

Opinion of the Committee of the Regions on ‘Active ageing: innovation — smart health — better lives’

(2012/C 225/05)

THE COMMITTEE OF THE REGIONS

- calls on the European Commission to launch a European Covenant of Mayors on Demographic Change as a legacy to the European Year 2012 to gather LRAs interested to promote innovation, smart health and better lives solutions in support of active and healthy ageing and to provide administrative and financial support to the Covenant;
- shares the vision of the EY2012 stakeholders’ coalition of a society for all ages where everyone is empowered to play an active part in society and enjoy equal rights and opportunities in all stages of their life regardless of age, sex, race or ethnic origin, religion or belief, social or economic status, sexual orientation, physical or mental condition, or need for care;
- stresses the importance of consulting and involving older people and their carers actively in the mapping of their needs, the development of solutions and evaluation of their performance. Such participatory approach supports social inclusion and ensures that the services delivered match as closely as possible the actual needs of the recipients;
- recommends that the European Commission involve LRAs more actively in the EU social impact assessment process of the various initiatives implemented to support active and healthy ageing to ensure that the impact on grass root older women and men is adequately assessed.

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Reference document /

I. INTRODUCTION

THE COMMITTEE OF THE REGIONS

1. welcomes the initiative of the Danish Presidency to integrate sub-national authorities in the EU-level dialogue on how to face the demographic challenge and maximise the opportunities of an ageing population. As stated in the CoR *Opinion on dealing with the impact of an ageing population in the EU* ⁽¹⁾ and in the European Parliament Report on the European Year 2012 ⁽²⁾, local and regional authorities (LRAs) in many Member States have key competences in the three areas on which the European Year of Active Ageing and Solidarity between Generations is based: employment, participation in society and independent living;

2. stresses that addressing the challenges of population ageing is one of the objectives of Europe 2020 strategy. Since LRAs are at the forefront of citizens' needs and are responsible for the provision of most services that older people require to live a dignified old age, their direct involvement in all EU debates on ageing is therefore crucial to achieve the objectives of Europe 2020 and would help increase social, economic and territorial cohesion;

3. welcomes the European Innovation Partnership for Active and Healthy Ageing which seeks to mobilise a wide range of stakeholders at all levels to improve by two the number of years one can expect to live in good health (Healthy Life Year Indicator) and recalls that LRAs have key competences in the three pillars of the EIP-AHA: prevention, screening and early diagnosis; care and cure; and active ageing and independent living;

4. shares the vision of the EY2012 stakeholders' coalition of a society for all ages where everyone is empowered to play an active part in society and enjoy equal rights and opportunities in all stages of their life regardless of age, sex, race or ethnic origin, religion or belief, social or economic status, sexual orientation, physical or mental condition, or need for care;

5. recommends a positive approach to ageing and shares the vision that innovation can help deliver better services for our ageing population. However, it must be stressed that innovation should not be pursued for the sake of change, but rather as a

valuable driver to improve the quality and cost efficiency of the response to increasing and evolving needs in times of financial constraint;

6. is of the opinion that the economic and financial crisis makes it more urgent than ever to fundamentally review the way our society functions and to do our utmost to empower everyone, young and old, to contribute actively in the labour market and in their communities and to live independently for as long as possible. The best approach to demographic ageing is the promotion of age-friendly communities where the public space, transport, housing, and local services are conceived with the needs of all generations in mind and where solidarity and cooperation between generations is fostered. Such communities also tend to be more environmentally friendly and conducive to greater social cohesion and better social participation of other vulnerable groups;

7. stresses the importance of consulting and involving older people and their carers actively in the mapping of their needs, the development of solutions and evaluation of their performance. Such participatory approach supports social inclusion and ensures that the services delivered match as closely as possible the actual needs of the recipients;

8. notes that in the last decade, the concept of silver economy has emerged in various parts of Europe and seeks to develop a wide range of products and services for the growing numbers of older people with health and care needs, reduced mobility and limitations in their daily life activities. The silver economy has extended to other market segments such as wellness, fitness, leisure, travel, culture, communication, entertainment, and access to new technologies. Many SMEs and business clusters in several Member States also specialise in innovative technology for the elderly, such as in the area of home-automation, which presents wonderful growth opportunities. However, it should also be noted that while acknowledging the need for specialised products and services for persons with specific needs, most older people prefer to be able to use ordinary goods and services. Therefore a broader approach based on the concept of Design-for-All - where the needs and expectations of older people and persons with disabilities are mainstreamed - should be promoted together with the development of specialised niche products for very specific needs;

9. points to the trend that more and more regional and local authorities are looking to social innovation and ICT-based solutions to improve the quality and cost efficiency of their health and long-term care services both in urban and rural

⁽¹⁾ CdR 212/2009.

⁽²⁾ Kastler, P7_TA(2011) 0332.

areas where such solutions can help bring crucial services to older people at a cost that is more sustainable for the public and private purse. However, such initiatives require a certain amount of investment and actions that have to be implemented by other levels of governance to move from pilot projects to large scale models which can be deployed at national level or elsewhere in the EU. This is an area in which LRAs need as much support as they can get from both their national government and the EU level;

10. stresses that, while many examples of innovative measures that support active and healthy ageing can be found at the local level and social incubators are often local initiatives, close to the needs they try to address, a project-based approach is not always effective to achieve a critical mass and long-term sustainability. There is a need for a global strategic vision that encompasses issues from across the board in order to achieve inclusive and supportive environments. A clear example is the social innovation launched by the Municipality of Fredericia (DK) which seeks, through prevention, rehabilitation, technology and social networking, to maintain or restore self-help among older people calling for assistance for their daily life activities. Their approach is based on a change of paradigm in the way they perceive senior citizens from „helpless” patients to „citizens with resources”. This initiative was supported as a pilot project by the Danish Ministry of Finances and will now become a model for other Danish municipalities;

11. emphasises that the challenges of population ageing have a strong gender dimension which calls for specific attention to be paid to the impact of the current social protection reforms and cuts in social services (in particular child and eldercare) on women's employability, gender pay gaps and gender pension gaps, as the burden of care for dependent relatives will increase on informal carers - most of whom are women - and they will face a higher risk of poverty and social exclusion in the future if nothing is done to address these inequalities. Problems related to stress and overwork in the female-dominated health and care sector may also create new problems for older women in the future.

II. RECOMMENDATIONS FROM THE CoR TO THE COUNCIL AND THE EUROPEAN COMMISSION

12. feels that a better coordination between the different levels involved in developing solutions for active and healthy ageing is necessary and highlights the need for more multi-level governance in this area. LRAs should not be seen merely as implementing agents but be involved in the whole decision-making and evaluation process;

13. advocates that there would be a genuine added value if the EU was to create a framework that would enable public authorities and actors at all levels to benefit from each other's experience, to build evidence on successful initiatives and learn

from failures as this would enable them to avoid repeating mistakes, and help them invest their limited resources on innovative solutions that have proved effective;

14. recommends that the Committee of the Regions is invited to join to the Steering Group of the European Partnership for Active and Healthy Ageing (EIP-AHA) to ensure an adequate representation of LRAs in the EIP-AHA decision making process and enable the CoR to act as a multiplier to mobilise a wide range of LRAs to get involved in the implementation of the EIP-AHA as they have competencies in all of its six key action areas;

15. supports the proposal made under the European Partnership on Active and Healthy Ageing (EIP-AHA) to set up a European Network on Age-Friendly Environments and welcomes AGE Platform Europe and World Health Organisation efforts to initiate such network. The CoR recommends that EU funds should be allocated for an adequate development of such EU network in close cooperation with WHO;

16. recommends that the Commission should make research into the very old a priority. This group is partly still new, and different stakeholders require more information about it. Research is needed to assess the efficacy and cost-efficiency of measures to promote health and prevent illness over the entire life cycle, and in particular during the final stage of life. There also a need for closer study of how older people who are more difficult to reach can be encouraged to change their habits and lifestyle. The very old need to be included in statistics and research, and people who work with the very old need to be made aware of the results of such research;

17. calls on the European Commission to launch a European Covenant of Mayors on Demographic Change as a legacy to the European Year 2012 to gather LRAs interested to promote innovation, smart health and better lives solutions in support of active and healthy ageing and to provide administrative and financial support to the Covenant;

18. notes that while primary competences in the field of active ageing lay with the Member States and their local and regional authorities, the European Union can legislate on matters that affect the functioning of the internal market to remove barriers to the free movement of persons, promote the freedom to provide services and ensure an adequate protection of consumers. The ratification of the United Nations Convention on the Rights of Persons with Disabilities by the EU creates new legal obligations for the EU to ensure that persons with disabilities and older people with impairments will be able to enjoy their right to freedom of movement and

to participate fully in the economic and social life of their communities like any other citizens. This calls for EU action to ensure a coordinated response at EU, national and local/regional level. Moreover, the EU can facilitate transnational exchange of experience and promote soft measures such as codes of good practices to support an optimal implementation of the fundamental freedoms enshrined in the EU Treaties;

19. notes that the European Commission is planning to table a proposal for an Accessibility Act and stresses that an EU legal framework is needed to enforce accessibility across the EU for all essential goods and services and to create a level playing field for all industry, including SMEs. This proposal should be proportionate and must not create additional red tape for SMEs. The adoption of EU wide standards would also be useful to support the industry and create an efficient single market of goods and services designed-for-all. A surveillance system should be set up to ensure the enforcement of legislation and accompanied by plans of action for national, regional and local authorities, as well as support to local actors and SMEs;

20. reminds that an adequate public procurement legal framework is key at EU, national and local levels to ensure that public investment promotes accessibility for all. Accessibility should also become an essential pre-requirement to receive EU funding (structural, project or research funding), and support is needed to help less advanced regions comply with EU legislation and standards. Financial incentives should be considered to enhance accessibility, notably for public authorities to upgrade existing building and housing as well as to support investment in innovative solutions;

21. stresses that awareness-raising is needed to accompany key legal measures and make them work as a wake-up to reality. This should be targeted at local and regional authorities, manufacturers, suppliers and services providers, and citizens in general. Education and training policies are important to reinforce and support accessibility: ensuring that engineers, architects, web-designers, builders, town planners (etc.) are properly trained to mainstream the issues of accessibility and apply universal design, is a key requirement;

22. recalls that life-long-learning and volunteering are key drivers of active and healthy ageing. Adult education and older volunteering should be supported at EU, national and local level to help extend working lives, promote active retirement and support independent living;

23. recommends therefore that the objectives of the EY2012 on Active Ageing and Solidarity between Generations and of the EIP-AHA are mainstreamed in all relevant future EU funding

instruments, including the Structural Funds, and procedures to apply are simplified for local and regional actors; welcomes the European Day of Intergenerational Solidarity, which is particularly significant in the European Year 2012 and promotes intergenerational projects between schoolchildren and senior citizens and thus delivers a major contribution to intergenerational dialogue;

24. welcomes the launch of a Knowledge and Innovation Community (KIC) on innovation for healthy living and active ageing in 2014 and recommends to the European Institute for Innovation and Technology (EIT) do their utmost to involve LRAs and local/regional actors in the implementation of this KIC;

25. recommends that the European Commission involve LRAs more actively in the EU social impact assessment process of the various initiatives implemented to support active and healthy ageing to ensure that the impact on grass root older women and men is adequately assessed;

26. recalls that active and healthy ageing is a key objective of Europe 2020 and is supported by various flagship initiatives (New skills for new Jobs, Platform against Poverty, Digital Agenda) and a wide range of EU funding instruments available to LRAs as outlined in the brochure co-produced by the Committee of the Regions, the European Commission and AGE Platform Europe on „How to promote active ageing in Europe - EU support to local and regional actors” published in September 2011 as a contribution to the EY2012 ⁽³⁾;

27. concludes therefore that there seems to be no issue regarding the compliance of the proposed initiatives with the principle of subsidiarity and proportionality as defined in the EU Treaties.

III. CHALLENGES

28. recalls that by 2060, it is believed that the population of young people throughout the EU-27 will decrease by 9 % ⁽⁴⁾ and the working-age population (15-64) by 15 %. Furthermore, the number of elderly people is expected to increase by a huge 79 %. These demographic changes are the result of a variety of phenomena such as the lower levels of fertility, the increase in life expectancy, total net migration, and the ageing of those being born during the „baby boom” after World War II. It is obvious that these demographic trends will have significant economic, social and budgetary impact at national and

⁽³⁾ http://bibli.reseauoep.net/opac_css/index.php?lvl=author_see&id=264.

⁽⁴⁾ Source: Eurostat Population structure and ageing statistics.

regional/local levels. The CoR study on *Active Ageing: local and regional solutions* ⁽⁵⁾ explains the repercussions quite well when it states that „labour supply and employment will shrink, challenging economic growth, while the demand for services by the ageing population will rise”. Moreover, public expenditures are expected to increase in order to deliver quality service to their ageing population whilst also having to finance health care and pensions for an increasing number of older people. However, most LRAs have suffered drastic budgetary restrictions that are already making it extremely difficult for them to provide dynamic and modern social services of an adequate standard;

29. stresses that there are huge disparities between countries and regions in terms of life expectancy of men and women, healthy life year indicators, median ages and dependency ratios. Population ageing is forecasted in almost all 281 regions of the EU27 with only seven regions expected not to see their median age increase by 2030: Wien in Austria, Hamburg and Trier in Germany, Sterea Ellada and Peloponnisos in Greece and West Midlands and North Eastern Scotland in the UK ⁽⁶⁾. In 2008 dependency ratios varied almost threefold between regions (9.1 % to 26.8 %). In 2030, the variation will be almost fourfold (10.4 % to 37.3 %) ⁽⁷⁾. This means that regions are not all equal in terms of demographic ageing and this, combined with the current economic crisis, affects some LRAs more than others;

30. stresses also that there are huge disparities between countries and regions in terms of sovereign debt and some are facing very severe cuts in their budgets that may hamper their ability to benefit from EU funding through Structural Funds or ageing related Joint Programmes;

31. reminds, as stated in its *Opinion on a strategy towards adequate, sustainable and safe European pension systems* ⁽⁸⁾, that LRAs will remain the largest public sector employer and as a consequence public pensions will continue to be fundamental in ensuring pension systems. These pensions, however, will be increasingly affected by budgetary measures and reforms. Therefore, the ability of LRAs to compensate for this effect should be taken into account to be able to provide all older women and men, with an adequate income including through help and care services provided in-kind. The Committee of the Regions proposed a social dimension to macro economic surveillance as a way to deal with these effects;

⁽⁵⁾ www.cor.europa.eu/COR_cms/ui/ViewDocument.aspx?siteid=default&contentID=a18962c0-1f8f-44e9-9f3d-bfa7955830db.

⁽⁶⁾ Eurostat, regional EUROPOP 2008.

⁽⁷⁾ Ibid.

⁽⁸⁾ CdR 319/2010.

32. stated in its *Opinion on ageing well in the information society* ⁽⁹⁾ that ICT solutions can improve the productivity of social and health care services if adapted rightly to the needs of the elderly and reminds that LRAs should be involved in national and EU research on ICT solutions for ageing because they will often be the primary users of the outcomes;

33. recalls, however, that LRAs cannot support active and healthy ageing on their own. To be successful they need a supportive legal, financial and structural environment which requires action to be taken at national and EU level. For example, to deploy ICT initiatives in support to innovation, smart health and better lives across all EU regions, structural investment is needed at EU and national level to extend broadband access and EU legislation is needed to harmonise accessibility criteria and interoperability standards;

34. highlights that the increasing number of pre-conditions, accounting, financial and audit procedures required to access structural funds subsidies, has led to an increased number of projects focusing on measurable results, rather than more innovative and risk-oriented projects which, de facto, take more time to deliver a positive outcome and are harder to measure. In practice, social innovation is currently confronted with barriers that are more often than not linked to incompatible audit or regulatory cultures. Indeed, this issue is not only linked to the use of structural funds, but is problematic in many other EU and national funding instruments;

35. acknowledges, however, that modifications are needed to the way structural funds are implemented to include evidence based conditions in order not to undermine the efforts made to increase the added value and efficiency of EU funds in this area. Denmark and Sweden have such evidence based procedures in place to monitor performance against a set of agreed indicators and feed the information back into the monitoring system to keep improving the quality and cost efficiency of the services they provide and fund. The UK government has recently put in place the social-impact bond, which aims to attract „new investment around such outcomes-based contracts that benefit individuals and communities. Through a Social Impact Bond,

⁽⁹⁾ CdR 84/2007.

private investment is used to pay for interventions, which are delivered by service providers with a proven track record. Financial returns to investors are made by the public sector on the basis of improved social outcomes. If outcomes do not improve, then investors do not recover their investment”⁽¹⁰⁾.

IV. OPPORTUNITIES

36. notes that countries with high accessibility standards in the build environment, transport and ICT are the countries where the highest levels of employment of both older women and men are found and those which perform best in terms of Healthy Life Year indicators. It is also in these countries that the employment rates of women and persons with disabilities are the highest and where gender equality indicators show the best outcomes (gender income gap, gender pension gap, etc.). This shows that promoting age-friendly local environments in a proactive way does not hamper the economy, but on the contrary benefits society and the economy in general. Such environments make life easier for everyone and support labour market participation of women, older workers and persons with disabilities and an active and productive participation of retired persons in their communities. They also support informal carers and enable them to reconcile more easily work and care duties;

37. welcomes the fact that there are already hundreds of LRAs involved in the World Health Organization's Age-Friendly Cities programme across the EU and a few Member States have launched national programmes to support LRAs wishing to join the WHO AFC network;

38. given the increase number of older people suffering of Alzheimer and other forms of dementia, welcomes the initiative taken by some LRAs to create Alzheimer-friendly environments to promote a better inclusion of older persons with dementia and their informal carers in the community;

39. stresses that creating environments that are designed-for-all and support independent living of older people with disabilities or activity limitations have proved cost efficient. The Swedish experience shows that the decreasing demand for help in Sweden over the past 15 years cannot be explained by improvements in health as there is no evidence of such improvements among the elderly over that period in Sweden. The most likely explanation for the reduced need for elderly care is related to better accessibility standards in housing and

transport, and better access to assistive technology, making it easier for older people to manage without help. It is worth noting that Sweden has the best employment rates for older workers and older women of all EU Member States;

40. highlights however that while LRAs have an important role to play as purchasers of goods and services, notably through public procurement and can thus act as political drivers to promote a positive approach to ageing, the fragmentation of existing and emerging markets for innovative solutions supporting active and healthy ageing needs to be addressed to create a real single market for the silver economy and allow economies of scale for public tenderers and consumers. The upcoming Accessibility Act will seek to address the barriers that prevent the creation of an EU market where local/regional innovative solutions could be more easily modelled and deployed at a larger scale to other EU regions. SMEs are often the forefront of innovation and are closer to the local markets. They often deliver a personalised service and adapt to their consumers' needs. SMEs would benefit from having clear rules and standards that will ensure them access to an EU wide market and will facilitate interoperability with other goods and services for an optimum outcome.

V. CONCLUSIONS

41. concludes that ensuring the development of accessible and supportive local environments based on the concept of design-for-all will help older workers and women remain in employment for longer and reduce the demand on care and assistance for the rapidly growing number of older people. The CoR is confident that EU action to support active and healthy ageing and solidarity between generations will boost innovation and growth potential across the EU and will bring economic benefits both for public and private actors at local, national and EU levels;

42. agrees with the Danish Presidency approach to ageing and stresses that for social innovation to be used to respond to our ageing society, it is of utmost importance that the EU creates a common framework allowing the potential of social innovation to be fully exploited in the future. An EU common framework in support of social innovation would indeed make it easier for social innovators throughout Europe to act, get funding, network and scale up their ventures.

Brussels, 4 May 2012.

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⁽¹⁰⁾ <http://www.socialfinance.org.uk/work/sibs>.