

# EU-China Social Protection Reform Project

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## **Component 2 macro-activities**

### *1 Chinese Short Term Expert*

**(Annual Work Plan 2018 – Macro-Activities 2.1 to 2.12)**

#### **Topic 2.1.3**

**Alternative policy measures to cope with the impact of ageing on the financial sustainability of the social security system**

**TERMS OF REFERENCE (ToR)**

## 1. Background

### 1.1 General

The purpose of the EU-China Social protection reform project (“the Project”) is to contribute to the improvement and inclusiveness of China’s social protection system through strengthening the institutional capability for developing policies, for implementing legal and regulatory frameworks and for supervising systems of social insurances, social assistance and financial management in the area of social security. In particular, the Project’s purpose will be pursued through the following three components in relation to which specific Chinese government entities playing the role of partner of the consortium have been identified:

- i. Component 1: Consolidation of institutional capacity for social protection policy development and reforms in collaboration with the National Development and Reform Commission (“NDRC”);
- ii. Component 2: Enhancing of institutional capacity for financial management and supervision concerning social security funds in collaboration with the Ministry of Finance (“MoF”); and
- iii. Component 3: Improving of legal framework and policy for social assistance in collaboration with the Ministry of Civil Affairs (“MoCA” and, together with NDRC and MoF, the “Chinese Ministries”),

**These ToR fall under Component 2 of the project.**

## 2. Description of the Assignment

### 2.1. Overall and Specific Objectives

#### 2.1.1 Overall Project Objectives

The overall scope of the SPRP project is to further develop social equity and inclusiveness of economic development throughout Chinese society. For the Component 2, the main target is to enhance the institutional capacity for financial management and supervision concerning social security funds.

In 2018, the Component 2 will analyze the following three topics:

- 2.1.3 - Alternative policy measures to cope with the impact of ageing on the financial sustainability of the social security system;
- 2.1.5 - Social contribution collections: toward a unified system;
- 2.3.2 - The role of public finance and enterprise annuities funds in the Chinese social security system.

**This ToR is for the topic 2.1.3**

#### 2.1.2 Specific Objectives

Population aging is an irreversible phenomenon that is affecting and will affect all the Countries of the world. In China aging has already become a very hot topic of political and scholarly analysis.

The range of opinions is extremely broad, going from the most catastrophic visions fomented by the humongous number of people that will be above 60, 70 or 80 in the near future, to the more optimistic ones based on the idea that there is no problem that China cannot solve, obviously in a Chinese way.

At the global level the number of people aged 65 and above was 129 million in 1950 (5.1 per cent), it had increased to 612 million (8.3 per cent) in 2015 and is forecast to reach 1,549 million (15.9 per cent) in 2050. Aging is the outcome of two concomitant phenomena: the decline in fertility and the increase in life expectancy, both linked to the level of socioeconomic development. As a consequence, not only the percentage of elderly is higher in High income countries, but the difference with Low income countries will continue to grow, signalling that the socioeconomic differential between rich and poor countries has been increasing and will most probably continue to do so.

In China, the speed with which the decline in fertility and the increase in longevity took place will have a notable impact on the speed of the aging process. Between 2015 and 2030 the number of elderly will increase on the average by 7 million per year and in the following 30 years by 5 million per year so that percentage of elderly is expected to pass the 30 per cent mark.

Finally, aging has also a gender and provincial dimension: it will be accompanied by unprecedented socio-economic changes affecting the traditional structure and the role of the family and it will most probably lead to new patterns of growing morbidity.

By now, demographic scenarios produced by international organizations and national institutions are available so that statistical information is not the issue. What is largely lacking is a full understanding of the implications of the demographic transformations and of the range of possible policies measures that can be adopted in order to ensure the sustainability of the social security system.

The complexity of the issues to be faced suggest that these measures should include not only a simple parametric approach, but will have to involve interventions on such areas as fertility, labour market, gender equality, and more generally the social structure.

The Assessment report should provide:

- Demographic and labour market scenarios at the national and provincial level up to 2050;
- An analysis of the impact of the ageing process on the social security system;
- A mapping of the measures that have been already implemented or whose implementation has already been decided in order to face the impact of ageing on the social security system;
- An analysis of alternative measures proposed by Chinese scholars and a survey of the current debate

The Assessment report should provide a discussion and a (quantitative) evaluation of the measures already adopted and that will be adopted as well of the measures that have been proposed.

## **2.2. Requested Services**

The Expert(s) will submit a draft of the report for comments and suggestions to the project team and a final report that should meet the expectations of the Resident Expert and the Project Leader (INPS). The Expert(s) will then present the main results of the research at the dedicated Panel Discussion in June, 2018.

## **2.3. Outputs**

- a report of around 40 pages, in English and Chinese, that will include an executive summary, a table of contents and a bibliography
- a power point presentation in English and Chinese

### 3. Experts' Profile

Requirements Short Term Expert	Requirement/asset
<b>Qualifications and skills</b>	
University Degree within the relevant sectors of Social Protection, Law, Political Science, Economics	A
Fluent in English and Chinese both verbally and in writing	A
Strong analytical and drafting skills	R
Ability to develop and maintain good professional relations with stakeholders, particularly counterparts and staff members in an international setting	R
Ability to work in team and share knowledge relating to social security to the counterpart	R
Previous experience in execution tasks in other international projects	A
Strong training skills	R
<b>Professional experience</b>	
10 years experience of working in areas related to Social Protection at the domestic and international levels	R
Possessing professional experience relevant to the ToR for his/her specific assignment	R

### 4. Location & Duration

**Location:** Beijing and other locations if needed

**Timing:** February-June 2018. Draft report by 1<sup>st</sup> April 2018, final report by 1<sup>st</sup> June 2018. Power point presentation one week before the Panel Discussion.

**Working days:** 30 w/days

### 5. How to apply:

Interested Expert(s) are requested to submit three documents:

1. Candidacy – Letter of intents
2. A CV in English
3. A copy of her/his Identification Document

Applications are to be sent to C2 Resident Expert, Mr. Michele Bruni: Michele.bruni@eucsprp.org by or before February 11<sup>th</sup>, 2018.