

# Ageing population and increasing dependency ratio

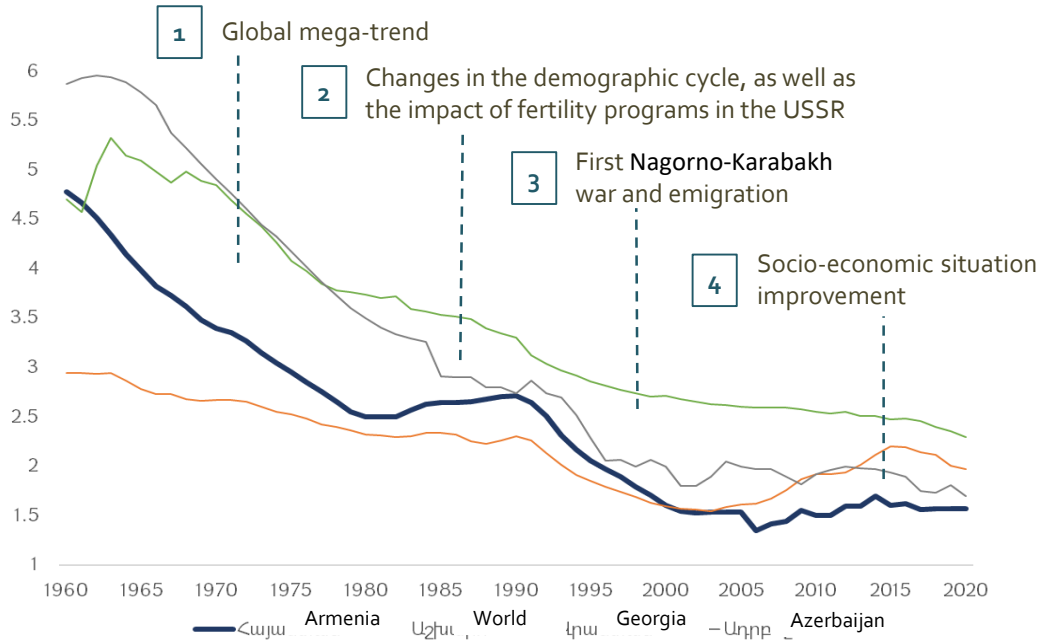
29 November - 01 December 2023, Vienna

# Current situation overview

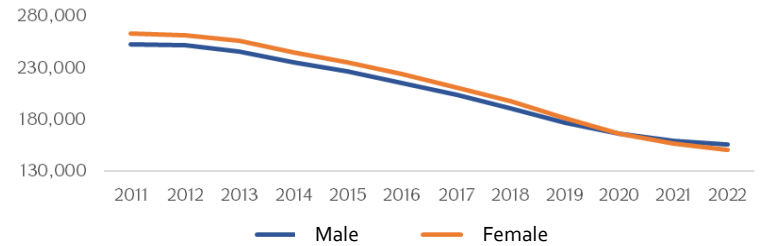
# 1

# Major preconditions for ageing in Armenia

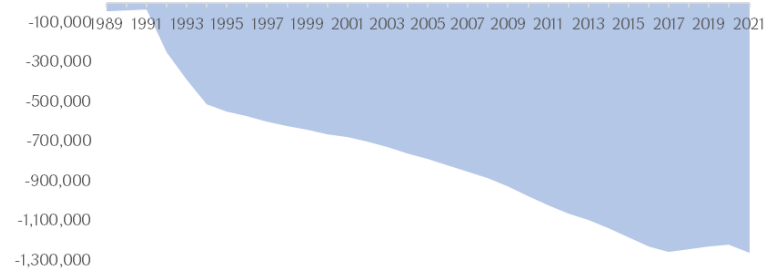
## Fertility rate decrease



## High migration rate among young people

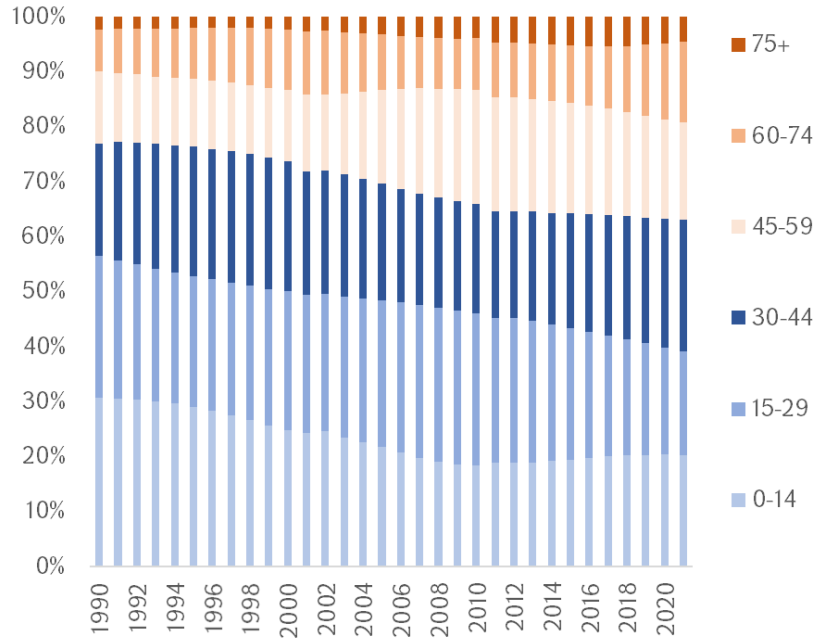


## Cumulative migration

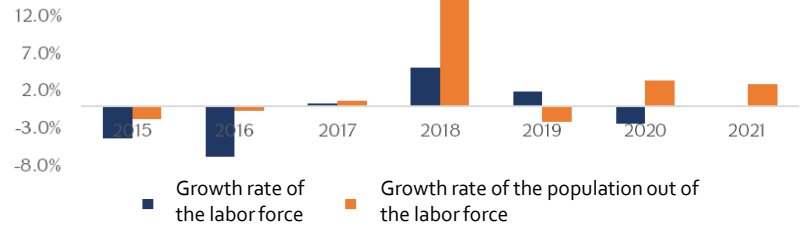


# Ageing population and increasing dependency ratio

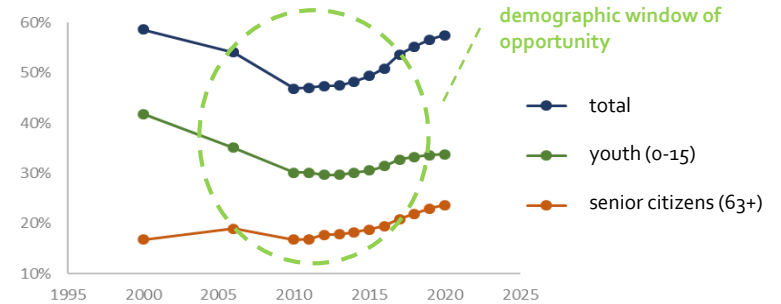
## Structure of the RA population according to age groups



## Growth rate of the labor force and the population out of the labor force



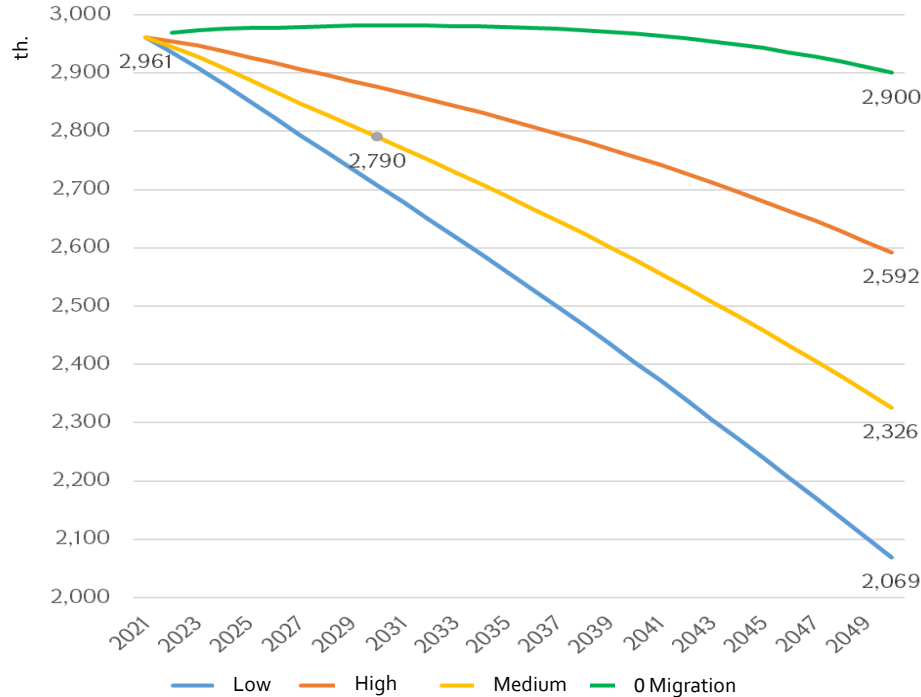
## Increasing dependency ratio



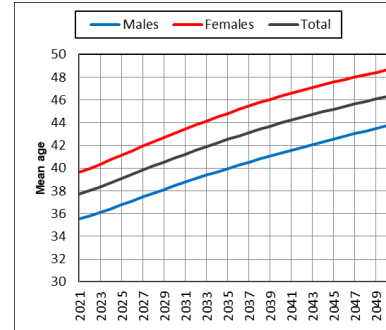
# Demographic forecast model

# 2

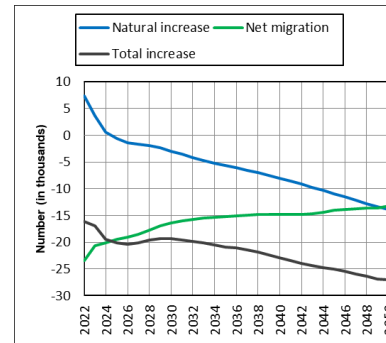
# Total population forecast



## The need for a general review Census (base year correction)



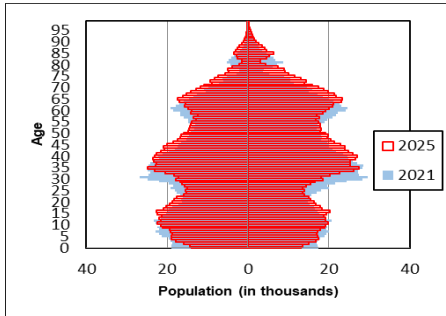
- The average age will increase from 37.7 to 46.3 years



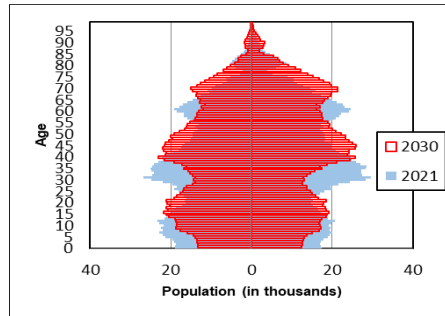
- Natural growth will gradually slow down, and from 2024 it will become negative
- The negative net migration balance will be reduced
- As a result, population decline will continue

# Population structure changes

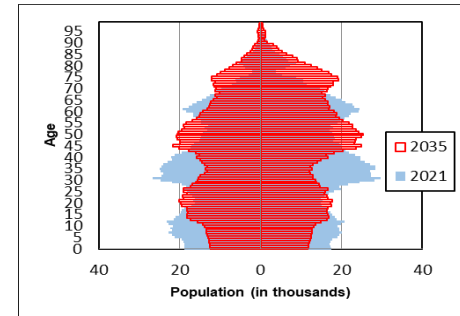
2025



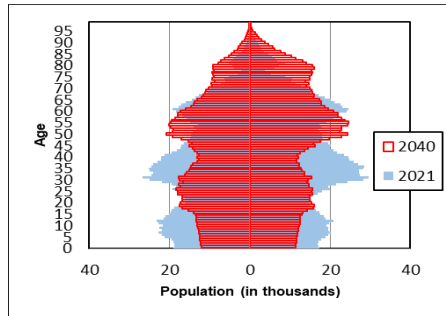
2030



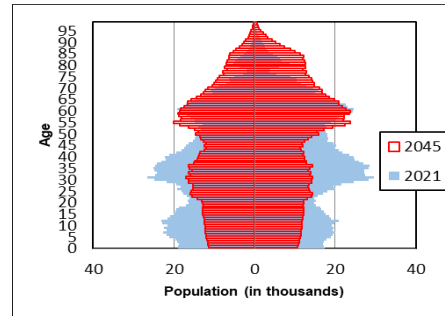
2035



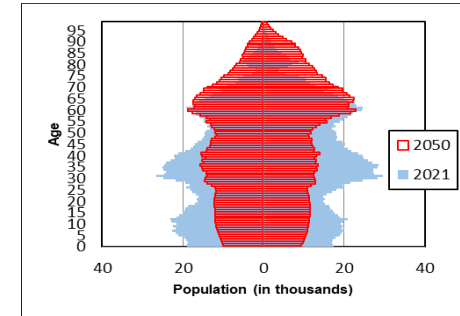
2040



2045



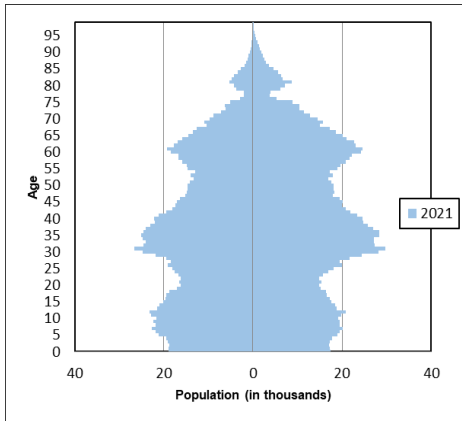
2050



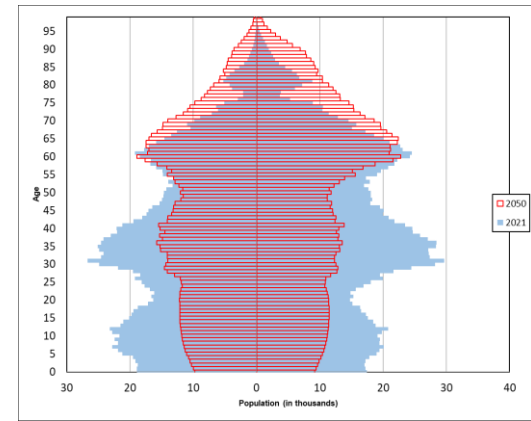
# Population structure changes

## 2021

## 2050



## 2050 structure in comparison to 2021



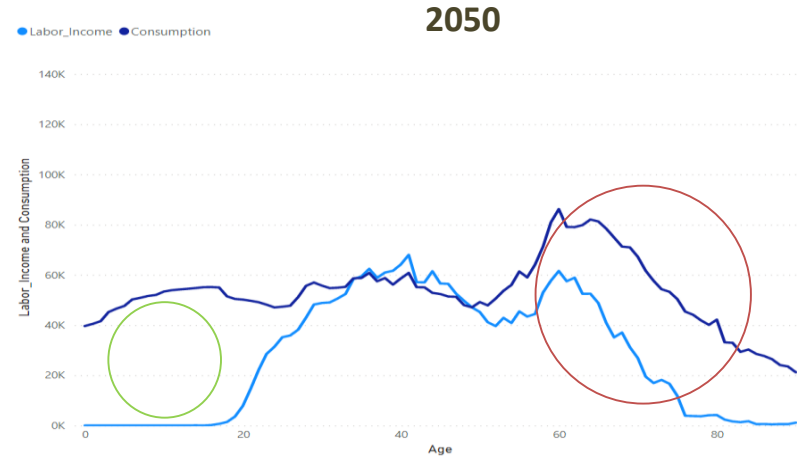
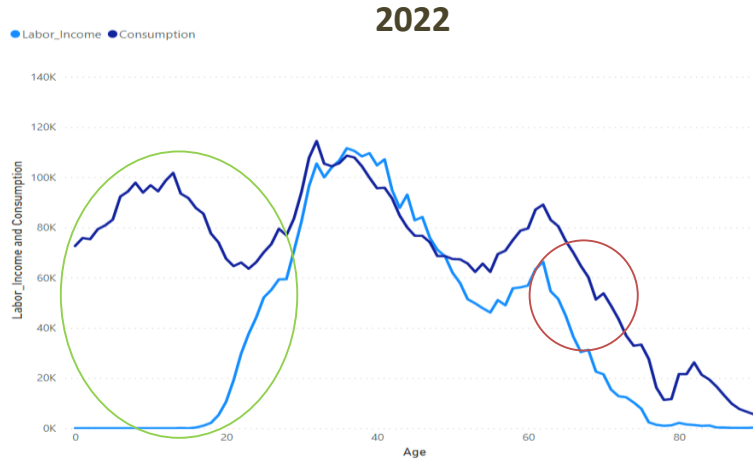
In 2050 compared to 2021 in population structure

- the weight of children and the population up to 50-55 will decrease
- instead, the weight of the 60+ population will increase
- population ageing trends are becoming evident



# Population ageing increases the cost of social protection, which limits the ability to invest in human capital development

NTA (National Transfer Accounts) of Armenia, projection of preliminary results



## What to expect?

- The number of children aged 1-4 will **decrease** by about **30%** in 2030 and by **40-45%** in 2050 compared to 2021
- The number of children aged 5-16 will **decrease** by about **11%** in 2030 and by **45-50%** in 2050 compared to 2021
- The number of 17-22 year old population will be **18% higher** in 2030 compared to 2021, but will **decrease by 27%** in 2050
- The number of 18-19 year old male population will be **25% higher** in 2030 compared to 2021, but will **decrease by 27%** in 2050
- The number of the labor force in 2021 will remain almost **unchanged until 2030** (3% more), and will **decrease in 2050 by 13%**
- The number of pensioners **will increase by 37% in 2030** compared to 2021, and **by 65% in 2050**
- If the ratio of senior citizens to labor force is 1 in 5 in 2022, it will be **1 in 2 in 2050**

# Population Strategy

## 2024 - 2040

# 2

## VISION

**Balanced and sustainable population structure that is aimed at the long-term human capital development and the quality of life improvement.**

### Strategic goal 1

Creating an environment that promotes family well-being, where every newborn contributes to the development of human capital

### Strategic goal 2

Reducing death risk factors and promoting healthy environment to diminish lifelong human capital deterioration and loss

### Strategic goal 3

Ensuring active, healthy and dignified ageing by the senior citizens' involvement in the state's socio-economic life and the increase of their potential

### Strategic goal 4

Reducing motives leading to emigration, and improving competitiveness in the formation, retention, and attraction of high skilled human capital

**CROSS-CUTTING TOPIC 1.** Education, employment, health, gender equality and inclusiveness

**CROSS-CUTTING TOPIC 2.** Climate change, balanced territorial development, digital transformation

## Strategic goal 3

Ensuring active, healthy and dignified ageing by the senior citizens' involvement in the state's socio-economic life and the increase of their potential

### Specific goal 3.1 Developed healthcare system that ensure active ageing

**Program 3.1.1** Improved preventive healthcare services that address the relevant challenges and risks

**Program 3.1.2** Healthy lifestyles for the citizens of all ages. Incentives for increasing physical activities of senior citizens and support to a network of Active Ageing Centers

**Program 3.1.3** Development of various forms of social care, including centers for care after senior citizens and palliative care, to ensure a decent and inclusive life in older age. Provision of opportunities for active employment of senior citizens in the field of care

### Specific goal 3.2 Environment that encourage the use of senior citizens' potential

**Program 3.2.1** Promotion of senior citizens' knowledge transfer mechanisms

**Program 3.2.2** Educational and training opportunities for senior citizens, their soft and digital skills development

**Program 3.2.3** Implementation of modern approaches and best practices in policies addressing the retirement age

**Program 3.2.4** Support programs for senior citizens' entrepreneurship

**Program 3.2.5** Programs to promote intergenerational collaboration of care for a child under 2 years of age with public service

**Program 3.2.6** Large-scale media campaign promoting active, healthy and dignified ageing, including recognition of senior citizens' work experience and achievements

## Major ageing-related measures of the Strategy

Totally there **31 ageing related measures** within the Strategy, which include the following:

- Mandatory annual **Complex Geriatric Assessment**
- Development of **Active Ageing Centres (AAC)**
- **25% gym services subsidy** for the population aged 65+
- Universal **screening for palliative care** needs
- **'Master' work-status** for senior citizens with special tax regime and compensation coverage
- Pension payments increase in case of **postponing retirement**
- **'Encore Entrepreneur'** digital platform with educational, financial support and tax reduction for seniors' entrepreneurship
- Involvement of grandparents in the **'Child Care is a Public Service'** program
- Senior citizens **recognition program**



# Thank you for the attention!