Annex 2.

Participants of the Panel Discussion

Participants List MoCA EU-CHINA SPRP Component 3 Panel Discussion 2

<u>地点:民政部第五会议室(1 号楼 3 层,1350 房间)</u> NO 5 meeting room MoCA (Room 1350, 3rd Floor, No.1 Building)

No	Name of the participants	Institution/organization
号	姓名	机构/组织
1.	刘喜堂	民政部社会救助司司长
	Mr Liu Xitang	Director-General of Social Assistance Department, Ministry of Civil
		Affairs, P.R.China
2.	张 琳	民政部社会救助司综合处处长
	Ms Zhang Lin	Director of General Office, Social Assistance Department, Ministry
		of Civil Affairs, P.R.China
3.	张晶婧	民政部社会救助司综合处副处长
	Ms Zhang Jingjing	Vice-Director of General Office, Social Assistance Department,
		Ministry of Civil Affairs, P.R.China
4.	王冠	民政部低收入家庭认定指导中心干部
	Mr Wang Guan	Officer, Center of Monitoring and Verification for Low Income Families

<u>2015年14:00-17:00</u>

Participants List EU EU-CHINA SPRP Component 3 Panel Discussion 2 Venue: NO 5 meeting room MoCA (Room 1350, 3rd Floor, No.1 Building)

14:00-17:00, Dec 4th, 2015

<u>地点:民政部第5会议室(1号楼3层,1350房间)</u> 2015年14:00-17:00

No 号	Name of the participants 姓名	Institution/organization 机构/组织
5.	Ms Monika Gabanyi, PhD	SPRP EU Expert; International Consultant,
	莫妮卡·嘉斑倪博士	Germany
		中欧项目, 欧方专家, 德国
6.	Ms Lăcrămioara Corches, PhD	SPRP EU Expert, Director General, General
	拉克拉米奥拉·郭哲思博士	Directorate for Social Assistance, Ministry of
		Labour, Family and Social Protection, Romania
		中欧项目, 欧方专家, 罗马尼亚
7.	Mr Jean-Victor Gruat	EU Resident Expert Comp 1
	圭亚	中欧项目第一部分欧洲长期专家
8.	Ms Marzena Breza, PhD	EU Resident Expert Comp 3
	马哲娜博士	中欧项目第三部分欧洲长期专家
9.	Ms Yi Xiaolin, PhD	Project Officer, EUD
	易小琳博士	欧盟驻华代表团项目官员
10.	Ms GUO Yu	SPRP Expert, PhD, Assistant Professor, School of
	郭 瑜	Labour and Human Resources, Renmin University
		of China, Beijing, China 中欧项目中方专家,中国人民大学劳动人事学院副教
		中欧项目中方专家,中国八代入学为幼八争学阮副教 授
11.	Mr ZUO Ting	SPRP Expert, Vice Dean, Professor, Development
11.	加200 mg 左停	Studies, China Agricultural University
		中欧项目中方专家,中国农业大学人文与发展学院副
		院长
12.	Mr Gang Shuge	SPRP Expert, Associate Professor, Beijing
	江树革	Academy of Social Sciences, P.R.China
		中欧项目中方专家,北京市社会科学院副研究员
13.	Ms Ma Lan	Project Assistant
	马岚	中欧项目助理
14.	Ms Valentina Pignotti	Component 2 Assistant
	毕若华	助理研究员
15.	Ms Caihua Zhang	PhD Student, College of Humanities and
	张彩华	Development Studies, China Agricultural University

		中国农业大学人文与发展研究院博士生
16.	Mr Giovanni Lin 林国旺	Interpreter 翻译



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