

POLICY REVIEW

Steps taken to drive silver economy

Guideline urges support for businesses catering to elderly population

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In response to the profound demographic changes and the increasing proportion of elderly citizens the country is seeing, China has put the development of the silver economy high on its work agenda and has taken a series of steps to create an enabling environment for businesses to cater to the unique demands of the aging population.

The forward-looking initiative will not only deliver immediate benefits to ensure the well-being and dignity of older adults, but also yield long-term economic gains that will foster new drivers of development, officials and experts said.

Their comments came after the State Council, China's Cabinet, rolled out a guideline in January to develop the silver economy and improve the livelihoods of seniors — the country's first well-focused policy framework on this front.

The guideline defines the silver economy as a collective term encompassing a series of economic activities aimed at providing products or services to older adults and helping citizens prepare for their twilight years.

The silver economy is characterized by its massive consumer base, extensive industry chains and diverse business models, which cover the primary, secondary and tertiary sectors, said Zhang Shixin, deputy secretary-general of the National Development and Reform Commission, the country's top economic planning agency.

Data released by the National Bureau of Statistics showed that there were 296.97 million people age 60 and above in China by the end of last year, accounting for about 21 percent of the population. The number of people age 65 and above hit 216.76 million, or 15.4 percent of the population.

The sheer size of China's senior population translates into a vast market with considerable purchasing power. As people live longer and healthier lives, their demand for specific products and services increases, potentially sparking the creation of a multitude of new businesses, said Li Jia, deputy head of the Aging Society Research Center at the Pangoal Institution.

By 2035, the scale of China's silver economy will reach an estimated 19 trillion yuan (\$2.9 trillion), accounting for 28 percent of the country's total consumption and 9.6 percent of national GDP, according to a report released by the Fudan Institute of Aging in Shanghai.

The guideline says China will establish some 10 high-level silver economy industrial parks in key regions, including the Beijing-Tianjin-Hebei region, the Yangtze River Delta, the Guangdong-Hong Kong-Macao Greater Bay Area and the Chengdu-Chongqing economic circle.

Addressing urgent concerns and expanding essential services for the elderly will be prioritized to create a supportive environment for the nation's aging population, with dedicated efforts channeled to expanding welfare canter programs, enhancing home-based elderly care accessibility, optimizing senior health services and bridging gaps between urban and rural areas, the guideline said.

By the end of 2022, China had 387,000 elderly care facilities providing a combined 8.29 million beds, according to data from the Ministry of Civil Affairs.

"However, tackling the urban-rural imbalance in elderly care services is a priority for the government, as rural areas face challenges due to the lack of sufficient facilities and lower quality standards," said Chen Gong, director of the Population Research Institute at Peking University.

The government should develop and implement policies that specifically target the urban-rural divide, including financial incentives for care providers to establish facilities in rural areas, regulatory frameworks to ensure quality standards are met, and measures



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ures to encourage healthcare professionals to work in rural areas, Chen added.

Despite the growth of basic services industries such as hospitality and healthcare catering to the elderly population, the diverse, differentiated and personalized needs of older adults are increasingly becoming more pronounced and urgent, analysts said.

They belong to different generations, have varying levels of physical and cognitive abilities, and may come from different cultural and socioeconomic backgrounds, representing different needs and desires, said Lou Feipeng, a researcher at the Postal Savings Bank of China.

The demographic shift and improvements in living standards have resulted in a stronger desire among older adults to enhance their overall well-being and enjoy a higher quality of life. This trend is particularly notable among the post-1960 generation, who have experienced societal and economic changes throughout their lives and hold different expectations compared to previous generations, Lou added.

According to a survey conducted by the People's Bank of China, the country's central bank, residents age 56 to 64 hold more assets compared to other age brackets, positioning them as a key demographic in the

silver economy market.

The survey also revealed that there was a notable shift in consumer behavior and preferences for the aging population between 2014 and 2020, with older adults increasing their investments in social engagement, healthcare and retirement financial services.

To this end, seven key industries with high growth potential have been identified in the guideline, ranging from goods favored by the elderly and smart healthcare products to anti-aging solutions, retirement financial services and senior-friendly tourism.

For instance, by leveraging emerging technologies such as the internet of things, cloud computing, big data and smart hardware, the country aims to provide intelligent products and services that cater to the various needs of older adults, said Liu Ming, director of the commission's department of social development.

In the long run, China should champion the idea of age inclusivity and advocate for universal concepts that transcend age barriers, creating a more age-inclusive socioeconomic environment, said Hu Zushuan, a researcher with the economic forecast department of the State Information Center of China.

To achieve this vision, China should con-

tinue to promote the construction of infrastructure that is barrier free and the development of more senior-friendly society. To that end, efforts are being made to ensure that public spaces, retail outlets, hotels, cultural venues, tourism destinations and sports facilities are accessible and accommodating to people of all ages, Hu added.

As China recognizes the immense potential of the silver economy, it is crucial to acknowledge the challenges that hinder its development. Currently, the country faces issues such as a shortage of specialized talent, a lack of investment motivation and inadequate policy support for certain industries, analysts said.

A survey conducted by the China Research Center on Aging in Beijing indicated that the elderly care service sector is grappling with several pressing issues, including low wages, a scarcity of skilled professionals, and a lack of stability within the workforce.

Addressing this challenge requires the development of training programs, educational initiatives and incentives to attract and retain talent that are key to the silver economy sector, said Xu Hongcai, deputy director of the China Association of Policy Science's Economic Policy Committee.

Policy Digest

Anti-smuggling efforts successful, officials say

A total of 4,959 smuggling cases were investigated last year after the anti-smuggling department of China Customs launched a campaign to crack down on smuggling involving duty-free sales in Hainan province, as well as the trafficking of endangered species, illegal waste, agricultural products and narcotics nationwide.

The General Administration of Customs said on its website Thursday that the products seized had a combined value of 88.61 billion yuan (\$12.31 billion).

In addition, the GAC disclosed information about the top 10 anti-smuggling cases of 2023.

Among them, the anti-smuggling bureau of Shanghai Customs handled two cases involving the smuggling of animal products and seized a total of 18,000 items made from gall-bladders valued at 50 million yuan.

Targeted measures will protect, restore wetlands

China will comprehensively enhance its efforts to protect and restore wetlands with targeted measures, an official said on Friday, which was World Wetlands Day.

Yuan Jiming, an official with the National Forestry and Grassland Administration, said the country will help establish more wetlands of international importance and develop more internationally recognized wetland cities, while also promoting the development of a monitoring and supervision system for national wetland parks.

In recent years, China has continuously strengthened the protection of wetlands, and the country now boasts 56.35 million hectares of the unique ecosystem.

The country has 82 wetlands of international importance, 58 wetlands of national importance, 903 national wetland parks, and 13 internationally recognized wetland cities, Yuan said.

Government looks to give recycling industry a boost

The Chinese government is looking to grow the national recycling industry to boost the consumption of new, green products and promote the sound development of the recycling sector.

According to a notice released by the Ministry of Commerce and eight other central government departments on Thursday, the country is working to achieve a 15 percent increase in the volume of recycled home appliances and furniture by 2025, compared to the volume that was recycled last year.

The circular said that by 2025, a group of cities will be recognized nationally for their efforts to build exemplary systems for the recycling of the items.

Government data shows that last year, there were more than 3 billion home appliances in use in the country, with households across the nation owning a large number of air conditioners, refrigerators and TVs.

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Great potential seen in senior tourism market

By WANG KEJU

The senior tourism market in China has significant growth potential that is driven by factors such as the improved health conditions of older adults, their increased purchasing power and their desire for exploration and leisure in retirement, officials and analysts said.

However, the demands and preferences of senior travelers differ from those who are younger, necessitating innovative approaches and differentiated offerings to cater to this growing demographic, they added.

With the nation seeing rapid socioeconomic growth in recent years, the perception of travel has shifted, and older adults are increasingly embracing the idea of wanderlust, said Liu Ming, director of the social development department of the National Development and

Reform Commission, the country's top economic planning agency.

Senior citizens now account for a substantial portion of the overall travel market. This demographic shift has prompted travel operators and service providers to enhance and diversify their offerings, tailoring them to meet the unique needs and preferences of older travelers, Liu added.

In a survey published by Guoyuan Securities, driven by rising disposable incomes and evolving consumer attitudes, some 81 percent of older adults expressed a clear willingness to travel, with 64 percent of them saying they embark on two or more trips every year.

As the aging population continues to grow and the economy evolves, senior tourism is set to become the fastest-growing sector within the silver economy, according to a report released by the China Tourism Academy in July.

By the end of the 14th Five-Year Plan (2021-25) period, China's domestic senior tourism revenue is projected to reach 1.14 trillion yuan (\$160 billion), the report said, adding that seniors are seeking more than just leisure; they desire travel experiences that offer cultural enrichment, personal growth and opportunities for social engagement.

Traditionally, the senior tourism market has been characterized by a narrow range of products and experiences, and the limited selection has failed to capture the rich diversity of interests and desires within the senior demographic, said Guo Derong, chief analyst at Meadin Academy, a commercial consultancy institute.

The most sought-after senior tourism products can be classified into three main categories: health-focused tour packages, cultural experiences, and family and friendship-oriented travel, Guo said, adding

that these popular options are a response to the unique needs and desires of older adults.

In addition, retirees with an abundance of leisure time are increasingly opting for flexible travel schedules, showing a clear preference for off-peak seasons, according to data from the China Silver Industry Association and Tongcheng Travel.

The findings reveal that senior travelers tend to avoid the cold winter and scorching summer months, with travel peaks occurring between March and May and from September to November.

In a bid to further explore the potential of the senior tourism market, the State Council has issued a guideline to develop the silver economy, with a particular focus on diversifying travel options and creating a more inclusive environment for older adults.

The guideline stresses that travel agencies should place less emphasis on age restrictions and focus more on the health conditions of their customers, and it calls for the improvement of complaint handling mechanisms and

enhanced supervision at the companies. Moreover, efforts will be made to expand the coverage of travel insurance policies to include specific provisions that are tailored to the needs of older adults.

To capitalize on the vast potential of the senior tourism market, travel companies are now investing in research and development to create innovative products and services that cater to the unique requirements of older adults.

Trip.com, a Chinese online travel agency, has introduced quantifiable indicators for group tours, including a minimum of one hour for meals and an additional 20 percent increase in sightseeing time compared to regular tours to enhance travel experiences for older adults.

Additionally, travel portal Tuniu provides all-inclusive travel packages for senior tourists, minimizing additional expenses for self-funded activities and ensuring that the entire itinerary is suitable for older travelers, with a relaxed pace and ample time allocated for each activity.