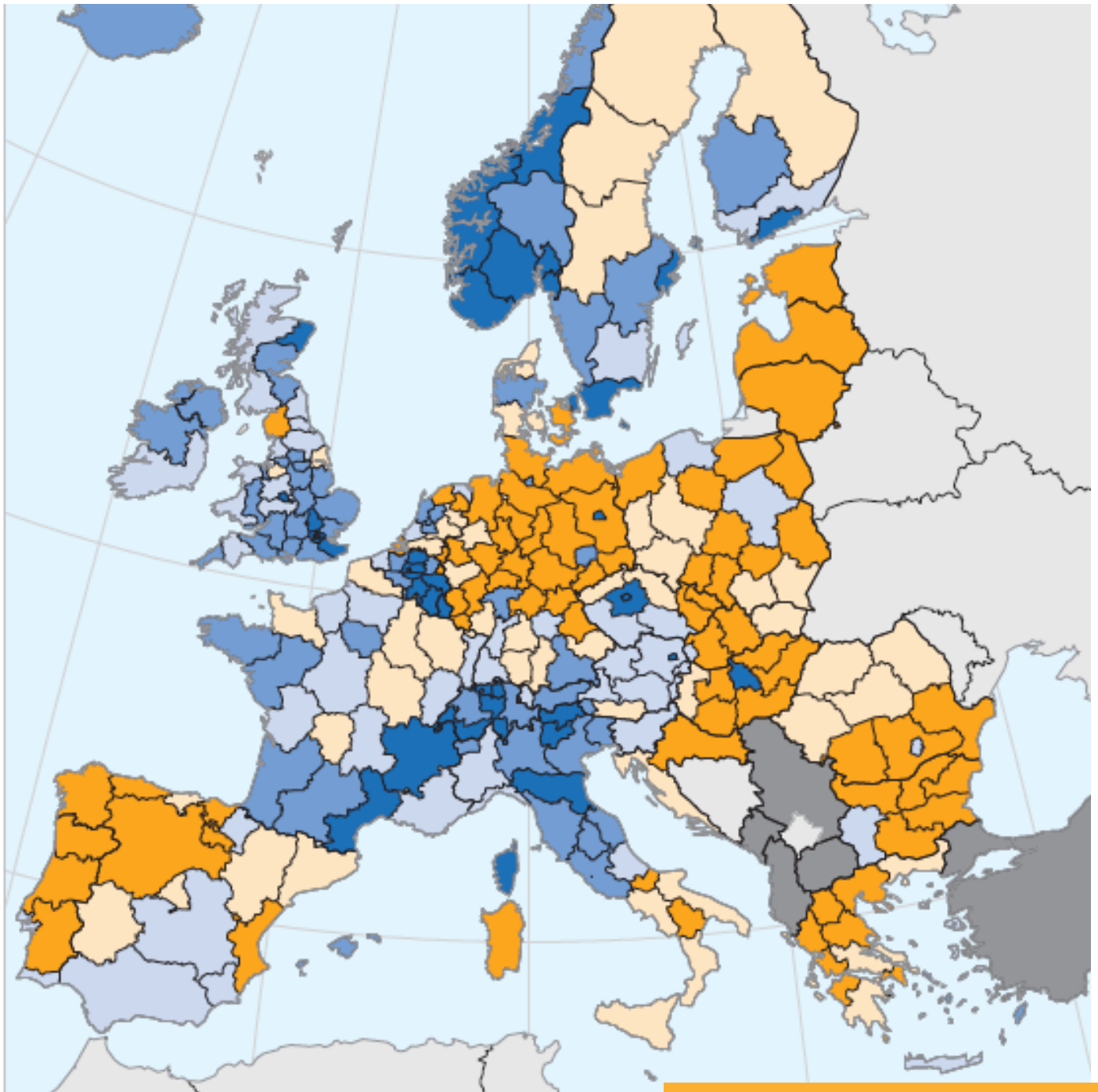


DEMOGRAPHIC CHANGE  
AND REGENERATION OF OUR SOCIETIES:  
FROM CHALLENGES TO LOCAL  
AND REGIONAL OPPORTUNITIES



BUDAPEST 2017

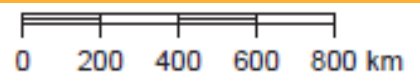


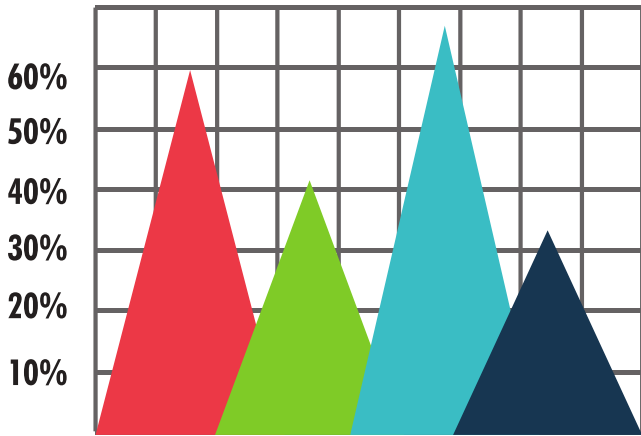
(%)

EU-28 = 3.4

- < -10
- 10 - < 0
- 0 - < 10
- 10 - < 25
- >= 25
- Data not available

Projected percentage change of the population, by NUTS 2 regions, 2015-50 (%)





# EUROPE'S DEMOGRAPHIC

FROM CHALLENGES TO LOCAL AND REGIONAL OPPORTUNITIES

## What is causing demographic change in Europe?

- Continuing low birth rates, due to many factors, notably difficulties in finding a job, the lack and cost of housing, the older age of parents at the birth of their first child, different study, working life and family life choices.
- Continuing increases in longevity as a result of considerable progress made in health care and quality of life in Europe;
- Continuing growth in the number of workers over 60, which will stop around 2030, when the baby-boomer generation will become "elderly";



*Demographic change is one of the major challenges facing European society today. We therefore call for a much more innovative, coordinated and integrated response from the EU, which encompasses all policies - cohesion, innovation, transport, health, employment, rural development.*

**MICHAEL SCHNEIDER**

President of the EPP Group in the European Committee of the Regions



some facts and figures

- the EU-28 population on 1 January 2015 is 508.5 million; projections indicate that it would grow by 3.4 % to reach a peak of 525.6 million in 2048, before beginning to fall to 525.5 million by 2050.
- according to Eurostat, the number of people over 65 will represent 29,5% of the total population by 2060. This figure might even reach 12% of the European population among citizens over 80.
- future population trends suggest that the EU's population will continue to age, with only nine regions in the EU projected to have a lower median age in 2050 than in 2015.
- the social and economic consequences associated with population ageing are likely to have profound implications across Europe, both nationally and regionally.
- local and regional governments are already addressing some of the challenges generated by structural demographic change and turning these into innovative opportunities.



*We need various family friendly policies and actions on every level in order to turn the current demographic winter into a new demographic spring.*

**KINGA GÁL** Member of the European Parliament  
Vice-President of the EPP

# WE SUPPORT MORE FAMILY AND CHILD FRIENDLY ENVIRONMENT

EUROPEAN PEOPLE'S PARTY



The European Union is facing unprecedented demographic changes. These range from an ageing population, to low birth rates, changing family structures and migration. In light of these challenges, it is important, both at EU and at national level (including the subnational levels), to review and adapt existing policies. The EPP recognises that strong families are a precondition for positive demographic developments, and advocates pro-family values and policies.

The EPP sees the need for a more creative and coordinated response from the EU and its Member States, and calls for a European strategy on demographic change and for more family- and child-friendly environments.

This strategy should aim to integrate the economic, social and scientific challenges and increase the potential of the working-age population. It should also stimulate active and healthy ageing and create new opportunities for intergenerational solidarity. Moreover, it should take into account the major disparities between and within Member States, both in terms of life expectancy as well as in living and working conditions.

The EPP strongly values young generations. It wants young people to look at the future with hope and confidence. The EPP strongly believes in the ability of young Europeans to create, to grow and to prosper. The best-educated, best-trained generation in the world deserves more and can achieve more. With hard work, social commitment and political responsibility, the youth of Europe can strengthen our Union.



## HOW CAN EU REGIONAL AND COHESION POLICIES TACKLE DEMOGRAPHIC CHALLENGES?



Cohesion Policy can play an important role in supporting regional adaptation to demographic change and reversing the risks of wider development

gaps between regions due to demographic trends. Most of the priority themes of the ERDF and ESF Structural Funds can address demographic risks. The growing importance of demographic issues is reflected in their increasing prominence in the Cohesion Policy 2007-2013 and 2014-2020 programming periods, even though there is no explicit attention to demographic change among the horizontal principles. It is estimated that in the 2007-2013 period a total of EUR 64.1 billion (19% of the total ERDF, ESF and Cohesion Fund allocated to the Member States) have been dedicated to priority themes directly or indirectly targeting demographic challenges.

### ➔ CAP - Common Agricultural Policy



CAP under its 'second pillar' deals with rural development and helps to tackle demographic challenges. During the 2014-2020 programming period,

efforts are being made to encourage "the development of services and infrastructure leading to social inclusion and reversing trends of social and economic decline and depopulation of rural areas". The ageing of the population is a major concern in rural areas which is why the CAP is promoting generational renewal and women's employment.

### ➔ Towards a more holistic and coordinated approach?

To respond to the ageing challenge requires work across portfolios and sectors. To optimise synergies and impact, steps are being taken towards a joined up Silver Economy Strategy.

Continue reading at next page >

## EUROPE'S DEMOGRAPHIC - EU POLICIES AND PROGRAMMES



Most measures to respond to demographic change are the responsibility of the Member States – central, regional and local government. Nevertheless, the European Union can play a useful role in facilitating the process of adapting to change, since demographic change is a shared concern across the EU.

### YOUTH POLICIES



*By the summer of next year, the Commission will make proposals for the next EU Youth Strategy for the period after 2018. This is about what youth policy at EU level should look like in the future – about what we should do to enable young people to become active, confident citizens.*

**TIBOR NAVRACSICS**

EU Commissioner for Education, Culture, Youth and Sport

Young women and men have a crucial role to play in meeting the many socio-economic, demographic, cultural, environmental and technological challenges and opportunities facing the EU and its citizens today and in the years ahead. This is why despite Member States' overall responsibility for youth policy, the EU has a Youth Strategy in place designed to promote the participation of youth in society, and ensure equal opportunities for young people in work and education. The strategy builds on two pillars: youth specific initiatives in support of education and training across Europe, most notably the Erasmus+ programme, and 'mainstreaming' cross-sector initiatives that ensure youth issues are taken into account when formulating, implementing and evaluating policies and actions in other fields with a significant impact on young people.

### INNOVATION AND RESEARCH POLICIES

Innovation and research policies drive EU initiatives to manage demographic challenges: the flagship Innovation Union initiative under the Europe 2020 strategy has given rise to the European Innovation Partnership on Active and Healthy Ageing; the third pillar of the Horizon 2020 programme considers demographic change as a societal challenge. Other examples are the More Years, Better Lives JPI, the KIC on Innovation for Healthy Living and Active Ageing, and the Ambient Assisted Living programme. In addition, work on a 'Blueprint on Digital innovation for Europe's ageing society in the 21st Century' is ongoing. The Blueprint will mobilise a European innovation ecosystem around a shared-vision of easing the journey of emerging digital 'innovation to market', promote access to finance for innovators active in the Silver Economy and support the mobilisation of structural funds through smart specialisation. It will be revealed at the European Summit on Digital Innovation for Active and Healthy Ageing, which the Commission organised with the European Committee of the Regions in Brussels in December 2016.



# Towards an Age-Friendly Europe

## Covenant on Demographic Change

The Covenant on Demographic Change was launched on 7 December 2015 at the European Committee of the Regions and gathers European public authorities at local, regional and national level as well other relevant stakeholders, committed to developing environments that support active and healthy ageing, enhance independent living and the well-being of older persons, and create a society for all ages. The Covenant builds on the outcomes of the AFE-INNOVNET Thematic Network which mobilises a EU-wide community of local and regional authorities and other stakeholders to support the scaling-up of innovative solutions for age-friendly environments.

### REALISING THE POTENTIAL OF OUR AGEING POPULATION



*Promoting healthy and active ageing is crucial for sustainable social, economic and territorial cohesion in the EU. Local and regional authorities often take the lead in developing new innovative and ICT-based tools for an ageing population and Europe needs more pioneering regions. However, to move from pilot projects to large scale models that can be deployed at national or EU level, cities and regions need the right supportive legal, financial and structural environment which requires action at national and EU level. National and EU investments, including through the European Structural and Investment Funds, are crucially needed to move those local initiatives to a larger scale and to ensure Europe learns to use the enormous resources of the silver potential and thus benefits from the growing silver economy.*



**MARKKU MARKKULA** 1st Vice-President of the European Committee of the Regions

*I believe that a broad, coordinated and integrated European strategy on demographic change is needed. This strategy should have a firm basis in common EU values, equal treatment and human rights. A strategic approach should also involve cost-analysis and projections at national, regional and local level.*

**JUAN VICENTE HERRERA CAMPO** President of Castilla y León

## FROM CHALLENGES TO LOCAL AND REGIONAL OPPORTUNITIES

With the diversity of demographic structure and trends and the increasing importance of regional and local public authorities as policy initiators and service providers, it is vital that the effects of long-term population trends are taken into account in framing medium-term strategies. A number of regions and cities have already been active and are at the forefront of strategic thinking and actions in relation to the demographic challenge.

### CHALLENGES:

- ➔ Austerity measures and reductions in tax revenues, transfers of competence from central authorities and a wider responsibility for service provision without the equivalent transfer of resources are among the challenges faced by LRAs. Changes in demographic patterns and trends also make it necessary to adapt service provision levels and infrastructure such as in health, transport, and social care. They also affect the development of the various regions of the EU and the maintenance of traditional ecosystems and infrastructure.

### OPPORTUNITIES:

- ➔ The so-called 'silver economy', i.e. economic opportunities brought by expenditure related to population ageing and the needs of citizens over the age of 50, is an increasingly important dimension of development strategies for a number of LRAs.
- ➔ Alternative forms of production of services are also envisaged, e.g. through volunteering, civic service or privately organised forms of volunteering can help to organise a more inclusive economy.
- ➔ In health care, more ambitious prevention measures and integrated care policies combined with new technologies make it possible to envisage a more efficient use of public funds.
- ➔ Policies to support families, active ageing and lifelong learning are also seen as opportunities in the context of an ageing society since they can limit the mismatch between job offer and competencies and contribute to social inclusion in an ageing population thereby reducing the need for public measures to compensate for care and isolation.



*The primary objectives of Sofia municipality in the field of demographic policy is to encourage an increase in the birth rate and to help turn the challenge of ageing population into opportunity. Only the implementation of a modern system of accessible social and integrated services will enhance the quality of life of children and families and create a supportive environment for active aging.*

**YORDANKA FANDAKOVA** Mayor of Sofia

## Castilla y León (ES) Population Agenda

The Regional Government of Castilla y León has agreed to a Population Agenda for the period 2010-2020 with measures addressed to three groups: young people, families and immigrants, the population groups that can help reverse negative demographic trends.

- Young people, with measures in the following fields: education, promotion of the access to housing, information and counselling services especially the promotion of youth employment and youth entrepreneurship.
- Families, with measures such as tax benefits, measures promoting work-life balance, housing services and access to public services.
- Immigrants, with measures promoting their full integration into society (reception services, complementary education services, e.g. linguistic and cultural adaptation courses and integration into the labour market).

The agenda contains quantitative indicators that are measured every year and the almost 40 measures contained in the agenda are evaluated every year.

## Opolskie (PL) for Family

*To address depopulation challenges in our region we have developed the 'Opolskie for Family' Plan which provides us with a long-term strategy for the demography of our region. The plan covers the full cycle of life from children - crèche and nursery care, to education and labour market measures, policies that place work as a basis for a safe family and a golden autumn for seniors.*



**ANDRZEJ BUŁA**

Marshal of Opolskie Region (PL)

The holistic programme for a special demographic zone in Opolskie is already starting to show some results in the region. There are a growing number of enterprises in the national economy and an increase of the employment-to-population ratio. On the other hand, there is greater access for women to the labour market as a growing number of children are in care of nursery schools and crèches. There are fewer graduates among the total unemployed and there is a maximal availability of places in social help houses and in day care places for elderly people. Structural Funds have been set aside in the Regional Operational Programme of the Opole Voivodship for 2014-2020, which includes depopulation amongst its Strategic Areas of Intervention and has a budget of around 360 mln € to address this challenge.

## Hungary - Putting Families at the Core: Family Housing Support Program (CSOK)



In an effort to support families with children and counter negative demographic trends, the Hungarian government introduced the innovative Family Housing Allowance Program CSOK, which offers up to 20 million HUF (app 65 000 €) of assistance per family, specifically towards home ownership.

The aim is to make families again the core of European politics. Young couples make important decisions about family, especially about the number of their children, based on the affordability and availability of housing. Understanding those difficult choices, this program aims to alleviate some of their financial challenges, and, as an investment in Hungary's future, it has been designed to provide incentives to married couples to have children they wish for. The assistance includes both the possibility of a grant and a low interest-rate loan to be used for buying a home.

Married couples with children are eligible for grants for the purchase of newly built homes or used homes. A family with three or more children may be eligible to receive up to 10 million HUF for a newly built home; a family with two children may be eligible to receive 2.6 million HUF; and for a family with one child, 600 thousand HUF. Married couples who have or plan on having three or more children may be eligible for a 25-year loan up to 10 million HUF at a fixed, 3 percent interest rate. To be eligible, the applicants must meet certain criteria regarding their status under the social security insurance system and have no criminal record, and, for the low-interest loan, must have a good credit rating.

Since its start 2 years the CSOK programme already helped 50 000 families obtaining more suitable housing, while it also contributed to economic growth and job creation by its economic impacts.

*"The best approach to demographic ageing is the promotion of age-friendly communities where public spaces, transport, housing and local services are conceived with the needs of all generations in mind and where solidarity and cooperation between generations is fostered. Such communities also tend to be more environmentally friendly and conducive to greater social cohesion and better social participation of other vulnerable groups. While many examples of innovative measures that support active and healthy ageing can be found at the local level and social incubators are often local initiatives, a project-based approach is not always effective to achieve a critical mass and long-term sustainability. There is a need for a global strategic vision that encompasses issues from across the board in order to achieve inclusive and supportive environments."*

**ARNOLDAS ABRAMAVIČIUS**

Vice-Mayor of Zarasai, CoR rapporteur on Active Ageing: Innovations, Smart Health, Better Lives



#ageingEU

# EUROPE'S DEMO GRAPHIC

**FROM CHALLENGES TO LOCAL  
AND REGIONAL OPPORTUNITIES**

Demographic change is one of the three major forces reshaping Europe, alongside globalisation and technological evolution. Authorities at all levels have the responsibility to guide the process towards a new balance.



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