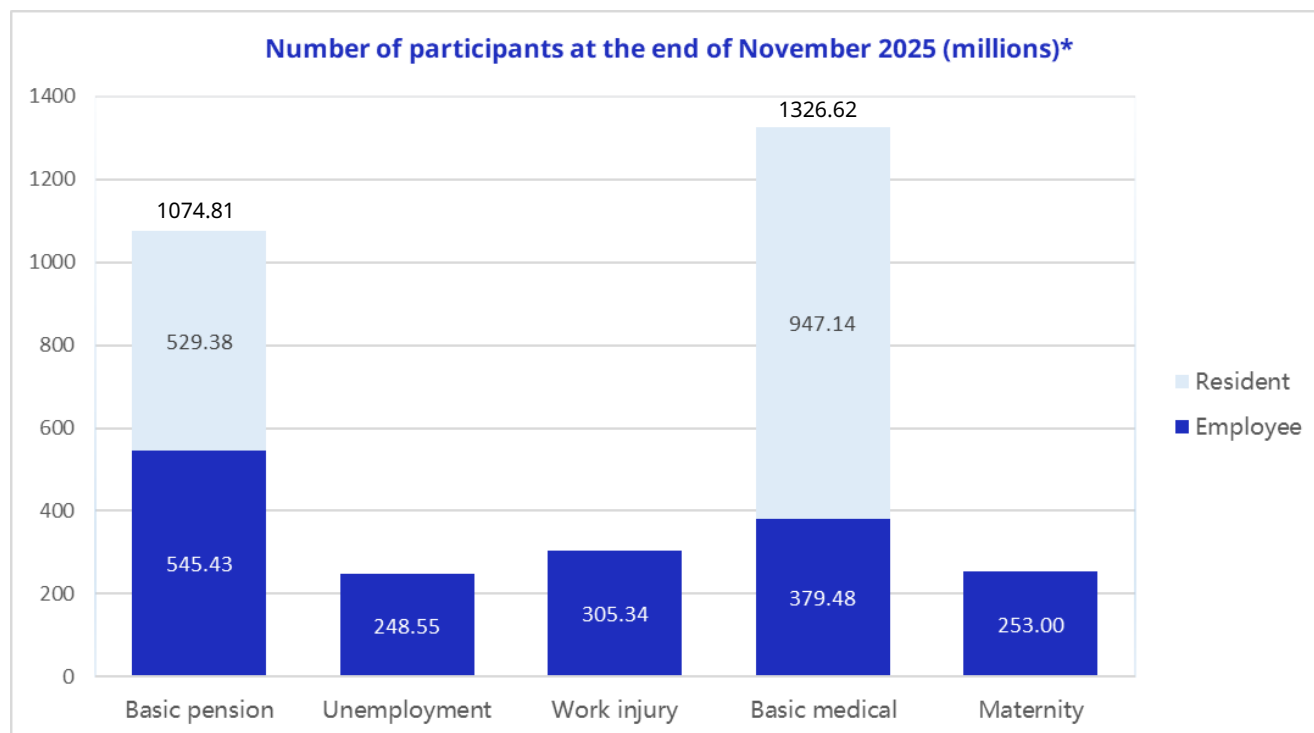


Quarterly Social Security Policy Monitor

Issue 23, October - December 2025

China social security barometer



Latest data available from [MOHRSS](#) and [NHSA](#), 2025

* Basic medical and maternity insurance data statistics as of December 2024.

China social security policies

The 15th Five-Year Plan proposal calls for strengthening social security and improving people's livelihoods

On 23 October 2025, the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China (CPC) adopted the *Recommendations of the Central Committee of the Communist Party of China for Formulating the 15th Five-Year Plan for National Economic and Social Development* (the "15th Five-Year Plan proposal"), which identifies "a more optimized and sustainable social security system" as one of its main objectives. The proposal calls for improving the social security system, including implementing national pooling of basic pension insurance, developing a multi-tiered and multi-pillar pension system, and gradually increasing the basic pension for urban and rural residents. It also aims to strengthen the medical insurance system by promoting provincial-level pooling of medical insurance funds; expand coverage of unemployment and work injury insurances; establish and improve the occupational injury insurance; enhance the transfer and continuation of social

insurance benefits; increase participation rates among flexible workers, migrant workers, and those in new forms of employment; improve actuarial system for social insurance; optimize the unified national social security public service platform; and strengthen the social assistance system. These measures are intended to advance common prosperity for all people. Read [more](#).

New medical insurance and commercial insurance “dual catalogues” released in China

In December 2025, the National Healthcare Security Administration (NHSA) and the Ministry of Human Resources and Social Security (MOHRSS) completed the adjustment of the *2025 national medicine catalogue for basic medical insurance, maternity insurance, and work injury insurance (in Chinese)*, and for the first time formulated an innovative medicine catalogue for commercial health insurance. The updated medical insurance catalogue adds 114 medicines (including 50 innovative medicines) and removes 29, bringing the total to 3,253, thereby improving coverage in key areas such as oncology, chronic diseases, and rare diseases. The commercial insurance innovative medicine catalogue includes 19 highly innovative medicines with significant clinical value, complementing basic medical insurance and promoting the development of a multi-tiered healthcare security system. The new catalogues will take effect on 1 January 2026. Read [more \(in Chinese\)](#).

China moves to legislate childcare services for the first time

Chinese lawmakers began reviewing a draft law on childcare services -- the first law of its kind proposed -- designed to regulate services, enhance legal protections for children under the age of 3, and strengthen policies supporting childbirth and parenting. The draft law builds on policy guidance with legal protections, aiming to address development bottlenecks and systematically regulate relevant services to foster a childbirth-friendly society and promote high-quality population development. Read [more](#).

Childcare subsidy recipients exceed 24 million

In July 2025, the General Office of the CPC Central Committee and the General Office of the State Council issued the *Implementation Plan for the Childcare Subsidy System (in Chinese)*. Starting from 1 January 2025, subsidies are provided for children under the age of three who are born in compliance with laws and regulations, until they reach three years old. The subsidy is granted annually at 3,600 yuan per child per year. This marks China's first universal cash subsidy for residents. By the end of 2025, all 31 provinces (autonomous regions and municipalities) had distributed childcare subsidies, with more than 24 million recipients and a distribution rate of around 80% for the year. Read [more \(in Chinese\)](#).

China to expedite introduction of measures to protect rights of workers in new forms of employment

On 22 December 2025, the *Report of the State Council on the Work of Protecting the Rights and Interests of Workers in Flexible Employment and New Forms of Employment (in Chinese)* was submitted for review at a meeting of the Standing Committee of the National People's Congress. According to the report, there are currently more than 200 million flexible workers. By the end of 2024, 70.57 million flexible workers had participated in basic pension insurance for employees, and 66.159 million in basic medical insurance for employees. As of the end of October 2025, 23.25 million people had joined the occupational injury insurance pilot scheme.

The report recommends “accelerating the introduction of measures to protect the rights and interests of workers in new forms of employment; promoting the enactment of the Medical Security Law to address gaps in rights

protection.” It also calls for “evaluating the implementation of current policies, with the goal of establishing a classified and tiered rights protection system and clarifying the responsibilities and rights of platform enterprises, partner enterprises, and workers, and revising relevant labour protection laws and regulations when appropriate.” Learn [more \(in Chinese\)](#).

MOHRSS issues new work injury insurance guide

On 20 November 2025, MOHRSS released a [new guideline \(in Chinese\)](#) to clarify the application of work-related injury insurance. The move aims to better protect the rights of both workers and employers while ensuring justice and the sustainable development of the nation's work-related injury insurance system. According to the new guideline, if a worker is injured or contracts an occupational disease due to work-related reasons, any medical malpractice experienced during treatment will not affect the final recognition of the work injury. The guideline clarifies that people who work from home as scheduled by their employers and can provide sound evidence proving they were injured or harmed due to their job during the period of working from home will be recognized as having work-related injuries. Read [more](#).

China advances provincial-level pooling for medical insurance

On 27 November 2025, [the State Council executive meeting \(in Chinese\)](#) announced plans to advance provincial-level pooling of basic medical insurance, marking a key step in shifting China's healthcare system from “localized management” to “provincial-level coordination.” By breaking down regional barriers and standardizing contribution and benefit rules within provinces, the reform aims to improve fund utilization efficiency, expand mutual aid, and address issues such as uneven fund balances and difficulties in cross-region medical treatment. Currently, 20 provinces have already moved toward provincial-level pooling, while also strengthening tiered diagnosis and treatment, balancing the distribution of high-quality resources, improving primary healthcare capacity, and refining payment mechanisms to ensure fairer, more accessible, and more convenient medical services. Read [more \(in Chinese\)](#).

Local policies and practices in China

Hainan to implement long-term care insurance system starting next year

On 18 November 2025, Hainan released the [Implementation Plan for Establishing a Long-Term Care Insurance System in Hainan Province \(in Chinese\)](#), which will uniformly implement a long-term care insurance system starting from 1 January 2026 to provide daily living assistance and medical care for individuals requiring long-term care. Employees will pay contributions together with urban employee basic medical insurance, while residents will pay during the centralized collection period along with urban and rural resident basic medical insurance.

The plan also explores cross-provincial settlement to ensure that individuals living long-term outside their home province can enjoy long-term care insurance benefits in Hainan. Hainan becomes the first province to announce province-wide implementation of a long-term care insurance system since China launched pilot programs in 2016. Read [more \(in Chinese\)](#).

Hangzhou to implement new basic medical security measures

On 15 October 2025, the Hangzhou municipal government released a [revised Basic Medical Security Measures \(in](#)

Chinese), which will take effect on 1 January 2026. Key highlights of the new policy include: expanding universal coverage to include non-local flexible workers and children; strengthening the critical illness insurance mechanism by broadening reimbursement scope and introducing incentive measures; establishing a dynamic adjustment mechanism for resident medical insurance contributions, with contribution standards adjusted starting in 2026 and linked to per capita disposable income from 2027; clarifying conditions for initiating medical assistance for special groups; and standardizing maternity allowance calculation to ensure fair and equitable distribution. Read [more \(in Chinese\)](#).

Expert opinions

Zheng Gongcheng¹: Three directions for the pension system in the next five years

First, fully optimizing the statutory pension system by strengthening national pooling, clarifying fiscal responsibilities, improving individual contribution mechanisms, and unifying benefit adjustment policies to ensure fairness, sustainability, and clear expectations. Second, narrowing the pension benefit gaps among employees, public sector staff, and residents, as well as disparities within the same group across different levels and regions, to enhance fairness in the system. Third, structuring the pension system based on equity and differentiated functional positioning to meet the diverse needs of people. Read [more \(in Chinese\)](#).

Yu Chunhai²: Why does the 15th five-year plan proposal emphasize “investment in people”?

“Investment in people” means allocating more fiscal funds and public resources to areas such as education, employment, healthcare, and social security—investing in improving people’s capabilities, maintaining health, supporting career development, and unlocking potential. This approach aims to drive high-quality economic growth through the release of consumption potential and the enhancement of human capital. In the long run, China’s “investment in people” points to the ultimate goal of economic and social development: comprehensive human development. It further highlights the central role of individuals and reinforces respect for people. Read [more \(in Chinese\)](#).

Lu Ting³: The most important reform in the next five years is to increase pension income for urban and rural residents

The most critical task in the next five years is improving income distribution, specifically the social welfare system, with pension reform at its core. Fiscal subsidies for urban and rural residents’ pensions should be significantly increased, aiming to raise the average monthly pension to 500 yuan within three years, 800 yuan within seven years, and 1,000 yuan within ten years—supported by annual government subsidies of 550 billion, 1.2 trillion, and 1.6 trillion yuan respectively. Read [more \(in Chinese\)](#).

¹ Member of the Standing Committee of the National People’s Congress and President of the China Association of Social Security

² Executive Dean and Professor of the School of Economics, Renmin University of China

³ Managing Director and Chief China Economist of Nomura

European Union policies

Commission provides new guidance to Member States on implementing Social Climate Fund

In October 2025, the European Commission issued [new guidance](#) to help EU Member States effectively implement the [Social Climate Fund](#) (SCF) and complete their Social Climate Plans (SCPs). Starting in 2026 and mobilising over €86 billion, the Social Climate Fund has been created to ensure the transition to a greener economy is fair and leaves no one behind and to support vulnerable households and small businesses in their efforts to switch to cleaner energy and transport. Read [more](#).

Commission proposes to boost supplementary pensions to help ensure adequate retirement income

On 20 November 2025, the European Commission adopted a package of measures to help citizens secure adequate income in retirement by improving access to better and more effective supplementary pensions. The package is part of the [Commission's Savings and Investments Union \(SIU\) Strategy](#). Measures include the [Commission Recommendation on Pension tracking systems, pension dashboards and auto-enrolment](#) and the proposals to amend the Directive on Institutions for Occupational Retirement Provision (IORP) II and the Pan-European Personal Pension Product (PEPP) Regulation. Read [more](#).

Commission emphasizes role of social partners in EU policymaking in its 2026 European Semester Autumn Package

On 25 November 2025, the [European Semester Autumn Package](#) was adopted, kicking off the EU's annual process for coordinating Member States' economic and social policies. Several parts of the package highlight the importance of social dialogue, reflecting the Employment Guideline 7 (Enhancing the functioning of labour markets) and the 2023 Council Recommendation on social dialogue. Read [more](#).

Commission takes action for more affordable housing across Europe

On 16 December 2025, the European Commission launched its first-ever European Affordable Housing Plan to address one of the most pressing needs of European citizens: access to affordable, sustainable and good-quality housing. By hurting labour mobility, access to education, and family formation, the housing crisis is hampering both the competitiveness of the EU economy and social cohesion. The Plan focuses on increasing housing supply, triggering investment and reforms, addressing short-term rentals in areas under housing stress and supporting the people most affected. Read [more](#).

Policies around the world

Germany adopts 2025 pension package

On 5 December 2025, the German Bundestag passed the 2025 pension package, specifically the "Bill to stabilise pension levels and fully equalise child-raising periods", implementing three central measures from the coalition agreement: extending the pension "stop line" to maintain benefit levels at 48% until 2031, expanding the "mothers' pension" to fully recognize three years of child-rearing regardless of birth year, and abolishing the "connection ban" to make it easier for retirees at statutory retirement age to continue working for their former employer. The package is set to take effect from 1 January 2026, subject to Bundesrat approval. Read [more](#).

The pension package is part of the first overall package of pension reforms. Other components are the Second Company Pension Strengthening Act and the active pension, which were also passed by the Bundestag on the

same day.

The Second Act Strengthening Company Pensions (BRSII) aims at expanding and modernizing occupational pension schemes. The Act includes options for introducing opting-out systems at company level, higher settlement caps for vested pension entitlements with and without the employee's consent, the easier participation of "third parties in social partner models" and more flexible coverage requirements for pension funds. Read [more](#).

The "active pension" allows people who choose to work past the statutory retirement age earn up to €2,000 per month tax-free. Labour Minister Bärbel Bas framed the measure as a straightforward incentive intended to keep experienced workers in the labour market. Read [more](#).

Luxembourg implements pension system adjustments from 2026

On 18 December 2025, Luxembourg's parliament approved the bill for pension reforms. The adjustments will take effect on 1 January 2026. These adjustments aim to strengthen the financial sustainability of the system while maintaining the legal retirement age of 65. They are intended to stabilize the finances of the general pension scheme until 2042 and to preserve reserves up to 2050. The measures are based on two main pillars: the gradual alignment of the actual retirement age, currently around 60, with the legal retirement age of 65; and the increase of the total contribution rate from 24% to 25.5%. Read [more](#).

Spain announces a campaign to investigate algorithmic management practices in platform work

On 6 November 2025, the Minister of Labour Yolanda announced a campaign by the Labour Inspectorate on the use of algorithms in large technology companies, including digital labour platforms, on their workforce. The investigation aims to guarantee workers' rights. Spain's 'Rider Law' obliges companies to inform worker representatives about algorithms; however, compliance remains an issue. Read [more](#).

India announces implementation of four Labour Codes to simplify and streamline labour laws

Effective on 21 November 2025, the Government of India consolidated 29 existing labour laws into four Labour Codes – the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020. The new framework enhances ease of doing business while expanding wage security, social protection, and workplace safety for workers, including women, migrant, gig, and platform workers. Read [more](#). Over the past decade, India has expanded social-security coverage dramatically, rising from about 19% of the workforce in 2015 to more than 64% in 2025. The implementation of the four Labour Codes marks the next major step in this trajectory, further widening the social-security net and embedding portability of benefits across states and sectors. Read [more](#).

Japan offers working parents flexible work options to promote work-life balance

Amendments to the Childcare and Family Care Leave Act, effective in April and October 2025, mandate that employers offer parents of children aged 3 to elementary school age at least two flexible work options, such as adjusted hours, telework (10+ days/month), childcare facilities, 10 days/year childcare leave, or a shortened workday system, to help balance career and childcare, building on existing support for younger children. These measures aim to increase work-life balance and support families, requiring employers to actively inform and consult with parents about these entitlements. Read [more](#).

Viet Nam reduces unemployment insurance contributions for employees with disabilities

The 2025 Law on Employment, effective 1 January 2026, introduces provisions to reduce unemployment insurance contributions up to 12 months for employers hiring workers with disabilities. The specific reduction levels will be further detailed by the Government. Read [more](#).

Publications

European Commission: Directorate-General for Employment, Social Affairs and Inclusion (DG EMPL), *Employment and Social Developments in Europe Quarterly Review - October 2025: Increasing single adult households: implications for poverty and loneliness*, October 2025

DG EMPL, WIFO Austrian Institute of Economic Research and Angel, S., *Policy review of R&I on access to affordable and good-quality housing – Evidence from the EU*, Publications Office of the European Union, 2025

DG EMPL and Kuypers, S., *Poverty based on income and net wealth – Patterns and trends*, Publications Office of the European Union, 2025

DG EMPL, Aprea, M., Raitano, M. and Subioli, F., *Actual generosity of unemployment benefits in EU countries – A data-driven approach*, Publications Office of the European Union, 2025

DG EMPL, *The 2025 minimum income report – An overview of the implementation of the 2023 Council recommendation on adequate minimum income ensuring active inclusion across EU Member States – Joint report prepared by the Social Protection Committee and DG EMPL*, European Commission, 2025

DG EMPL, *Social Protection Committee annual report 2025 – Review of the Social Protection Performance Monitor (SPPM) and developments in social protection policies – Key social challenges and key messages*, Publications Office of the European Union, 2025

ILO, *World Social Protection Report 2024–26: Regional companion report for Europe and Central Asia*, Geneva: International Labour Office, 2025. © ILO

ILO, *Care to compete: Corporate policies and practices on care and support for employees with disabilities and employees with dependants with disabilities*, Geneva: International Labour Office, 2025. © ILO

ILO, *The new social contract: Towards the second summit for social development*, Geneva: International Labour Office, 2025. © ILO

ILO, *The future of social insurance in Viet Nam: Policy options and recommendations*, Geneva: International Labour Office, 2025. © ILO

ILO Social Protection Spotlight Brief, *Building Rights-Based Unemployment Protection Schemes: Guidance from ILO Social Security Standards*, December 2025

ILO Social Protection Spotlight Brief, *Social Health Protection and the Informal Economy*, December 2025

ILO Brief, *People's Republic of China: The Social Insurance Public Service Platform*, November 2025

Berg, J., Johnston, H. *AI in human resource management: The limits of empiricism*. ILO Working Paper 154. Geneva: International Labour Office, 2025. © ILO

Bergthaller, M., Tessier, L. *Universal Health Insurance Schemes: A comparative analysis of implementation features in*

10 low- and middle-income countries. ILO Working Paper 156. Geneva: International Labour Office, 2025. © ILO

Ministry of Social Development and Family of Chile, ILO and UN Women, Caring for the Future: Redefining Development through Care Policies, November 2025

ADB, Developing innovative community-based long-term care systems and services, November 2025

Conference Of Parties 30 (COP30) leaders' summit, Belem Declaration on Hunger, Poverty, and Human-Centered Climate Action (social protection is placed at the heart of the Declaration), November 2025

Cooke, K., Gaumond, L., Khan, S. and Chandaria, S. (2025) Scoping review on innovative climate financing for social protection in rural areas, Social Protection Technical Assistance, Advice and Resources (STAAR), DAI Global UK Ltd, United Kingdom

OECD (2025), Expanding Social Protection and Addressing Informality in Latin America, OECD Publishing, Paris.

Main Sources

News Archives - Pension Policy International

EU Employment and Social Affairs

Eurofound Platform Economy Database

ILO | Social Protection Platform (social-protection.org)

International Social Security Association Monitor

The Social Security Policy Monitor is produced under the EU-China project "Improving China's Institutional Capacity towards Universal Social Protection (Phase 2)". The contents of this publication do not necessarily reflect the opinion of the European Union.



**Funded by
the European Union**