

Newsletter of 2016 published by EU-China Social Protection Reform Project – SPRP, funded by the European Union



## HORIZONTAL

### Events

#### **Internal Management Committee 5th April**

In the first semester of 2016, the project faced a transition period related to the significant changes applied within the Consortium. The collaboration and communication among Project Leader, Component Coordinators and Consortium Partners have been kept at high level in order to find solution on a daily basis to all the operative and managerial challenges related to this such complex project. Under this context, the fourth IMC was organized in Beijing on 5th April 2016, in order to keep all the Consortium Partners aligned about the project strengths and weaknesses, and improvements have been identified and adopted.

#### **Project Advisory Committee 6th April**

During the Project Advisory Committee - PAC, held in Beijing on 6th April 2016, participants took note of progresses made during the first year of project implementation, under the scientific point of view, and adopted the proposed programme for 2016 activities. The PAC also highlighted the significant improvements recognized to the new management structure of the project, with a stronger secretariat support and the resolution of most of the first year of project issues. After the event, the guidelines provided from the EU Delegation in China and the Ministry of Commerce, which both chaired the committee, are mainly focused on an enhanced cooperation among the 3 Project Components as well as among the European and Chinese project stakeholders.

#### **Project Coordination Meeting 11th July**

The first Project Coordination Meeting was held on 11th July 2016 among the EU Delegation in China, the Chinese Beneficiaries and Resident Experts. It represented a good occasion to share updates on the progresses of the 3 Components, exchange ideas and discuss horizontal aspects. In details, the three Components presented the summary and the feedbacks on the activities carried out and ideas about different possibilities to enhance the coordination among components.

#### **Upcoming events**

**29th September**  
Internal Coordination Meeting

**30th September**  
Internal Management Committee

## COMPONENT 1



### Events

#### **Workshop on 2015 Research 20th January**

The Component 1 Workshop on 2015 Research topics was held in Beijing on 20th January 2016, and was quite successful from the opinion of all participants. Topics under review were linked to the Pension reform, in direct relation with the XIII Five-years Plan. The Workshop was co-chaired by Mr. Pu Yufei, Director General of NDRC Department of Employment and Income distribution, and Mr. Jean-Victor Gruat, Resident expert for Component 1 of the Project. Around 40 persons including representatives from MOHRSS, MoF, ACFTU and the EU Delegation attended.

#### **Seminar on Crisis & Social Security 21st January**

Component 1 organised a seminar on Crisis and Social Security on 21st January 2016 on the premises of the Institute for American Studies of the Chinese Academy of Social Sciences - CASS. Mr. Koen Vleminckx introduced the topic, with several scholars from CASS intervening on specific subjects. Mr. Zheng Bingwen, Director of the Institute, reacted to the presentations. In his concluding remarks, the EU resident

expert for C1 stressed that this seminar would definitely help shaping C1 programme of activities for 2016 concerning the relation between social security and its economic environment.

#### **Demographic Ageing: Visit to Shanghai Pilot Site from 1st to 3rd February**



From 1st to 3rd February 2016, a project mission composed of representatives from NDRC and from Component 1 technical team visited Shanghai, a city selected as pilot site for issues related to demographic ageing and social protection. Accompanied by members of Shanghai Development and Reform commission, the mission visited several institutions specialized in social and medical care for the elderly. It conducted useful exchanges with local authorities, and discussed with the Shanghai DRC and the Shanghai Academy of Development and Reform possible avenues for associating them to future relevant project activities.

#### **Employment & Social Security Policy Dialogue & Workshop 26th April**

On 26th April 2016 in Beijing, a policy dialogue and international workshop on Employment and Social Security gathered high-level officials from the European Commission, NDRC leaders, Chinese

and European Experts, to discuss interrelations between employment and social security policies, in the perspective of addressing emerging labour market challenges under the context of the new normal economy for China, and the recovering European economies. Discussions will hopefully pave the way to continued contacts between NDRC and the European Commission in the labour and social fields, and their results will be used in the preparation of the project forthcoming 2016 High Level Event on the Perspective of Employment Policy and Social Security Reform.

#### **Provincial Training Seminar 27th and 28th April**

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

## Training in Spain

from 19th June to 3rd July



A high-level two-weeks training course for 20 senior officials from the Chinese National and Provincial Development and Reform Commission NDRC, led by Mr. Ha Zengyou, Deputy Director General of NDRC Employment and Income distribution department, was held from 20th June to 3rd July 2016 in Spain (Madrid and Valladolid) around the topic of challenges posed to social security, notably pensions protection, by demographic ageing. This activity is part of the regular programme of the EU-China social protection reform project. It was organized jointly by the Spanish Ministry of Employment and Social Security, EXPERTISE France acting both as Component coordinator and secretariat for Component One project activities, and the Component One team within the Beijing project office, with support from the project horizontal component. During the two-weeks training, some 30 lectures were delivered by Spanish and other European specialists, while Chinese members of the delegation also introduced the relevant characteristics of their demographic and social security environment.

## Reports

### Assessment Reports Volume 1 The EU-China SPRP C1

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

China on major issues for pension reform, such as the combination of social pooling and individual accounts, the design of a multi-tier pension system, public sector pension reform, the integration of urban and rural social security protection, the management of social insurance. A survey of most relevant European best practices is also included in the report. A bilingual (English-Chinese) version is under preparation by the National Development and Reform Commission NDRC to be available by April 2016.

### Social protection and employment: Partnership, or Rivalry?

As part of the SPRP Research Component, Mr. Jean-Yves Hocquet, on behalf of the National School for Higher Social Security studies of France – EN3S – undertook a major review of relations between Employment and Social security policies in Europe. Both in China and across Europe, providing to the active population sufficient decent employment opportunities is at the core of the preoccupations of Government authorities at all levels, and of the social partners. In China, these preoccupations are embodied in the XIII Five-year Plan, which was adopted in March 2016 by the National People's Congress (NPC). The period covered by the Plan – 2016 - 2020 - in fact coincides to that remaining for the European Strategy for smart, sustainable and inclusive growth, making the goals pursued by the two partners, China and the EU, absolutely compatible.

In Europe, Social protection was affirmed as one of the main objectives of European construction. However its place was limited in European law to the achievement of the single labour market. Because social protection is organized in the Member States according to very different models (level, funding, benefits) reflecting the national

diversity, it offers to the third country policymakers a wide range of possibilities even if, in all the countries, there is a major trend towards adapting the post-World War II systems to the sociological changes taking care not to load the wages with undue charges. Through the development of social security coordination, Europe is trying to identify these changes (new risks, new forms of work) but also to fight against social fraud that can distort labour markets. The need for coordination is responding to adapting European Regulations, by improving the convergence of national social policies and by better bridging the employment and social policies through the Open method of coordination. The contribution of recent studies shows that social protection could have a direct although limited impact on employment. Its main added value to a sustainable growth and to employment lies in traditional social objectives as the reduction of inequalities in the search of a more employment friendly balance. This major publication will be available in English and Chinese version to participants in the forthcoming project 2016 High Level Event.

### Upcoming events

#### From 28th August to 2nd September 2016

Dialogue and Study Visit to France and Belgium

#### 28th - 29th September 2016

2016 High Level event on the Perspective of Employment Policy and Social Security Reform during the period of 2016 to 2020

#### 23rd - 30th October 2016

Overseas visits to France and the Czech Republic

## COMPONENT 2

*From Michele Bruni, Team Leader*



My engagement as Team Leader and Resident Expert of Component 2 started May 16, 2016. Since the beginning I realized that my activities were going to be extremely facilitated by a series of circumstances. In the first place by some recent changes in the project team: while the project leadership could count on the enthusiasm and dedication of a new project leader (Giuseppe Conte), my role as Resident Expert for component 2 was going to find a great support on the new Component Coordinator, Antonello Crudo, and his Assistant Ms. Valeria Bonavolontà. In the second place the Beijing team (composed by my Assistant, Ms. Valentina Pignotti, the Office Financial Assistant, Ms. Ma Lan) was not only extremely qualified, but willing to work overtime to bring the activities of component two in line with the work plan.

Finally, it was evident that my difficulties in entering into a project already in its second year was going to find support and help on the experience, professionalism and kindness of the

other two resident experts, Jean Victor Gruat and Marzena Breza. In the first two months of activities I put myself two main objectives: to establish a constant dialogue and collaboration with the Chinese Ministry of Finance and with the EU delegation; to put C2 back in line with the work plan. My feeling is that both objectives have been if not completely, certainly largely achieved.

The organization of a workshop in the month of July allowed to complete the research activities that started in 2015 and to involve new EU experts in the field of atypical employment and actuarial methodologies for social security budgeting and forecasting. At the same time, according to the 2016 work plan, C2 will start to implement a new topic, namely: Social security benefits and the assessment of the household socio-economic conditions, with the cooperation of the Dibao Division of MoF. Thanks to the close collaboration with MoF and the EU Delegation, I feel confident that in 2016 the C2 will reach the goals indicated in the work plan.

### *Component Coordinator*



Mr. Antonello Crudo, Head of the Pension Section of the Italian Institute of Social Protection (INPS) has taken the function of Component 2 Coordinator in 2016. He has a degree in Economics and works as a Director in INPS since 2000, after two years and a half of training at the Italian School of Administration (SNA). His deep experience in the field of the Italian Social security system makes him the right person to coordinate the works of C2. In this activity Mr. Crudo is assisted by Ms. Valeria Bonavolontà, lawyer and director at the INPS Pension Sector.

### *Component 2 Assistant*



Ms. Valentina Pignotti has been working in the EU-China Social Protection Project since April 2015, as Assistant to the Team Leader and C2 Resident Expert. Ms. Pignotti graduated from the School of Social Development and Public Policy of Beijing Normal University.

## Events



### Panel on “Construction of the Governance Mechanism of Social Security during the Social Transformation” 15th June

On 15th June 2016, Mr. Bruni participated as speaker at the Panel “Construction of the Governance Mechanism of Social Security During the Social Transformation”, organized by the Institute of Social Security Department of Renmin University. The panel, co-chaired by Prof. Dong Keyong and Prof. Li Zhen, was attended by around 20 participants, including prominent scholars such as Prof. Zheng Bingwen (CASS), Mr. Jin Weigang (MoHRSS), Mi Hong (Zhejiang University). Mr. Bruni gave a presentation titled: “The aging challenge: measures and policies. The case of the EU”. The panel discussion was a great opportunity to exchange experiences and opinions among the participants.



### Workshop on 2015 Research 12th July

On 12th July 2016, the Component 2 of the EU-China Social Protection Reform Project, in collaboration with the Chinese Ministry of Finance, organized a Workshop at Renmin University, titled: “The Sustainability of the Social Protection System in a Changing Working Environment”, as part of the 2016 activity plan. Some 30 participants, including representatives from MoF, MoHRSS, scholars and professors from prominent research institutes, as well as the European Delegation, the project Resident Experts, and four EU short term Experts took part in the discussion. Topics under review were: social security coverage on atypical employment, methodologies and tools of management; and models and methodologies for the social and economic sustainability analysis in social protection system. Mr. Fu Jinling, Director General of the Social Security Department of MoF, and Mr. Michele Bruni, Team Leader and EU Resident Expert of Component 2, jointly chaired the Workshop.



### Working Session among EU and Chinese Experts 12th July

Following the Workshop, an in-depth working session led by Ms. Geng Shuyan (Actuarial Department, Social Insurance Administration Center, MoHRSS), involving 5 staff members of the Actuarial Department of MoHRSS and the EU experts, Mr. Carlo Mazzaferro (Bologna University) and Ms. Angela Legini (Actuary Staff, INPS), was organized by Component 2, in order to better acknowledge both the practices and current issues within the Actuarial Department of MoHRSS, and the EU and Italian actuarial methodologies and processes used for the projections on social protection.

#### Upcoming events

**16th – 30th October 2016**  
Training in Italy

**December 2016**  
Panel Discussion on 2016 Research Topics

## COMPONENT 3



### Events

#### 1st Workshop 1st March

The C3 1st Workshop was hosted by MoCA on March 1st 2016. Among over 25 participants were MoCA officials, Chinese experts from leading universities and research institutes from Beijing, EU Experts, the EUD and EU-China SPRP staff. The meeting was chaired by Mr. Liu Xitang, Director General of the Social Assistance Department of MoCA. Chinese and EU experts have presented their outputs on policy recommendations for legal framework, minimum standard of living (Dibao) calculation and social services for most vulnerable groups. All presentations have been followed

by comments and suggestions made by external Chinese experts and discussion among the workshop participants. For the discussion, MoCA has invited 3 external experts from the field. The event was supported by 3 EU short-term experts recruited particularly for this event. The Workshop was an opportunity to discuss the first policy recommendations from Chinese and EU side. On this occasion, two types of reports have been submitted. First one on EU Best practices reports and preliminary reform policy recommendations by EU experts and secondly Chinese experts provided policy recommendations for the three topics 3.1.1, 3.2.1 and 3.3.1.

#### High level policy dialog from 21st to 26th April



On April 21st -26th 2016, Minister of Civil affairs of P.R. China Mr. Li Liguo and several High level officials from MoCA have been visiting Poland and Spain. During the visit, the High level Policy Dialog on Social Assistance has been held at Polish Ministry of Family, Labour and Social Policy, which was followed by signing ceremony of Executive Arrangement between both ministers. The main goal of the meeting between Ministry of Family, Labour and



Social policy of Poland - the Component 3 Coordinator of the EU-China SPRP project - and Ministry of Civil Affairs of the P.R. China, as the C3 Chinese counterpart, was to discuss activities foreseen for the next years between both ministries. MoCA delegation was hosted by Mr. Stanisław Szwed, first Deputy of the Minister of Family, Labour and Social Policy, with the participation of Ms. Renata Szczęch, Deputy Minister of Family, Labour and Social Policy responsible for international affairs, and Ms. Elżbieta Boianowska, Deputy Minister of Family, Labour and Social Policy in charge of social assistance and aging. The achievements of the visit confirmed that EU-China SPRP project activities have been an excellent opportunity for a closer cooperation between China and EU respective ministries which can be deep within more bilateral agreements. The ministerial visit to Poland was also an opportunity for a visit to the Marshall Office of the Malopolska Region in Krakow. Some fields visits to social assistance institutions and organizations providing social and care services at local level were conducted as well. In Spain, Minister Mr. Li Liguó held bilateral meetings with Ms. Fátima Báñez, Minister of employment and Social Security of Spain and Mr. Tomás Burgos, Secretary of State at the Ministry of Employment and Social Security as well as with Ms. Susana Camarero Benítez, Secretary of state at the Ministry of Health, Social Services and Equality of Spain, to discuss closer cooperation between the ministries.

**Study visit on the framework of social assistance - legal framework; minimum standards of living; services for specific vulnerable groups from 13th to 21st June**



Component 3 EU-China Social Protection Reform Project study visit has been coordinated on national level by Ministry of Labour, Family, Social Protection and Elderly of Romania; Ministry of Labour and Social Affairs of Czech Republic and Ministry of Family, Labour and Social Policy of Poland (EU-China SPRP Component 3 Coordinator). MoCA delegation (6 high level officials from central and provincial levels) visited three EU countries (Romania, Czech Republic and Poland) under the leadership of Mr. Liu Xitang, Director General of Department of Social Assistance, Ministry of Civil Affairs, P.R.C. (Project Leader of Component 3).

**Upcoming events**

**2nd September 2016**

3rd Panel Discussion on 2016 topics to be hosted by MoCA

**5th September 2016**

Ad hoc seminar on IT system supporting social assistance schemes

**November 2016**

2nd Workshop on 2016 topics to be hosted by MoCA

**November 2016**

Policy Dialog meeting on the 2015 HLF follow up research on main social assistance achievement in China and respective EU best practices (tbc)



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