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REPORT

on the deployment of cohesion policy instruments by regions to address
demographic change
(2016/2245(INI))

Committee on Regional Development

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the deployment of cohesion policy instruments by regions to address demographic change (2016/2245(INI))

The European Parliament,

- having regard to Article 174 and Article 175 of the Treaty on the Functioning of the European Union (TFEU),
- having regard to Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006¹,
- having regard to Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006²,
- having regard to Regulation (EU) No 1304/2013 of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No 1081/2006³,
- having regard to Regulation (EU) No 1299/2013 of the European Parliament and of the Council of 17 December 2013 on specific provisions for the support from the European Regional Development Fund to the European territorial cooperation goal⁴,
- having regard to Regulation (EU) No 1302/2013 of the European Parliament and of the Council of 17 December 2013 amending Regulation (EC) No 1082/2006 on a European grouping of territorial cooperation (EGTC) as regards the clarification, simplification and improvement of the establishment and functioning of such groupings⁵,
- having regard to its resolution of 4 February 2016 on the special situation of islands⁶,
- having regard to Regulation (EU) No 1300/2013 of the European Parliament and of the Council of 17 December 2013 on the Cohesion Fund and repealing Council Regulation (EC) No 1084/2006⁷,

¹ OJ L 347, 20.12.2013, p. 320.

² Ibid, p. 289.

³ Ibid, p. 470.

⁴ Ibid, p. 259.

⁵ Ibid, p. 303.

⁶ Texts adopted, P8_TA(2016)0049.

⁷ OJ L 347, 20.12.2013, p. 281.

- having regard to its resolution of 4 April 2017 on women and their roles in rural areas¹,
- having regard to its resolution of 10 May 2016 on cohesion policy in mountainous regions of the EU²,
- having regard to its resolution of 9 September 2015 on the Report on the implementation, results and overall assessment of the 2012 European Year for Active Ageing and Solidarity between Generations³,
- having regard to its resolution of 10 May 2016 on new territorial development tools in cohesion policy 2014-2020: Integrated Territorial Investment (ITI) and Community-Led Local Development (CLLD)⁴,
- having regard to its resolution of 15 November 2011 on demographic change and its consequences for the future cohesion policy of the EU⁵,
- having regard to its resolution of 11 November 2010 on the demographic challenge and solidarity between the generations⁶,
- having regard to its resolution of 22 September 2010 on the European strategy for the economic and social development of mountain regions, islands and sparsely populated areas⁷,
- having regard to its resolution of 21 February 2008 on the demographic future of Europe⁸,
- having regard to its resolution of 23 March 2006 on demographic challenges and solidarity between the generations⁹,
- having regard to the Commission’s report entitled ‘The 2015 Ageing Report. Economic and budgetary projections for the 28 EU Member States (2013-2060)’ (European Economy 3|2015),
- having regard to the Commission’s sixth report on economic, social and territorial cohesion entitled ‘Investment for jobs and growth: Promoting development and good governance in EU regions and cities’ of 23 July 2014,
- having regard to the Commission communication of 26 April 2017 entitled ‘An Initiative to support work-life balance for working parents and carers’ (COM(2017)0252),

¹ Texts adopted, P8_TA(2017)0099.

² Texts adopted, P8_TA(2016)0213.

³ Texts adopted, P8_TA(2015)0309.

⁴ Texts adopted, P8_TA(2016)0211.

⁵ OJ C 153 E, 31.5.2013, p. 9.

⁶ OJ C 74 E, 13.3.2012, p. 19.

⁷ OJ C 50 E, 21.2.2012, p. 55.

⁸ OJ C 184E, 6.8.2009, p. 75.

⁹ OJ C 292 E, 1.12.2006, p. 131.

- having regard to the Commission communication of 29 April 2009 entitled ‘Dealing with the impact of an ageing population in the EU (2009 Ageing Report)’ (COM(2009)0180),
 - having regard to the Commission communication of 10 May 2007 entitled ‘Promoting solidarity between the generations’ (COM(2007)0244),
 - having regard to the Commission communication of 12 October 2006 entitled ‘The demographic future of Europe – from challenge to opportunity’ (COM(2006)0571),
 - having regard to the Commission communication of 16 March 2005 entitled ‘Green Paper: “Confronting demographic change: a new solidarity between the generations”’ (COM(2005)0094),
 - having regard to the Commission communication of 6 May 2015 entitled ‘A Digital Single Market Strategy for Europe’ (COM(2015)0192),
 - having regard to the opinion of the European Committee of the Regions of 16 June 2016 on the EU response to the demographic challenge¹,
 - having regard to the study of September 2013 of the European Parliament Directorate-General for Internal Policies, Department B: Structural and Cohesion Policies, entitled ‘How can regional and cohesion policies tackle demographic challenges?’,
 - having regard to the ESPON publication on ‘Revealing territorial potentials and shaping new policies in specific types of territories in Europe: islands, mountains, sparsely populated and coastal regions’²,
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Regional Development and the position in the form of amendments of the Committee on Women’s Rights and Gender Equality (A8-0329/2017),
- A. whereas demographic change is a genuine issue in Europe and across the globe and a key challenge, not just in general, but also for local development and territorial enhancement policies in the EU today, together with employment-related issues, uncontrolled globalisation, climate change, the transition towards low-carbon economies and the challenges posed by the industrial and technological shift and social and economic inclusion;
- B. whereas, as is the case in most post-industrial societies, the population of Europe has been characterised by increasing longevity and low fertility rates for several decades, which is liable to alter the population structure and age pyramid, and entail side-effects of a shrinking working age population and aging population; whereas the economic crisis which has affected the entire European Union has had a strong impact on many areas and regions, particularly the countryside, and has, most notably, generated poverty

¹ OJ C 17, 18.1.2017, p. 40.

² ESPON Working Paper. Luxembourg, ESPON EGTC, March 2017.

and caused depopulation; whereas a persistent gender pay gap and increasing pension gap strongly hinder the participation of women in the labour market;

- C. whereas rapid population growth in developing countries and demographic decline of the EU population is projected to translate into the shrinkage of the European Union's percentage share of the world's population from 6.9 % in 2015 to 5.1 % in 2060¹;
- D. whereas it is projected that 132 out of 273 NUTS level 2 regions will see a decrease in population between 2015 and 2050²; whereas this decrease will affect Local Administrative Units (LAUs) in particular;
- E. whereas the top priority for the European Union and all the Member States is to promote growth that is at once smart, sustainable and inclusive;
- F. whereas geographical or demographic features serve to exacerbate development problems; whereas, for this reason, the Treaty of Lisbon added territorial cohesion to the goals of economic and social cohesion;
- G. whereas demographic change does not affect all countries and regions in a uniform manner, on account of both its natural dynamics and the migratory movements that it entails, with the majority of urban and, in particular, metropolitan areas experiencing a population gain and most rural and remote areas experiencing a decline, the picture being very mixed in the outermost regions; whereas such imbalances represent major challenges both for territories suffering from depopulation and for those experiencing a population influx; whereas isolated areas and areas to which access is limited are the most exposed to demographic decline; whereas, on the other hand, attention should be drawn to the effects of 'suburbanisation', which, as a consequence of a large population movement from big cities to their surrounding areas, puts pressure on both local and regional authorities;
- H. whereas European regions are not unbroken expanses of territory; whereas they can contain pockets of unemployment or poverty and face particular challenges, especially as regards demographic change, making it vital to set up targeted instruments to reduce sub-regional disparities and help bring about a better territorial balance in terms of urban, peri-urban, and rural areas;
- I. whereas women, and single mothers in particular, are more exposed to poverty and exclusion;
- J. whereas demographic change poses a challenge in ensuring the social cohesion and well-being of the whole population, and in encouraging balanced economic development; whereas demographic change has repercussions on infrastructure and the accessibility and quality of services, which translates into connectivity divides or medical deserts and is often the result of insufficient links between urban and rural populations;
- K. whereas demographic change involves major policy challenges in different areas linked

¹ Eurostat, 'The EU in the World', 2016 edition.

² Eurostat, 'Eurostat Regional Yearbook', 2016 edition.

to a wide range of cohesion policy fields; whereas regional policy, and its European Structural and Investment (ESI) Funds, including the Cohesion Fund, are key instruments for addressing this change;

- L. whereas non-urbanised areas in the European Union are home to 113 million people, 12 million farms and 172 million hectares of agricultural land and make an extensive contribution to European economies, cultures and ecosystems;
- M. whereas adequate infrastructure and an adequate level of services are important factors in managing the population structure in regions that are sparsely populated or suffering from emigration, where the importance of investment and jobs is greater;
- N. whereas proper infrastructure and access to public services and high-quality jobs are important factors influencing the decision whether or not to stay in a particular area;
- O. whereas women are more exposed to poverty and social exclusion than men – all the more so when they are aged over 60;
- P. whereas demographic change has a greater impact on regions which are lagging behind;
- Q. whereas demographic change affecting rural areas has economic and social consequences, causes territorial fragmentation and affects quality of life and the environment, all in addition to its serious demographic consequences;
- R. whereas gender equality is a fundamental right, a common value of the EU and a necessary condition for achieving the EU objectives of growth, employment and social cohesion;
- S. whereas gender equality represents an important tool for economic development and social cohesion;
- T. whereas negative demographic change increases the demand for stronger solidarity between generations;

General

1. Stresses that demographic change entails major economic, social, fiscal and environmental pressures on Member State governments and regional and local authorities in terms of providing public services, especially welfare and social services, building and managing infrastructure, and ensuring the preservation of ecosystems through sustainable spatial planning; stresses that these pressures will be exacerbated by a declining active population and a higher dependency ratio; underlines the crucial role of high-quality public and private services; underlines the importance of accessible high-quality and affordable public and private services as a tool for ensuring gender equality;
2. Considers that demographic change should be tackled in a coordinated manner through the action of all European, national, regional and local authorities and by pursuing adaptation strategies reflecting local and regional realities and delivering effective multi-level governance both in the architecture of these specific policies targeted at

particular regions and in their implementation; is of the opinion that such a coordinated and integrated response should seek to improve the quality of life of citizens and provide them with better economic opportunities, and should seek to invest in the quality, availability and affordability of social and public services in the regions concerned; considers, furthermore, that civil society representatives and other stakeholders should be involved; points out that a comprehensive approach of any kind must reflect the role of cities, rural areas, fishing and coastal areas as well as areas confronted with specific problems linked to their geographical or demographic situation, and that, therefore, said approach will also have to take account of the specific challenges posed by the outermost regions, northernmost regions with very low population density and islands, cross-border and mountain regions, as expressly acknowledged in the Lisbon Treaty; calls on the Member States and the Commission to take into account the effects of different policies on gender equality and demographic change;

3. Recognises that demographic change, while creating new challenges, also brings development opportunities at a local level, as a result of shifts in demand in urban societies, especially with regard to food, leisure and rest, through the potential of agriculture, forestry and fishing to produce high-quality, safe and distinctive products; considers that rural tourism in general and ecotourism, e-commerce, community-based services and the silver economy in particular also provide opportunities for development at a local level, enhancing the value of domestic agricultural or non-agricultural products, such as handicrafts, embroidery and ceramics, via the European system of the protection of geographical indications; underlines in this respect the importance of smart specialisation strategies for supporting regions and local territories in identifying high value-added activities and for building attractive innovation ecosystems on the basis of a genuine multi-functional rural development strategy that incorporates the circular economy into regional planning; points out that agri-tourism, which helps to maintain a dynamic lifestyle in rural areas, is also a significant sector; highlights the importance of social dialogue and the inclusion of social partners together with other local stakeholders and authorities at all stages of ESI Fund programming and implementation for better anticipating the effects of demographic change on local labour markets and developing new strategies addressing such challenges;

Characteristics of demographic change in the EU

4. Notes that the main problems relating to the demographic change currently experienced in many parts of the EU are aging brought on by disruption of the age pyramid, a drop in birth rates and subsequent drastic drop in infant and youth populations, constant population loss, skilled workforce shortages, a lack of jobs, young people moving away for want of job opportunities and changes in demographic structure; recognises that the current agriculture policy, the loss of traditional activities, products, production systems, labour force and local know-how, the invisible work done by women, the lack of entrepreneurship, regions lagging behind or unable to compete owing to a lack of investment, or loss of biodiversity, and loss of woodland to shrubs and fire risk, are further significant problems connected with demographic change; underlines that the impact of these trends differs significantly from one region to another, partly on account of the movement of people to big urban centres in search of jobs;

5. Stresses that one of the main objectives of an EU demographic policy should be to take into account all territories having to contend with demographic imbalances and the specificities of those territories, factors which cohesion policy has long been seeking to adapt to, and will have to do much more to adapt to after 2020; emphasises the fact that while demographic change affects all areas, whether rural or urban, its implications differ and depend on different factors such as the intensity and speed at which change occurs or whether it affects regions with net immigration or regions with a shrinking population;
6. Stresses the need to promote and support small and medium-sized mountain and rural farms which, by using traditional techniques and production methods that exploit natural resources – such as pastures and different types of forage crops – in an integrated and sustainable manner, produce products with specific quality characteristics and could serve to reverse or decrease depopulation in those areas;
7. Stresses that those demographic phenomena affecting the Union are not new, but have now increased with an unprecedented intensity, in particular as a result of social and economic pressures; draws attention to the steady increase in the number of elderly people – around 2 million people every year reach the age of 60 – which impacts on spatial, housing and transport planning and on other types of infrastructure and services; notes with concern that regions characterised by a sharp decline in working-age population will be particularly hard hit by demographic challenges; recognises that lack of investment, poor infrastructure, low connectivity rates, limited access to social services and a lack of jobs are key contributory factors to depopulation; stresses that demographic changes can have a considerable impact on pensions and on environmental sustainability in particular, as the depopulation of rural areas and increasing urbanisation affect eco-systems, nature conservation and the use of natural resources, with particular repercussions on urban land use, infrastructure, housing markets and greenery;
8. Considers that the gender dimension of demographic change should be taken into account in a cross-cutting manner, as regions experiencing demographic decline also suffer from gender and age imbalances due to out-migration; believes that the challenges presented by demographic change can and must be addressed within a policy framework propitious to gender equality, which is why gender must be factored into debates on all matters connected with demographic issues; considers, therefore, that the implementation of gender mainstreaming within all ESI Funds should be further strengthened in the future;
9. Recalls that the Europe 2020 Strategy addresses demographic challenges in most of its seven flagship initiatives, which were designed to overcome the problems of and establish vital priorities for the EU in the fields of employment, innovation, education, poverty reduction, and climate and energy; points out that a fundamental part of implementation of the strategy and its flagship initiatives is based on financial support through cohesion policy instruments, including provisions to tackle population change and aging, and that these dimensions need to be stressed in all European Union instruments;
10. Considers that the challenges of declining and aging populations will require objective,

thorough and comprehensive reassessments of many established economic, social and political policies and programmes, which will need to incorporate a long-term perspective;

Coordination of EU policies

11. Calls for a greater coordination of EU instruments, in particular the common agricultural policy (CAP), ESI Funds, including the Cohesion Fund, European Territorial Cooperation, the European Fund for Strategic Investments (EFSI) and the Connecting Europe Facility, so as to ensure a more comprehensive approach to demographic change; suggests that, given that the mechanisms employed so far have not held back the advance of demographic imbalances, a review of existing policies and of the functioning of all such mechanisms is required; welcomes, in this context, the efforts made to maximise synergies between the ESI Funds and EFSI; calls on the Commission once more to propose a strategy on demographic change which prioritises the following fields: decent employment and good-quality industrial relations, paying special attention to new forms of work and their social role; the territorial aspect of policies promoting economic activity and employment; the promotion of infrastructure as a factor in business location, so territories facing demographic challenges become accessible and competitive; widespread ICT cover competitive as regards both quality and price in territories with a lower population density; the provision of basic welfare state services in territories facing demographic challenges; local public transport to ensure access to public services; policies designed to ensure a better balance between family and professional commitments, sustainable generational renewal and adequate care for dependent persons; policies on the reception, integration and return of migrants and refugees under international protection; and the extensive use of new, more attractive settings for conveying information about rural life; underlines the importance of existing initiatives such as the European Innovation Partnership on Active and Healthy Ageing, Ambient Assisted Living and the EIT Digital and Health Knowledge Innovation Communities; calls on the Commission to take into account the solutions already developed by these initiatives when addressing the demographic challenges faced by European regions; stresses the importance of the European Qualifications Framework for Lifelong Learning as a way of supporting education and training in areas at risk of depopulation; considers that the better regulation agenda should require the impact analysis conducted prior to any EU legislative initiative to include the effects the latter may have on demography;
12. Highlights the importance of the EU incorporating demographic considerations throughout the policy spectrum, including in its budget headings, in order to enable the development of these policies, particularly in cohesion, employment, agriculture, environment, the information society, RDI (research, development and innovation), employment, education, social policy, and transport; considers that the findings of demographic impact reports need to be incorporated into the design of its policies and demographic criteria factored into the assessments of those policies' outcomes and undesired effects with a view to favouring an approach to demographic change that includes the involvement of regional and local authorities; is of the opinion that special attention should be paid to rural areas which face these demographic problems particularly acutely; highlights, in this context, the potential of the Smart Villages initiative, whereby with modern technologies such as 5G and innovation, rural

communities can be revitalised; stresses, in addition, the importance of strengthened cooperation between rural and urban areas; highlights the importance of providing universal access to high-quality and affordable public services and infrastructures, including digital public services and infrastructures, particularly for children, young people and the elderly, in order to foster social inclusion, ensure gender equality and alleviate the effects of demographic change; stresses the importance of providing new opportunities for paid employment, particularly in areas at risk of depopulation, in order to preserve communities and create the conditions to facilitate a satisfactory life-work balance; considers it important to insist on a global geographical vision for urban and rural areas as complementary functional spaces; stresses that greater integration between the various funds is needed, in order for there to be genuine participatory and sustainable local development; points out that EU demographic policy should aim to be more complete and more coordinated with Member States and horizontally; recalls that the European Union does not just contribute funds for regional development but also shapes to a large extent the capacity of local and regional authorities to use their own funds to combat social territorial inequalities; stresses that even if, as a result of modernising state aid, those exceptions for which notification is not required have been simplified and increased in number, the current framework is still very complex and burdensome for smaller regional and local authorities; considers that, even if public procurement regulations were simplified in 2014, there are still too many obstacles for small local and regional authorities to be able to improve the economy of these sensitive areas;

13. Considers that that the EU should support migration and inclusion policies in the Member States, by respecting the rights and competencies of those Member States, as well as the subsidiarity principle, in order to minimise negative demographic trends; highlights the significant role of family-creating and family-supporting policies; considers that local and regional bodies should be authorised to implement successfully integration policies on the ground; takes the view that local and regional authorities should be active participants in measures taken to address demographic challenges; calls for the annual growth survey and the country-specific recommendations to consider regional disparities and imbalances between regions within the Member States; believes that in border regions such cooperation must reflect both the demands and scope for cross-border initiatives; suggests that training programmes be developed in this field in order to create a better understanding and greater awareness of the issues involved; considers that tackling demographic problems must have an integral throughout Europe and that solving a problem in one part of the continent should not have negative effects on other areas in Europe; calls for the creation, at a pan-European level, of networks for the exchange of good practices and experiences through which local and regional authorities, as well as civil society stakeholders, can educate each other on addressing issues created by demographic change;

Enhancing the effectiveness of European funds

14. Stresses that ESI Funds must address demographic change more effectively in the next programming period, by means of: a greater, better targeted focus on demographic change as a priority area in final regulations and in guidelines to support Member States, regions and local governments, exploring the potential of ESI Funds for the purposes of addressing demographic change and devising and implementing association

agreements and operational programmes; a more proactive approach in demographic policy-making and the exchange of good practices and experiences for institutional learning; technical support for managing authorities and local stakeholders in implementing effective policies addressing demographic change at both national and regional levels; and the obligatory active participation of local authorities in the design, management and in-house evaluation of programmes implementing funds and the necessary identification of regions faced with demographic challenges at NUTS 3 and LAU level; encourages the provision of technical support and training for local stakeholders and the managing authorities for the purposes of implementing effective policies addressing demographic change at national, regional and local level; takes the view that, in some Member States, subsidies at NUTS 2 level often conceal socio-territorial, intra-regional and even supra-regional inequalities; calls for the EU's maps to use a scale sufficient to reflect territory-related problems so that they may help target support to the most disadvantaged areas;

15. Asks that the European Regional Development Fund (ERDF) make a greater contribution to and provide more support towards helping areas with high aging, rurality and population outflow indices to improve their transport and telecommunications infrastructure, bridge the digital divide (including between generations), and enjoy better public services; stresses, in this context, the importance of the field of e-health; calls on the Member States and regions to better target available investments to address demographic changes and their impact;
16. Urges the Commission to use cohesion policy measures to put a brake on increasing migration out of sparsely populated regions, where adequate infrastructure and an adequate level of services are essential preconditions, particularly for retaining families with children;
17. Stresses that the European Social Fund (ESF) should step up its work in training and educating young people, and should promote employability and help people strike a better work-life balance and combat the social and digital exclusion of elderly persons; stresses, furthermore, that the fund should improve employment prospects through preparatory programmes for the inhabitants of declining regions, and by boosting the social and digital inclusion of women, young people and senior citizens in those areas; points out, in that connection, that care will be taken, when using the ESF to support the outermost regions, to ensure a better balance between working and family life; calls on the Commission to consider setting up a specific envelope, within the scope of existing funds, dedicated to addressing areas experiencing severe and permanent demographic disadvantages; asks for the fund to be disbursed according to arrangements which prioritise lines of action in the short, medium and long term; stresses the importance of including the Cohesion Fund in future strategies to address demographic change, recalling that the fund was established with a view to strengthening the EU's economic, social and territorial cohesion; considers it important for far greater support to be provided through the ESF for small organisations which develop and run innovative social projects, as well as pan-EU transnational pilot projects that address social and employment issues, so as to facilitate innovative regional, cross-border, transnational and macro-regional cooperation and hence respond to the challenges created by demographic change;

18. Regrets the fact that, as highlighted by the European Court of Auditors Special report No 5/2017, the EU Youth Guarantee, which should be aimed at helping young people without jobs, training or education, has made limited progress, and its results have fallen short of initial expectations;
19. Takes the view that, with a view to avoiding territorial divides, the EFSI should benefit regions with the most unfavourable demographic dynamics by means of greater investment in EU priority areas such as energy, transport, education, business, innovation research, SMEs, education or social infrastructure; takes the view that consideration of a special status for demographically disadvantaged regions should be discussed in the development of post-2020 cohesion policy;

The future of cohesion policy to address demographic change

20. Believes that cohesion policy provides the right tools with which to address demographic change, especially in connection with other EU, national and regional policies, both in respect of population aging and population loss, and should therefore play a more prominent role to support regions and provide flexibility in adapting to demographic change; believes that this should also be reflected in the fund-specific regulations in addressing demographic change, as part of its explicit remit under Article 174 TFEU; calls for a precise definition of the notion of ‘severe and permanent demographic handicaps’ referred to in Article 174 TFEU and Article 121 of Regulation (EU) No 1303/2013 that would enable demographic challenges to be statistically quantified; highlights the importance of urban-rural linkages, and invites the Commission to reflect on the opportunity to complement integrated sustainable urban development strategies with partnerships for sustainable urban-rural development; considers that the Commission should take proactive measures to prevent the adverse effects of demographic change and provide technical assistance to the regions most affected by depopulation;
21. Stresses that cohesion policy should promote the employability and inclusion of women, especially mothers who struggle with finding employment; calls, therefore, for women to be given access to training and learning programmes; points out, however, that the qualifications obtained should respond to labour market needs; stresses the importance of helping young mothers to return to work by providing reliable all-day childcare facilities for children of all ages, including facilities for pre-school learning, in order to stop depopulation;
22. Believes that in order to address demographic challenges, the regions should use ESI Funds more proactively in order to tackle youth unemployment and give young people the opportunity to start a proper career; notes that this could be achieved by supporting training programmes and entrepreneurship for young people;
23. Calls for the establishment of a legal framework within the future Common Provisions Regulation (CPR) in order to recognise regions facing severe and permanent demographic challenges; stresses the need for a more proactive and dedicated approach to demographic policy-making, as regional divergence in demographic patterns will most likely produce a substantial unequal socio-economic impact on European territories, which might further increase regional disparities in the EU; calls for the strengthening and administrative streamlining of the new instruments for enhancing the

bottom-up approach and multi-level governance – such as community-led local development (CLLD) and integrated territorial investment (ITI) – so as to increase local and regional involvement as part of an integrated and holistic approach to regional development; calls for the creation of portal-based services, which will help existing rural businesses to connect better with their urban-based counterparts; highlights the importance of taking greater account, under the future cohesion policy, of specific territorial characteristics which manifest themselves at sub-regional levels; stresses that a lack of capacity and robust governance within many local and regional authorities is a major obstacle to the success of EFSI programmes and demands, in this connection, capacity-building instruments;

24. Invites the Commission to consider defining new criteria with which to distinguish territories facing demographic challenges by means of demographic, economic, environmental-impact and accessibility variables, and to conduct studies on potential socio-economic and environmental indicators to complement the GDP indicator with criteria including social capital, life expectancy and quality of the environment; considers that GDP and population density are not indicators which are in themselves sufficient to classify territories with severe and permanent demographic handicaps; asks the Commission to incorporate into cohesion policy, in addition to the GDP indicator, new, dynamic indicators, such as a demographic indicator, and in particular the EU Regional Social Progress Index, so as to provide a more complete picture of the specific challenges facing these regions, or to consider an additional allocation for these regions similar to that for sparsely populated areas in the current programming period (CPR Annex VII, point 9); stresses the need for specific tools to monitor and evaluate the potential and real impact of ESI Funds in addressing demographic change by drafting guidelines for the subsequent development of relevant demographic indicators; stresses the importance of having reliable, up-to-date, disaggregated statistics 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 sparsely populated areas; calls, therefore, for Eurostat to provide greater detail in statistics of relevance for devising a suitable European demographic policy, especially demographic, family-related, social and economic indicators, and thus urges them to be broken down at least at a sub-regional – i.e. NUTS III – level;
25. Considers that the future cohesion policy should include specific measures for the areas most affected by demographic challenges, and allow for greater flexibility in setting thematic objectives or co-financing rates, with a view to coordinating inter-regional and intra-regional strategies within the same Member State, with local participation; calls on the Commission to consider a national strategy for demographic development as a new ex-ante conditionality;
26. Calls on the Commission to incorporate a flagship initiative on demographics into the Europe 2020 strategy, financed by existing ESI funds and comprising a raft of measures in three categories: smart growth, by means of action to help regions affected by demographic challenges in the field of ICT, RDI and SMEs; inclusive growth, by means of specific action to encourage young people to remain in their region, ensuring sustainable generational renewal, self-employment and social inclusion measures for migrants and refugees under international protection; and sustainable growth, by means of measures to help these regions invest in the green economy, including sustainable

transport systems; welcomes the EU Action for Smart Villages, which calls for policies to pay particular attention to overcoming the digital divide between rural and urban areas and to tap into the potential offered by the connectivity and digitisation of rural areas, and which supports the Smart Island Initiative as a bottom-up effort on the part of the European island authorities and communities seeking to improve life on islands through sustainable and integrated solutions;

27. Considers that the post-2020 multiannual financial framework should give a forceful, decisive impetus to efforts to address demographic challenges, taking into account the current demographic situation and trends, and must incorporate the promotion of solutions using targeted measures such as a budget item in funding, where appropriate; calls for services and infrastructure reinforcing social and digital inclusion to be strengthened under the second pillar of the CAP, intended to foster rural development and financed under the European Agricultural Fund for Rural Development (EAFRD), and for a reversal of trends towards social and economic decline and depopulation in areas with severe and permanent demographic handicaps; calls on national, regional and local authorities to exchange experience, best practices and new approaches to preventing the negative consequences of demographic change; believes that the trans-European transport networks (TEN-T) and the motorways of the sea (MoS) should serve areas with severe and permanent demographic handicaps;
28. Underlines the added value of the single community-led local development (CLLD) methodology across all ESI Funds for developing and implementing integrated and tailor-made bottom-up solutions; regrets the fact, however, that CLLD is only mandatory for the EAFRD and that local and participatory approaches are declining in the ERDF, ESF and European Maritime and Fisheries Fund (EMFF); calls on the Commission, therefore, to make the use of CLLD obligatory across all ESI Funds;

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29. Instructs its President to forward this resolution to the Council and the Commission.

EXPLANATORY STATEMENT

Demographic change is one of the major challenges that European regions have to face now and in the near future. Projection figures published by EUROSTAT show an ageing Europe, as the share of the working-age population is expected to decrease in size from 65.5% of the total population in 2015 to 56.2% in 2080, while the proportion of over-65 persons will increase, from 18.9% in 2015 to 28.7% in 2080¹. In other words, the current ratio of working-age to older population will decrease from around 4 to 1 currently to 2 to 1 in 2080. In parallel, the overall European population is expected to grow more slowly than before until 2050 and then decline gradually to reach a low by 2075. Over the period 2008-2030, one region out of three – mostly located in Central Europe, Eastern Germany, Southern Italy and Northern Spain – is projected to experience population decline². The rapporteur wishes to point out here some of the most significant issues that those demographic phenomena raise for EU territories at regional and local level. It should be underlined that the demographic challenges of the European Union are neither new nor unknown. What is unique today is the intensity of these processes and the problems that are being generated in those regions where several or all of them occur, reinforcing each other.

1. Identification of the territories subject to demographic change in the European Union and of the challenges that they face

One of the first challenges for the definition of a demographic policy at European level is that it needs to take into account all the territories of the Member States facing serious demographic disadvantages and imbalances as well as their characteristics and special features. This requires a rigorous identification of demographic phenomena and of the equilibriums for a given population and a territory.

Four basic issues can be identified in the demographic evolution of EU regions which represent the main challenges of the European Union in this area, especially when they occur in a cumulative way, as it is the case in many territories, exacerbating some of their most negative effects.

The first challenge is **low density**. It is a well-known phenomenon which covers two realities that can concur in certain territories: on the one hand, there is the historical reality of the regions with a model of balance between a population and a territory characterized by low density, as a consequence of their specific features (physical, demographic, political, etc.); on the other hand, it can take the form of a recent but sustained process of decrease in density, which is changing the historical conditions of settlement of people. One of the phenomena associated with such processes is territorial polarization: population accumulates in certain centres while a large part of the dependent zones empty. Therefore, it is important to analyse low density phenomena at the appropriate scale. In this respect, level NUTs 3 is more appropriate than the level NUTs 2 and, in many cases, the challenges of the demographic density are more evident when the scale of the LAUs is taken into account.

The second challenge is population **ageing**. As in the previous case, this is a demographic phenomenon known and widespread in the European Union, from which we can also

¹ Eurostat, Eurostat Yearbook, 2016 edition.

² European Parliament, DG IPOL, Policy Department B, REGI (2013), 'How can regional and cohesion policies tackle demographic challenges?', p. 21.

differentiate two different scenarios, by their nature and intensity: in some cases, it is the result of a gradual process of demographic transition; in others, it is due to a greater extent to the destructuring of the population pyramid, so that the increase in life expectancy is accompanied by an emigration of the young and adult population and a drop in birth rate and child population.

The third issue, or challenge, is the **fall of birth rates**, which entails a drastic decrease of the infant and young population and, therefore modifies the expectations in terms of replacement and the medium-term balance of the dependency ratio. It is not a new phenomenon, but in some regions the process does not seem to stabilize.

Finally, the fourth challenge is the continued **loss of population**. It is a phenomenon derived to a great extent from the previous ones and that intensifies, where it occurs, the other demographic issues. In many regions of the Union, and in even more numerous local entities, a serious and continuing process of depopulation is taking place, due to both natural dynamics and migratory movements. Thus, there are regions in which negative balances have accumulated for years, resulting in the loss of a very important share of the population. Depopulation and low density should not be confused, as the former is occurring both in sparsely populated areas and in densely populated areas. Similarly, some regions with low density are not experiencing a process of depopulation, but remain in their historical balances.

The NUTs, as a scale of demographic analysis, allow to cover a large part of the demographic problems that the European Union territories face. Those issues become even more obvious when the LAUs are taken as a reference. The available technical means allow any scale of analysis, however it should be recalled that policies are more dependent on political structures.

2. Implications of these demographic challenges on policy areas

The rapporteur is conscious that, due to its significant social, economic and environmental impact on local development, demographic change creates new challenges in many policy areas for the concerned European regions, while also creating new development opportunities at the same time. Those challenges have increasingly been a focal point of debates on the future of the EU. Regions have to adapt service provision, infrastructures and policy-making to those demographic patterns and trends. Effective policy intervention is needed, in particular in the following areas.

a. Employment

At a certain scale, there is a strong correlation between population and employment, for instance at the level of a region or a province. The movements of the population are only the permanent adjustment of the demographic structure to the productive structure. At the local or regional level, the same cannot be said, because there may be incentives for the population to have their residence at a certain distance from the workplace or, on the contrary, there might be obstacles to establish it in the same locality or its surroundings. In general terms, it is a balance between accessibility of housing, services, leisure and other intangibles, such as the cost of commuting to the place where such opportunities can be found in sufficient quantity and quality. The precarity of the employment of the young population, as well as the long hours that they put in their work does not foster the recovery of birth rates. The new forms of employment - more precarious, less stable - advocate greater geographical mobility of the

population. Since the future of employment may be affected by the incorporation of technology and artificial intelligence into production processes, a greater flexibility of the territorial link between employment and population could occur.

b. Urban and rural planning

Some regions are experiencing a phenomenon of polarisation, with the depopulation of rural/remote areas while population is concentrating in urban and metropolitan centres. Those trends are accelerating since the economic crisis. Those areas need to adapt since demographic changes shape new demands for local development, with consequences on housing, transport, mobility and education. In parallel, one can identify an ‘agglomeration’ effect: if economy is not managed, productivity demands and the propensity to maximize profits tend to lead to the concentration of economic activities in a few places, creating agglomerations that at a certain level can lead to diseconomies. Those diseconomies have a greater impact on public budgets and families than on companies, which is why it is difficult to curb this drift to a socially “optimal” scale. This trend towards concentration of investments, which can be observed at national, regional and provincial levels, leads to the agglomeration of the population in very few points and to the desertification of large territories. But the agglomeration effect itself constitutes a factor of attraction of the population for the apparent accessibility to public and commercial services, and because the accumulation of labour demand in a given territory creates expectations of quality employment opportunities and social mobility.

c. Infrastructures

Infrastructures are a key factor for the localisation of investments because they allow access to the markets of products supply and sale. Communication technologies allow, in certain markets, to circumvent the disadvantages of geography. However, it requires full coverage with competitive conditions for quality and price, what do not currently exist. Infrastructures also facilitate access to services, and particularly ICTs, which open the door to the virtual world and its opportunities without limits or borders. They are undoubtedly a relevant factor in attracting and retaining people on a territory.

d. Provision of services

The consumer society has consolidated the association of accessibility to services, both social and commercial, with quality of life. The provision of services, both public and private, establishes a vicious circle with the size of the population: shrinking population leads to less services and jobs available to the population and, in the end, emigration because of the lack of services and employment opportunities. Disruptive policies in relation to this variable needs to deal with the commercialisation of services, the establishment of very flexible systems of public transport, as well as with fiscal policies that compensate for the costs of mobility, and with incentives in favour of itinerant services for rural areas, or of services located in small centres. On-line services in the field of health, social services, education or culture can have a compensatory effect, but also stresses the lack of direct personal services. Their implementation will require, where appropriate, active policies for adaptation to this delivery mode.

e. Transport

In a depopulated environment with strong dispersion of people, public transport is as difficult to sustain as it is necessary to guarantee the inclusiveness of the inhabitants. There is a need for both flexibility and stability in the provision of those services. Those are unprofitable services for the private economy that require a significant support of public budget. Experimentation of public-private cooperation should be envisaged in this area.

3. The importance of cohesion policy to tackle demographic challenges

In this context, the rapporteur would like to highlight the importance of cohesion policy measures as they are often the main provisions that address demographic challenges at the regional and local levels and often complement national and regional strategies. Among others, she considers that:

1. there is a need for greater coordination of EU instruments to ensure a more comprehensive approach to demographic change: the potential of cohesion policy interventions has been limited by the lack of a cross-cutting European strategy addressing demographic challenges;
2. the activities promoted by the structural funds should benefit from better integration and greater flexibility to enhance complementarities and consistency in tackling demographic change;
3. there is a need to further explore the potential of structural funds in addressing demographic change. Greater and more specific focus should be put on demographic change as a priority area in the guidance on structural and investment funds;
4. the issues raised by demographic change need to be addressed by the local and regional authorities, together with the Member States and the European institutions: those different levels have all a role to play to ensure the policies and strategies are aligned and to exchange best practices on the topic;
5. the rapporteur would also like to stress the importance of continuing to raise awareness at all levels of the significance of the challenges related to demographic change for the European Union and of the potential of the structural funds in tackling demographic change.

22.6.2017

**POSITION IN THE FORM OF AMENDMENTS OF THE COMMITTEE ON
WOMEN'S RIGHTS AND GENDER EQUALITY**

for the Committee on Regional Development

on deployment of cohesion policy instruments by regions to address demographic change

Rapporteur: Arne Gericke

(2016/2245(INI))

AMENDMENTS

The Committee on Women's Rights and Gender Equality calls on the Committee on Regional Development, as the committee responsible, to take into account the following amendments:

Amendment 1
Draft report
Recital E a (new)

Draft report

Amendment

Ea. whereas women, and especially single mothers, are more exposed to poverty and exclusion;

Amendment 2
Draft report
Recital E b (new)

Draft report

Amendment

Eb. whereas access to childbirth services, adequate maternal healthcare infrastructures and the guarantee of safe

childbirth is lacking in rural areas;

Amendment 3
Draft report
Recital E c (new)

Draft report

Amendment

Ec. whereas the role of women in agriculture and family-owned farms is still an important, invisible and in many cases unpaid one;

Amendment 4
Draft report
Recital G a (new)

Draft report

Amendment

Ga. whereas women are more exposed to poverty and social exclusion than men – all the more so when they are aged over 60;

Amendment 5
Draft report
Recital G b (new)

Draft report

Amendment

Gb. whereas gender equality is a fundamental right, a common value of the

EU and a necessary condition for the achievement of the EU objectives of growth, employment and social cohesion;

Amendment 6
Draft report
Recital G c (new)

Draft report

Amendment

Gc. whereas gender equality represents an important tool for economic development and social cohesion;

Amendment 7
Draft report
Recital J a (new)

Draft report

Amendment

Ja. whereas the negative demographic change increases the demand for stronger solidarity between generations;

Amendment 8
Draft report
Paragraph 1 a (new)

Draft report

Amendment

1a. Underlines the crucial role of high-quality public and private services, especially for women; underlines the

importance of accessible high-quality and affordable public and private services as a tool for ensuring gender equality;

Amendment 9
Draft report
Paragraph 2 a (new)

Draft report

Amendment

2a. calls on the Member States and the Commission to take into account the effects of different policies on gender equality and demographic change;

Amendment 10
Draft report
Paragraph 3 a (new)

Draft report

Amendment

3a. Recalls the decision of the European Ombudsman in Case OI/8/2014/AN on respect for fundamental rights in the implementation of EU cohesion policy;

Amendment 11
Draft report
Paragraph 3 b (new)

Draft report

Amendment

3b. Calls on the Commission and the Member States to actively use the European Structural Funds as tools for enhancing gender equality;

Amendment 12
Draft report
Paragraph 7 a (new)

Draft report

Amendment

7a. Calls on the Member States and the Commission to carry out a gender analysis and to work with gender budgeting with the aim of achieving gender-equal allocation of financial resources;

Amendment 13

Draft report
Paragraph 7 a (new)

Draft report

Amendment

7a. Considers that the challenges of declining and ageing populations will require objective, thorough and comprehensive reassessments of many established economic, social and political policies and programmes, which will need to incorporate a long-term perspective;

Amendment 14
Draft report
Paragraph 7 b (new)

Draft report

Amendment

7b. Points out that women within marginalised communities face multiple discrimination, putting them at even greater risk of poverty and social exclusion, especially in accessing employment, education, healthcare and social services;

Amendment 15
Draft report
Paragraph 7 c (new)

Draft report

Amendment

7c. Calls on the Commission and the Member States to see intergenerational dialogue and solidarity between generations as a tool for achieving equality between women and men;

Amendment 16
Draft report
Paragraph 7 d (new)

Draft report

Amendment

7d. Points out that the female unemployment rate is underestimated given that many women are not registered as unemployed, particularly those who live in rural or remote areas or help out in family businesses and farms;

Amendment 17
Draft report
Paragraph 7 e (new)

Draft report

Amendment

7e. Calls on the Member States and the Commission to promote women's entrepreneurship in rural areas;

Amendment 18
Draft report
Paragraph 7 f (new)

Draft report

Amendment

7f. Emphasises the need for facilities providing childcare and care for other dependants to be available throughout rural areas, and urges the Commission to support the Member States, including through the provision of available EU funding, in creating such facilities in a form that is accessible to all;

Amendment 19
Draft report
Paragraph 8 a (new)

Motion for a resolution

Amendment

8a. Calls on the Commission and the Member States to adopt family mainstreaming as the underlying principle of all policy proposals;

Amendment 20
Draft report
Paragraph 10 a (new)

Draft report

Amendment

10a. Stresses the importance of local and regional authorities in implementing policies and measures that would provide employment and self-employment possibilities, especially for women, which would stem the trend of out-migration;

Amendment 21
Draft report
Paragraph 14 a (new)

Draft report

Amendment

14a. Calls on the Commission to use

*regional funds to improve decentralised
birth care;*

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	20.6.2017
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INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	9.10.2017
Result of final vote	+: 28 -: 6 0: 0
Members present for the final vote	Franc Bogovič, Andrea Cozzolino, Rosa D'Amato, John Flack, Iratxe García Pérez, Krzysztof Hetman, Marc Joulaud, Louis-Joseph Manscour, Martina Michels, Iskra Mihaylova, Jens Nilsson, Andrey Novakov, Paul Nuttall, Konstantinos Papadakis, Mirosław Piotrowski, Stanislav Polčák, Liliana Rodrigues, Maria Spyrali, Ruža Tomašić, Ángela Vallina, Monika Vana, Matthijs van Miltenburg, Lambert van Nistelrooij, Derek Vaughan, Joachim Zeller
Substitutes present for the final vote	Daniel Buda, Andor Deli, Raffaele Fitto, John Howarth, Ivana Maletić, Tonino Picula
Substitutes under Rule 200(2) present for the final vote	James Carver, Esther Herranz García, Susanne Melior

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

28	+
ECR	Raffaele Fitto, John Flack, Mirosław Piotrowski, Ruža Tomašić
EFDD	Rosa D'Amato
GUE/NGL	Martina Michels, Ángela Vallina
PPE	Franc Bogovič, Daniel Buda, Esther Herranz García, Krzysztof Hetman, Marc Joulaud, Ivana Maletić, Andrey Novakov, Stanislav Polčák, Maria Spyrali, Joachim Zeller, Lambert van Nistelrooij
S&D	Andrea Cozzolino, Iratxe García Pérez, John Howarth, Louis-Joseph Manscour, Susanne Melior, Jens Nilsson, Tonino Picula, Liliana Rodrigues, Derek Vaughan
VERTS/ALE	Monika Vana

6	-
ALDE	Iskra Mihaylova, Matthijs van Miltenburg
EFDD	James Carver, Paul Nuttall
NI	Konstantinos Papadakis
PPE	Andor Deli

0	0

Key to symbols:

+ : in favour

- : against

0 : abstention