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A sustainable demography in a sustainable environment

Our answer to demographic challenges

At EU level, the demographic change is one of the main challenges for the future of Europe, with a level of complexity comparable to the green and digital transition¹.

Europe, like the rest of the world, has been confronted with a series of consecutive crises: the financial and economic crisis from 2008 and 2009, the climate and environment emergency, the sanitary crisis of 2020 and 2021 with the socio-economic crisis linked to it, as well as the consequences of the war in Ukraine. All these, directly or indirectly, have serious effects on the demographic perspective for the EU. We also need to make sure that a different demographic reality within the EU does not lead to polarization and put the internal cohesion under strain.

In order to provide Europe with a sustainable future we need to look for an integrated and comprehensive solution. The ecological system we are building is meant to provide a better world for the next generation. Moreover, we as Socialists and Democrats should opt for a **sustainable demography in a sustainable environment**.

Demographic challenges affect all dimensions of individual and social life. At the same time, we are experiencing a competition at global level, which covers aspects from economy, food safety, climate, defence and security, and technology. The demographic sustainability is an aspect of concern for all the major players. In order to safeguard and to further improve “our” European model, we should act now for the future generations.

¹ In the European Commission demography is a relatively new portfolio, with no specific services in the Commission dealing with the demography. However, there is a lot of expertise in the different Commission services on this particular subject.

Demographically speaking, the EU is an old geopolitical area, with a median age of almost 44 years. One noted an increase of the population 65+ in the last 20 years, which in some regions of the EU count for a quarter of the inhabitants.

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1. State of play in the EU demography

Demographics is a major global trend. Demographic change is shaping and designing the social, economic and territorial landscape. The main dimensions of a political debate in the context of demographics are interlinked:

- The first key issue refers to the **quality of life**, from early years to older age. Access to quality services needs to be available to all people. Employment policies and work environments should be adapted to the needs of both, young and older workers, and conducive to healthy and active ageing.
- The question on freedom of **movement and mobility** poses when it comes to regions facing population decline vs. regions facing an increase in population. This is especially true in regions with shrinking population with low GDP per capita. Without adequate support measures they will encounter big difficulties, e.g. to tackle the “brain drain”, as well as the impact of the demographic change on gender equality.
- A third element touches upon the dimension of **rural vs. urban areas**, with consequences for digitalization, including TICTM (telework and ICT based mobile work) and environmental issues on sustainable and efficient use of the land in the context of the European Green Deal.
- A fourth key issue refers to the **ageing of the society** and the state of the social infrastructure, as well as to such sensitive topics as migration or public health and pension systems. There is a clear correlation between longevity and social status, which calls for tackling demographic challenges with a special attention to the needs of most vulnerable groups, e.g. adequate minimum wage, and pensions. Against this background, we need to discuss the sustainability of the current social infrastructure, public health and pension systems.

Longer life expectancy is a major achievement of health care progress and economic development which puts a strain on financing quality healthcare, especially as the treatments became more common-place, as the need for long-term medical assistance increases with age, and the autonomy and independence of older persons decreases. The EU population is now the oldest in the world.² In addition, can the advances in life expectancy in the EU be matched by advances in a healthy life expectancy? That is a challenge. To achieve that we also need better working and employment conditions for medical care and assistant staff. Furthermore, as informal care is currently a cornerstone of all care systems in the Union, we should acknowledge its value, and improve the social protection and various forms of support for informal carers.

Longer life in better health creates, without any doubt, new opportunities for participation and inclusion of persons in social and economic life, as they grow older. The EU and the Member States need to step up the efforts in combatting age and intersectional³ discrimination, especially in the area of employment and with regard to financial products and services, healthcare, education, training and leisure.

² Demographic outlook for the EU (EP study, 2021).

³ Intersectional discrimination happens when two or multiple grounds operate simultaneously and interact in an inseparable manner, producing distinct and specific forms of discrimination.

Furthermore, long life expectancy depends on the socio-economic context: e.g. good housing, nutrition and lifestyle allow people to expect healthy longer lives.

- Demographics is a major global trend.

- The main policy challenges are interlinked, such as issues of quality of life, freedom of movement and mobility, rural vs. urban areas, as well as the ageing of the society.

2. Challenges for the EU demography

- *The territorial dimension of demography, including the role of demographic decline*
Cooperation with citizens, civil society in general, SMEs, research and scientific institutions could help unleash unique territorial potential, as tailored solutions for different types of territories are needed. The EU has different types of territories, such as capital regions, metropolitan areas, small and medium-sized towns, functional urban areas, rural areas, inner peripheries, peripheral areas, northernmost, sparsely populated areas, islands, coastal areas, mountainous areas, outermost regions, cross-border regions, macro regions, areas of demographic decline and areas in economic transformation and industrial transition. They all have different development potential and challenges. The underlying objective of all public policies should be to increase all citizens' well-being and quality of life.

Though often having lower living costs, more available space, a less polluted environment and a less stressful lifestyle, rural, especially remote and border, areas experience economic downturn.

Rural inhabitants may leave their areas while new inhabitants do not settle in them due to lack of job/education opportunities or career prospects, lack of infrastructure, difficulties in accessing public, including healthcare and transport, as well as fast broadband, services, underperforming local economies, lack of cultural/leisure venues, contributing to gentrification, social exclusion and risk of poverty (as compared to many urban areas).

EU Structural Funds should help to remedy the situation. Lack of capacity, governance and innovation within many local and regional authorities is, however, often a major obstacle to be successful in applying for support through the above mentioned Funds.

Rural areas should be revitalized by changing/updating their infrastructure, in order to bring welfare and healthcare benefits into line with the needs of everyone, especially women, senior citizens, families with children, and provide funding to ensure the availability of care at home and universal healthcare for elderly people, irrespective of their income, age and social status, so as to prevent the depopulation of rural and remote areas.

Furthermore, the Smart Villages initiative, which calls for policies to pay particular attention to overcoming the digital divide between rural and urban areas and to tap into a potential offered by the connectivity and digitalization of rural areas (e. g. by creating public co-working

spaces to facilitate teleworking), could contribute to the revitalization of these areas. Especially the digital connectivity is a key enabler for the diversification of economic activities, having positive impact on employment. Moreover, research and innovation could contribute - through a development of a strong ecosystem with public and private players - to the striving of rural communities. Villages and small towns are catalysts for rural development and should be supported through the European Agricultural Fund for Rural Development (EAFRD), which also should contribute to the needs of rural areas, in particular to those of women' in these areas. Consequently, services and infrastructure reinforcing social and digital inclusion needs to be strengthened under the EAFRD, intended to foster rural development, such as portal-based services, which will help existing rural businesses to connect better with their urban counterparts. We specify the need to foster telecare and the potential of ICTs to provide healthcare and other support services (possibly also social support services) remotely. This would allow reaching out to rural and sparsely populated/depopulated areas through provision of preliminary assistance through digital tools.

Member States and regions should develop innovative concepts for local public transport in order to address, *inter alia*, the challenge of dwindling passenger numbers, lack of infrastructure and quality transport services, primarily in these rural and remote areas. That results in people using their private vehicles, affecting the regions' connectivity and socio-economic development. We need to boost investment in sustainable alternative transport infrastructure, while providing support for purchasing low and zero-emission vehicles. The accessibility, proximity, affordability and quality of public services, and infrastructure is of paramount importance to quality of life and social inclusion, gender equality and alleviates the effects of the demographic change. Needs for greater cost-effectiveness and efficient management can lead to withdrawal of services in certain locations. Not having enough people in the area risk driving service providers, enterprises and social activities to relocate to areas with a better access. New technologies for online services can reduce the sensitivity of remote and depopulated areas to such relocation pressures. However, the importance of direct personal contact and dignified, human-centric approach should continue to play a major role.

Depopulation as well as densely populated areas cause challenges which the Cohesion Policy (CP) has to address, namely to adapt adequately the transport, energy, living and working, digital and social infrastructure.

[- Key factors which affect the demographic change in EU's regions](#)

The attractiveness of a particular region matters when it comes to retaining existing inhabitants and bringing in new ones. Local and regional economies in the EU are highly interconnected and interdependent. Economic and employment prospects are affected by different conditions, which might be beyond the influence of local, regional, national and EU decision-makers. Some places tend to have better economic performance and employment opportunities. This reinforces the relative position of better-off places and further increases disparities and imbalances. Understanding the increasing disparities between flourishing (often metropolitan) areas, which attract young dynamic population, and declining (often

rural) areas, with mostly elderly population left behind, as well as how and why regional needs, triggered by demographic change, significantly differ between territories is essential to ensure that EU policies reflect the reality on the ground, and are responsive to local demands in ways that are fair and balanced for all regions and places and that no one has been left behind.

COVID-19 pandemic exposed many vulnerabilities of Member States and regions. It shed - once more - light on the lack of adequate housing, quality care facilities, sufficient support services, like in case of mental health. Compared to rural areas, cities, towns and suburbs provide better accessibility to services for all age groups. This is especially true for mostly uninhabited and dispersed rural areas where people have to travel considerably longer distances to reach any facility. Therefore an available cross-border health care is an important element to further improve interregional cooperation by addressing the question of a just level playing field.

According to surveys⁴, the number of deaths increased compared to previous periods, mainly in Member States in remote areas with less developed healthcare systems, as well as in urban areas with high population density and high interactions. Moreover, COVID-19 crisis has endangered specific risks for the most deprived and exposed inadequate and insufficient elderly care in many EU Member States.

Demographic developments in the Member States and regions should be statistically measured; local, regional and national databases on demographic development should be reliable and comparable, so that data can be evaluated at Union level and that exchanges of best practices between Member States, regions and localities can be fostered. Statistics have to be up-to-date, gender and age disaggregated (e.g. socio-economic background, disability status) for the purposes of a more efficient and objective political administration, particularly for a more detailed understanding of the intrinsic features of the EU's various territories, which is of relevance for devising policies. Ageing and depopulation will require objective, thorough and comprehensive reassessment of established policies and programs, such as economic, social, environmental, transport policies and programs, which will need to incorporate a long-term perspective. Especially population ageing has an impact on the provision of social infrastructure, such as pension systems, nursing care and healthcare, with local, regional and national authorities having to meet changing demands from various population groups. The question of healthy ageing will become more and more important and it is expected that the positive trend of higher life expectancy will continue, also due to modern medicine and better education.

Furthermore, the European Commission needs to improve the Demographic Vulnerability Index and up-date it every five years in order to show which regions in the EU are particularly vulnerable to demographic change.

As COVID-19 has shown, public investment in social and public health and care systems, which are equally accessible to everyone, especially in exploring the potential of e-health, is

⁴ idem as in footnote 2.

of paramount importance: Member States and regions should ensure good health care in urban, as well as in rural areas, e.g. through the provision of regional medical care gateway clinics and health services which make it possible to combat “medical desertification”. Furthermore, in border regions, through cross-border cooperation between clinics and/or stakeholders, through the Structural Funds, one can promote different measures, such as the ones in the field of telemedicine, or regarding women’s reproductive health and rights, or support active ageing. Therefore, one should create, at EU-level, networks for the exchange of good practices and experiences, in which local, regional and national authorities, as well as civil society participate. Territorial development on joint objectives is essential to increase the resilience of municipalities, regions and Member States in the recovery process. An increased concertation action at all geographical and governance levels is needed to ensure positive future perspectives for all people, so no one is left behind.

Places with “common challenges” could collaborate in finding “common solutions”, such as the Urban Agenda for the EU, an integrated and coordinated approach to deal with the urban dimension, seeking to improve the quality of life in urban areas, and can help the national, regional and local authorities through the participation in its pillars (Better Regulation; Better Funding and Better Knowledge).

- The EU consists of many different types of territories with different potential and challenges. Cooperation with citizens, civil society in general, SMEs, research and scientific institutions could help unleash the unique territorial potential.***
- The accessibility, proximity, affordability and quality of public services, and infrastructure is of paramount importance to quality of life and social inclusion and alleviates the effects of the demographic change.***
- EU Structural Funds have a positive role to play. Lack of capacity and governance within many local and regional authorities is, however, often a major obstacle.***
- Understanding the increasing disparities between flourishing areas and declining (often rural) areas is essential to ensure that EU policies address the reality on the ground. Demographic developments in the Member States regions should be statistically measured in a reliable and comparable way so that data can be evaluated at EU level.***
- COVID-19 pandemic has exposed vulnerabilities of Member States and regions. Continued public investment in social and public health and care systems, especially in e-health, is of paramount importance.***

3. The role of the Cohesion policy instruments in addressing the demographic change

We call for a more proactive approach in demographic policy-making.

Arts. 3, 174, 175 and 349 TFEU promote a balanced and harmonious development between and within Member States, regions, cities and municipalities, as well as ensure “future” for all places and people in the EU. Economic, social and territorial cohesion promote convergence, build an inclusive and sustainable future, and reduce inequalities between better-off places and those that are lagging behind. For this, sector policies, local, regional, national, EU and other authorities, as well as various stakeholders need to participate in decision-making together, both in respect of population ageing and population loss.

Though the EU Structural Funds are mainly used for boosting sustainable economic growth, fighting social divide, enhancing employability of the people and supporting substantial parts of the European Green Deal, they could serve - also in combination with other EU funds - to address issues stemming from demographic change. Joint solutions and synergies can be found by implementing EU policies, including where demographic change is concerned. Therefore, a greater flexibility within the Structural Funds, allowing the Member States to set their priorities through drafting of their programs, is welcomed. Furthermore, a better coordination of EU instruments, in particular EU Structural Funds, EAFRD, European Territorial Cooperation (ETC), Horizon Europe, Recovery and Resilience Facility (RRF), Connecting Europe Facility (CEF) is needed, to ensure a more comprehensive approach to demographic change and to counter the fewer resources available as a consequence of UK’s leaving the European Union (Brexit).

EU Cohesion policy and Rural Development (within the Common Agricultural Policy, CAP) very much help the local and regional authorities invest in regions, especially in those with less prosperous future perspectives, that are lagging behind or suffer from severe and permanent natural or demographic handicaps. The development and implementation of global, EU-wide, national, regional and local strategies taking into account the UN Sustainable Development Goals, with a place-specific approach contributes to long-term development of those places. Building bridges between people with different incomes, educational backgrounds, cultures, and traditions is a key for a harmonious EU. We should facilitate cooperation and increase solidarity between the civil society in order to reduce - with the goal to eliminate - inequalities, segregation, support legal migration and promote social inclusion and everyone’s well-being.

The EU does not just contribute Funds for territorial development but also shapes to a large extent the capacity of local, regional and national authorities to use the Funds, which is very important for areas being affected by both, ageing and depopulation. This helps ensure that the public authorities retain the absorption capacity and the ability to benefit from the EU Structural Funds.

Demographic change is creating new tasks for some local authorities and regions in particular, but should not be viewed purely as a threat, but also as an opportunity. The full range of demographic challenges is principally the task of the Member States, but regions and local authorities must be proactive and benefit from EU support. One example could be the instruments for enhancing the bottom-up approach and multi-level governance, such as Community led local development (CLLD) and Integrated territorial investment (ITI). CLLD

offers help for developing and implementing integrated and tailor-made solutions in remote areas and in areas with lower population density, e.g. regarding the availability of public services for the less mobile aged population. A second example could be permitting local authorities and regions a greater role in deciding whether to receive migrants from third countries directly into their communities, making use of the willingness of many actors to receive migrants and refugees.

Furthermore, the European Social Fund Plus (ESF+) should step up its work to promote employability. EU Structural Funds should tackle youth unemployment more pro-actively and give young people the opportunity to start a proper career; this could be achieved by promoting a better work-life balance, providing job opportunities in regions at risk of depopulation, supporting lifelong learning (LLL), training programs for reskilling and upskilling of workers and entrepreneurship for young people, to ensure their social integration. Regions should develop specific regional and local responses to the needs and difficulties of service provision. Furthermore, the experience and know-how of the “silver generation” should be built on, e.g., coaching projects, different volunteering activities, to facilitate generational changeover, as intergenerational communication offers an opportunity that should be seized. These practices should be supported and fostered.

- A more proactive approach is needed in demographic policy-making as well as a better coordination of available EU instruments to find synergies.

- Although demographic change is principally a task of the Member States, it creates new challenges for regions and local authorities. EU support can help regions and local authorities to be more active, for example by developing and implementing integrated and tailor-made solutions in remote areas and in areas with lower population density.

- The use of ESF+ should be stepped up to promote employability, tackle youth unemployment more pro-actively and give young people the opportunity to start a proper career.

4. The impact of demographic change on our social market economy

The impact of Europe’s demographic change can be directly and indirectly felt across our economy and society.

- A better inclusion of women, disabled and elderly

Achieving gender equality, as stipulated in the current Common Provisions Regulation (CPR), is an important step forward that could help us face demographic challenges. The CP should promote the inclusion of women and support should be given with a view to raising lifelong learning (LLL) programs. It is of utmost importance to ensure that everyone, regardless of gender, has the right to work, and to balance professional and private life. The importance of

a larger and more inclusive labour market calls for effective employment policies aimed at making the principles of the European Pillar of Social Rights more concrete, and fighting the low quality jobs and poor working conditions. For us the way forward is gender-budgeting in planning, promotion of campaigns breaking with stereotypes, paving the way to free choices for both women and men and the equal earner, equal career model e.g., through ensuring adequate periods of gender-neutral paid parental leave and by providing universally available, affordable, reliable, all-day childcare facilities of high quality for children, including facilities and opportunities for pre-school learning, in order to prevent depopulation.

Senior citizens, after retirement, experience a drop in income. Among them, the most in need are those having disabilities, mental or physical illnesses, as well as women due to their pay/employment gaps (interrupted careers, lack of skills etc.). Lack of access to universal, effective and adequate social security, poor access to social services (health, long-term care services) put them at risk of poverty and social exclusion. The protection of elderly people against the poverty and exclusion should start with secure and quality jobs, fair remuneration and full access to social security. Investments in social housing and essential public services should be made to increase their accessibility and affordability to all. Innovative solutions, such as intergenerational housing, should be supported with a view of reducing housing costs and forging intergenerational ties.

Intergenerational housing, co-housing projects or public centres, such as kindergartens, integrated into residencies, give the senior citizens opportunity to take care of children. A new model of urban planning, with more greenery and recreational spaces, should be adopted, as contact with nature is essential to anyone's (mental) health.

We need a comprehensive EU Mental Health Strategy, as well as a framework directive on long-term care that establishes fundamental principles for accessible and quality long-term care and support services throughout the EU.

Housing, including social housing, for low and medium-income households, should be adapted to the needs of young families, older persons, persons with disabilities and functional limitations.

The Action plan for EPSR includes important measures, such as implementation of the Green Deal, through the Renovation Wave initiative, the Commission recommendation on Energy poverty, the future revision of the Energy Efficiency directive etc. This will help to alleviate energy poverty, increase the quality of housing, especially for those with low and medium-income households.

- [Regional aspects of ageing and demographic change](#)

The main problems relating to the demographic change in the EU are brought on by disruption of the age pyramid: a drop in birth rates, low mortality rates, and, consequently, ageing of society, smaller households, increasing urbanisation, implications on social infrastructure, social systems and public health, workforce migration, e.g. young people moving away for want of job opportunities. The impact of these trends differs significantly from one region or Member State to another depending on factors such as the intensity and speed at which

change occurs or where it affects regions with positive net immigration or regions with a shrinking population, whether it is urban, suburban or rural area. We need to invest in “silver economy”, in LLL and in training, to retain older workers’ participation in the labour market, especially in the context of the digital and green transition.

Population trends pose new societal, economic challenges, along with their impact on the environment. They are not new but have now increased with an unprecedented intensity. These trends are driven by an imbalanced access to markets and qualified labour, as well as disparities in quality of governance and public services.

Regions with sharp decline in working-age population are particularly hit by demographic challenges: lack of investment, poor infrastructure, low connectivity rates, limited access to social services and lack of jobs are key contributory factors to depopulation. On the other hand, population decline increases ageing in territories, independent of whether or not this is a rural or a mountainous area, a town or a city.

In all EU Member States, the age group 65-69 has quite a low level of employment. One of the options would be to keep these people in the labour market, if they want to, and give them incentives to contribute longer to society. This so-called “silver economy” not only involves ageing population in economy, but also improves their quality of life and inclusion into society.

- Mobility, migration and integration in Europe

Population dynamics, like ageing and substantial migration flows into the EU (as we experience them now because of the war in Ukraine), as well as within a Member State or the EU, pose challenges to the Member State, but also opportunities. Internal migration is an expression of free labour mobility. However, this phenomenon goes hand in hand with a “brain drain” of skilled workers (see also below). Indeed, migration of qualified workforce from the low-wage to higher-wage Member States with better social security and higher standard of living is having a negative impact on the age structure of the population. Migration brings, however, diversity, allows to stem the negative impact of demographic change, and, if managed successfully, can bring a number of benefits to EU’s ageing regions. A better integration and support of migrants needs to be pursued (as especially migrants from third countries are a very diverse group in terms of education, skills, culture and language), in order to contribute to the balanced development of the regions. Consequently, one of the aims of the current European Regional Development Fund/Cohesion Fund (ERDF/CF) is the inclusive integration of third country nationals, including migrants, while protecting their dignity and rights. This needs to be seen together with the funding for integration provided under the ESF+, and under the Asylum, Migration and Integration Fund (AMIF), the latter of which is targeted primarily at third country nationals who are at an early phase of their integration process and who need particular attention. It is important to ensure that the ERDF, the ESF+ and the AMIF are used in ways that are complementary and reinforcing, when it comes to integration of third country nationals in the EU, and that no categories of third country nationals slip through the gap, by falling in-between the funding opportunities offered by those respective funds. Otherwise, these demographic dynamics may have severe

social implications, including increased social exclusion and inequalities, as well as challenges for public service provision, labour markets and housing, and local, regional and national development. Ageing and migration often mean a further concentration of people in (sub)urban areas along with depopulation of rural and remote areas.

The S&D Group has long been a strong advocate of legal migration. This includes attracting talented third country nationals to come and work in the EU, offering a perspective to those third country nationals who are considering migrating to the EU, and presenting an alternative to those fleeing their homelands rather than paying criminal smugglers or using dangerous routes. Advocating improved legal migration policy at EU level is even more important in view of the demographic challenges the EU is facing and should support with a positive narrative on migration.

- The “brain drain” - the local, regional, national, European and global dimension

While disaggregated and updated data is currently insufficient to gauge fully the EU’s ability to attract and retain foreign students, teachers, trainers and researchers, the evidence available suggests that English-speaking countries are the most attractive student destinations overall, with United States, United Kingdom, Australia and Canada receiving more than 40% of all internationally mobile students in OECD and partner countries.⁵ The EU is another key geographical area for inward mobility, but it seems to attract mostly students from abroad (another Member State or a non-member country) at bachelor’s (43, 4%) or master’s (45%) level while very few doctoral students (9,2%) choose an EU university as their basis.⁶

We should create a framework that initiate a constructive competition for “brain gain” in the EU, locally, regionally, nationally and at the EU level. At the EU level, this should involve the coordination of targeted outreach, comprehensive sharing and effective implementation of best practices. The proportion of highly qualified people migrating within the EU is above average and is mostly justified by better living or working conditions in the chosen "receiving region". The threat of this trend worsening could be mitigated by targeted expansion of the most modern digital network infrastructure possible in remote regions in combination with the establishment of "green jobs" and / or location-independent, digital work opportunities there. In addition, high-quality educational opportunities along the entire education chain, from early childhood education to school education, vocational training and continuing education, and adult education, shall remain accessible, especially in remote regions, and shall remain easily compatible with "normal" daily life and work routines. Regions die out if distances, for example to kindergartens or to institutions of vocational education, cannot be managed in a time of 30 minutes / way. The availability of a wide range of educational opportunities that go beyond employment skills, as well as cultural offerings, is just as important as affordable housing when it comes to deciding where people settle. In addition

⁵ OECD. (2020). *Indicator B6. What is the profile of internationally mobile students?. Education at a Glance 2021 : OECD Indicators.* <https://www.oecd-ilibrary.org/sites/974729f4-en/index.html?itemId=/content/component/974729f4-en>

⁶ Eurostat. Statistics Explained. (2020, October). *Learning Mobility Statistics.* https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Learning_mobility_statistics

to workspace, talented people want inspiring living space that allows for individual self-fulfilment. Just having a supermarket, local museum and elementary school within easy reach of the workplace is by no means enough for sustainable talent settlements. **That is why socialists and democrats are fighting resolutely to see money in favour of education, youth facilities and culture not as expenditures but as investments in the future. A demographically robust education system recognizes the skills and competencies of its students and strengthens them at place, even in the face of very different prerequisites.**

Therefore, **we call for an integrated EU strategy on brain gain**, revolving around (i) **tailored measures to support local innovation hubs involving higher education as well as vocational education institutions, local authorities, civil society, business and SMEs**; (ii) **stronger synergies between initiatives such as the European Education Area, the European Higher Education Area and the European Research Area, as well as the EU Youth strategy, to achieve an attractive and effective European Education, Training and Research Area**; (iii) **a regular assessment of the levels of quality of life in the EU taking into account access to quality education, vocational training and lifelong learning**, along with quality employment, working conditions and career prospects, and other parameters that define the attractiveness of place of establishment, including access to quality healthcare systems and infrastructures (e.g. rail, road as well as broadband connectivity).

Such a strategy should address the wider structural gaps related to the lack of infrastructures and smart digital tools as key elements to enhance the attractiveness of the EU and its Member States as a learning and working destination. The recent adoption of the revised Blue Card Directive should help in this regard, but further steps are needed. Cooperation with other public authorities facing the same challenges and sharing objectives and results are recommended. It is therefore important to establish a dialogue with learners as well as young skilled people to switch towards a talent-based growth and to identify key sectors and goals, which might be a promising venue. Regions experiencing population decline also suffer from age and gender imbalances due to out-migration. At the same time, women are often at risk of poverty and social exclusion. Therefore, and in order to guarantee an inclusive approach based on fundamental rights, plans concerning demography need to be age and gender-sensitive, and focus on how to foster gender equality. Policies addressing demographic challenges should take an inclusive, rights and evidence-based, people-centred approach, fostering the role of women that - with feminisation of formal and informal care - tends to be highly undervalued.

- [The dynamic in urban areas versus the dynamic in rural areas](#)

The EU has become more urban, an increasing share of the EU population lives and works in urban areas. It is widely expected that these patterns will continue to grow. Many of the EU's largest cities attract both EU citizens and third country nationals, and therefore their population numbers tend to increase at a faster pace than national averages.

Cities and urban areas are often seen as centres of economic growth and wealth, especially the capital cities, e.g. due to attractive conditions for investments, developed regional

infrastructures, higher levels of research, development and innovation activities, access to good education, skilled labour force etc. Cities and urban areas are also determined by broader “quality of life”-factors related to education, jobs, social experience, culture, sports and leisure facilities, environment, urban infrastructure. Most cities are historically grown centres of outstanding cultural value, places of pluralism and creativity. Open public spaces allow people to interact, exchange and integrate into society.

As they offer job and education opportunities, urban areas are appealing to young people. These areas face, however, a range of complex social challenges: exclusion of poorer people and families from the city centres and expensive suburbs, supply of affordable housing, homelessness, the provision of efficient/affordable transport services for all. Consequently, many senior citizens, as well as young families, tend to (or have to) move to less expensive locations (e.g. less expensive suburbs or rural areas).

These social and economic consequences have a spatial dimension (segregation within towns, cities, rural areas or regions, within regions or Member States and within the EU). The highest risk of poverty or social exclusion, unemployment in most of the western and northern Member States affects people living in cities. On the other hand, the highest risk of poverty or social exclusion for many of the eastern, southern and Baltic Member States is usually recorded among rural populations.

Cities and urban areas have to be part of the transition towards a climate neutral EU with a focus on efficiency, while giving a place to telework, circular economy and the best use of land and resources. The climate impact, the impact on nature, as well as the use of space is determined by how we work and live. A fresh focus on design, technology and architecture (e.g. the European Bauhaus initiative), renovation and revitalization, can help in the build-up towards a climate neutral city by 2050 - with less pollution, more green spaces (e.g. trees, parks) and a better life quality.

We need inclusive, sustainable, adaptable and affordable urban places which make them more attractive and greener for people to work and to live in. It is essential that local, regional and national authorities plan for high quality and inclusive design when considering development in our cities, towns and villages and that urban and regional planning take greater account of changing infrastructure uses, including by revitalizing and restructuring inner cities; an area, where cooperation with private partners is also important. One of the priorities for urban policy should be to develop elderly-and family- friendly towns and cities and promoting pollution-free and sustainable multimodal mobility with a focus on public transport, shared mobility, walking and cycling.

Most urban areas still have to make significant investments to promote green transport and renewable energy, mitigate climate change, cut their greenhouse gas (GHG) emissions, recycle more and collect and treat their wastewater appropriately. All forms of pollution such as water, soil, noise, light and air need to be tackled. For instance, air pollution in many of our

cities still remains a big health risk, as these cities do not comply with EU air quality directives and causes around 400,000 of deaths per year in the EU⁷.

Small towns in regions with a positive net migration have a particularly important role to play as service centres. It should be noted that rural depopulation has a negative knock-off effect on urban areas, whereas socially vibrant rural areas constitute a public good. Member States, regions and municipalities should prevent the social exclusion and poverty of senior citizens, e.g. by establishing specific regional and local responses to the needs and difficulties of service provision for their citizens of all ages. In addition, housing, including social housing for low- and medium-income households, should be adapted to the needs of young families and elderly.

- Gender equality is a key dimension in addressing demographic challenges and to ensure that everyone, regardless of gender, has the right to work, and to balance professional and private life. The importance of a larger and more inclusive labour market calls for a range of effective employment policies.

- Population dynamics, like ageing and substantial migration flows into the EU, as well as within a Member State or the EU, pose challenges, but also opportunities. A better integration and support of legal migrants needs to be pursued, in order to contribute to the balanced development of the regions.

- Policy recommendations and measures should be designed to tackle “brain-drain” together with population decline. We need an integrated EU strategy on “brain drain”.

- Urban places need to be inclusive, sustainable, adaptable and affordable for people to work and live in. Cities and urban areas have to be part of the transition towards a climate neutral EU with a focus on efficiency, circular economy and best use of land and resources.

- Member States, regions and municipalities should prevent the social exclusion and poverty of elderly by establishing specific regional and local responses to the needs and difficulties of service provision for citizens of all ages. In addition, housing, including social housing for low- and medium-income households, should be adapted to the needs of young families and senior citizens.

5. The role of demography in the transition to sustainable societies: the twin transition - green and digital

⁷Latest estimates by the European Environmental Agency (EEA).

Digitalization is shaping economic and societal development in the EU. Different technologies will transform the labour market significantly. This puts pressure on multilevel governance to constantly innovate, engage in stakeholders dialogue to prepare for transitions and to shape policies and prepare effectively: EUROSTAT projections say, *inter alia*, there will be less students, less working-age persons to support the remainder of the population, as well as a higher proportion of "silver generation".

Climate change mitigation and adaptation actions can bring new development opportunities for places, e.g. for sustainable tourism (also to less well-known areas or low-season tourism), agriculture, organic, green, blue and circular economies, and renewable energy production. Achieving zero net emissions by 2050 requires decarbonisation actions all over Europe and these actions are intensified because of the consequences of the war in Ukraine. The economic, social and environmental costs of this transition are particularly high for territories and populations most dependent on fossil fuels and on industries, which emit GHG. Just Transition Fund (JTF) will help on the socio-economic consequences of this transition. The objective of just transition is to ensure that progress towards a climate-neutral society happens in a fair way that leaves no place and no person behind, and delivers a high quality of life for all.

This also requires taking into consideration data protection and privacy rights, e-government and EU digital transformation. Divides in education, digital skills and broadband access are major factor in increased inequalities. Elderly people living in remote rural areas (e.g. mountainous areas or on islands) are often at risk of being excluded from digital transformation processes. Education and LLL become more and more relevant.

Loss of biodiversity poses severe risks to eco-systems and long-term living conditions. This negatively affects livelihoods, our health, quality of life and local economies. It increases land and coast destruction and use, pollution, noise, soil sealing and urban sprawl reduce open spaces, biodiversity and fertile soil, while also contributing to "urban heat islands". At the same time, abandoned, derelict and underused sites offer potential for land-use changes. Access to clean water, air, soil, affordable energy supply is a human right. Nature, landscape and cultural heritage are local and regional development assets that offer unique opportunities for development and high-quality living environments. Sustainable and efficient use of resources should benefit local communities and promote local business opportunities.

Demographic change has a negative impact on environmental sustainability (e.g. increasing soil sealing and non-sustainable construction affects eco-systems, nature conservation, land use and biodiversity), including on climate change and transition to a climate-neutral EU by 2050 at the latest.

Furthermore, climate change has also exposed vulnerabilities of people: long, hot, dry summers have brought to the fore the discrepancies which exist between people living in a small apartment in a densely populated urban area and others which have the opportunity of leisure time in the suburban/rural garden. Therefore, access to green areas (e.g. public parks) is of a paramount importance for city dwellers, especially families with children and elderly who suffer the most from heat waves.

A specific topic in bringing digitalisation, environment and demographics together is the trend in the telework and ICT based mobile work (TICTM). Telework and mobile work can reduce carbon footprint due to a reduction of daily commuting. Mobile work and telework can make rural areas more attractive, compared to other regions. This can also slow-down the depopulation of areas or even reverse this trend.

- Digitalization is shaping economic and societal development in the EU. Technologies will transform the labour market significantly, putting pressure on multilevel governance to innovate, engage in stakeholders dialogue and prepare for transitions, such as telework possibilities in rural areas.

- Climate change mitigation and adaptation actions can bring new development opportunities for places, e.g. for sustainable tourism, agriculture, organic, green, blue and circular economies, and renewable energy production.

- Demographic change has a negative impact on environmental sustainability (e.g. increasing soil sealing and non-sustainable construction negatively affects eco-systems, nature conservation, land use and biodiversity), including on climate change and transition to a climate-neutral EU.

6. The geopolitics of demographics - EU in the world

Future demographics divide the world into two: one that is growing, and another one that is shrinking. According to the UN Statistical Division and Eurostat (EU27), the share of EU citizens to the world population is going down. In 1900, Europeans represented around 25 % of the world population, in 1960 about 11 %, in 2015 ca. 6 % and in the year 2060 only 4 %. Quality of life and well-being are of course an important element to be taken into account, next to the bare figures.

Concerning future population projections, various elements will have to be included into computation: fertility, mortality, as well as migration flows. In this last regard, external migration especially is a key structural component of this dynamic. Although, in itself, migration cannot reverse the negative demographic trends in Europe, legal pathways to the EU represent a much-needed opportunity to address the shrinking European workforce and ageing population, as outlined in the previous chapters. Precisely, with the exception of Africa, the question of the ageing population is becoming more and more acute on the other continents. It further creates striking economic and societal consequences, such as the increasing wealth distribution disparity and the increase in the global surplus of savings.

Rapid population growth and climate change can have serious consequences for the well-being of humanity worldwide. The increasing population in the African continent is

unprecedented in history, which will double by 2050. It is not only a problem in numbers but also of human wellbeing, prosperity and of human development.

The countries in the Global South need to ensure that poverty and inequality do not worsen and that there is inclusive sustainable development for all with the current and future levels of population growth. The challenges are important, such as providing essential social services including quality health and education, housing, transport, sanitation, and security. Another important aspect to be addressed is youth and unemployment.

Food supplies and agricultural production must also be increased to meet the needs of a rapidly growing population.

Rapid population growth rates also have ramifications for political and social conflicts among different ethnic, religious, linguistic and social groups in countries in the Global South.

In that respect, the EU and its Member States as well as the international partners have to double all efforts for the implementation of Agenda 2030 and the relevant SDGs, leaving no one behind.

However, one factor above all is highly disruptive to demography: war. The Russian aggression against Ukraine is an extreme example of such disruption, with war casualties, families being broken up and birth rates plummeting. Already before the Russia's invasion of 24 February 2022, Ukraine had the lowest fertility rate in Europe, with only 1.2 children per woman. Now, with a big part of the population displaced and millions of refugees outside of Ukraine, mostly women and children, the already negative demographic trends have been further accelerated and will affect the generations to come. Ukraine will need EU's help and the EU must live up to its values and commitments.

- ***EUs share of the world population is projected to go down.***
- ***Legal pathways to the EU represent a much-needed opportunity to address the shrinking European workforce and ageing population.***
- ***Rapid population growth can have serious consequences for the well-being of humanity worldwide.***
- ***Poverty and inequality must be tackled and inclusive sustainable development for all.***
- ***EU and its Member States as well as the international partners have to double all efforts for the implementation of Agenda 2030 and the relevant SDGs, leaving no one behind.***
- ***Ukraine will need EU's help and the EU must live up to its values and commitments.***

References

The S&D Group has been addressing in depth the problem of demographic change. It launched INI reports in the Committee on Regional Development which were adopted by the EP:

- in previous legislatures:

[Kerstin Westphal report on “Demographic change and its consequences for the cohesion policy”](#) (2011);

[Iratxe Garcia Perez report on “Deployment of cohesion policy instruments by regions to address demographic change”](#) (2017).

- in this legislature:

S&D Contribution to the [Daniel Buda \(EPP\) report on “Reversing demographic trends in EU regions using cohesion policy instruments”](#) (Shadow Rapporteur C. Maestre Martin de Almagro) (2021).

Further to the INI reports, adopted by the EP, are taken into account:

- [Cohesion Policy legal framework 2021 - 2027](#) including Common Provisions Regulations (CPR), European Regional and Development Fund and the Cohesion Fund (ERDF-CF), Just Transition Fund (JTF) and others

- [UN Sustainable Development Goals](#) (2015)

- [Paris Agreement](#) (2015)

- [UN New Urban agenda](#) (2016)

- [Urban Agenda for the EU](#) (2016)

- [Cork 2.0. Declaration on a Better Life in Rural Areas](#) (2016)

- [European Pillar of Social Rights](#) (2017) and its Action Plan (2021)

- [GLOBAL TRENDS TO 2030: Challenges and Choices for Europe \(ESPAS - European Strategy and Policy Analysis System; An inter-institutional EU project\)](#) (2019)

- [EC White Paper on the Future of Europe](#), Reflections and scenarios for the EU27 by 2025 (2017)

- [Addressing brain drain](#): The local and regional dimension (European Committee of the Regions 2018)

- [COM reflection paper “Towards a Sustainable Europe by 2030”](#) (2019)

- [OECD principles on Urban policy and Rural policy](#) (2019)

- [Briefing \(EPRS\) Demographic trends in EU regions](#) (2019)

- [European Green Deal](#) (2019)
- [Council conclusions “Towards an ever more sustainable Union by 2030”](#) (2019)
- [EC report on the Impact of Demographic Change in Europe](#) (2020)
- [New Leipzig Charter](#) (2020)
- [Council’s “Territorial Agenda 2030”](#) (2020)
- [Demographic outlook for the EU](#) (EP study, 2021)
- [EP Study for REGI Committee on Cohesion Policy and Climate Change](#) (2021)
- [S&D Group Position paper](#) on Gender equality and Women’s rights (2021)
- [S&D Group position paper](#): Towards a European Mental Health Strategy (2022)
- [EC Communication on Attracting skills and talent to the EU](#) (2022)
- [S&D webinar](#) on Demographic challenges on 16/11/2021, with representatives of the European Commission, academics and other known experts on the topic of demography.