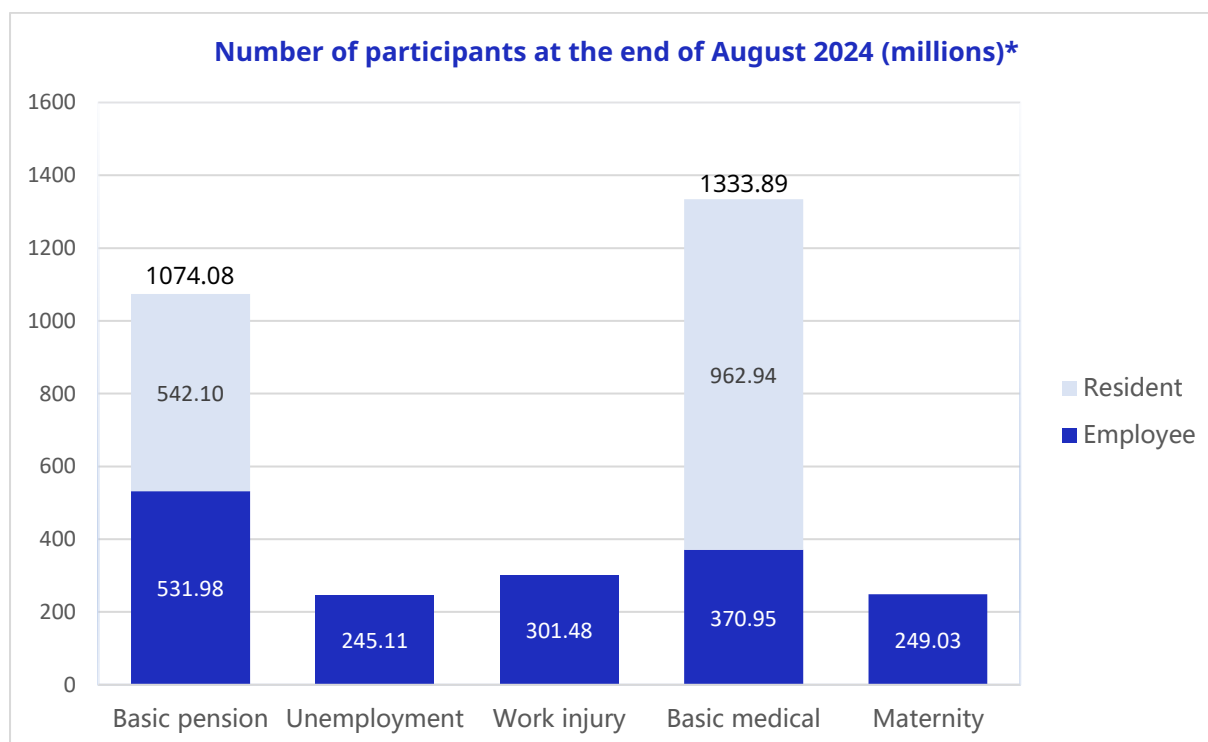


Quarterly Social Security Policy Monitor

Issue 18, July-September 2024

China Social Security Barometer



* Basic medical insurance & maternity insurance data as of the end of December 2023
Latest data available from [MOHRSS](#) and [NHSA](#), 2024

China Social Security Policies

China to implement retirement age reforms

On 13 September 2024, the 11th Session of the 14th National People's Congress (NPC) Standing Committee approved a [decision](#) to progressively raise the statutory retirement age, marking the first adjustment to this policy since the 1950s.

Under the new decision, over a 15-year period starting in 2025, the statutory retirement age for men will be gradually increased from 60 to 63. For women, the retirement age will be raised from 50 to 55 for women in blue-collar jobs and from 55 to 58 for women in white-collar jobs. The policy will be implemented flexibly and at a modest pace.

Starting 1 January 2030, the minimum years of pension contributions required to receive monthly benefits will increase from 15 to 20 years. Individuals will have the option to retire up to three years early, provided they have met the minimum contribution years and reached the previous statutory retirement age. Additionally, individuals may postpone retirement by up to three years if they reach an agreement with their employers.

The decision also includes provisions to extend unemployment insurance benefits to the statutory retirement

age for beneficiaries who are less than a year away from retirement. During the implementation of the new policy, pension contributions will be covered by the unemployment insurance fund. [Read more.](#)

China implements employment-first strategy

On 25 September 2024, the Communist Party of China (CPC) Central Committee and the State Council released a [24-point guideline](#) to promote high-quality and full employment through an employment-first strategy. As part of the guidelines, it requires further policy improvement to enhance social security for flexible workers, migrant workers, and those in new forms of employment by lifting household registration restrictions at the place of employment, expanding coverage of unemployment and work-related injury insurance, and improving coordination between employment, unemployment insurance, and subsistence allowances. [Read more.](#)

China enhances social security for workers in flexible and new forms of employment

On 24 September 2024, the Ministry of Human Resources and Social Security (MOHRSS) announced in a press conference that since July 2022, it has piloted an occupational injury insurance program for workers in new forms of employment (NFE) across the seven largest platform companies in seven regions, covering over 9 million people. Moving forward, MOHRSS plans to refine policies based on the accumulated experience and expand the pilot to include more NFE workers. Additionally, measures will be implemented to facilitate flexible workers' participation in basic old-age insurance for urban employees in their work locations, ensuring better access to social insurance schemes and benefits. [Read more in Chinese.](#)

China embarks on building an inclusive elderly care service system

On 23 September 2024, the Ministry of Civil Affairs (MCA) announced in a press conference that China has started establishing an elderly care service system, initiating significant changes in four key areas. The focus is shifting from solely assisting the elderly with special difficulties to targeting all elderly individuals. The provision model is evolving from being government-centric to a diversified approach involving the government, market, and social partners. Support is now being coordinated among individuals, communities, and institutions, rather than relying solely on elderly service institutions. Additionally, services are expanding from basic service and life care to include quality services that integrate health care and rehabilitation. Moving forward, China plans to further develop the service network, optimize the service supply model, enhance community-based elderly care institutions, and strengthen service quality regulation and monitoring. [Read more.](#)

Since 1 August 2024, the MCA implements 5 new industrial standards concerning elderly care service institutions. [Read more in Chinese.](#)

Chinese modernization calls for deepening social security reform

On 21 July 2024, the third plenary session of the 20th CPC Central Committee adopted a [resolution](#) to comprehensively deepen reforms and advance Chinese modernization. The resolution outlines major reforms aimed at improving China's social security system, focusing on both basic institutional arrangements and measures to address areas of improvement. The goal is to enhance the sustainability, accessibility, safety, convenience, and standardization of social security. [Read more in Chinese.](#)

China boosts medical insurance enrolment with new incentives

On 1 August 2024, the State Council issued [guidelines](#) to enhance the long-term mechanism of medical insurance enrolment. The guidelines propose easing household registration restrictions and introducing incentives. Metropolises are required to implement policies allowing participation in the basic medical insurance schedule with a residence permit, lifting household registration restrictions for flexible workers, NFE workers, and migrant workers to enable coverage in their work locations. For rural and non-working urban residents, the guidelines propose increasing the upper limit of insurance payouts for critical illnesses by up to 1,000 yuan annually, or an

accumulative amount of at least 2,000 yuan per year, for those who meet conditions of continuous participation or zero insurance fund reimbursement. Additionally, the guidelines call for improved financing policies, including extending the use of individual accounts of basic medical insurance for urban employees to close relatives of the insured. Initially issued in 2021, this policy has been implemented in 11 provinces as of 14 September 2024. [Read more.](#)

Five more chronic and special diseases to be covered by cross-provincial settlement of outpatient medical expenses

On 13 September 2024, the National Healthcare Security Administration (NHSA) and the Ministry of Finance jointly issued a [circular](#) specifying that five additional types of chronic and special diseases will be covered by the direct settlement of cross-provincial outpatient medical expenses. By the end of August 2024, approximately 69,000 designated medical institutions were connected to the cross-provincial outpatient network for chronic and special diseases, benefiting over 8.9 million people and reducing their medical expenses by nearly 9.1 billion yuan.

Local Policies and Practices in China

Local policies safeguarding social security right for NFE workers

Guangdong: Since 1 June 2024, Guangdong implemented measures to extend work-related injury insurance coverage to 10 categories of specific workers, including those engaged in flexible employment. Building on the eight categories listed in the Trial Measures issued in April 2021, the new measures add two more categories: 'couriers at the primary level' and 'drivers and staff working for transportation companies.' [Read more in Chinese.](#)

Xiamen: Xiamen has introduced several protection measures for NFE workers, including establishing a specialized working group of 27 local authorities to protect the rights and interests of couriers and food delivery riders. Additionally, Xiamen has set up public service systems and mechanisms for NFE workers and is promoting an occupational injury insurance program for flexible workers. [Read more in Chinese.](#)

[Read more related local policies in Chinese.](#)

Chongqing-Tibet All-in-One Card launched

On 11 September 2024, Chongqing and Tibet jointly launched the innovative 'Chongqing-Tibet All-in-One Card' service management model, utilizing the social security card as its carrier. This model facilitates the cross-regional use of social security cards across various sectors, including social security services, culture and tourism, transportation, and medicine purchases. Cardholders from both Chongqing and Tibet will benefit from enhanced convenience and accessibility to these services. [Read more in Chinese.](#)

More provinces include assisted reproduction in basic medical insurance

20 provincial-level regions have included assisted reproduction services in their medical insurance coverage. Notably, Fujian, Henan, Shaanxi, and Tibet implement this policy starting from 1 September 2024. This expansion aims to provide broader access to assisted reproduction services, ensuring more people can benefit from medical insurance support. [Read more.](#)

Beijing supports online medicine purchases using medical insurance personal accounts

Starting from 1 July 2024, Beijing's residents enrolling in medical insurance can use their personal medical insurance accounts to purchase over-the-counter (OTC) medicines online from 300 designated retail pharmacies via Meituan and JD.com. This initiative aims to enhance convenience and accessibility for insured residents. [Read more.](#)

Expert Opinions

The 18th International Conference on Social Security

On 7-8 September 2024, experts from the International Labour Organization (ILO) attended the 18th International Conference on Social Security in Guangzhou, Guangdong province. The conference brought together over 140 experts and scholars from more than 90 universities and institutions to discuss the theme of "Social Security and Sustainable Socio-Economic Development".

During the International Symposium on Challenges and Social Security from a Global Perspective held in Beijing on 10 September 2024, Mr. Ruben Vicente Andres, ILO Social Protection Manager, delivered a speech titled "Maximizing the potential of the Rural and Urban Residents Pension Scheme to achieve shared prosperity in China".

[Read more.](#)

Cai Fang¹: Updating the Concepts, Paradigm, and Policy Tools of Social Security

As China enters a more advanced stage of development, marked by significant technological and institutional innovations, its social security system faces substantial challenges. Addressing these challenges requires several strategic approaches. First, as identifying eligible beneficiaries becomes increasingly difficult and less necessary, the system should become more universal and inclusive. Second, the principles of doing one's best and acting within one's means reflect both unity and dynamism; they are neither homogeneous nor static. From now until 2035, China will be in a period where there is both the necessity and capacity for significantly increasing government social spending on social welfare at a faster and larger scale. Third, in line with the general trend of expanding public goods as per capita income rises, improving the basic public service supply system for all residents throughout their life-cycle requires integrating existing social insurance, social assistance, and welfare services. Finally, with changing concepts and paradigms, building a welfare state with Chinese characteristics necessitates reforms to remove institutional barriers. [Read more in Chinese.](#)

Fan Wei²: Regulating Labour Standards for New Forms of Employment to Ensure Basic Living Needs

In early 2024, MOHRSS issued three guidelines to protect workers in new forms of employment (NFE). These guidelines are crucial for addressing gaps in the protection of NFE workers' rights and improving labour standards. However, several issues still require attention. The guidelines are non-mandatory, providing recommendations without enforcement. There is a need to balance the individual autonomy of NFE workers with national mandatory labour standards. Additionally, mediation procedures must be aligned with substantive laws to effectively safeguard NFE workers' rights. These challenges highlight the need for improved legislation, rules, and mechanisms to enhance labour standards and protect the rights and interests of NFE workers. [Read more in Chinese.](#)

Zhao Qing³: Social Insurance Participation Choices of Workers in New Business Forms and Their Influencing Factors: A Survey of Delivery Riders and Couriers

Within the theoretical framework of "social structure and individual action," this study conducts a field survey on the social insurance participation behaviour of over 1600 workers in new business forms across China and investigates the influencing factors behind it. The level of social insurance participation, particularly employment-related social insurance among workers in new business forms, such as instant delivery riders and couriers, is found to be relatively low. Empirical findings indicate that institutional characteristics, including statutory labour relations, directly determine the overall level of social insurance participation and influence the choice between different public pension and medical insurance schemes for workers in new business forms. Individual

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characteristics such as age, health status, and income levels, along with their interaction with institutional characteristics, significantly impact insurance participation behaviour. Drawing insights from in-depth interviews with workers and local governments, this paper further elucidates insurance participation behaviour by examining the embedding of institutional structure into individual rational decision-making. Finally, targeted policy suggestions are proposed to enhance labour laws and regulations and optimize the design of the social security system. [Read more in Chinese.](#)

Policies around the world

Spanish Government and Unions sign Pension Reform Agreement

On 18 September 2024, the Spanish government and unions signed the pension reform agreement. The reform aims to enhance retirement conditions and support for workers. The agreement introduces significant changes, including better retirement options and enhanced support for workers facing health issues. One major change is the ability for workers in physically demanding jobs to retire earlier. The reform also allows for a more flexible transition to retirement, enabling workers to combine work and pension benefits. This is particularly beneficial for those who may not have a full work history. The reform emphasizes the collaboration between mutual insurance companies and public health services. This partnership aims to streamline the process for workers facing temporary incapacity due to work-related injuries. Read [more](#). This agreement is among the 21 major agreements that have already been reached within the framework of social dialogues since 2018 to protect incomes, jobs and companies during the pandemic, guarantee the purchasing power of pensioners and strengthen the sustainability of the public pension system. Read [more](#).

Germany approves pension reform to incentivize later retirement

On 4 September 2024, Germany's cabinet approved a pension reform which includes incentives to keep workers in the labour market for longer as part of measures to foster growth. In Germany, the statutory retirement age is scheduled to rise to 67 in 2031 from 65.8 currently. Under the reform, anyone who postpones the start of their pension and is employed for at least twelve months will receive a one-off payment equivalent to the lost pension payments. Furthermore, employer contributions to pension and unemployment insurance will be paid directly to employees who decide to continue working, in addition to their salaries. This would correspond to a gross wage increase of 10.6%. Read [more](#). Other governments in European countries are also considering pension reforms to address worker shortage and ease the burden on their pension systems. Read [more](#).

Ireland enacts auto-enrollment pension legislation

On 9 July 2024, Ireland's president signed a bill creating an auto-enrollment (AE) pension program that will become operational on 1 January 2025. The new retirement savings program aims to increase pension coverage and overall retirement adequacy in Ireland, which is the only Organisation for Economic Co-operation and Development member (out of 38 member countries) that does not have a mandatory or auto-enrollment earnings-related pension program. Once implemented, the AE program will require most employees to be automatically enrolled into occupational pension plans while giving them the option to exit the program after 6 months of enrollment. According to the government, the rate of occupational pension coverage in Ireland is roughly 57 percent of the working population and may be as low as 35 percent when the private sector is considered alone. Read [more](#).

Saudi Arabia enacts social insurance reforms

On 3 July 2024, Saudi Arabia's government enacted reforms to the social insurance program for Saudi citizens that include harmonizing public- and private-sector rules, increasing contribution rates, raising the normal retirement age, restricting early retirement eligibility, and changing the old-age pension formula. The reforms also introduce a social insurance maternity benefit for Saudi and non-Saudi workers to replace a benefit that employers were previously required to provide. Except for the retirement age and early retirement changes and

new maternity benefit, the reforms only apply to new entrants to the workforce. The reforms were developed in consultation with the World Bank and are intended to improve the flexibility and sustainability of the social insurance program amidst shifting work patterns and accelerating population aging. According to the United Nations' Population Division, Saudi Arabia's old-age dependency ratio (the population aged 65 or older divided by the population aged 15 to 64) is projected to increase substantially from 4.7 percent in 2024 to 33.9 percent in 2050. Read [more](#).

Singapore passes a landmark Bill recognising ride-hail, delivery gig workers as distinct labour class

On 10 September 2024, the Parliament passed a landmark Bill designating platform workers (ride-hailing drivers and freelance delivery workers) as a distinct legal category in between employees and the self-employed. This 70,500-strong group will get greater levels of contribution to the CPF (Central Provident Fund) savings scheme, aligned with what employees and employers pay today. Platform operators will also have to provide them with standardised work injury compensation insurance policies with the same level of coverage as employees. In addition, platform workers, who cannot unionise under current laws, will be able to form representative bodies called platform work associations, with legal powers similar to those of trade unions. Read [more](#).

Additionally, taking effective on 1 January 2025, the government will offset 100% of the increase in CPF contributions for lower-income platform workers, up from the previously announced 75%. This follows the government's acceptance of recommendations from the Advisory Committee on Platform Workers in November 2022, aimed at enhancing financial protection, housing, retirement adequacy, and representation for platform workers. Read [more](#).

Singapore announces unemployment support scheme

In August 2024, Singapore announced the [SkillsFuture Jobseeker Support](#) scheme, aimed at helping lower-and middle-income workers and will provide involuntarily unemployment workers a total of up to 6,000 Singapore dollars (\$ 4,561) for six months, subject to conditions. The implementation of the scheme marks a notable policy shift in Singapore, a country that currently does not offer unemployment benefits. Read [more](#).

Indian Government brings gig workers under social security net via e-Shram portal

On 1 September 2024, the Labour and Employment Minister announced that the government would soon allow gig and platform workers to register on the e-Shram portal – a comprehensive National Database of Unorganized Workers launched by the Ministry of Labour & Employment. The platform aims to register and provide identity cards to unorganized workers, enabling them to access various government schemes, benefits, and services more efficiently. Read [more](#).

Viet Nam amends Social Insurance Law

On 29 June 2024, Viet Nam passed the amendment to the Social Insurance Law, which will come into effective in July 2025. The focus on a comprehensive and integrated approach ensures that Viet Nam's social security system can address current challenges such as digitalization, climate change and population ageing. Read [more](#).

Angkas riders gain social security benefits in Philippines

In August 2024, Angkas, a prominent ride-hailing service in the Philippines signed an agreement with the Social Security System (SSS) to provide social security coverage to around 50,000 riders. The agreement offers riders a range of benefits including accident insurance, sickness and maternity benefits, disability benefits, retirement benefits, death and funeral benefits, as well as low-interest loans. Read [more](#).

ILO initiatives related to social security

The ILO launches the World Social Protection Report 2024-26

On 12 September 2024, the International Labour Office (ILO) launched the flagship **World Social Protection Report 2024-26: Universal Social Protection for Climate Action and a Just Transition**. With an especially sharp focus on the climate crisis and the need for a just transition, this report provides a global overview of progress made around the world since 2015 in extending social protection and building rights-based social protection systems. In doing so, it makes an essential contribution to the monitoring framework of the 2030 Agenda. It calls on policymakers, social partners and other stakeholders to accelerate their efforts to simultaneously close protection gaps and realize climate ambitions. ILO has produced a series of products related to the new report:

- The [press release](#)
- The [report webpage](#), which provides access to the full report (PDF) and Executive Summary in eight languages
- The [figures and annexes of the report](#)
- Data by country/region/sub-region/income level and social protection function can be found on the new interactive [World Social Protection Data Dashboards](#).

The [Asia and the Pacific regional companion report](#) was made available on 30 September 2024.

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