Distinguished vice-governor Mr. Keith Hansen, distinguished ministers,

Distinguished guests, ladies and gentlemen:

Good morning! I am very happy to attend today’s conference. More than 250 representatives from over 70 countries are gathered in Beijing to share information and experience on how to develop and improve social assistance in the course of urbanization to seek common development. This is a very important gathering. As one of the hosts, on behalf of the Ministry of Civil Affairs of China, I would like to express my warm welcome to all the guests from afar, and my heartfelt gratitude to representatives of governments that are present, the World Bank and international organizations that have supported China’s social assistance for a long time.

Eradicating poverty and improving people’s well-being has been, and will be for quite a long period to come, an important task and a serious challenge for developing countries, as well as government’s responsibilities for its own people. In the UN Sustainable Development Summit held in this September, all the participating countries unanimously agreed on the post-2015 development agenda that prioritizes poverty reduction. This, once again, showed the determination and confidence of the international community in working together to eliminate poverty. To declare war on poverty and address all the difficulties we have in reducing poverty, we need to work
together more closely, exchange experience, learn from each other’s strength and cooperate for mutual benefit. The forum, jointly hosted by China's Ministry of Civil Affairs, the Ministry of Finance and the World Bank, focuses on the development and improvement of the social assistance system in the course of urbanization. The forum will serve as a platform for experience exchange and expand the mechanism for multi-lateral dialogue. It will also focus our attention on governments’ responsibilities and pool wisdom from all sides. It will urge countries to adopt more effective action, build a sustainable social assistance system that is in line with the conditions of developing countries. Through this forum, we can create new highlights of South-South Cooperation and thus secure substantial progress in poverty reduction.

The Chinese government has always been attaching great importance to developing social assistance. After the founding of the new China, we gradually formulated policies that aimed at helping people hit by disasters and people in particularly difficult situation. Since reform and opening, Chinese government, in light of our national conditions, constantly improves social assistance as a basic institution that guarantees people’s basic livelihood, builds a cushion for those most in need and provides assistance in emergencies. To meet the requirement of the socialist market economy, we formulated and improved multiple social assistance polices aiming at securing basic living, basic care for the elderly, basic medical care, basic housing, basic fairness and equality in education, which formed a social security net ensuring people’s basic livelihood. We explored and developed the social assistance system with Chinese characteristics.

**First, we have built a fairly sound social assistance system.** In February 2014, Chinese government issued *the Interim Measure for Social Assistance*, a
comprehensive and systemic top-level design that provides institutional guarantee covering many aspects including basic living, basic medical care, basic housing and education equality for those in need. The interim measure also specifies the specifics of each social assistance institution, procedures for application and approval, financial support, threshold for assistance and legal responsibilities and so on. As a result, rights, responsibilities and procedures of social assistance are now legalized, which serves as a legal basis for the long-term development of social assistance and marks that we have entered a new stage of building a comprehensive social assistance system and implementing social assistance according to the law. According to the interim measure, China’s social assistance system is composed of eight parts.

1. **Subsistence allowance.** For a urban or rural poor family that live together and whose per capita income is lower than the local subsistence standard and whose financial conditions meet the criteria, this system provides this family with cash that allows them to reach local subsistence standard. The subsistence allowance is managed by the locality. The standard of subsistence allowance is set and announced by provincial-level or district-level people’s government based on the income needed by local residents for subsistence. This standard can be adjusted timely based on local development and consumption price change. There is no time limit to subsistence allowance. But when the income of a family receiving subsistence allowance changes, the subsistence allowance for them changes accordingly; when this family’s per capita income exceeds local subsistence standard, no subsistence allowance will be issued to them again. By September 2015, 67.275 million urban and rural residents receive subsistence allowance, accounting for 5% of the country’s total population; the subsistence allowance expenditure nationwide from January to September
accumulatively reaches 116.12 billion yuan (about 18.38 billion US dollars).

2. **Support for the extremely poor.** This assistance targets elderly and disabled people and minors under 16 who have no labor capacity, no source of income and no person obliged to provide for, maintain or bring up them or whose legal persons to provide for, maintain or bring up them have no capacity to do so. This assistance system focuses on basic living necessities, care service, medical treatment and funeral service and so on. The standard for such assistance is set by the provincial-level or district-level people’s government. The persons to be supported can stay in the support-providing institutions established by local governments or stay by themselves at their own home, depending on their own choice. By September 2015, the rural extremely poor residents supported by such assistance totaled 5.209 million, and 31.7% of them, namely 1.685 million, stay in support-providing institutions. From January to September, support expenditure nationwide accumulatively reached 15.05 billion yuan (about 2.38 billion US dollars).

3. **Assistance for the disaster-stricken people.** This assistance targets people hit by natural disasters. China has put in place sound laws and regulations on disaster relief. These laws and regulations specify the preparations for emergency response, reserve of goods, shelter and personnel and equipment and so on. They also present a detailed description of emergency relief, information release, post-disaster relief and assistance and management of relief goods and funding. From January to September 2015, China has nationwide launched 4 responses to disaster prewarning and 17 emergency responses to disasters; China spent 3.16 billion yuan (about 500 million US dollars) on disaster relief, allocated 42,000 tents, 201,000 pieces of bed sheets and cotton coats and so on and properly settled 5.756 million disaster-stricken people.
4. **Medical assistance.** This assistance aims at helping the poor with their medical care so that they have access to basic medical and health services. Targeted recipients of medical assistance are mainly members of family receiving subsistence allowance, the extremely poor, people with major diseases in low-income families, the severely disabled, the elderly and minors and so on. The main approach is providing the poor with government funding so that they can enjoy basic medical insurance and offering assistance one more time if the recipients still have trouble after they get the reimbursement of basic medical insurance. From January to September 2015, medical assistance were granted for 45.496 million times. For 13.766 million times, assistance was granted directly; for 31.73 million times, the targets received assistance to join medical insurance and the New Rural Cooperative scheme. A total of 15.28 billion yuan (about 2.42 billion US dollars) was spent on medical assistance.

5. **Educational assistance.** This assistance aims at helping students with financial difficulties to finish school. China has basically built an educational assistance system that covers all the stages from pre-school to graduate studies. Based on recipients’ needs at different stages, educational administrative departments adopt methods such as reducing or exempting fees, granting aid, providing living allowance and work-study opportunities and so on to ensure that these students’ basic needs in life and study can be met.

6. **Housing assistance.** Housing security departments allocate public rental housing, grant subsides for housing rental and renovate dilapidated houses in rural areas and adopt other means to provide housing assistance to families that have housing difficulties and meet the criteria for assistance. The criteria and the assistance
standard are determined by people’s governments at or above county level based on local socio-economic development and housing price and other factors. By the end of 2014, through allocating rental housing and granting subsidies, we have accumulatively addressed housing difficulties for almost 40 million urban households nationwide. This year, the central government allocates 36.5 billion yuan (about 3.6 billion US dollars) for renovating 4.32 million rural dilapidated houses.

7. Employment assistance. Human resource and social security departments provide such assistance to those who have capacity for labor but are unemployed in families receiving subsistence allowance. Specifically speaking, employment assistance may take the form of loans with discounted interests, subsidies for social insurance, subsidies for posts, subsidies for training, fee reduction and exemption, and non-profit posts. Targeted measures will be adopted to ensure that families receiving subsistence allowance will have at least one person employed if all the members with labor capacity are currently unemployed. To encourage employers to employ the recipients, relevant departments adopt preferential polices such as subsidies for social insurance, tax breaks and small-sum guaranteed loans. According to rough statistics nationwide, 200,000 people from families receiving subsistence allowance find jobs in non-profit posts.

8. Temporary assistance. The government provides this assistance to families or individuals, uncovered by or despite other forms of social assistance, whose living necessities could not be guaranteed because of emergencies, unexpected harm, major disease or other unusual factors, so as to help them cope with the emergency situation during the transitional stage. Temporary assistance was fully established in 2014. Temporary assistance serves as a cushion and the last resort of social security when
other forms of social assistance fail to guarantee the living necessities of recipients.

The above-listed eight forms of social assistance have their own focus, but they are interconnected and coordinated. They form a reliable and effective network of social security with wide coverage and provide living necessities guarantee for the poor.

Second, we have built an effective work mechanism for social assistance. In recent years, the Chinese government worked hard to improve the social assistance mechanism in six areas to make sure that the polices are fully implemented and that the money is delivered to the needy timely and in full.

1. We established a inter-departmental coordination mechanism. At the central level, the Ministry of Civil Affairs took the lead and established the national social assistance ministerial-level joint meeting with the participation of 26 departments. At the provincial, municipal and county level respectively, inter-departmental coordination mechanisms have been set up as well. Different government department can now have regular information exchanges, meetings and discussions and coordinate emergency responses.

2. We established the household financial status verification mechanism. Currently we have basically built a multi-department and multi-tiered household financial status verification mechanism based on information sharing. By checking its data with those from banking, securities, vehicles, real estate, insurance and other relevant departments, the Minstry of Civil Affairs increased its accuracy in identifying the right recipients.

3. We established the community-level mechanism of one department receiving application and multiple departments coordinating the handling. When
people in need want to apply for assistance, they can do that at the social assistance window at village and township (or neighborhood) level. When these windows receive the applications, they transfer the cases to different government departments to get these applications handled. Thus, people in need know whom to turn to when they apply for assistance and get timely assistance.

4. **We established the mechanism of standard setting and dynamic adjustment.** Localities should regularly make quantified adjustments to their social assistance standard based on their socio-economic development so that social assistance can rise when consumption price rises and that the recipients’ livelihood can be improved as socio-economic development is boosted.

5. **We established a sound operation and service mechanism of social assistance.** Chinese governments, from the central government to local governments, built a social assistance service system in which the Ministry of Civil Affairs serves as the main body and other relevant departments fulfill their own responsibilities and coordinate with each other. The Ministry of Civil Affairs is responsible for the institutional design, performance evaluation, inspection and supervision of national social assistance policies; provincial and municipal-level departments of civil affairs are responsible for formulating ways or plans to put in place their specific social assistance in their administrative region; county-level departments of civil affairs are responsible for checking and approving the eligibility of assistance applicant, calculating the specific amount for basic living assistance, and coordinating with financial and other departments to ensure that assistance money is delivered to the individual banking accounts of recipients; village and township (neighborhood) level governments are responsible for investigating the household financial status and
population status of applicants and coming up with preliminary opinions on whether they are eligible.; village (neighborhood) committees are responsible for helping with the household visit and investigation, neighbor visits and neighborhood assessment and other basic work. To make social assistance service more available and effective, we have developed and deployed an information management system for social assistance.

6. **We have established a mechanism enabling social participation in social assistance.** With China’s constant socio-economic development and boom in charity, the State Council, at the end of 2014, issued *the Guiding Opinions on Promoting the Sound Development of Charity* to encourage and guide citizens and social organizations to carry out charity that focuses on poverty reduction with support measures such as more attractive tax breaks, cultivation of charity organizations and government purchase of services. Meanwhile, the Chinese government vigorously develops professional social work and promotes the application of social work in social assistance, and provides professional service that helps recipients to fit in with society, enhance their capabilities and receive psychological counseling. The close cooperation between government assistance and social participation mobilizes and integrates more resources for social assistance and enhances its efficiency and makes it more diverse.

Third, we explored and developed some basic approaches to social assistance. They can be summarized as the following five aspects:

1. **We make social assistance part of our overall national development strategies.** Social assistance is an important part of China’s development strategies such as *the Outline of the Twelfth Five-year Plan on National Economic and Social*

2. We adjust and improve social assistance policies in keeping with the times. China’s social assistance system is constantly improved as it is practiced. Meanwhile, the central government brings into play the initiative of local governments and encourage them to timely adjust their assistance standards based on their actual conditions and socio-economic development, diversify and improve assistance content and forms.

3. We constantly reform and innovate on social assistance for better fairness and justice. To ensure that assistance resources are really used for eligible poor people, we built and gradually improve the household financial status verification mechanism, adopt various means to compare and confirm, deploy appropriate means to make public certain information in an appropriate way and increase the accuracy in identifying recipients of social assistance, all of which safeguard the fairness and justice of the social assistance system in its implementation.

4. We mobilize all sides to contribute to social assistance. We built inter-departmental coordination mechanism to coordinate resources and share information; we also encourage and guide social participation in social assistance. Through government’s purchase of service and other means, we develop and promote charity organizations. We also promote cooperation between government and social participation to integrate their resources by building information sharing platforms between the government and social organizations and among social organizations themselves.
5. **We carry out extensive international exchanges and cooperation on social assistance.** We are keen to learn from advanced international experience and built close cooperation and exchanges with the World Bank, Asian Development Bank, the European Commission, United Nations International Children’s Emergency Fund and other international and regional organizations. We apply the advanced ideas and experience to the social assistance work in China.

A few days ago the Communist Party of China held the fifth plenum of the eighteenth Party Congress, and discussed and approved *the Proposal to the Thirteenth Five-year Plan on National Economic and Social Development*. The government drew the blueprint of comprehensively building a well-off society by 2020, came up with specific targets concerning all aspects of socio-economic development and, specifically, set out new requirements and new tasks for social assistance. Next, based on the formulation and implementation of the thirteenth five-year plan, we will focus on the following aspects of work:

1. **We will further promote the rule of law in social assistance.** We will do more work on legislative research and reasoning with relevant parties and push forward the legislation of *the Law of Social Assistance*. Based on new developments and new tasks, we will research on the formulation of supporting laws and regulations of *the Interim Measures for Social Assistance*, providing stronger legal basis for the reform and development of social assistance. For areas that have not been fully practiced and need to first develop pilot programs, we encourage local governments to roll out local laws and regulations to form a top-down and well-connected legal and policy system. We will instruct and urge localities to strictly follow legal procedures as they handle, check and approve social assistance applications, to investigate the
financial status of the applicant family in accordance with their legal authority and the
statements made by applicants themselves, and to grant assistance within the
institutional scope and on the track of rule of law. Localities should be authorized by
the law and have a legal basis when they grant social assistance. We should streamline
administrative processes and delegate power, but strengthen oversight at the same
time and put in place the system of government power list. We will, together with the
Ministry of Finance, conduct performance evaluation for subsistence allowance and
other work. We will conduct more random checks, standardize the supervision during
and after the process, maintain principled but flexible institutional operation and
ensure full implementation of decisions.

Second, we will strengthen rural and urban coordination and enhance
overall assistance. We will achieve fairness in rights, opportunities and rules for rural
and urban residents receiving social assistance. In institutional design, we will
coordinate urban and rural areas in terms of specific assistance, resource allocation,
assistance approaches and procedures so as to remove the gap between the two. We
will establish a unified and standard system between the rural and urban areas to
support the extremely poor and provide medical assistance; we will urge localities to
scientifically set up subsistence allowance standards based on the features of their
subsistence allowance mechanism, per capita consumption expenditure, disposal
income and minimum salary and ensure that assistance standards increase quite
rapidly in rural areas and keep in line with local socio-economic development. In
assistance approaches, the government will gradually buy service from the society in
such ways as entrusting, contracting and purchasing services. By bringing in
professional social workers, we will diversify, combine, professionalize and
individualize the approaches to social assistance. We will expand the scope of social assistance as much as possible and make social assistance system play a comprehensive role. **In assistance management**, we will incorporate the migrant population with residence permits into the social assistance of their locality considering the household registration reform and basis we have in temporary assistance. We will mobilize rural and urban communities, village (neighborhood) committees, professional social workers and volunteers to participate in social assistance; we will build and improve a mechanism to identify recipients actively and respond to their needs rapidly so that the management service can be more proactive.

We will further clarify the transfer processes and processing time periods for grass-roots social assistance agencies. We will optimize the verification and approval process for the sake of providing convenient service so that people in need know whom to turn to and receive timely assistance.

3. **Staying committed to sustainable development and providing more active assistance.** In light of the new normal of China’s economy, we gradually expand the coverage of medical care, education, housing, employment and other assistance from recipients of subsistence allowance and the extremely poor to low-income families and families made poor by huge emergency expenditures. We scientifically determine who can receive and how much to receive for each type of social assistance in the hope of seeking sustainable and sound development. We innovate on the ideas underlying social assistance and develop more ways of providing assistance, expanding from the conventional and monotonous forms of providing cash and materials to comprehensive assistance that integrates security of materials, living support, spiritual comfort, psychological counseling, capability improvement and link
of resources. We will strengthen the coordination of different social policies. Based on different needs at different educational stages, we will grant educational assistance to students from families with less so that no student will drop out because of financial difficulties and poverty will not be passed on to the next generation. According to the central government’s strategic planning on addressing difficulties in poverty reduction and promoting mass entrepreneurship and innovation, we will make social assistance play a larger role in reducing poverty, promoting development and enhancing employment. We will combine “blood-transfusion” assistance with “blood-formation” assistance, helping the recipients with labor capability to rely on themselves to get rich and to enter the well-off society together with others.

4. Insisting on social participation and further developing plurality of social assistance. We should make full use of the advantages of government resources and social resources, promote the complementarity of charity and government assistance, and give full play to the important role that social resources can play in social assistance. We should improve measures for government to purchase social assistance service. We should also guide and support social organizations, full-time social workers and volunteers to participate in social assistance so that we can link social assistance resources and individuals’ willingness to help to those who need social assistance. We should also bring into full play the strengths of non-profit charity, namely flexible approaches, diverse forms and one solution to one case, to provide diverse and individualized assistance.

5. Enhancing service efficiency by strengthening information application. We should improve the hardware and software deployed at the windows that deal with community-level applications for social assistance. We should make full use of the
efficiency and convenience facilitated by the Internet to make more smooth the channels for applying for social assistance and the those for dealing with the applications, specify the work standards for the application-processing windows, and optimize the procedures for work transfer between departments. This will enhance work efficiency, reduce administration cost and make it more convenient for people to apply for and receive social assistance. We should comprehensively deploy and extensively apply the information system for social assistance and build a basic information and data base that cover all types of people in difficulties in urban and rural areas; we should promote the information sharing and exchange between areas such as employment, social security, medical care, poverty reduction and charity so that we can have a social assistance information sharing mechanism that is both vertically and horizontally connected. We should explore the integration of mobile Internet, cloud computing and other advanced technologies with social assistance management and services. We can use big data to speed up the establishment of a verification system of applicants’ financial condition and achieve information-based verification, Internet-based management and the sharing of verification results so that we can be more accurate and efficient in identifying recipients and delivering assistance. We should apply the country’s innovation in information application and Internet development to all areas and links of social assistance, so as to improve the management and service capacity of social assistance and better deliver timely and effective assistance to the poverty-stricken population.

Ladies and gentlemen,

As the largest developing country with 1.3 billion people, China faces an arduous task of improving people’s livelihood. Over the years, as we speed up the work on the
new-type urbanization, we strengthen and improve social assistance in a practical and efficient way in light of national conditions. This ensures the basic living necessities of the poor and leads to accomplishments that impress the rest of the world. We are ready to share with you the best practices and sound experience from our practices.

Meanwhile, being open and inclusive, we are ready to be modest and learn from other governments, strengthen exchanges and cooperation with international organization so as to improve our work and contribute more to China’s goal of building a well-off society in an all-round manner. I look forward to your speaking out freely and airing valuable views on social assistance so that we can make joint contribution to the sound development of China’s social assistance work!

Thank you!