ADB Elder Care Projects in PRC and Summary of Yichang Case Study

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ADB’s Elder Care Projects in PRC
China has entered aging society

China is faced with a rapidly aging population

In 2000, the number of people aged 65 and over in China reached 88 million, accounting for 6.96% of the total population, marking China’s official entry into an aging society under international standard. The result of the 7th national population census in 2020 shows that the degree of aging is deepening.

According to the forecast of the National Bureau of Statistics, it is estimated that the proportion of the elderly population in PRC will exceed 25% around 2035, and that it will exceed 33% around 2050.

“Two highs, one exceed and one alone” Trend

“High” aging speed. During the 14th 5YP period, China will move from a mildly aging society to a moderately aging society. This process only took about 22 years for China (France and Sweden took 115 and 85 years, respectively).

“High” aged proportion. From 2000 to 2018, the proportion of young-old (aged 60-69)/ mid-old (aged 70-79)/ old population (aged 80 and above) in the total population increased from 6.16%, 3.34%, and 0.96%, to 10.73%, 5.03%, 2.08%. The growth of old population (aged 80+) is the fastest.

The elderly care dependency ratio exceeds that of childcare. The rapid increase in the elderly population will lead to old-age dependency ratio to exceed that of child dependency around 2030, and the responsibility is primarily born on the working-age population group.

The growing scale of Empty Nester. Affected by the miniaturization of families, the elders who live alone are expected to increase from ~18 million (2010) to over 50 million (2050).

Source: Developing the EC Sector Portfolio in PRC: Review of Lessons Learned. ADB
Where ADB started

In early 2010s, the NDRC called for support from MDBs on various sectors, with one of the sectors being aging and elderly care. ADB’s EASS team rapidly responded to the request and seized the opportunity to support the PRC government.

The projects NDRC identified were often focused on the development of high-end retirement villages for high-income population, which does not align with ADB’s mission.

**Critical steps that helped shaped and developed work in the aging and elderly care sector for ADB in PRC**

1. Local Government Capacity Building
2. International Best Practices
3. Evidence-based Needs Assessment and Strategic Planning
4. Business Model Innovation (i.e., PPP)

Focus Shifted...

To building three-tiered model (home-, community- and institution-based) to serve low- to middle-income households, to integration of elderly and health care, and to healthy and age-friendly cities.

Source: Developing the EC Sector Portfolio in PRC: Review of Lessons Learned. ADB
PRC Elder Care Projects Overview

2011

- Promoting Market Innovation in Developing Social Infrastructure: Old Age Caring (KSTDA)

2013

- Social Work Services Policy and Delivery Models for the Elderly with Special Difficulties (KSTDA)
- Strategic Elderly Care Services Development in Yichang (KSTDA)

2016

- Hubai Yichang Comprehensive Elderly Care Demonstration Project (TSTDA)
- Hubai Yichang Comprehensive Elderly Care Demonstration Project (L)

2018

- Public-Private Partnerships Demonstration Program to Transform Delivery of Elderly Care Services in Yichang, Hubai (L)

2021

- National Strategy and Policy Framework on Adapting to the Aging Population (KSTDA)

Regions:
- National
- Yichang
- Hebei
- Guangxi
- Yunnan
- Xiangyang

Projects:
- Hubai Elderly Care Development Project (TSTDA)
- Hubai Elderly Care Development Project (TSTDA & L)
- Guangxi Nanning Vocational Education Demonstration Project (L)
- Demonstration of Guangxi Elderly Care and Health Care Integration and Public-Private Partnership Project (L)
- Development of a Comprehensive Elderly Care System (KSTDA)
- Guangxi Wuzhou: Healthy and Age-Friendly City Development Program (L)
- Guangxi Wuzhou: Healthy and Age-Friendly City Development Program (L)
- Building a Management System for Elderly Health Services in Yunnan Province (KSTDA)
- Support for Development of a Co-financing Mechanism for Community and Home-Based Elderly Care and Health Care Services in Xiangyang (KSTDA)
- Public Service Sector Public–Private Partnership Promotion and Elderly Care Demonstration Project (L)

Source: Developing the EC Sector Portfolio in PRC: Review of Lessons Learned. ADB
PRC Elderly Care Portfolio

**Loan**
- Number: 5
- Total Amount: $542.37 million
- All ongoing

**Knowledge Service Technical Assistance**
- Number: 7
- Total Amount: $3.63 million
- 4 ongoing

Source: Developing the EC Sector Portfolio in PRC: Review of Lessons Learned. ADB
Three-Tiered Elderly Care System

1. Home-based
2. Community-Based
3. Institutional

Social Care
Geriatric Care
Long-term Care
Structural and Non-Structural Interventions

Structural:
- Age-friendly and Gender-sensitive Care Facilities
- ICT Platform

Non-Structural:
- System planning
- EC service management and Strengthening
- Human Resource Development
- Operationalization of Care Facilities
- Public-Private Partnership
Summary of Yichang Case Study
Long-term Engagement

KSTA: Strategic Elderly Care Services Development in Yichang ($0.75 million)

Pre-feasibility Study funded by City Development Initiative For Asia

PPP Demonstration Program to Transform Delivery of Elderly Care Services in Yichang (RBL $50 million)

Hubei Yichang Comprehensive Elderly Care Demonstration Project TRTA ($0.5 million)

Hubei Yichang Comprehensive Elderly Care Demonstration Project ($150 million)
Holistic Approach

KSTA: Yichang Long-term Care Strategic Plan

PPP Project

- Public-Private Partnership and capacity development
- Residential Care
- Community and home-based Care
- Geriatric Medical, Nursing and Dementia Care
- ICT Platform
- Human Resource Development
- Capacity Development for EC management

Comprehensive Demonstration Project
Citywide Coverage

- 16 CECCs
- 2 Geriatric Hospitals
- 4 Institutional Facilities
- 2 HR Development components
- 1 ICT Platform
System Planning

A Demand Driven, Strong Government Willingness, Ownership and Commitment leads to successful implementation

B Alignment with the Direction of National Policy Development

C Engagement with local government agencies and stakeholders

D Specific directions and performance indicators to guide the implementation
Institutional Capacity Development

A Institutional Capacity Development is a key component in Elderly Care System Development

B Whole Project Life Circle Institutional Capacity Development: Project Planning, Design. Key to align on high-level objectives and principles, which are imperative for coordinated and decisive actions

C RBL is a modality that more focus on capacity development the outcome of capacity development is likely to be more sustainable

D Foster effective implementation arrangement to ensure smooth implementation. Strong leadership, cross-sectoral coordination, capable IA.
Human Resource Development

A Demand-driven. expanding needs for other elderly care talents, including management, ICT, architecture design, product design, appraiser etc.

B Full spectrum of education, on-job-training, TEVT school, University. Need to strengthen undergraduate education, particular for geriatric medical, leverage the research capacity and resource of universities

C Training of Trainer, Quality of Teachers

D Curriculum development. Methodology matters. Learning from international experiences
Facility Design

A Need for enhance overall sector design capacity, including the designers and for the project owners as well.

B Design need to take operation, cost and risks into account.

C Participatory design, balance the demand for individual and group

D Regulation of old building rehabilitation needs to be more flexible
Public-Private Partnership

A. Importance of continuous market sounding at different stage of transaction

B. Balance Affordability and Quality Service, How to address availability gap

C. Identify the characteristics of private sector to better inform the transaction structuring

D. Risk Allocation needs to balance the demands of public sector and private sector, short-term of long-term objectives and financial and non-financial objectives
Thank you!

For questions, please contact jbai@adb.org
Elderly Care System Development Forum

A Case Study of Yichang City and International Experience Exchange

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