ASEAN+3 Finance Think-tank Network (AFTN) Seminar

"Dawn of a New Age in the ASEAN+3?"

Shanghai, China | June 6–7, 2024

Organized by: AMRO

Supported by: SNAI 上海国家会计学院 AEPI 亚太财经与发展学院

Seminar Summary

ASEAN+3 Finance Think-tank Network (AFTN) Seminar
"Dawn of a New Age in the ASEAN+3?"

Shanghai, June 6–7, 2024

Seminar Summary[1]

Background

The inaugural ASEAN+3 Finance Think-tank Network (AFTN) Seminar, themed "Dawn of a New Age in the ASEAN+3?", brought together experts, policymakers, and researchers to discuss the economic and financial implications of population aging and explore potential policy recommendations. The event aimed to facilitate dialogue and collaboration among participants to generate insights addressing the challenges and opportunities presented by this demographic shift, with a focus on the medium- and long-term impact on economies in the region. This hybrid seminar was jointly organized by the ASEAN+3 Macroeconomic Research Office (AMRO) and the Chinese Academy of Fiscal Sciences (CAFS), with support from the Shanghai National Accounting Institute (SNAI).

The event attracted a diverse audience, with over 110 participants attending on-site and an additional 50 joining virtually. Attendees included representatives from AFTN member institutions, ASEAN+3 member authorities, and various international organizations. The seminar took place on June 6, 2024, followed by a site visit on June 7 to Lianren Health, a health and medical big data company in Shanghai deployed by the National Health Commission of China.

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[1] This summary was prepared by Allen Ng, Aruhan Rui Shi, Dek Joe Sum, Hongyan Zhao, and Zhai Fan from AMRO.

I. Synthesis Overview

The ASEAN+3 region stands on the cusp of profound demographic shifts that present both challenges and opportunities for policymakers. The region's working population is projected to start shrinking by the second half of this decade, with ten out of 14 economies already in the advanced to late stage of demographic transition (Allen Ng, AMRO). This shift necessitates urgent action and a rethinking of what aging truly means. While the region's rapid aging reflects development success, widespread inequalities and lack of preparedness leave older Asians vulnerable (Aiko Kikkawa, ADB). As China grapples with fiscal pressures from its aging population, additional resource mobilization is needed to ensure sustainable and inclusive growth (Margit Molnar, OECD).

To harness the potential "longevity dividend," policymakers must adopt a comprehensive, lifelong approach that promotes healthy aging, productive work, economic security, and social engagement. Expanding pension coverage, incorporating gender perspectives, and enhancing financial literacy are crucial to enabling older Asians to lead secure and engaged lives (Albert Park, ADB). The multifaceted consequences of rapid aging, from labor force strains to growing demand for healthcare and social welfare services, underscore the need for targeted policies (Sukho Lee, KIF). Bridging the digital divide among older adults (June Park, Middle East Council on Global Affairs) and leveraging smart elderly care platforms (Yixin Yao and Xia Chen, ADBI) can help address these challenges.

The relationship between population aging and economic growth is evolving, demanding a dynamic approach to measuring and addressing its impacts. Using the prospective old-age dependency ratio to account for increasing life expectancy reveals that the contribution of older populations to economic growth has increased since 2000, particularly in service-focused economies (Aruhan Rui Shi and Hongyan Zhao, AMRO). Human capital accumulation and technological advancements play a crucial role in mitigating the negative effects of aging. Model simulations for China project slower economic growth and investment due to aging, but also highlight the potential of adjusting retirement age policies to counter these effects (Fan Zhai, AMRO).

As the ASEAN+3 region navigates this demographic transition, think tanks have a vital role to play in deepening regional cooperation and providing intellectual support. By embracing a forward-looking, strategic, and innovative approach, policymakers can transform the challenges posed by aging into opportunities for inclusive and sustainable growth, turning the demographic dividends of the past into the longevity dividends of the future. The AFTN can contribute to this process by facilitating collaboration on research and discussion, and thus provide policymakers with insights and support as they work to address this and other complex issues faced by the region.

II. Opening Session

Welcome Remarks:
Wenbin Lu, *President, Shanghai National Accounting Institute (SNAI)*

Opening Remarks:
Kouqing Li, *Director, ASEAN+3 Macroeconomic Research Office (AMRO)*

The AFTN Seminar serves as evidence of the region's commitment to action against mounting challenges through joint research and dialogue. Wenbin Lu and Li Kouqing opened the seminar highlighting both the commitment of the AFTN and confidence that it will serve as a bridge to cooperation. In relation to the theme of the seminar on the challenge of population aging, Li highlighted significant demographic shifts in the ASEAN+3 region, including declining fertility rates and a projected contraction in the working population within the next decade. Many ASEAN+3 economies are aging before becoming affluent, raising fiscal concerns over increasing healthcare costs and pension liabilities, and impacting financial stability by altering the demand and supply for savings, leading to declining equilibrium real interest rates. However, the ongoing demographic transition offers growth opportunities, as rising life expectancy transforms the "demographic dividend" into a "longevity dividend," with an older yet healthier workforce contributing to economic growth. Technology will play a crucial role in this transition, enabling advances in medicine, automation, and work platforms, thus boosting productivity and fostering the "silver economy," which serves the needs of people aged 50 and over. Proactive policy responses focusing on quality infrastructure, innovation and inclusivity can mitigate the consequences of rapid aging in the region and transform challenges into opportunities. Comprehensive policies, tailored to each economy, should be enacted urgently to help reap longevity dividends across the region.

III. Keynotes Speeches: "Dawn of a New Age in the ASEAN+3?"

Speakers:
Shangxi Liu, *President, Chinese Academy of Fiscal Sciences (CAFS)*
Armida Salsiah Alisjahbana, *Executive Secretary, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)*
Albert F. Park, *Chief Economist, Asian Development Bank (ADB)*
Tetsushi Sonobe, *Dean and CEO, Asian Development Bank Institute (ADBI)*

The pension insurance system plays an important role in facilitating China's economic transformation. Shangxi Liu highlighted that the country's economy has shifted from high-speed growth to medium-speed and high-quality growth. Key challenges during the transition include high public expectations for government pensions, the slow development of non-profit organizations, and the need to address the urban-rural divide. The pension system faces risks from financial burdens and population mobility, with a heavy reliance on government subsidies. A strategic shift towards using long-term stock market investments has been proposed to utilize pension funds to drive economic growth and innovation. To strengthen the system's sustainability, suggestions include implementing flexible retirement policies, adjusting contribution bases and rates, and promoting national pooling of basic endowment insurance. These measures aim to transform the pension into a long-term economic asset rather than a burden.

Socioeconomic policies should be adaptable to effectively respond to ongoing demographic changes. Armida Salsiah Alisjahbana stressed that demographic shifts are profoundly influencing economic and social policies, as detailed in the [Economic and Social Survey of Asia and the Pacific (2024)](). These shifts impact various fiscal aspects, including labor force participation rates across formal and informal employment sectors, tax revenue generation, and consumer spending patterns, which are transitioning from durable goods to services, particularly healthcare. This transition also signifies a reduced propensity to consume and an increased demand for pensions. On the expenditure side, government spending is scrutinized for its efficiency and impact across critical sectors such as education, healthcare, and social security, which require adjustments proportionate to different age groups. A holistic approach that integrates these factors into government planning is essential, with strategies that include reskilling and upskilling the workforce to alleviate poverty among older generations and considering the postponement of the retirement age to sustain economic stability.

Asia faces significant challenges and opportunities in ensuring that its aging population can age well. Albert Park underscored the importance of wellbeing, social engagement, and the thoughtful design of pension systems. Addressing inequalities in health policies and designing robust pension systems are crucial for harnessing the region's silver dividend. However, given the low pension coverage across the region—with the notable exception of China where coverage is extensive—family transfers remain the primary source of support for older Asians. To improve this situation, he highlighted priorities for pension system design including expanding the coverage of social and contributory pensions, improving work incentives, incorporating a gender perspective into pension rules, and enhancing the financial sustainability of these systems. Furthermore, strengthening financial literacy, inclusion, and preparedness is vital to ensure that the elderly can lead secure and engaged lives. This comprehensive approach is essential for Asia to manage the economic and social impacts of an aging population effectively. More detailed discussions on other factors contributing to aging well in Asia can be found in the ADB report [Aging Well in Asia]().

Think tanks can play a crucial role in helping to bridge communication gaps to foster better coordination and more effective use of resources in social programs. Tetsushi Sonobe highlighted that the fiscal trilemma includes the need to contain debt and deficits, manage spending needs and pressures, and overcome political pressure to taxation. Social spending and the strategic allocation of government resources are pivotal in addressing this trilemma. Sonobe also stressed that the estimates of investment needs are contingent upon the assumptions of fiscal multipliers. However, silos within government departments and ministries make it difficult to eliminate inefficiencies and ensure cohesive policy implementation. Think tanks can play a crucial role in this context, helping to alleviate challenges induced by the fiscal trilemma.

IV. Expert Panel: "Coping with Population Aging – Trends, Challenges, and Opportunities"

Moderator: **Hoe Ee Khor**, *Chief Economist, AMRO*

Panelists:
Allen Ng, *Group Head and Principal Economist, AMRO*
Aiko Kikkawa, *Senior Economist, ADB*
Margit Molnar, *Head of China Desk, OECD*
Maria Ana Lugo, *Lead Economist, the World Bank Group*
Sukho Lee, *Senior Research Fellow, Korea Institute of Finance (KIF)*

The ASEAN+3 region will remain a major driver of global growth, but population aging is complicating the path forward. Allen Ng presented the findings based on the latest AMRO's [ASEAN+3 Regional Economic Outlook](). The region currently stands on the cusp of significant demographic shifts, where the region's total working population is projected to start shrinking by the second half of this decade. Ten of 14 economies are in the advanced to late stage of demographic transition. The region is characterized by a rising share of those aged 65 and above amid declining fertility rates, with the aggregate fertility of 1.4 births per woman, well below the replacement rate. As more and more people in the region is living longer, it necessitates to rethink what 'old' truly means. The challenge is for society to view aging not as a burden to cope with, but as a fundamental shift with opportunities to be harnessed. By rethinking aging, ASEAN+3 can successfully turn the demographic dividend of the past to the longevity dividend of the future. Rethinking aging requires an approach that encompasses all aspects of public policy—and across various phases and facets of life. The current difficulties come not from the continued population aging itself, but from the delayed response to it. Hence, navigating the demographic transition requires urgent and timely action—even for the region's younger populations, as well as population aging-friendly policies and structures are crucial for the "longevity dividend" to materialize.

Developing Asia is aging rapidly, reflecting development success, but the region remains unprepared. Aiko Kikawa presented the findings based on the latest flagship ADB's publication [Aging well in Asia](). Older Asians are vulnerable to persistent burden of lifestyle disease, lack of decent jobs, constrained access to essential services such as health and long-term care, low pension coverage, and growing incidence of loneliness and social isolation. Various factors shape the well-being of people in general, but for older people four inter-connected dimensions are especially important: health, productive work, economic security, and family and social engagement. In addition, population aging in Asia is characterized by wide inequality separating older people across all four dimensions of well-being. Furthermore, healthy aging is central to well-being in old age as good health drives the productivity and economic security of older people while promoting their active social engagement and reducing their long-term care needs. Aging Asia must urgently step up its efforts to help Asians age well through a lifelong, life-cycle approach for the whole population.

Population aging in China is expected to lead to significant fiscal impact and additional resource mobilization is required to ensure sustainable and inclusive growth. Margit Molnar presented the fiscal aspects of aging in China. China is aging rapidly, but currently public spending on pension benefits is relatively low at 8 percent GDP, significantly below the average of OECD countries. While the out-of-pocket share of health spending is share is much higher than OECD average, which is related to the restricted coverage of medicines and

treatments by the health insurance. High health spending relative to disposable incomes is witnessed, especially in rural areas, where incomes are much lower than in urban areas. Spending on long-term care in China is modest, in part due to the recent establishment of such a program. Given the increasing ageing-related spending pressures (including pensions, healthcare and old-age care), more resources are needed to address the rising expenditure costs. Such resources could include a new, recurring real estate tax on the ownership of real estate, widening the personal income tax base as currently not even people earning the average age are taxable, increasing environmental taxes and dividends from state-owned enterprises.

China is soon becoming an aged society where the demographic dividends of the past will turn into a demographic tax in the future. Maria Ana Lugo presented the findings on the recent [World Bank China Economic Update](#) (June 2024) which includes a focus piece that delves into the implications of population aging in China for growth, inequality, and well-being. Population aging may exacerbate China's slowing economic growth mainly through labor supply, productivity and fiscal channels. The demographic transition also presents a challenge to common prosperity. Rapid aging may aggravate inequality in incomes, expenditure needs and, more broadly, well-being. Household expenditures on healthcare and aged care also increase with age, with low-income people being less financially protected to face the rising costs given differences in effective coverage across medical insurance systems. Demand for long-term care is expected to rise, as functional disabilities naturally rise with age. Less educated, often poorer individuals are more likely to need care. Policy directions should be steered towards expanding the labor force, increasing labor productivity, and safeguarding common prosperity.

South Korea faces a significant population aging problem characterized by a rapidly increasing elderly population and a declining birth rate. Sukho Lee shared his view on the population aging in South Korea. The demographic shift is driven by various factors including increased life expectancy, urbanization, and socioeconomic changes. The consequences of population aging are multifaceted. Firstly, there's a strain on the labor force as a smaller working-age population has to support a larger elderly population, leading to potential economic challenges such as decreased productivity and increased healthcare costs. Secondly, there is a growing demand for healthcare and social welfare services, putting pressure on the government to provide adequate support systems. Additionally, there are concerns about pension sustainability and intergenerational equity, as fewer workers contribute to pension schemes while the elderly population draw from them. To address these challenges, the Korean government has implemented various policies aimed at encouraging childbirth and supporting elderly citizens. However, the effectiveness of these policies remains to be seen, and long-term sustainable solutions are needed to mitigate the adverse effects of population aging on Korea's society and economy.

V. Research Panel I: "Population Aging – Productivity and Digitalization"

*Moderator: **Allen Ng**, Group Head and Principal Economist, AMRO*

Papers:
Aruhan Rui Shi and Hongyan Zhao: *"Population Aging in the ASEAN+3: But is 60 the New 40?" AMRO*
Kartini Rahman and Sufrizul Husseini: *"Population Age Structure Change and Labour Productivity: Evidence from Brunei Darussalam", Centre for Strategic and Policy Studies (CSPS), Brunei Darussalam*
June Park, *"Overcoming the Digital Divide in Finance for the Aging Population in South Korea on the Path toward CBDCs", Middle East Council on Global Affairs*
Yixin Yao and Xia Chen, *"Smart Elderly Care Platforms in China: Practice, Challenges, and Optimization Path", ADBI*

Discussants:
Anne Oeking, *Advisor to Director, Office of the Asia and Pacific, International Monetary Fund*
Ngoc Tien Dao, *Vice-President, Foreign Trade University, Vietnam*
Jungwook Kim, *Executive Director, Center for International Development, Korea Development Institute*

The relationship between population aging and economic growth is evolving, necessitating a dynamic approach to measuring and addressing its impacts. Aruhan Rui Shi, based on a study she co-authored with Hongyan Zhao, emphasized that the conventional method of defining the elderly population based on a fixed age threshold can be misleading in the context of increasing life expectancy. To account for this, they proposed using the prospective old-age dependency ratio, which categorizes individuals based on their remaining life expectancy. Their analysis revealed that while aging had a significant negative impact on global economic growth before 1990, this effect has diminished over time. Interestingly, the contribution of populations nearing and beyond retirement age to economic growth has increased since 2000, particularly in service-focused economies. In the ASEAN+3 region, the relationship between aging and growth varied across individual economies, with human capital accumulation and technological advancements playing a crucial role in mitigating the negative effects of aging. Policy recommendations include promoting education, training, innovation, and flexible retirement policies to harness the productivity of older individuals and foster sustained economic growth in the face of demographic shifts.

The relationship between population age structure and labor productivity in Brunei Darussalam is complex, with the elderly exhibiting higher productivity than prime-age adults. Sufrizul Husseini presented his study with Kartini Rahman that challenges conventional wisdom about the relationship between age and productivity in Brunei. Using data from 1991 to 2021, the research found a negative association between prime adults (aged 30-49) and labor productivity, and a positive relationship between the elderly (aged 50-59) and labor productivity. This could be attributed to increasing labor force participation rates of older age groups, likely driven by the raised retirement age from 55 to 60 in 2010. As Brunei is expected to become a super-aged society by 2040, the findings suggest that there is a need to raise the retirement age and implement policies encouraging older people to work, promoting women's employment, active aging, leveraging technology, and boosting middle-aged workers' productivity could be beneficial for the economy and help navigate the challenges of an aging society.

The rapid digitization of finance in South Korea poses challenges for the aging population, necessitating targeted policies to bridge the digital divide. June Park emphasized that while South Korea boasts a highly digitized economy, its rapidly aging population faces significant barriers in adopting mobile banking and other digital financial services. The persistence of cash usage among the elderly, coupled with the closure of bank branches and the increasing complexity of digital financial tools, has led to a growing digital divide. To address this issue, South Korean financial authorities have conducted surveys to assess the landscape of digital finance usage across age groups and have implemented guidelines for banks to develop elderly-friendly mobile banking apps. Additionally, commercial banks have established financial education centers to provide digital literacy training for older adults. As South Korea explores the potential introduction of a central bank digital currency (CBDC), policymakers must carefully consider the implications for the aging population and ensure their inclusion in the design and implementation process. Policy recommendations for ASEAN+3 economies include conducting nationwide surveys on digital payment methods, improving digital financial services based on these findings, and prioritizing the digital financial inclusion of the elderly in CBDC pilot tests and adoption.

Smart elderly care platforms in China offer a promising approach to address the challenges posed by an aging population, but their development and optimization require targeted strategies. Yixin Yao, based on a study she co-authored with Xia Chen, emphasized that China's rapidly aging population has led to an increased demand for tailored elderly care services across various sectors. By leveraging advanced digital technologies, smart elderly care platforms aim to provide comprehensive and intelligent services to elderly individuals. However, the development and optimization of these platforms face challenges related to funding, promotion, technical personnel, financial sustainability, and inconsistent standards. Key policy priorities to address these issues include establishing cross-departmental coordination mechanisms, formulating unified technical standards, achieving integrated management, and enhancing international cooperation. By implementing these targeted strategies, China can enhance the quality and accessibility of elderly care services, ultimately contributing to the well-being of its aging population.

The discussants shared their insights on the presented papers and discussed various related topics. Anne Oeking referenced a previous IMF study, agreeing that the impact of population aging on labor productivity can vary by country, with low-income countries likely to be more negatively affected. She also suggested a more comprehensive analysis of changes in labor participation rates for the Rahman-Husseini paper and a cost-benefit analysis of financial inclusion measures for the Park paper. Ngoc Tien Dao emphasized the importance of a country's own economic structure in determining the relationship between population aging and economic performance. He suggested that more detailed, forward-looking studies on economic structures are necessary and opined that increased investment in physical and institutional infrastructure to meet the needs of the elderly could not only improve their welfare but also enable them to contribute to economic growth. Jungwook Kim introduced his study on the digital divide in Korea. Based on the results of an annual survey on digitalization in Korea, he concluded that digital competence, rather than digital access, is the key factor contributing to the digital divide among the elderly in Korea.

VI. Research Panel II: "Population Aging – Growth, Public Finance, and Health"

Moderator: **Diana Cheong***, Executive Director, CSPS*

Papers:
Fan Zhai, *"Macroeconomic Implications of China's Population Aging: A Dynamic General Equilibrium Analysis", AMRO*
Wen Xu*, "Analysis of Fiscal Policy in Dealing with the Trend of Aging Population in China" CAFS*
Dek Joe Sum, *"Fiscal Management of Social Protection Systems in Selected Asean+3 Economies", AMRO*
Neil Fidelle G. Lomibao and Faith Christian Q. Cacnio, *"Can Filipino Senior Citizens Financially Cover Their Medication Needs? Some Learnings and Policy Implications",* *Bangko Sentral ng Pilipinas Research Academy*

Discussants:
Li Xing, *Vice President, CAFS*
Chi Hun Lee, *Director, Korea Center for International Finance (KCIF)*
Henry Mak, *Senior Manager, Hong Kong Institute for Monetary and Financial Research*

Population aging is projected to slow down economic growth and investment in China based on model simulations. By employing a global computable general equilibrium model with an embedded overlapping generations framework, Fan Zhai examined the impact of China's population transition on macroeconomic variables such as growth and savings. Utilizing the UN's medium and low variant population projections from 2021 to 2100 as demographic shocks, and comparing against a baseline reference scenario with a stationary population, the results indicate a trend toward slower economic growth with an aging population. Key findings reveal that while savings increase and current account balances improve, investment decreases and interest rates are lowered. Furthermore, an increased pension burden contributes to reductions in both GDP and interest rates. However, simulations incorporating a policy shock—a gradual five-year increase in the retirement age from 2021 to 2025—show promising counter-effects: a rise in GDP, an expanded labor force, and reduced pension expenditures. This highlights the significant potential of adjusting retirement age policies in mitigating the economic challenges posed by demographic shifts.

The aging population poses significant challenges to China's fiscal sustainability, necessitating adaptive changes in fiscal policies. Wen Xu highlighted that population aging impacts revenue streams, expenditures, and other fiscal aspects. Necessary fiscal policy adaptations involve clearly assigning risk responsibilities related to aging among the government, enterprises, and individuals, thereby enhancing certainty in responses to demographic shifts. Additionally, coordination between fiscal and other socio-economic policies is essential to create a cohesive approach. Policy recommendations to address these challenges include identifying aging-related fiscal risks, implementing tax reforms, and investing in human capital development. These strategies aim to secure a stable fiscal environment while ensuring the well-being and productivity of an aging population.

Social protection programs are intertwined with fiscal management and sustainability in the context of demographic transition. Dek Joe Sum raised questions about the affordability and sustainability of social protection programs in the context of demographic transitions. He investigated whether current institutional arrangements ensure that government decision-making adequately addresses these factors. The discussion further

explored the mechanisms of public finance management and the essential redistribution processes needed for medium and long-term fiscal sustainability. The methodology and findings reveal that among the eight countries studied—China, Indonesia, Japan, Korea, Malaysia, the Philippines, Thailand, and Singapore—none has distinct procedures for the annual budgeting of social protection programs. Instead, these programs follow the same budgetary processes as other government initiatives. This approach raises concerns about the ability to meet the medium- to long-term needs of social protection in the face of demographic changes.

Filipino seniors can meet their annual expenses, including medication needs, only with additional sources of income, such as wages or remittances. Neil Fidelle Lomibao presented his study with Faith Christian Q. Cacnio that explores the financial coverage of medical needs among senior citizens in the Philippines. They leveraged unique data sets from sources such as the Philippine Department of Health, the Philippine Statistics Authority, and Filipino healthcare professionals. A comprehensive profile was created for Filipino senior citizens across 17 regions, detailing income statements for the average population, private and government pension recipients, and those without any pension. The findings reveal that only 10 percent of seniors receive a government pension, 24 percent a private pension, and a significant 66 percent have no pension at all. Given additional expenses for food and non-medical needs, it becomes evident that Filipino seniors rely heavily on additional sources of income to meet their medication and living expenses.

Discussants made suggestions and posed further questions about the four papers presented. Li Xing stressed that the concept of building an age-friendly society should be integrated into the entire process of economic and social development. She also emphasized the importance of constructing an elderly-friendly financial and tax system. Chi Hun Lee compared the aging processes in China and Korea, highlighting that small-scale policies have not been effective in Korea. Lee suggested that China would require a large-scale policy for effective implementation and raised a question for further consideration: how to find policy solutions and strategies that support an aging population without compromising the employment opportunities and economic prospects of the younger generation. Henry Mak reviewed literature suggesting that involuntary retirement can have unintended consequences for the health of retirees. He also highlighted the importance of promoting the sustainable development of long-term asset markets amid changing demographics.

VII. Experience Sharing Session

***Chunming Wang**, Director of Smart Hospital Development Department, Renji Hospital, School of Medicine, Shanghai Jiaotong University*

Renji Hospital showcases how China is leveraging its smart hospital platform and internet hospital to address the challenges posed by rapidly aging population and improve medical services for the elderly. Chunming Wang shared that China is grappling with a rapidly aging population and increasing demand for medical services among the elderly. Renji Hospital, a leading medical institution in Shanghai, is addressing these challenges through its smart hospital platform and internet hospital. The hospital has developed an online smart core platform that integrates online and offline resources, enabling patients to access a wide range of services conveniently. The platform is equipped with AI-assisted support, centralized reservation, efficient payment and medicine delivery, and specialized outpatient

services. Furthermore, Renji Hospital has introduced an innovative "Internet Hospital + Nursing Home" model to bring high-quality medical care directly to elderly care institutions. This collaboration provides online diagnosis and treatment for nursing home residents, supported by health managers. The hospital has partnered with numerous nursing homes in Shanghai and offers tailored disciplines, projects, and smart medical tests for the elderly. Looking forward, Renji Hospital aims to expand its smart medical system through multilevel cooperation to further empower elderly care services and address the challenges posed by China's aging population.

VIII. Concluding Session

Li Xing, *Vice President, CAFS*

Think tanks can play an important role in addressing population aging challenges and opportunities by deepening regional cooperation and providing intellectual support to the issue. Li Xing expressed gratitude to the participants and acknowledged the discussions about the trends, challenges, and opportunities of coping with population aging, The discussions yielded forward-looking, strategic, comprehensive, and innovative insights, focusing on key issues such as improving labor productivity, leveraging digital technology, and enhancing the social security system. Moving forward, think tanks from each member country should endeavor to provide intellectual support for deepening regional economic cooperation and strengthen academic and scientific research cooperation on macroeconomic policy coordination, sustainable development, and addressing global challenges like climate change, health, population, and development. This will help further expand the influence of the think tank network.

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Appendix: Seminar Agenda

Date/ Time	Event
June 6	

Welcome Session

09:30 – 09:45	**Welcome Remarks:** **Wenbin Lu,** *President, Shanghai National Accounting Institute (SNAI)* **Opening Remarks:** **Kouqing Li**, *Director, ASEAN+3 Macroeconomic Research Office (AMRO)*

Morning Session

09:45 – 10:30	**Keynotes Speeches: "Dawn of a New Age in the ASEAN+3?"** **Shangxi Liu**, *President, Chinese Academy of Fiscal Sciences (CAFS)* **Armida Salsiah Alisjahbana,** *Executive Secretary, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP, virtual)* **Albert F. Park**, *Chief Economist, Asian Development Bank (ADB)* **Tetsushi Sonobe**, *Dean and CEO, Asian Development Bank Institute (ADBI)*
11:00 – 12:15	**Expert Panel: "Coping with Population Aging – Trends, Challenges, and Opportunities"** *Population aging, a worldwide phenomenon, is also affecting many ASEAN+3 economies, irrespective of their development levels. An aging population poses a myriad of economic challenges, including low long-run growth and productivity; higher healthcare costs; and strained public finances from rising public pension and medical provision costs amid lower tax revenues. However, it could also spur reform and innovation to address the problems or mitigate the impact (e.g., pension privatization, capital market development, automation, artificial intelligence) and even improve efficiency and overall quality of life.* **Moderator: Hoe Ee Khor,** *Chief Economist, AMRO* **Allen Ng**, *Group Head, Regional Surveillance Group, AMRO* **Aiko Kikkawa**, *Senior Economist, Economic Research and Development Impact Department, ADB* **Margit Molnar**, *Head of China Desk, Economics Department, OECD* (Virtual) **Maria Ana Lugo**, *Lead Economist and Program Leader for Human Development for China, Mongolia and South Korea, the World Bank Group* **Sukho Lee,** *Senior Research Fellow, Korea Institute of Finance (KIF)*

Afternoon Session

14:00 – 15:15   **Research Panel I: "Population Aging – Productivity and Digitalization"**

Moderator: **Allen Ng**, *Group Head, Regional Surveillance Group, AMRO*

Paper 1: Aruhan Shi and Hongyan Zhao, *AMRO*
"Population Aging in the ASEAN+3: But is 60 the New 40?"
Paper 2: Kartini Rahman and Sufrizul Husseini, *Centre for Strategic and Policy Studies (CSPS), Brunei Darussalam*
"Population Age Structure Change and Labour Productivity: Evidence from Brunei Darussalam"
Paper 3: June Park, *Middle East Council on Global Affairs*
"Overcoming the Digital Divide in Finance for the Aging Population in South Korea on the Path toward CBDCs"
Paper 4: Yixin Yao and Xia Chen, *Asian Development Bank Institute*
"Smart Elderly Care Platforms in China: Practice, Challenges, and Optimization Path"

Commentators:
1. Anne Oeking, *Advisor to Director, Office of the Asia and Pacific, IMF*
2. Ngoc Tien Dao, *Vice-President, Foreign Trade University (FTU), Vietnam*
3. Jungwook Kim, *Executive Director, Center for International Development, Korea Development Institute (KDI)*

15:30 – 16:45   **Research Panel II: "Population Aging – Growth, Public Finance, and Health"**

Moderator: Diana Cheong, *Executive Director, CSPS*

Paper 1: Fan Zhai, *AMRO*
"Macroeconomic Implications of China's Population Aging: A Dynamic General Equilibrium Analysis"
Paper 2: Wen Xu, *CAFS*
"Analysis of Fiscal Policy in Dealing with the Trend of Aging Population in China"
Paper 3: Dek Joe Sum, *AMRO*
"Fiscal Management of Social Protection Systems in Selected Asean+3 Economies"
Paper 4: Neil Fidelle G. Lomibao and Faith Christian Q. Cacnio, *Bangko Sentral ng Pilipinas (BSP)*
"Can Filipino Senior Citizens Financially Cover Their Medication Needs? Some Learnings and Policy Implications"

Commentators:
1. Li Xing*, Vice President, CAFS*
2. Chi Hun Lee, *Director, Korea Center for International Finance (KCIF)*
3. Henry Mak, *Senior Manager, Hong Kong Institute for Monetary and Financial Research (HKMIR)*

16:45 – 17:05	**Experience Sharing:** **Chunming Wang**, *Director, Smart Hospital Development Department, Renji Hospital, Shanghai Jiaotong University School of Medical*
17:05 – 17:15	**Closing Remarks:** **Li Xing,** *Vice President, CAFS*

June 7

08:00 – 11:30	**Site Visit:** **Lianren Health Medical Big Data Technology Co., Ltd. ("Lianren Health")** *Lianren Health was established in November 2019. It is a health and medical big data company deployed by the National Health Commission and led by China Mobile, with its headquarters located in Shanghai. The company focuses on medical informatization technology and medical service operation, to close the loop for the medical and health data industry. It is actively cooperating with various institutions and industrial partners in the medical industry to jointly develop a healthy medical big data ecosystem and promote the formation of new models and formats of health and medical services, to help build a "Healthy China."*