Thursday 20 May 2021

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Reversing demographic trends in EU regions using cohesion policy instruments

European Parliament resolution of 20 May 2021 on reversing demographic trends in EU regions using cohesion policy instruments (2020/2039(INI))

(2022/C 15/11)

The European Parliament,

— having regard to the freedom of movement of workers, which is guaranteed by Article 45 of the Treaty on the Functioning of the European Union (TFEU),

— having regard to Article 174 TFEU on strengthening the economic, social and territorial cohesion of the Union,

— having regard to Article 107(3)(c) TFEU, which allows aid to be used to facilitate the development of certain economic areas, provided that this aid does not significantly affect competition ('category c' regions),

— having regard to Article 349 TFEU on the Outermost Regions,

— having regard to Articles 9, 46, 47, 48 and 147 TFEU regarding several aspects of work and employment in the EU,

— having regard to the European Pillar of Social Rights, in particular principles 2, 3 and 20,

— having regard to the proposal for a regulation of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument (COM(2018)0375), and in particular Chapter II thereof on territorial development,

— having regard to the proposal for a regulation of the European Parliament and of the Council establishing a Recovery and Resilience Facility (COM(2020)0408),

— having regard to its resolution of 17 April 2018 on strengthening economic, social and territorial cohesion in the European Union: the 7th report of the European Commission ([1]),

— having regard to its resolution of 14 November 2017 on the deployment of cohesion policy instruments by regions to address demographic change ([2]),

— having regard to its resolution of 15 November 2011 on demographic change and its consequences for the future cohesion policy of the EU ([3]),

— having regard to its legislative resolution of 27 March 2019 on the proposal for a regulation of the European Parliament and of the Council on the European Regional Development Fund and on the Cohesion Fund ([4]),

— having regard to Article 20 TFEU, Regulation (EU) No 492/2011 ([5]) and Directive 2004/38/EC ([6]) on the free movement of workers and their families within the Union,

— having regard to the Commission report of 17 June 2020 on the impact of demographic change,

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([1]) OJ C 390, 18.11.2019, p. 53.
([2]) OJ C 356, 4.10.2018, p. 10.
([3]) OJ C 153 E, 31.5.2013, p. 9.
([4]) OJ C 108, 26.3.2021, p. 566.
([5]) Regulation (EU) No 492/2011 of the European Parliament and of the Council of 5 April 2011 on freedom of movement for workers within the Union (OJ L 141, 27.5.2011, p. 1).
([6]) Directive 2004/38/EC of the European Parliament and of the Council of 29 April 2004 on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States amending Regulation (EEC) No 1612/68 and repealing Directives 64/221/EEC, 68/360/EEC, 72/194/EEC, 73/148/EEC, 75/34/EEC, 75/35/EEC, 90/364/EEC, 90/365/EEC and 93/96/EEC (OJ L 158, 30.4.2004, p. 77).

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— having regard to the Commission's roadmap of 27 July 2020 entitled 'Rural development: long-term vision for rural areas' ([7]),

— having regard the Council conclusions on 'Demographic Challenges — the Way Ahead', adopted on 8 June 2020,

— having regard to the Green Paper entitled 'Ageing: Fostering solidarity and responsibility between generations' presented by the Commission on 27 January 2021,

— having regard to the Commission's roadmap of 16 November 2020 entitled 'Demographic change in Europe: Green Paper on ageing' ([8]),

— having regard to the report by the European Observation Network for Territorial Development and Cohesion (ESPON) of December 2017 on the geography of new employment dynamics in Europe,

— having regard to the ESPON policy brief of June 2019 entitled 'Addressing labour migration challenges in Europe: An enhanced functional approach',

— having regard to the report on World Population Prospects 2019 by the Population Division of the United Nations Department of Economic and Social Affairs,

— having regard to the European Commission Report on the Impact of Demographic Change from 17 June 2020 ([9]),

— having regard to the European Regional Competitiveness Index 2019,

— having regard to the OECD paper on Adapting to Demographic Change, prepared for the first meeting of the G20 Employment Working Group held under the Japanese G20 Presidency from 25 to 27 February 2019 in Tokyo,

— having regard to the 2002 'Barcelona targets',

— having regard to the 2016 report of the Committee of the Regions on the impact of demographic change on European regions,

— having regard to the 2018 report of the Committee of the Regions entitled 'Addressing brain drain: The local and regional dimension',

— having regard to the Opinion of the Committee of the Regions entitled 'Demographic Change: Proposals on Measuring and Tackling its Negative Effects in the EU Regions' of 12-14 October 2020,

— having regard to the Commission's Long-Term Vision for Rural Areas, which is currently under preparation,

— having regard to the Committee of the Regions opinion entitled 'EU Strategy for Rural Revival' of 8-10 December 2020;

— having regard the territorial impact assessment report of the Committee of the Regions on demographic change of 30 January 2020,

— having regard to Rule 54 of its Rules of Procedure,

— having regard to the opinions of the Committee on Employment and Social Affairs and the Committee on Agriculture and Rural Development,

([7]) Ares(2020)3866098.
([8]) Ares(2020)6799640.
([9]) https://ec.europa.eu/info/files/report-impact-demographic-change-reader-friendly-version-0_en

— having regard to the report of the Committee on Regional Development (A9-0061/2021),

A. whereas population distribution at local, regional, national and EU level, as well as its stability or change, have very different dynamics across Member States and their regions, with unequal impacts on the depopulation phenomenon, and ultimately on the social, economic and territorial cohesion of the Union; whereas according to the European Regional Competitiveness Index 2019 there is a gap between capital/metropolitan regions and more peripheral areas, with 78 % of European population living in urban areas or functional urban area, and benefiting from quality services in energy, transport and digital connectivity, while many peripheral regions areas still encounter difficulties in these regards; whereas cohesion policy, as the main source of public investment in the EU, accounting for 8,5 % of government capital investment, can play an important role in addressing these demographic challenges, also with a view to preserving the EU's natural demographic balance in the long term;

B. whereas for the purposes of this report 'sending regions' are regions that are losing high skills and/or competencies (in one or more sectors/domains) to the advantage of other regions as a result of permanent emigration over a specific time period, and 'receiving regions' refers to regions that are gaining high skills and/or competencies (in one or more sectors/domains) as a result of permanent immigration over a specific time period;

C. whereas demographic trends are also influenced by climate change and in particular by floods and heatwaves related to this process; whereas a coordinated approach integrating principles of sustainability, greening and digitalisation across different EU policies could also contribute to reversing negative demographic trends;

D. whereas there is a high correlation between the provision of social services, physical and ICT connectivity, education and labour opportunities on the one hand, and the ability to retain and attract population to certain areas on the other; whereas many EU regions, including rural areas which make up 44 % of the Union's surface area, remote, peripheral, insular and mountainous regions, which suffer from a geographical, social and economic point of view, still face a severe gap in the provision of these services; whereas these regions and are particularly affected by low-density, rural exodus and depopulation trends with negative impacts on ageing, generational renewal and agriculture development; whereas increased synergies with EU Transport Policy should be developed in order to address the specific needs of low-density and depopulating regions; whereas the current ageing trend for EU population has important economic and social consequences, such as higher dependency ratios, pressures on fiscal and social security sustainability, and increased stress on healthcare and social services;

E. whereas the free movement of labour is one of the four freedoms of the European Union and its single market;

F. whereas, although the EU population has seen substantial growth in previous decades, the growth rate is now falling and the population is expected to decrease significantly in the longer term; whereas in 2015 the EU experienced the first natural population decline with more deaths than births; whereas in 2019 Europe accounted for just 6,9 % of the world's population, and by 2070 it will account for less than 4 % of the world's population, with sharp declines especially in Eastern and Southern Europe due to the combination of low fertility rates and net intra-EU migration from these areas; whereas long-term demographic trends in European regions continue to indicate lower birth rates and ageing societies except in some outermost regions, and particularly in Mayotte, where a population increase of 38 % is forecast by 2050 compared to 2010 levels, alongside a corresponding increase of 26 % for French Guiana ([10]);

G. whereas demographic aspects should be mainstreamed across different policies, including by incorporating them in long-term priorities; whereas it is important to collect and monitor reliable statistical data and to support research and the exchange of good practices at all levels in order to foster a better understanding of demographic challenges, anticipate their impact on the labour markets, and to develop innovative and effective solutions for ensuring age-friendly environments;

([10]) Sources: INSEE (French National Institute of Statistics and Economic Studies), United Nations.

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H. whereas the health and economic crisis generated by the COVID-19 pandemic made clear that solidarity between generations, along with adequate funding for health and social care and sustainable economy, represent driving forces for the recovery process and for the creation of more inclusive and more resilient societies; whereas the COVID-19 pandemic has unveiled the fragility our healthcare systems, especially in connection with an ageing population; whereas the COVID-19 pandemic has underlined once more the importance of safeguarding and promoting the dignity of the elderly and their fundamental rights in the EU;

I. whereas COVID-19 crisis is likely to have a significant impact on birth, and death rates and migration flows in Europe, but the full economic, employment and social consequences of the pandemic are still unknown; whereas the short and long term impacts on demographic trends of the extraordinary measures taken in response to the crisis will have to be thoroughly analysed, including from a gender perspective; whereas preliminary studies suggest that the pandemic has exacerbated existing inequalities between men and women, including an increase in unpaid care work and job losses; whereas the public health crisis has a disproportionate impact on women and girls and in particular from most vulnerable groups, which Cohesion Policy should take into account including by channelling investments in care services and improving the working conditions in this sector, as well as by supporting the transition towards a care economy;

J. whereas movements of young educated professionals within Europe from southern and eastern Europe to north-western Europe have been recorded since the beginning of the economic crisis in 2008; whereas there is a high correlation between the socio-economic conditions of a region and its brain drain/gain dynamic; whereas sending regions and receiving regions will need to work together to address the challenges faced and use integrated approaches to develop long term policies aimed at maximising the quality of life of the population;

K. whereas innovation and investment in human capital are the main drivers of socio-economic and employment growth in Member States and their regions over the medium to long term;

Current characteristics and challenges related to demographic change in the EU

General considerations

1. Underlines that the four freedoms are the cornerstone of EU competitiveness and values; notes, nevertheless, that further attention should be paid to their effects on demographic trends, and the related implications for the balance between and within Member States, as well as for their economic, social and territorial cohesion; underlines the EU is facing a major demographic challenge, which, despite different impacts across regions, has to be acknowledged and tackled in a holistic way in order to redress the negative natural demographic balance of recent years; whereas the reversal of the current negative demographic trends in European territories through measures addressing their cause and not just their consequence, should be a priority for the European Union, alongside the dual objective of accelerating the climate and digital transition;

2. Observes in this context significant demographic contrasts linked to different economic opportunities, provision of services, accessibility, transport and digital connectivity, at both Union and Member State level between core, metropolitan regions and the periphery; reiterates in this context that the Trans-European Transport Network (TEN-T) can only be effective if local transport infrastructures are function effectively; stresses that these disparities are particularly visible in rural areas or those facing natural or specific constraints, such as sparsely populated and mountainous regions, as well as between the mainland and islands and outermost regions; reiterates that accessibility to most islands and outermost regions is characterised by infrequent and often expensive transport;

3. Observes that GDP per capita, income levels, employment rates, fertility rates, socio-economic factors, the rural and urban divide, and population ageing are among the most important factors with a direct impact on demographics; notes that the current employment dynamics in particular are generating demographic flows within EU regions leading to socio-spatial disparities and challenges that post-2020 cohesion policy will need to address; underlines that internal

migration patterns from eastern, south and central regions to northern and north-western regions mostly involve young, educated and skilled workers; notes that migration by non-EU citizens has allowed the EU to avoid population loss in recent years;

4. Points out that Europe is manifestly experiencing population ageing and declining birth rates, affecting the dependency ratio and having negative effects on workforce growth, which is far behind the rate in the last decade; warns of a visible decline in the labour force in eastern, southern and central European regions; highlights that population ageing also affects housing and transport planning, infrastructure and service needs, as well as fiscal and social security sustainability; notes that active ageing policies are needed in order to reduce the negative dimension of demographic changes, especially in rural and remote areas, and to ensure an adequate level of quality of life for all inhabitants;

5. Points to the ongoing COVID-19 health crisis and the possible medium- and long-term socio-economic implications for labour market dynamics; regrets, further, that the COVID-19 pandemic has had a negative impact on the average life expectancy in Europe; underlines that self-isolation and social distancing measures, despite their positive impact in lowering infection rates, have had visible effects on production, demand and trade, reducing economic activity and leading to higher levels of unemployment, a sharp decline in corporate incomes, and higher public deficits; notes that as a result, a new wave of migration by young people both within and between Member States can be predicted;

6. Underlines that the ongoing COVID-19 crisis has exposed considerable disparities in the quality and access to healthcare services; recalls in this regard the need to bolster public services in rural areas, such as healthcare facilities, in order to address the very significant inequalities and differences in life expectancy based on place of residence, social status and educational level; recalls that the digital divide was also exposed by the pandemic, affecting in particular elderly people and those living in less developed regions, rural and/or mountainous remote areas, as well as the outermost regions;

7. Underlines another challenge made visible by the pandemic, namely the need to ensure decent working and living conditions for seasonal workers, who are important for filling shortages in certain economic sectors, especially agriculture;

8. Stresses that determining the dimension of the depopulation process is a challenge in itself, as statistical records do not provide accurate data, as figures for people leaving certain areas are only available after delays lasting many years; notes, moreover, that Eurostat's population forecasts for the next decade indicate that both rural and urban regions may face population losses; points out, in this context, the importance of correctly evaluating the dimension of demographic challenges and of adequately addressing them, also in order to counter radicalisation and movements opposing the European integration process and to enhance the economic, social and territorial cohesion; recommends exploring the possibility of using further indicators besides GDP and population density for the classification of territories with severe and permanent handicaps; stresses, moreover, the importance of updated statistical demographic data, disaggregated at least at NUTS 3 level, for better monitoring the impact of demographic trends on the territories and to allow for more effective and focused actions to address them; asks Member States to invest in modernising the data collection capacity for demographic evolutions at different NUTS levels;

Local and regional dimensions

Sending regions

9. Notes that in general rural, post-industrial areas and towns, which are underdeveloped compared to major metropolitan areas, as well as remote territories, including islands and most of the outermost regions are facing a number of specific situations: a considerable decline in population numbers, also due to birth rates, lower than national or EU average levels of income, and difficulties in territorial integration with other regions, making them more vulnerable to the risk of depopulation; stresses that this situation also leads to difficulties in accessing public services, such as housing, education, healthcare including access to vital drugs; points out that rural regions currently account for 28 % of Europe's population but this is predicted to fall significantly in the future; highlights that EU initiatives directed to rural areas such as cohesion and agricultural policies should be further strengthened by promoting better coordination of policy initiatives that enhance

youth employment, entrepreneurship, digitalisation and support for young and new farmers; welcomes in this regard the Commission's intention to accelerate the roll-out of high capacity broadband infrastructure in sparsely populated and rural territories, and considers it an opportunity to improve quality of life, and to promote education opportunities, job creation, innovation, better accessibility to health services and other public services, adaptation to technological change and development of cultural venues and leisure activities; stresses that women in rural areas are an essential to the development of these communities, and that greater recognition of women's work and rights in the rural labour market would significantly diminish the risk of depopulation; encourages the Commission and Member States to create specific strategies to promote the empowerment of women in rural areas; encourages the collection of gender-disaggregated data in order to identify and address any current gender inequalities;

10. Draws attention to some of the drivers of demographic change, forcing inhabitants from the abovementioned areas to leave, and discouraging others from moving there: poor infrastructure, including a lack of fast broadband internet and a lack of transport networks, high levels of youth unemployment, fewer job opportunities, particularly in positions requiring higher education, and also in general for women, a lack of public and private services, difficulties in access to health services, fewer education, utilities and social services opportunities, making it more difficult to adapt to technological change, and a lack of cultural venues and leisure activities; recalls, moreover, the impact of climate change and natural hazards related to it on depopulation, such as intense heatwaves leading to desertification of certain southern areas;

11. Stresses that this lack of diversification in the regional economic structure of certain regions risks creating a negative 'label', including among their inhabitants who may express dissatisfaction with the quality of life and the facilities and services available to them; expresses concern, in this regard, about the 'geography of discontent' that is developing in many EU regions where people feel left behind, and which is closely associated with demographic change; highlights in this context the brain drain effect, leading to the migration of highly trained and qualified people from a particular region or country to another; points out, in particular, that the 'exodus' of medical staff such as doctors and nurses and teaching staff, worsened by significant cuts in the past years in public funding to health and social care, has led to a deterioration in the quality of medical care and education, making it difficult, especially in remote, rural areas and in the outermost regions, to access high-quality care and education;

12. Is of the view that urban areas are also exposed to depopulation, as one in five cities in Europe have experienced population losses since 1990; notes, however, that urban population shrinkage is not always a continuous linear process and can be episodic or temporary, depending on the territorial context;

13. Underlines a pattern of 'inner peripheralisation', in the sense that central, eastern and southern European regions report a substantially negative net population migration rate, while northern and western European regions report a substantially positive rate, receiving large numbers of economic migrants; considers that these disparities are also exacerbated in rural areas where cohesion policy and CAP resources must focus more decisively on innovation in order to encourage young people to start farming, as well as on digitalisation, rural mobility and the development of smart towns, and on helping family farms benefit from innovation and new technologies;

Receiving regions

14. Acknowledges that the metropolitan areas around major cities register a positive migration rate, with characteristic rural-to-urban population movements as a consequence of an increasingly urbanised concentration in employment growth patterns;

15. Notes also that regions that have a high share of people with high levels of education and that provide more employment opportunities for people with high levels of education are less exposed to the depopulation process;

16. Highlights that knowledge economy sectors contribute to regional development, offering high levels of social capital, networks and technology; acknowledges that innovative economic activities are typically located in technologically more advanced regions where sufficient agglomerations of 'smart' businesses are more accessible;

17. Underlines, on the other hand, that overconcentration of the population in certain urban areas has already led to negative side effects, such as congestion, rising housing and transport costs, pollution, insufficient water availability, waste-disposal problems, high energy consumption, deterioration of the quality of life, and urban sprawl, as well as a significant risk of poverty and social exclusion, and uncertainty for certain segments of the population; underlines these negative effects have thus led to local authorities being unable to provide services to all residents of urban areas; warns of some of the negative effects on public health of high population concentrations in urban areas, which have been highlighted by the COVID-19 pandemic;

18. Notes that migration has a direct impact on the inclusiveness of cities, requiring tailored policy responses and supporting measures in different territorial contexts; recalls in this regard that economic migrants contribute more in taxes and social contributions than they receive in individual benefits; highlights the need to strengthen inclusion policies and support local and regional authorities in this regard;

Tailored responses: finding solutions to the challenge of demographic decline

19. Underlines the importance of current 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 for accommodating the demographic shift 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;

20. Stresses that local, regional and national authorities, professional associations and NGOs are essential to identifying and assessing specific investment needs in rural and urban areas for mobility, territorial accessibility and basic services, and, therefore, to unlocking the potential of the areas concerned, including economic, social and demographic trends; believes, therefore, that they should play a decisive role as active participants in developing territorial strategies stemming from local communities; highlights the importance of including, when possible, a specific budgetary response for reversing demographic trends in relevant EU programmes, and of conducting impact assessments of public policies on demography; points out that a territorial approach to EU instruments, such as sustainable urban development, community-led local development strategies or Integrated Territorial Investments (ITIs) could be useful tools that can be used to maintain and create jobs, improve the attractiveness of the region, and increase accessibility to services at local level; recognises the great potential of the circular economy and bioeconomy in revitalising these areas, and calls for tailor-made technical assistance to support local and regional authorities in the design and the implementation of these strategies, including through the use of participatory methods involving local stakeholders, the social partners and civil society;

21. Points out to the need to develop a European rural agenda aimed at improving the accessibility, attractiveness and sustainable development of rural and remote areas so as to have a positive impact on the smooth operation of the supply chain and the internal market; notes that the accessibility and attractiveness of these areas can be enhanced through access to capital for entrepreneurs and SMEs and investments in innovation ecosystems to support knowledge creation and technological diffusion, as well as through providing high-quality public and essential services, digitalisation, including for small businesses, digital innovation and digital connectivity and high quality transport services; believes that local and regional authorities should identify adequate provisions of services, in the most efficient way possible and that the concept of 'rural-proofing' should be used to address the specific needs of rural and remote areas with focus on policy implementation and the delivery adequate solutions;

22. Reiterates that transport networks can play a decisive role in addressing demographic change and halting depopulation by reinforcing rural-urban connectivity, including through investments in public transport and other mobility services in rural areas; underlines, in this regard, the importance of improving transport infrastructure including through the maintenance and revitalisation of existing transport links and the provision of links to the TEN-T, which are especially important in rural, peripheral, insular and in the outermost regions, through support to the transition to sustainable and smart transport networks and strengthening interoperability in transport systems as part of the Sustainable and Smart Mobility Strategy;

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23. Considers that sustainable rural tourism could play a very important role in addressing depopulation and boosting job creation and the economic and demographic diversification of rural areas;

24. Acknowledges that the needs and challenges of rural regions, including those related to climate change, must be taken into account in the transition towards climate neutrality and sustainable and smart mobility in line with the Green Deal targets; believes, furthermore, that these investments will enable a fair and equal transition towards a digital economy and a digital online education system accessible to all citizens, including of the most vulnerable; is of the opinion, in this regard, that cohesion policy plays a fundamental role through investments in high quality public and essential services;

25. Considers that the Urban Agenda for the EU, which identifies major priorities and actions for improving the quality of life in urban areas, could contribute to shaping proper instruments promoting growth, integration, cooperation and innovation and tackling social challenges; insists also on the need to develop strategies aimed at enhancing the knowledge economy and smart specialisation in European regions, including through developing knowledge networks and providing support for human capital investments; highlights the role of cities and regions both in depopulated and overpopulated areas; reiterates the need to make further funding opportunities directly available to cities and regions in order to implement programmes locally, and calls for maximising the use of the European Urban Initiative;

26. Underlines that cohesion policy should contribute to better integrating women in policy planning for regional and urban development in order to design gender-inclusive cities and communities that work for all; believes, moreover, that investments under the ESF+ should promote the employability of women and single parents struggling to find employment, should ensure funding for affordable childcare facilities and support young families; recalls that the needs of children in the care of a family member or living alone while parents are working abroad should also be addressed through counselling services, access to housing, healthcare and education; highlights also the importance of family friendly legislation that facilitates a satisfactory work-life balance;

27. Underlines that investments should also target support for young people, older people, persons with disabilities and other vulnerable groups as they enter or remain on the labour market and help them to find a quality job, with special attention given to the most highly depopulated rural and remote areas; believes that tailored training should also be explored with a view to promoting the concept of the 'economy of well-being', as well as healthy and active ageing approaches;

28. Recalls that the needs of ethnic minorities should also be addressed in the context of tackling demographic challenges;

29. Recalls the need for strategies aimed at reversing labour migration at EU, national and regional level; calls on local regional, national and EU authorities to develop policies that increase the attractiveness of their regions in terms of job opportunities, and to tackle the brain drain in sending regions through prevention, mitigation and appropriate responses also using the means provided by cohesion policy; underlines in this context that there are already several initiatives in various Member States, such as incentives for workers with highly specialised skills, aimed at turning the brain drain into a brain gain for the regions in question;

30. Stresses that the COVID-19 health crisis has affected all Member States and regions to different extents, and is likely to lead to new trends in demographic flows; recalls in this context that the additional resources for the ERDF and ESF provided through REACT-EU, although this is only a temporary instrument, seeking to ensure a sound and robust recovery of the EU's economy from the crisis could significantly help to keep people in employment, and create new jobs in areas at risk of depopulation, including through support for SMEs and the self-employed; welcomes the introduction of flexible working arrangements, including remote or short-time work, and underlines that this support must be granted in a non-discriminatory basis;

31. Recalls in this regard that the pandemic has highlighted the importance of digitalisation all across the economy in alleviating the consequences of social distancing and freedom of movement restrictions, and also for facilitating health monitoring or teleconsultation and providing healthcare services in sparsely populated areas or areas facing natural or demographic challenges; believes that the opportunities offered by this should be used to create new jobs in areas with an ageing demographic;

32. Points to the increased spread of teleworking during the COVID-19 crisis, and believes that it may prove to be a useful tool to reverse depopulation trends in rural areas, making it possible for young educated people to stay in areas which they would otherwise leave; invites the Commission and Member States to reflect on how teleworking could impact future intra-EU mobility and the perceived attractiveness of different regions;

Policy recommendations

33. Calls on the Commission to propose a strategy on demographic change built on the following main elements: decent employment conditions, work-life balance, the territorial aspect of policies promoting economic activity and employment, the adequate provision of social services of general interest in all territories, effective local public transport, and adequate care for dependent persons and long-term care, with special attention on new forms of work and their social impact;

34. Urges Member States and regional authorities to implement an integrated approach to addressing demographic challenges through cohesion policy instruments, and encourages the promotion of smart villages and other incentive schemes to retain population and attract young people to rural and semi-urban areas;

35. Recalls that the Recovery and Resilience Facility will provide large-scale financial support to make Member States' economies more resilient and better prepared for the future, and insists that Member States should propose, in line with their specific circumstances, measures for addressing demographic change, in particular in the most vulnerable areas, in their national recovery and resilience plans; considers that local and regional bodies must be actively involved in drawing up these plans, as this is an area of particular importance when evaluating plans, and subsequently in their management by Member States; believes that synergies should be developed between cohesion policy and Next Generation EU programmes so as to ensure a more comprehensive approach to demographic challenges;

36. Highlights the importance of the JTF and its implementation mechanism, which aim to support the communities affected by the energy transition, contributing to creating new opportunities for rural and post-industrial areas as well to reducing the risk of depopulation; considers that support should be given in this regard to local and regional cooperative initiatives;

37. Reiterates that demographic change is a fundamental challenge for the EU, and that addressing it should be prioritised in the design and implementation of programmes; recalls in this regard that one of the main objectives stipulated in the ERDF and Cohesion Fund Regulation for the next multiannual financial framework (2021-2027) is to support urban and rural areas with geographical or demographic handicaps, with Member States having to allocate EU financial support for projects that promote environmentally sustainable and socially inclusive economic development in the regions concerned; recalls, in this regard, that particular support should be given to NUTS level 3 areas or clusters of local administrative units with a population density of below 12,5 inhabitants per square kilometre or with an average annual population decrease of more than 1 % between 2007 and 2017, which should be subject to specific regional and national policies to ensure better physical and ICT connectivity, improve access to and the quality of social services, promote entrepreneurship and the creation of high quality job opportunities through cohesion instruments: welcomes the new article of the ERDF and Cohesion Fund Regulation which calls for national plans to support regional and local areas facing continuous demographic decline;

38. Calls on the Member States to mobilise ESF and JTF resources to greater extent and to combine them with national and local investment in order to tackle social exclusion, energy poverty, and material deprivation, to effectively counter the digital gap and digital exclusion, especially in rural areas and among the young, the elderly and persons with disabilities, and to secure access to digital tools and programmes and to affordable communication infrastructures; calls, therefore, for accessible and affordable opportunities to acquire digital skills in a way that is adapted to the needs of the elderly; points out that these initiatives have greater chances of success when they are linked to opportunities for intergenerational exchange; believes in this sense that the potential of digitalisation, robotisation and artificial intelligence could be further explored and promoted, along with ensuring high ethical standards while securing inclusion, in order to improve the autonomy and the living conditions and health of older people;

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39. Reiterates the need for further local and integrated approaches to cohesion policy, Common Agricultural Policy national strategic plans, and national recovery strategic plans in order to allow for an easier, but at the same time sound, management of financial resources and for maximising synergies among the various EU funds and integrated tools; emphasises the need to reinforce administrative capacity to reduce red tape and ensure coherent legislation throughout the project implementation process and focused technical assistance at all stages;

40. Calls on the Member States to conduct the programming and implementation process of the 2021-2027 cohesion policy with full respect for the partnership principle, and to take account of the particular needs of the regions with demographic constraints in their partnership agreements; stresses the importance of prioritising regional and sub-regional needs, including demographic and migration aspects and territorial challenges (urban and rural); believes that these strategies should be accompanied by territorial and demographic impact assessments, conducted in parallel with economic, environmental and social assessments; calls on the Commission to monitor and where appropriate secure the full implementation of the Code of Conduct on Partnership which can contribute to an increase of the cohesion policy absorption rate in parallel with enhanced quality of projects;

41. Calls on the Member State States to take into account the different demographic challenges in the design of their national recovery and resilience plans, their national development policies, long-term strategies for sustainable development and tailored cohesion policy programmes, correlated with the European Semester goals, with a view to ensure proper financing aimed at tackling depopulation and reversing negative trends and enhancing territorial attractiveness;

42. Calls on the local, regional and national authorities in regions at risk of depopulation to focus investments on ways of encouraging young families to settle in those regions, as well as on universal accessibility to quality services and infrastructure, with the participation of SMEs and service management businesses, and a focus on job creation, in particular for young people, reskilling of workers, creating entrepreneurial conditions and supporting SMEs; calls on Member States to reinforce their support for this; considers investment in all levels of education, including early childhood education, affordable, accessible and equitable mobility services, childcare facilities to foster women's participation in the labour market and in lifelong learning to be a priority, particularly in rural areas and the Outermost Regions; believes that it is particularly important to create the right conditions for young people to remain in these regions and to tackle early school leaving, offering them attractive education, training, upskilling and reskilling options at local and regional level, including digital skills, through classroom or distance learning, in order to encourage them to pursue their studies in these regions; understands that the regions will need the concentrated support of the Union and the Member States in this endeavour;

43. Calls for more to be done to support regions facing significant population increases, such as Mayotte and French Guiana, by deploying adequate financial resources to guarantee the continuity of basic services in sufficient quantity and quality, particularly in the sectors of education, health and transport.

44. Considers it appropriate to involve regional and local authorities in long-term cooperative governance and planning initiatives at various levels; asks the Commission and the Member States to disseminate good practices on the use and benefits of this type of governance and planning tools to support polycentric development, and to use the territorial impact assessments (TIA) to further design EU and national policies that affect demographic change; reiterates, in this regard, the high importance of the active and genuine involvement of regions in the planning and management of the Recovery and Resilience Facility for reinforcing the efficiency of the instrument;

45. Is of the opinion that innovation and research can have positive spillover effects at the regional level; encourages policymakers at regional and national level to use the new Recovery and Resilience Facility and the ERDF to invest in the extension of broadband in order to foster the digital and knowledge-based economy, as well as in providing resources, high quality public services and incentives, with a view to maintaining highly skilled workers in order to develop research centres in the different regions, thus increasing the attractiveness of the depopulated areas especially to young talents and entrepreneurs; calls for further development of the synergies between the European Structural and Investment Funds and the Horizon Europe programme as well as other initiatives, such as those promoted by the European Institute of Innovation

and Technology; considers, moreover, that attractive fiscal policies for business investment through reduced tax rates for families and fiscal incentives for employers and self-employed people would facilitate job creation and investment opportunities; believes, furthermore, that measures encouraging young families to buy their first home, as well as a higher degree of flexibility on state rules could be considered in order to overcome depopulation challenges;

46. Encourages regions to capitalise on their competitive advantages as established in the Smart Specialisation Strategies; recommends developing so-called 'oasis strategies' focusing on the most successful, vibrant and growing sectors by harnessing the local potential for development of the region; calls on local and regional authorities to invest the Youth Employment Initiative with a focus on attracting young and trained workers, retaining those who are currently employed, encouraging entrepreneurship, and on local, national and EU incentives; underlines, furthermore, the importance of promoting measures to foster solidarity between generations, active ageing and the opportunities offered by the so-called 'silver economy' as a major policy shift for rural areas, turning the issue of population ageing into an opportunity for the development of rural areas;

47. Stresses the need for a wider territorial perspective in line with the 'New Leipzig Charter: The Transformative Power of Cities for the Common Good' and the 'Territorial Agenda 2030' to reinforce urban networks of second-tier cities and smaller towns in order to harness their significant potential to buttress territorial, economic and social cohesion beyond their immediate boundaries, through greater urban-rural linkages, functional areas, and regional cooperation;

48. Calls on the Commission to focus on policy coordination at EU level on issues related to functional cooperation areas at different levels, such as cross-border, macro-regional and rural-urban, in order to address demographic challenges;

49. Insists that investments should be focused on information and communication technology and human capital, since this has the potential to reduce distances between users and to attract highly skilled workers in order to avoid the digital divide and ensure digital cohesion; stresses the importance of funding ICT infrastructures, the development and uptake of these technologies among SMEs and schools in rural, insular, mountainous and isolated regions and regions in industrial transition, including through funding from the Recovery and Resilience Facility, and Cohesion policy funds more generally; stresses the importance of striving towards an equal and parallel deployment of these technologies in regions and Member States in order to reduce the gap of attractiveness and digital divide;

50. Acknowledges that 'magnet cities' primarily contribute to the building of regional 'growth poles'; underlines, nevertheless, that second-tier cities play a critical role in regional development, and in this respect calls on the Commission and the Member States to put in practice strategies for the harmonised development of these cities;

51. Considers that municipalities should promote 'open innovation' initiatives, making use of knowledge to accelerate the innovation process and to develop a collaborative approach with relevant partners and stakeholders with a view to creating regional innovation ecosystems;

52. Highlights the potential of the blue economy to reverse the negative demographic trend in small islands and peripheral maritime regions in the EU; stresses that the proper implementation of blue economy activities, if closely monitored to mitigate any negative environmental externalities and to increase the socio-economic benefits to the whole value chain, including small businesses, hinterland territories and local citizens, could help fight against depopulation in southern Europe, and contribute to spreading the revenue from coastal cities to rural villages, to increasing social inclusion and to achieving the objectives embedded in the European Green deal;

53. Recommends, where appropriate, the rethinking of education and training systems in the Member States, inter alia by developing educational pathways to occupations that are compatible with remote working, combined with policies to prevent a permanent brain drain from the sending regions; insists on using local and regional advantages, as well as the development of local economic and social facilities and tailor-made solutions, not only to prevent the brain drain, but also to reverse this phenomenon; is of the opinion that vocational education and training, including labour mobility, can represent an effective way to share skills and professional experiences, to enhance the skillset of workers and make them more resilient against the swift dynamics of the labour market, thus contributing to the prevention of the brain drain; encourages regional and local authorities to facilitate access to dual education in order improve the transition from

education to employment; considers, moreover, the promotion of pan-European 'diaspora strategies' aimed at encouraging return processes for those who had left for a more attractive region, with a focus on higher education students in agriculture and rural economics who should be incentivised to go back to their region after graduation with a view to contributing to the economic viability of their respective sending regions;

54. Calls on the Commission to ensure that the initiative on the long-term vision for rural areas includes practical solutions and means of support to address peripheries and demographic changes; believes that this long-term vision for rural areas should develop into a true European rural agenda, with tangible and concrete objectives, and the involvement of all relevant regional and local actors, both in its architecture and its implementation; believes, furthermore, that it should include a gender mainstreaming strategy accompanied by impact assessment tools; invites the Commission, in agreement with the Member States and local and regional authorities, to propose a new deal on demographics in the EU as a multi-level policy approach which would lead to a European strategy on demographic trends; believes that demographic issues, including depopulation and ageing, should be among the issues addressed during the Conference on the Future of Europe;

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55. Instructs its President to forward this resolution to the Council, the Commission, the European Economic and Social Committee, the Committee of the Regions and the national and regional parliaments of the Member States.