Addressing the Challenges of Population Ageing in Asia and the Pacific

IMPLEMENTATION OF THE MADRID INTERNATIONAL PLAN OF ACTION ON AGEING
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Addressing the Challenges of Population Ageing in Asia and the Pacific

IMPLEMENTATION OF THE MADRID INTERNATIONAL PLAN OF ACTION ON AGEING
The Asia-Pacific region is experiencing population ageing at an unprecedented pace, with the number of older persons expected to more than double, from 535 million in 2015 to about 1.3 billion in 2050. By then, one in four people in the region will be 60 years old or older, while the “oldest-old” (80 years or older) will constitute about one fifth of all older persons. This demographic transition towards an ageing society has deep social, economic and political implications for the region, particularly because inequalities often are exacerbated in old age.

Governments in the region are increasingly recognizing that population ageing is already a challenge to achieving our United Nations 2030 Agenda on Sustainable Development due to the profound impacts this demographic phenomenon has on the well-being of all generations. It will ultimately influence the ambitions of the 2030 Agenda to reduce poverty for all people—of all ages and of all backgrounds—and to leave no one behind.

Providing income security for older persons, ensuring healthy lives in old age, ensuring access to health care for older persons and providing supportive environments to older persons are among the requisites for leaving no older person behind. These priorities were established with great foresight when the World Assembly on Ageing adopted the Madrid International Plan of Action on Ageing (Madrid Plan of Action), in 2002, to create a “society for all ages”.

The United Nations Economic and Social Council mandated the Economic and Social Commission of Asia and the Pacific (ESCAP) with a central role in facilitating the Asia-Pacific regional and national components of the Madrid Plan of Action’s third review and appraisal exercise, as a critical step towards the 2018 global review. ESCAP has assisted members and associate members in organizing their respective national review and appraisal exercises. We have organized two preparatory regional review
meetings in advance of the third review to promote networking and the exchange of information and ideas on policy responses.

This report tells the story of population ageing as both a cause of celebration and a cause for concern. On one hand, people now live longer and healthier lives than ever before. Both healthy life expectancy and (general) life expectancy grew in most ESCAP members and associate members between 2000 and 2015. On the other hand, the rapid increase in the population of older persons is straining economies and societies, such as the fiscal pressure on pension and health-care programmes and support from family caregivers.

Specifically, this report highlights the trends towards increasingly ageing societies and the impacts that population ageing has—and will continue to have—on economies and societies. The report spans analysis on economic growth and productivity, the working population and social protection, health-related expenditures and the cross-cutting issues related to poverty reduction and gender equality. It analyses recent national institutional responses to changing population age structures and the increased demands on governments for health care and social programmes.

With effective policies, population ageing can herald a period of sustained development progress. Efforts to achieve the Sustainable Development Goals and to invest in people emanate from the core values that we agreed to in the 2030 Agenda and the Madrid Plan of Action. The growing population of older persons will benefit from investments in health care and education and from adequate and sustainable social security systems. With productive employment and the promotion of savings and investments, population ageing can be accompanied by robust economic growth.

As members and associate members progress towards the creation and implementation of national policies for older persons to meet the challenges associated with population ageing, the Madrid Plan of Action regional review process will allow for the sharing of knowledge and experiences as well as for developing joint regional positions on how to better address population ageing. This review is critical to our efforts to ensure that older persons are recognized as an integral part of the social fabric—that their knowledge and experiences are cherished and that their contributions are appreciated and capitalized upon. And especially, that every older person enjoys the dignity and human rights accorded to all members of society. I recommend this report to a global audience for its insight on a topic that affects us all.

Shamshad Akhtar
Under-Secretary-General of the United Nations and Executive Secretary, United Nations Economic and Social Commission for Asia and the Pacific
In preparation for the Asia-Pacific Intergovernmental Meeting on the Third Review and Appraisal of the Madrid International Plan of Action on Ageing (12–14 September 2017), the Economic and Social Commission for Asia and the Pacific (ESCAP) worked with members and associate members to assess progress towards the three priority areas: (a) older persons and development, (b) advancing health and well-being into old age and (c) enabling and supportive environments.

As part of the review process, ESCAP administered a government-led survey, to which 28 members and associate members responded (representing 89 per cent of the region’s population). The survey questions related to the three priority areas of the Madrid International Plan of Action on Ageing (Madrid Plan of Action) as well as questions about the institutional arrangements (government structures, legislation and national policies) for managing the national agenda on ageing and the rights of older persons.

The Madrid Plan of Action provides a detailed guide for Building Societies for All Ages and supports the inclusion of all generations, while making sure that older persons are not left behind. Implementing the Madrid Plan of Action complements and contributes towards achieving the 2030 Agenda for Sustainable Development.

This report goes into some depth on the progress and continuing challenges that governments reported when responding to the ESCAP survey. The reported assessments of government actions related to implementation of the Madrid Plan of Action reflect uneven progress across the region and across the three priority areas. Additionally, governments reported they are experiencing regular or occasional constraints with the implementation.

The analysis is critical for helping governments to, first, better protect the rights of older persons, which are often ignored or treated lightly. And, second, the analysis is necessary for governments to move forward with their policies, plans and programmes related to achieving the Sustainable Development Goals (SDGs) and targets, and with other international commitments.

Having productive, healthy, included and respected older persons has never mattered more than it does now. Older persons represent an increasing portion of the population in nearly every country of the region. Also, increasingly, this proportion presents new opportunities and challenges to societies. Their rights and their well-being can no longer be taken lightly. The Asia-Pacific region is undergoing profound and rapid population changes. All countries and territories in this region are in the process of ageing at an unprecedented rate, although the timing and pace of this transition varies.

Population ageing will have immense effects on various socioeconomic issues, including poverty, both income and gender equality, and health care throughout the region. Yet, many governments have limited time to prepare for sustainable health and pension systems while maximizing the demographic dividends from the soon-shrinking labour force.

Tackling these issues will help achieve the SDG’s. This also means that the situation of older persons in a society will have influential bearing on the reduction of poverty and the growth of economies. Because women tend to outlive men and experience considerable income inequalities and discrimination throughout their life course, the situation of older women has particular resonance.

Chief among the drivers of this phenomenon of population ageing that the report highlights are declining fertility rates and increasing life expectancy. Issues relative to the phenomena also emphasized
in the report need to be redressed as universally as possible. These issues include:

» Population ageing can lead to rising economic inequality. Rapid population ageing combined with the lack of adequate social security or social programmes will likely increase poverty among older persons.

» There are fewer workers for every person 65 years or older across countries in this region, which raises questions on each country’s capacity to sustain economic growth, maintain fiscal sustainability and increase general welfare for all ages.

» As a result of low pension coverage and low benefit levels, many older persons need to work for income, especially in developing countries. A sizeable proportion of older persons have little choice but to work in the informal sector in jobs that are hazardous, insecure, low paid and with no social protection.

» Even though many older persons work, their earnings are often insufficient to meet their basic needs.

» Women are more vulnerable to poverty in old-age, due to their lower labour force participation in the formal sector throughout their adult life, and consequently have less access to pensions.

» Many people are living longer but spend more years in disability because healthy life expectancy has increased less than total life expectancy.

» As life expectancies lengthen in the region, the demand for quality health care and long-term care increases.

» A large and growing ageing population requires more specialized health care and a greater pool of geriatric-trained medical personnel.

» Like women of younger ages, older women are often victims of gender-based violence.

» In emergencies and crises, older persons are some of the most vulnerable of all affected people in need of assistance due to chronic illness, mobility issues or dementia. But older persons’ needs are often overlooked in humanitarian situations and after disasters. As a result of social isolation, older persons may not be alerted to a disaster. As a result of economic vulnerabilities, they more likely live in accommodation easily destroyed in a disaster (floods, cyclones or earthquakes) or that do not provide adequate protection from heatwaves.

» The demographic transformations discussed in the report will have—if not already having—direct impact on the progression of development in the Asia-Pacific region.

OBSERVATIONS FROM ESCAP SURVEY RESPONSES ON THE MADRID PLAN OF ACTION IMPLEMENTATION

OLDER PERSONS AND DEVELOPMENT

Legislation is the primary instrument to protect the rights of older persons. There is a growing trend towards adopting overarching legislation on older persons because it provides a unified and comprehensive legal foundation for national action plans, policies and programmes. Around two thirds of the survey-responding ESCAP members and associate members have such overarching national legislation.

But the survey responses indicate that the multifaceted gender dimensions of ageing tend to be particularly overlooked. Currently, a national policy or action plan on older persons is available in 80 per cent of the responding members and associate members, with the largest number in East and North-East Asia, and South-East Asia. Specific provisions for gender and disability are considered in
only about half of the national frameworks on ageing cited in the responses, although there are more provisions for disability than gender.

Almost all members and associate members have some sort of pension system, but coverage remains low in many of them. In most members and associate members, fewer than half of the working-age population has access to a pension. Given the speed of population ageing in the region, low pension coverage is a major concern for economic development. Income-support systems are important to alleviate old-age poverty and help older persons live with dignity. Even though nearly all responding members and associate members reported some scheme in place for older persons, the coverage, size and frequency barely provides the minimum subsistence level income in many places.

Several of the responding members and associate members provide universal social pensions, but mostly with low pension values. New efforts to improve the social protection of older persons continue in several countries and territories, including support to workers in the informal sector. Several governments recently increased their statutory retirement age.

Poverty in rural areas of the Asia-Pacific region is particularly acute, given that most people engage in informal agricultural work and have no recourse to benefits under a contributory pension scheme. Several governments are responding to this challenge by implementing poverty reduction programmes in rural areas.

**ADVANCING HEALTH AND WELL-BEING INTO OLD AGE**

Many governments are promoting healthy and active ageing of older persons through their health systems, including the prevention of non-communicable diseases for the entire population. Some governments have dedicated health policies for older persons or specific provisions for age-specific health-care needs in their universal policies. More than two thirds of the members and associate members responding to the survey reported providing free or subsidized health care to older persons. The major challenges lie in the coverage, accessibility and quality of care provided under the public health services. In many parts of the region, health-care costs are largely borne by private households.

The survey responses indicate that two thirds of the members and associate members are implementing measures to increase the quality of long-term care services for older persons through a range of initiatives, including innovative technology solutions. Several governments reported efforts at expanding community- and home-based care. The incidence of age-related diseases is growing, such as dementia and Parkinson’s disease. However, fewer than half of the responding members and associate members provide mental health services to older persons. In some members and associate members, the older population must use general mental health services that are not targeted to their needs because ageing-related mental health counselling and care are not available. In most of the region, the availability and quality of mental health services remain insufficient. Sixty per cent of the responding members and associate members provide geriatric and gerontological training, although the duration and quality varies. Only half of the responding governments have targeted provisions for disabled older persons.

**ENSURING ENABLING AND SUPPORTIVE ENVIRONMENTS**

Most older persons prefer ageing in a home environment. The majority of survey-responding members and associate members have some measures that enable supportive living and a transportation environment for older persons. In many places, however, this is limited to free or discounted public transportation, although the responses did not indicate if such public transportation is accessible to older persons. Measures to improve living environments include upgrading entire communities and public spaces to the needs of older citizens.

Most responding members and associate members have some forms of nursing homes for older persons, although in some places they are available.
only to people without a family. More than half of the responding members and associate members provide some form of caregiver training, but few have established an accreditation system. Several governments have accelerated their efforts in strengthening the training for caregivers. Despite this progress, a shortage of qualified caregivers throughout the region persists, even where a highly developed long-term care system exists. In some countries, the shortage in caregivers is also exacerbated by the outmigration of care personnel, particularly women who work as nurses or domestic workers.

There are few institutional instruments and mechanisms for the reporting and prevention of elder abuse, discrimination or violence, or they do not work in practice. Protection of older persons from abuse, discrimination and violence is normally guaranteed under national constitutions and universal protection acts of most ESCAP members and associate members. As of 2016, however, fewer than half of the members and associate members had legislation on older persons’ rights or had specific provisions for older persons in their universal rights legislation, such as laws on domestic violence.

RECOMMENDED ACTIONS

Lessons drawn from high-income countries in other regions show that the policy agenda will be challenging for developing countries in Asia and the Pacific that are already experiencing rapid ageing. With appropriate policies, population ageing can herald a period of sustained development progress. The report concludes with many recommendations for action on coping with the phenomenon and to thus turn the current demographic changes into one of the most consequential development opportunities of our time. The recommendations include:

1 Broadening the scope of social protection to reduce poverty and income inequality of all, including for all older persons.

   a. Develop and implement policies aimed at ensuring that all persons have adequate economic and social protection during their old age.

   b. Ensure that social protection systems cover an increasing proportion of the formal and informal working populations and that the benefit levels are adequate to provide basic income security, paying attention to socially and economically disadvantaged groups, including older women.

   c. Improve contributory pension systems by increasing coverage, adequacy of benefits, and financial and social sustainability.

   d. Introduce universal social pension schemes for older persons or as a minimum, schemes for older persons who are poor.

2 Ensure healthy lives and promote well-being of all ages, including older persons.

   a. Ensure that older persons have universal and equal access to quality health care without suffering the financial hardship associated with paying for care.

   b. Re-orient health-care systems to address changing health-care needs as a result of population ageing.

   c. Prioritize healthy ageing among all age groups as the process for the functional ability that enables well-being in older age.

   d. Encourage the use of technology to provide access to health care for older persons.

   e. Train primary health-care workers and social workers in basic gerontology and geriatrics to respond to the needs of older persons.

3 Provide employment opportunities for all, especially for older persons who want to work.

   a. Eliminate age barriers in the formal labour market by promoting the recruitment of older persons and preventing the onset of disadvantages experienced by ageing workers in employment, such as an early statutory retirement age.
b. Promote decent work and re-employment opportunities, as well as appropriate and flexible employment, by public and private employers.

c. Encourage income-generating opportunities for older persons, particularly for older women.

4 Make cities inclusive, safe, resilient and sustainable for all, including older persons.

a. Ensure access for all, including older persons, to adequate, safe and affordable housing and basic services; upgrade slums by encouraging the development of “age-friendly” housing design that promotes independent living, including for older persons with disabilities.

b. Provide access to safe, affordable and sustainable transport systems for all and improve road safety, with special attention to the needs of women, children, persons with disabilities and older persons.

5 Address all forms of discrimination.

a. Ensure the full enjoyment of economic, social and cultural rights, and civil and political rights of persons, and the elimination of all forms of violence and discrimination against older persons.

b. Ensure equal enjoyment of all human rights by all older persons, and address gender and age discrimination.

c. Ensure the inclusion of older persons in policymaking processes.

6 Provide equal access by older persons to food, shelter and medical care during and after natural disasters and other humanitarian emergencies.

a. Make explicit reference to and design national guidelines for assisting older persons in disaster relief plans, including disaster preparedness, training for relief workers and availability of services and goods.

b. Raise awareness and protect older persons from physical, psychological, sexual or financial abuse in emergency situations, with particular attention to the risks faced by women.

7 Harness demographic dividends.

a. For countries with a large share of young populations and where the fertility rate remains high, investments in education, vocational training and health care, including sexual and reproductive health-care services, are important to create a window of opportunity and reap the first demographic dividend.

8 Promote research and disaggregated data.

a. Build the evidence base by promoting multi-stakeholder partnerships and collating comprehensive multidisciplinary research on ageing; ensure that routinely collected data are disaggregated by age, sex and disability and analysed to inform policy formulation and to monitor and evaluate policies and programmes related to older persons.

THE ROLE OF ESCAP

ESCAP supports its members and associate members in addressing the challenges of population ageing and in implementing these recommendations. This is done through analytical work, consensus-building, sharing of experiences and technical cooperation.
Acknowledgements

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Important key messages for the Asia-Pacific region

1. **ONE IN FOUR PEOPLE IN THE ASIA-PACIFIC REGION WILL BE 60 YEARS OLD OR OLDER BY 2050.**

   The region is experiencing population ageing at an unprecedented pace, with the number of older persons expected to more than double, from 535 million in 2015 to about 1.3 billion by 2050. This rapid speed of ageing yields limited time for members and associate members of the Economic and Social Commission for Asia and the Pacific to prepare for the implications to society and the economy.

2. **UNIVERSAL AND EQUAL ACCESS TO QUALITY HEALTH CARE MUST BE A PRIORITY.**

   Governments have a responsibility to create a supportive environment that enables health care and well-being, including disease prevention, into old age.

3. **SOCIAL PROTECTION IS IMPERATIVE TO PROVIDE INCOME SECURITY DURING OLD AGE.**

   Income inequalities are exacerbated in old age. Rapid population ageing combined with the lack of adequate social security or social programmes will likely increase poverty among older persons.

4. **WOMEN ARE MORE VULNERABLE TO POVERTY IN THEIR OLD AGE.**

   Inequalities and discrimination throughout the life course linked to gender, geographic location and social strata poorly prepare people for appropriate well-being in their old age and may even hit hardest at that time of life. Women are less likely than men to have adequate pension benefits or control over assets, such as land, in their old age. Yet, they are likely to outlive their spouse and thus have less income to live on. Special social protection measures are required to redress the feminization of poverty, in particular among older women.

5. **OLDER PERSONS WHO WANT TO WORK SHOULD HAVE THAT RIGHT AS WELL AS EMPLOYMENT OPPORTUNITIES.**

   The statutory retirement age across the Asia-Pacific region is low, considering the current and increasing life expectancies, resulting in long retirement duration. Eliminating age barriers in the formal labour market would help to ease the fiscal pressure on pension schemes and health-care systems. Allowing older persons to work as long as they are able and willing would sustain their self-sufficiency and reduce their social alienation.

6. **ESCAP IS MANDATED TO FACILITATE THE REVIEW AND APPRAISAL OF THE MADRID INTERNATIONAL PLAN OF ACTION ON AGEING.**

   As mandated by the United Nations Economic and Social Council, ESCAP provides assistance to members and associate members in organizing their Madrid Plan of Action national review and appraisal exercises to promote networking and the exchange of information and ideas on policy responses.

7. **RESEARCH ON AGEING AND AGE-DISAGGREGATED DATA IS ESSENTIAL FOR DESIGNING POLICIES ON AGEING POPULATIONS AND ASSESSING THE FISCAL AND SOCIAL HEALTH OF COUNTRIES.**

   Scientific research on innovative technologies is essential to support the policy responses to the ageing population phenomenon. Demographic and socioeconomic data disaggregated by age, sex and other relevant characteristics are important to document changes in the age distribution of a population and the well-being of a society.
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Groupings of countries and territories or areas referred to in this report are defined as follows:

» ESCAP region: Afghanistan; American Samoa; Armenia; Australia; Azerbaijan; Bangladesh; Bhutan; Brunei Darussalam; Cambodia; China; Cook Islands; Democratic People’s Republic of Korea; Fiji; French Polynesia; Georgia; Guam; Hong Kong, China; India; Indonesia; Islamic Republic of Iran; Japan; Kazakhstan; Kiribati; Kyrgyzstan; Lao People’s Democratic Republic; Macao, China; Malaysia; Maldives; Marshall Islands; Federated States of Micronesia; Mongolia; Myanmar; Nauru; Nepal; New Caledonia; New Zealand; Niue; Northern Mariana Islands; Pakistan; Palau; Papua New Guinea; Philippines; Republic of Korea; Russian Federation; Samoa; Singapore; Solomon Islands; Sri Lanka; Tajikistan; Thailand; Timor-Leste; Tonga; Turkey; Turkmenistan; Tuvalu; Uzbekistan; Vanuatu; and Viet Nam.


» East and North-East Asia: China; Democratic People’s Republic of Korea; Hong Kong, China; Japan; Macao, China; Mongolia and Republic of Korea.

» Least developed countries: Afghanistan, Bangladesh, Bhutan, Cambodia, Kiribati, Lao People’s Democratic Republic, Myanmar, Nepal, Solomon Islands, Timor-Leste, Tuvalu and Vanuatu. Samoa was part of the least developed countries prior to its graduation in 2014.

» Developing ESCAP region: ESCAP region excluding Australia, Japan and New Zealand.

» Developed ESCAP region: Australia, Japan and New Zealand.


» East and North-East Asia: China; Democratic People’s Republic of Korea; Hong Kong, China; Japan; Macao, China; Mongolia and Republic of Korea.

» North and Central Asia: Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Russian Federation, Tajikistan, Turkmenistan and Uzbekistan.

» Pacific island developing economies: All Pacific countries except Australia and New Zealand.

» South and South-West Asia: Afghanistan, Bangladesh, Bhutan, India, Islamic Republic of Iran, Maldives, Nepal, Pakistan, Sri Lanka and Turkey.

» South-East Asia: Brunei Darussalam, Cambodia, Indonesia, Lao People’s Democratic Republic, Malaysia, Myanmar, the Philippines, Singapore, Thailand, Timor-Leste and Viet Nam.
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## Abbreviations

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<tr>
<th>Abbreviation</th>
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<td>ADB</td>
<td>Asian Development Bank</td>
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<tr>
<td>AZN</td>
<td>Azerbaijan manat</td>
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<tr>
<td>AU$</td>
<td>Australian dollar</td>
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<tr>
<td>BDT</td>
<td>Bangladesh taka</td>
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<td>CNY</td>
<td>Chinese yuan</td>
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<td>CSO</td>
<td>Central Statistics Office, India</td>
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<td>DESA</td>
<td>United Nations, Department of Economic and Social Affairs</td>
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<td>ECLAC</td>
<td>United Nations, Economic Commission for Latin America and the Caribbean</td>
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<td>ESCAP</td>
<td>United Nations, Economic and Social Commission for Asia and the Pacific</td>
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<td>FJ$</td>
<td>Fiji dollar</td>
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<tr>
<td>GDP</td>
<td>gross domestic product</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>INR</td>
<td>Indian rupee</td>
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<tr>
<td>MHLW</td>
<td>Ministry of Health, Labour and Welfare, Japan</td>
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Population ageing is one of the mega trends affecting sustainable development. It has significant impact on economies, societies and the environment. Population ageing is a result of sustained fertility decline and increased life expectancy. Both are highly influenced by reduced infant, child and maternal mortality, by a reduction in communicable diseases and by better control of non-communicable diseases. People now live longer than before, which is a positive outcome of development. Population ageing is a trend that cannot be stopped. It requires adequate policies and government action for countries to maintain sustainable economic growth, eradicate poverty and address inequalities.

The Madrid International Plan of Action on Ageing (Madrid Plan of Action) is a global initiative that was adopted at the Second World Assembly on Ageing in 2002. The 2030 Agenda for Sustainable Development was aligned with the Madrid Plan of Action and recognizes the latter’s three priority areas to meet the challenges of rapidly ageing societies: older persons and development; advancing health and well-being into old age; and ensuring enabling and supportive environments.

Since its adoption by the United Nations General Assembly in 2002, the Madrid Plan of Action has undergone several five-year periodical reviews and appraisals. In its resolution 2015/5, the Economic and Social Council mandated regional United Nations commissions to assist members and associate members in organizing the review and appraisal exercises and regional review meetings, in providing analysis of assessments, in identifying priority action areas and good practices and in suggesting policy responses. In this resolution, the regional commissions are also required to submit a report to the Commission for Social Development at its fifty-fifth session (in 2017) with analysis of emerging issues and related policy options.

To promote networking and the exchange of information and ideas for policy responses, ESCAP organized two preparatory regional review meetings (in March and June 2017) in advance of the Asia-Pacific Intergovernmental Meeting on the Third Review and Appraisal of the Madrid International Plan of Action on Ageing (12–14 September 2017). In addition, ESCAP assisted its members and associate members in conducting the third regional review and appraisal exercise (between February 2016 and July 2017).

The first chapter of this report highlights the mega trend towards increasingly ageing societies. The second chapter examines the impacts of population ageing on economies and societies, which includes analysis on economic growth and productivity, the working population, social protection and the cross-cutting issues related to poverty reduction and gender equality. The third chapter summarizes the survey findings of the third review and appraisal exercise and offers related policy options. The fourth chapter outlines recommended actions to deal with rapid population ageing and how to turn this demographic change into a development opportunity.
CHAPTER ONE

Ageing trends in Asia and the Pacific—Overview
ONE IN FOUR PEOPLE IN THE ASIA-PACIFIC REGION WILL BE 60 YEARS OLD OR OLDER BY 2050.

The region is experiencing population ageing at an unprecedented pace, with the number of older persons expected to more than double, from 535 million in 2015 to about 1.3 billion by 2050. This rapid speed of ageing yields limited time for countries to prepare for the implications to society and the economy.

The Asia-Pacific region is undergoing profound and rapid population changes. All countries and territories are in the process of ageing at an unprecedented rate, although the timing and pace of this transition varies across countries. This chapter highlights the drivers of population ageing and the demographic trends, and then discusses relevant ageing issues.

1.1 Population ageing trends

SUSTAINED FERTILITY DECLINE AND LONGEVITY INCREASE ARE THE MAIN DRIVERS OF POPULATION AGEING.

The demographic transition is a result of changing patterns in mortality, fertility and growth rates as societies move from one demographic regime to another. There are four stages to the classical demographic transition model: Stage 1 is the pretransition period, characterized by high birth rates and high, fluctuating death rates. Stage 2 is the early transition period, when the death rate begins to fall but birth rates remain high and the population starts to grow rapidly. Stage 3 is the late transition, when birth rates start to decline and the rate of population growth decelerates. Stage 4 is the post-transition period, characterized by low birth and low death rates, with negligible or even declining population growth. Most countries in this region are at stage 3 or 4 of the demographic transition, which is yielding a declining proportion of young populations and a growing share of older persons.

The immediate driver of population ageing in this region is fertility decline. However, improved longevity contributes as well—first, by eliminating the demographic necessity of high fertility and, second, by increasing the number of survivors to older ages. As presented in figure 1, the most precipitous fall in fertility rate was in the East and North-East Asian subregion between 1965 and 1980 from 5.5 to 2.5 live births per woman, which was largely due to the one-child policy in China. In the South and South-West Asian subregion, fertility also fell substantially, but at a much slower pace than the East and North-East Asian subregion and the South-East Asian subregion. The decline has been
slowest in the Pacific islands subregion, with a total fertility rate of about 3.6 live births per woman in 2015 (DESA, 2017).

LIFE EXPECTANCY AT BIRTH CONTINUES TO INCREASE REMARKABLY IN THE REGION, REFLECTING SHARP REDUCTIONS IN MORTALITY RATES FOR ALL AGES.

The gains in longevity can be attributed to a number of factors, including rising living standards and better nutrition, safe water, improved sanitation, improved lifestyles, increased education and greater access to quality health services. Nevertheless, large variations persist in life expectancy at birth across countries or territories in this region. Japan maintained the longest life expectancy in the world for the period 2010–2015, at 86.4 years for men and 80 years for women. Australia; Hong Kong, China; Macao, China; New Zealand; the Republic of Korea; and Singapore followed, with life expectancy for both sexes exceeding 80 years. Several countries have life expectancies of less than 70 years, including Afghanistan, Bhutan, Cambodia, India, Kiribati, Lao People’s Democratic Republic, Federated States of Micronesia, Myanmar, Papua New Guinea, Pakistan and Timor-Leste (DESA, 2017). Figure 2 reflects some variations of life expectancy at birth for both men and women from 1950 through 2030 across countries in this region.

THE PROPORTION OF THE YOUNG POPULATION IS SLOWLY DECLINING, WHILE THAT OF OLDER PERSONS IS EXPANDING.

The region’s population age structure is shifting to a smaller share of children and youth and a greater share of older persons. Almost four decades ago, in 1980, about one third (37 per cent) of the total population was aged 0–14 years, while half (56

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Figure 1  **Total fertility rate, by ESCAP subregion, 1950–2050**

Fertility has declined sharply in East and North-East Asia.
Figure 2  Life expectancy, by sex
Life expectancy at birth has increased significantly across countries in Asia and the Pacific.

- Singapore
- Federated States of Micronesia
- India
- Afghanistan
- Japan

Source: ESCAP based on DESA, 2017.

Per cent) was of working age, at 15–59 years old, and only 7 per cent were persons aged 60 years or older. Today, the percentage of children (aged 0–14) has shrunk to a quarter (24 per cent), while the share of the working-age population has increased to 63 per cent and the older population has grown to 13 per cent. By 2030, the proportion of both children and working-age populations will decline to 21 per cent and 61 per cent, respectively, leaving 18 per cent made up of older persons (DESA, 2017).

At the country level, the proportion of the working-age population in China, for example, peaked between 2005 and 2010 and has been declining since. As a result of the extremely rapid fertility declines between 1970 and 1980, the working-age population in China started to shrink in absolute terms. The percentage of the population aged 60 or older has been increasing rapidly and almost doubled within 15 years, from 8.5 per cent in 1990 to 15.4 per cent in 2015 (see figure 3).

Populations are still relatively young in some countries in this region, presenting opportunities, albeit limited, for demographic dividends. For example, India, home to 829 million people aged 15–59 years in 2016, will have an increasing share of people of working age for a few decades to come. The share of the working-age population is expected to peak by 2050, at 62 per cent of the total population, and then decline slowly (see figure 4). The share of children will continue to decline, while the share of older persons will increase; each portion will account for 19 per cent by 2050. Providing young generations with quality health care, inclusive quality education and productive employment will be critical to reap the demographic dividends to accelerate economic growth. However, the window of opportunity will be closing soon for many countries, including India (DESA, 2017).

Some countries have experienced a slow pace of changing population age structure. Papua New Guinea,
Figure 3  Proportion of children (aged 0–14), working-age population (aged 15–59) and older persons (aged 60 or older) in China
China is experiencing a drastic change in its population age structure.

Source: ESCAP based on DESA, 2017.

Figure 4  Proportion of children (aged 0–14), the working-age population (aged 15–59) and older persons (aged 60 or older) in India
Populations in some countries are young: opportunity for demographic dividend.

Source: ESAP based on DESA, 2017.
for instance, still has a young population, with a high fertility rate, at 3.7 children per woman in 2016. In 1980, the share of children and the working-age population were 44 per cent and 51 per cent, respectively, leaving 5 per cent made up of older persons. By 2050, the share of children will decline to 27 per cent, while the share of the working-age and older person populations will increase to 62 per cent and 11 per cent, respectively (see figure 5).

**THE NUMBER AND SHARE OF OLDER PERSONS HAVE INCREASED ACROSS ALL COUNTRIES.**

An estimated 572 million persons aged 60 years or older live in the Asia-Pacific region (2017), with the number expected to double to 1.3 billion by 2050. The countries with the largest older populations in 2017 are China (229 million), India (126 million), Japan (43 million), the Russian Federation (30 million) and Indonesia (23 million). As a result, this region hosts 60 per cent of the world’s older population. These numbers are relatively large, especially when compared with countries with a small population size. For example, although India is still a relatively young country, the number of older persons alone exceeds the entire population of countries in Asia and the Pacific that have fewer than 126 million people.

In addition to the increasing number, the share of older persons is expanding across all countries in the region. In 2016, approximately 12 per cent of the population in the region was aged 60 years or older. But this share will double to 25 per cent (1.3 billion people) by 2050. Several countries or territories will have more than 30 per cent of their population aged 60 or older, such as Armenia; Brunei Darussalam; China; Georgia; Japan; Islamic Republic of Iran; Hong Kong, China; Macao, China; Republic of Korea; Singapore; and Thailand (ESCAP, 2016b).

In addition, the number of countries with at least 20 per cent of their population aged 60 years or older will escalate, from 5 countries in 2016 to 27 countries in 2050. Only two countries, Afghanistan

Figure 5 **Proportion of children (aged 0–14), the working-age population (aged 15–59) and older persons (aged 60 or older) in Papua New Guinea**

Papua New Guinea is experiencing a slow-changing population age structure.
and Timor-Leste, will have less than 10 per cent of their population aged 60 years or older in 2050, with a relatively high total fertility rate of 4.5 and 5.5, respectively (ESCAP, 2016b).

International migration attenuates the impact of ageing in several countries because foreign migrants tend to be younger on average than the population of the host country, slowing the increase of the average age of the population. However, the impact is reversed for the sending country. In countries with relatively high net in-migration, such as Australia and New Zealand, the pace of ageing is slower than countries without in-migration. In contrast, in countries or territories with high out-migration of the working-age population, such as Guam and Sri Lanka, migration contributes to the rapid ageing process. Although migration may slow the increase of the average age, migration cannot halt or reverse the gradual process of population ageing.

THE OLDEST-OLD POPULATION IS GROWING EVEN FASTER.

The proportion and number of the oldest-old persons (80 years or older) is also on the rise. The proportion of the oldest-old in the region in 2016 was 1.5 per cent of the total population, amounting to 68 million people, which was about 50 per cent of the global population aged 80 or older. This proportion is expected to more than triple, to 5.0 per cent of the population in this region, totalling 258 million people by 2050. The Asia-Pacific region will then have nearly 60 per cent of the world’s population aged 80 or older, a 10 percentage point increase from the current level. This has serious implications for the provision of appropriate health care, long-term care and income security.

The largest proportion of oldest-old population lives in the Pacific and the East and North-East Asian subregions, but with diversity within them. In 2016, 13.2 per cent and 17.6 per cent of the population aged 80 years or older among the population aged 60 or older were found in East and North-East Asia and the Pacific, respectively. By 2050, these proportions are projected to increase to around 30 per cent each. South-East Asia and South and South-West Asia all had a modest proportion of the oldest-old among their populations aged 60 or older (between 10 and 15 per cent) in 2016; but this share is projected to increase to around 15–16 per cent by 2050.

At the country or territory level, Japan; Hong Kong, China; Macao, China; and Republic of Korea have experienced rapid growth of their oldest-old population (see figure 6). In the 1970s, the percentage of the oldest-old among the population aged 60 or older ranged between 4 per cent and 8 per cent throughout the subregion. However, the percentage developed differently starting from the 1990s. Japan, for instance, experienced precipitous speed, with the percentage of its oldest-old population increasing sharply over the past few decades, reaching 24 per cent in 2016. In the Republic of Korea, the oldest-old population currently makes up about 15 per cent of the older population, but the proportion will soar to about 34 per cent in 2050—a percentage similar to Japan. An escalation of the oldest-old population is also expected in China starting in 2030.

THE PROPORTION OF OLDER WOMEN IS LARGER THAN OLDER MEN DUE TO LONGER LIFE EXPECTANCY AT BIRTH.

Overall, the momentum of the ageing process in the Asia-Pacific region has created more older women than men. This is different for age cohorts younger than 55 years, where there are slightly more men than women, partly because of sex selection at birth and sometimes higher infant mortality of girls and maternal mortality. While women’s and girls’ mortality risks are greater in lower-age groups, risks are higher for men in older-age groups, partly resulting from risky behaviours and nutritional habits, such as tobacco and alcohol consumption and mental and physical health problems. In the oldest-old age category, women comprise about 60 per cent of the population. As in many cultures, men typically marry younger women; subsequently, a sizeable proportion of women older than 80 years are widowed (see figure 7).
Figure 6  **Proportion of population aged 80 or older among the population aged 60 or older, by country or territory in East and North-East Asia, 1970–2050**
The oldest-old population has grown the fastest in several countries and territories in East and North-East Asia.

Source: ESCAP based on DESA, 2017.

Figure 7  **Percentage of female and male populations in the Asia-Pacific region, 2016**
Women comprise a majority of the older and the oldest-old persons.

Source: ESCAP based on DESA, 2017.
1.2 Issues

**The rapid speed of ageing yields limited time for governments to prepare for the impacts.**

The number of years for the share of the older population aged 65 or older to increase from 7 per cent to 14 per cent (from ageing to aged society) are rather few, ranging from 18 years to 33 years in this region (see figure 8). The Republic of Korea, for example, will take only 18 years, while Sri Lanka and Thailand are projected to take nearly 22 and 24 years, respectively (US Census Bureau, 2009). The ageing speed is a few times faster in the Asia-Pacific region than the rate in countries of the Organisation for Economic Co-operation and Development (OECD). France and Sweden, for instance, took 115 years and 85 years, respectively, to reach this rate, while the United States of America took 69 years. Past ageing has profound socioeconomic, cultural and political implications, which policymakers must address in health care, long-term care, employment, social protection and an age-friendly environment, as discussed in chapter 2.

**The number of working-age persons per older person is declining.**

There are fewer workers for every person aged 65 years or older across countries in this region, which raises questions on each country’s capacity to sustain economic growth, maintain fiscal sustainability and increase the general welfare for all ages. Japan faces the lowest potential support ratio, with 2.2 workers aged 20–64 years for every person aged 65 years or older in 2015. This ratio is expected to fall further to 1.8 in 2030 and 1.3 in 2050. That latter ratio means there will be only 30 per cent more people of working age than older persons. Some countries are experiencing a drastic decline, such as Azerbaijan, where the potential support ratio will fall by more than half, from 11.1 in 2015 to 5.1 in 2030. Australia,
Georgia, Japan, New Zealand, Republic of Korea, Russian Federation and Singapore will have the seven-lowest potential support ratios in this region (see figure 9).

**MANY COUNTRIES ARE GETTING OLD BEFORE GETTING RICH.**

Although in general countries with higher incomes tend to be more advanced in the ageing process, there are several outliers in the Asia-Pacific region. Several countries have become old before becoming rich, such as Armenia and Georgia, each with a gross domestic product (GDP) per capita income at between $3,500 and $4,000 and a proportion of older persons between 11 per cent and 14 per cent. Thailand’s per capita income stood at $5,899 in 2016, while nearly 11 per cent of its population was 65 years or older (see figure 10). An exception is Brunei Darussalam, a country that is relatively rich, with a per capita income of more than $26,000, but has a relatively young population, with only 4.7 per cent of its population aged 65 years or older.

**CHANGING FAMILY STRUCTURES HAVE POLICY IMPLICATIONS FOR AGEING.**

Changing marriage behaviour and family structures also are impacting the fertility rate and, consequently, population ageing. In many countries, such as Japan and Thailand, the percentage of women in marriage has been decreasing over the past decades. In Japan, for instance, the percentage of women aged between 45 and 49 years who are married dropped from 87 per cent in 1990 to 76 per cent in 2010.

The percentage of women not getting married is also increasing. In Japan, 12.6 per cent of women aged between 45 and 49 years in 2010 had never married, while 9.5 per cent of that age group in Thailand had never married. In Viet Nam, 6.1 per cent of women in that age group in 2011 had never married. The

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**Figure 9** Potential support ratio of people aged 20–64 years and people aged 65 years or older

Fewer and fewer workers will be found for every person aged 65 years or older.

![Potential support ratio of people aged 20–64 years and people aged 65 years or older](source: ESCAP based on DESA, 2017)
percentage of children born outside of marriage is still low in this region, at least when compared with other OECD countries. For instance, only 1.9 per cent of all births took place outside marriage in the Republic of Korea, compared with 54.6 per cent in Sweden. This indicates that women are not likely to have children if they are not married in this region. Moreover, women who are not married are likely to face the issue of not having family caretakers during their old age.

Caretaking expectations in a society also affect family formation and fertility in this region. One of the reasons many women do not get married relates to their not wanting to fulfil social expectations of household duties or the caretaking of parents-in-law. The high pressure of social expectation to provide unpaid care for older parents may further limit fertility in some countries because women are concerned about facing the unfavourable combination of burdens: caretaking for aged parents or parents-in-law and several children.

### 1.3 Conclusions

The demographic transformations discussed here have direct impact on the progression of development in the Asia-Pacific region. Most countries are experiencing an expected pattern of lower fertility and higher life expectancy—and some are also experiencing a decline in their working-age population. They are thus facing a need to incorporate the considerations of these emerging population trends into development planning in ways that support sustainable and inclusive social and economic growth. The next chapter discusses the effects of population ageing on the prospects for sustainable development and draws links between ageing and achievement of the Sustainable Development Goals (SDGs) across several dimensions.
Grandparents are an integral part of every family. UN Photo / John Isaac
CHAPTER TWO

Population ageing: Implications for sustainable development
IMPORTANT MESSAGES FOR THE REGION

UNIVERSAL AND EQUAL ACCESS TO QUALITY HEALTH CARE MUST BE A PRIORITY.

Governments have a responsibility to create a supportive environment that enables health care and well-being, including disease prevention, into old age.

SOCIAL PROTECTION IS IMPERATIVE TO PROVIDE INCOME SECURITY DURING OLD AGE.

Income inequalities are exacerbated in old age. Rapid population ageing combined with the lack of adequate social security or social programmes will likely increase poverty among older persons.

WOMEN ARE MORE VULNERABLE TO POVERTY IN THEIR OLD AGE.

Inequalities and discrimination throughout the life course linked to gender, geographic location and social strata poorly prepare people for appropriate well-being in their old age and may even hit hardest at that time of life. Women are less likely than men to have adequate pension benefits or control over assets, such as land, in their old age—yet they are also likely to outlive their spouse. Special social protection measures are required to redress the feminization of poverty, in particular among older women.

2.1 Population ageing and the sustainable development goals

The rapidly changing age structure of populations in the region, from a young to an older one, is both a result of successful development as well as a challenge to the future success in achieving sustainable development.

The recently adopted 2030 Agenda for Sustainable Development is a comprehensive ambition focused on reducing inequality and reaching all population groups, especially those furthest behind. Population ageing affects sustainable development in all its dimensions and is particularly relevant for several goals, including ending poverty (SDG 1), ensuring healthy lives and promoting well-being at all ages (SDG 3), achieving gender equality and empowering all women (SDG 5), promoting full and productive employment and decent work for all (SDG 8), reducing inequality (SDG 10) and making cities and human settlements inclusive, safe, resilient and sustainable (SDG 11). Older persons are specifically mentioned under ending hunger and achieving food security (SDG 2) and will also have to be considered to ensure the sustainable management of water and sanitation for all and ensuring access to affordable, reliable, sustainable and modern energy for all (SDGs 7 and 8). Older persons are important to be taken into account to ensure sustainable consumption and production patterns (SDG 12). And due to the interlinked nature of the SDGs, achievement of one goal influences achievement of the others. Hence, improving the situation for older persons has bearing on all the goals.

The Madrid Plan of Action provides a detailed blueprint for Building Societies for All Ages and supports the inclusion of all generations, while making sure that older persons are not left behind. Implementing the Madrid Plan of Action complements and contributes to achieving the 2030 Agenda.

This chapter presents the opportunities and challenges of population ageing confronting the region. It discusses the ways in which population ageing affects different areas of sustainable development and highlights issues that will require concerted effort to
fulfil our agreed pledges of not leaving anyone behind to achieve a region without poverty.

2.2 SDG 1: End poverty in all its forms everywhere

The 2030 Agenda has the ambition to eradicate poverty in all its forms everywhere and among all people. Accomplishing the goal necessitates concrete actions that redress the poverty of older persons— they are among those most at risk of falling into poverty. Over recent decades, the countries and territories of the Asia-Pacific region have made remarkable progress in reducing their poverty levels, especially extreme poverty. If these gains are to be sustained and are to achieve even greater progress, adequate social protection policies must be established to prevent older persons from falling into poverty.

The Asia-Pacific region has some of the fastest-growing economies in the world. Between 1990 and 2013, GDP per capita in the region more than doubled, from $4,700 to $10,400 (at 2011 PPP) (ESCAP, 2017). By comparison, average global GDP per capita grew by slightly more than 50 per cent over the same period. Rapid economic growth has helped lift millions of people out of extreme poverty. It has also generated government revenues for public investment in health care, education, water, sanitation and modern energy, including electricity, as well as in other basic services that are fundamental for socioeconomic development. As a result, the Asia-Pacific region has been at the forefront of global poverty reduction. Between 2000 and 2013, the proportion of people in the region living in extreme poverty—on less than $1.90 of income a day—fell from around 29.7 per cent to 10.3 per cent. In contrast, the global averages

Figure 11  Proportion of population living below the $1.90 per day poverty line (at 2011 PPP), by world and regions, 1990–2013

Poverty has declined substantially in East Asia and the Pacific since the 1990s.

Note: Breaks in trends arise because of a lack of good-quality data.
dropped from 26 per cent to 11 per cent (ESCAP, ADB and UNDP, 2017). Poverty rates declined in most of the Asia-Pacific subregions, but the bulk of the reduction was in East Asia and the Pacific and in South Asia (see figure 11). Bearing in mind the concurrent growth in population, this achievement is even more impressive.

Despite leading the world in poverty reduction, the Asia-Pacific region still has a substantial number of poor people. In 2013, around 400 million people were still living in extreme poverty, and South Asia alone hosted a third of the global poor. (latest estimates in ESCAP, 2016b).

The rate of poverty reduction has varied between countries. The most impressive plummet over this period (between 2000 and 2013) was in China, from 67.0 per cent to 1.9 per cent. The rate in India dropped from 46 per cent to 21 per cent (see figure 12). Between 2010 and 2014, India had an extreme poverty rate ($1.90 per day) of more than 20 per cent of its population. The levels in Bangladesh, Lao People’s Democratic Republic, Nepal and Philippines also remained above the global average of 10.7 per cent in 2013.

OLDER PERSONS, ESPECIALLY OLDER WOMEN, ARE AT HIGH RISK OF FALLING INTO POVERTY.

Sustaining the gains in poverty reduction and eradicating all forms of poverty, everywhere, will require reaching vulnerable population groups. Older persons are at higher risk of falling into poverty because of their reduced capacity to generate income. Those who were already poor in working age will remain poor or fall into extreme poverty when they are old. With increasing numbers of older persons, the percentage of a country’s total population at risk

Figure 12  Poverty rates for selected countries in Asia and the Pacific, 1990s and 2010s
Poverty is still high in India, Bangladesh, Lao People’s Democratic Republic, Nepal and Philippines

Source: ESCAP, 2017
Note: Data were used from the earliest available year between 1990 and 1995, and for the latest available year between 2010 and 2014, for all countries in Asia and the Pacific for which data were available.
of falling into poverty will also increase. Older women are at an even higher risk of falling into poverty because of their lower labour force participation at working age, lower income (than men) if they do work and disadvantages in access to land and other sources of wealth.

Poverty tends to increase with age. In Indonesia, for instance, more than 30 per cent of older persons are poor, and this rate increases with age as a result of reduced capacities to earn an income. In the Republic of Korea, 48 per cent of current older persons live below the OECD poverty line, defined as earning 50 per cent or less of median household income. Yet, this is well above the overall poverty rate of the general population, at 10 per cent.2 In Mongolia and Thailand, which are countries that provide a social pension to older persons, the extreme poverty rate of older persons is very low, thus underscoring the importance of social pensions for poverty reduction (World Bank, 2016a).

Old-age poverty is significantly higher in rural than in urban areas. Data from India show that women in rural areas are more likely to be poor and have no income source (Government of India and UNFPA, 2017).

Social protection is imperative to provide income security during old age.

Social protection systems are essential to reduce old-age poverty. Contributory pension systems not only prevent the poverty of older persons, they also contribute to consumption smoothing and increase savings, which are important requisites for ensuring continued and sustainable economic growth in ageing societies.

The challenge is that the coverage of contributory pension schemes is still modest in the Asia-Pacific region, albeit with subregional differences. While the coverage is relatively good in countries of North and Central Asia as well as in East and North-East Asia, it is minimal in South-East Asia and even more so in South and South-West Asia and in most Pacific island countries. For instance, less than one third of the working-age population was covered by a contributory pension scheme in Bangladesh, India, Lao People's Democratic Republic, Nepal, Pakistan and Sri Lanka in 2014 (see figure 13). In some cases, the shortfall is explained by the non-existence of a mandated pension plan for private workers, such as in Cambodia, Myanmar and Timor-Leste. In other cases, the shortfall is due to poor collection and enforcement of the pension mandate, such as in Indonesia. Overall, in low-income countries, the low coverage of the contributory pension scheme links to the large incidence of informal employment, which leaves workers vulnerable to income insecurity and old-age poverty.
Figure 13  Percentage of working-age population (aged 15–64 years) with statutory coverage of mandatory and voluntary contributory pension schemes in the Asia-Pacific region, latest available year

Contributory pension coverage is low in many countries.

Source: ESCAP based on ILO, 2014.
Pension scheme coverage for women is lower than for men. Due to women's lower labour force participation, women have less access to pension benefits and thus are even more likely to have no income source when they are old. The percentage of those who are actually contributing—and are likely to receive a pension when they stop working—is even lower.

The contributory pension schemes in this region face significant challenges in the low level of adequacy of retirement income, driven by some countries allowing beneficiaries to withdraw a lump-sum payment before retirement (which is often used to pay for large health-care expenses or to rebuild a house after a natural disaster, such as in Fiji, Indonesia and Malaysia. Such withdrawals leave few funds for retirement (ESCAP, 2016c).

As a result of the low pension coverage and low benefit levels, many older persons need to work for income, especially in developing countries. And a sizeable proportion of older persons have little choice but to work in the informal sector in jobs that are hazardous, insecure, low paid and with no social protection. Even though many older persons work, their earnings are often insufficient to meet their basic needs. In India, almost three quarters of older persons are still financially dependent on family members, and financial dependence increases with age (Government of India and UNFPA, 2017).

**MANY COUNTRIES IN THIS REGION TURN TO SOCIAL PENSION SCHEMES TO FINANCE OLD AGE BUT FACE THE CHALLENGE OF A LOW LEVEL OF ADEQUATE INCOME.**

Without adequate access to a contributory pension scheme, older persons require a social pension benefit for basic income—in addition to private income from work, accumulated savings or familial assistance. A social pension, also known as a non-contributory pension, can be defined as a government-provided cash transfer to older persons, where eligibility is not dependent on past contributions or earnings. Some countries provide universal social pensions to all older persons older than a specified age, such as in Nepal or Thailand. In other countries, such pensions are means tested, such as in Bangladesh, or reserved for a vulnerable population group, such as widows in India.

In coping with the gap of contributory pension coverage in this region, social pensions have emerged as important elements of public pension policy. Since the mid-1990s, many South Asian countries have pioneered social pension schemes, such as Bangladesh, India and Nepal. Nepal, for instance, introduced a universal pension for older persons in 1995, with a high eligibility age of 75 years that was reduced to 70 in 2008. Other countries have initiated a social pension scheme somewhat more recently, such as Timor-Leste, which began providing a universal pension to all citizens aged 60 years or older in 2008 (World Bank, 2016c).

Many countries or territories are facing the challenge of balancing coverage with benefit levels in their social pension scheme. High coverage is compensated with low benefit levels, at around 5–10 per cent of income per capita, such as in China; Hong Kong, China; Republic of Korea; and Thailand (see figure 14). Nevertheless, a low benefit level still helps empower older persons financially and helps them maintain their dignity. With a small pension, older persons at least have the option to invest in a small trade. Studies have also found that the younger generation is more willing to cohabitate with older parents if they receive any level of a pension income (Cherian, 2017). Thus, a social pension increases the chance that older persons can tap other incomes, including from their family.

The most critical issue in this region is for the least adequate pension system, such as in countries in which absolute poverty is high, coverage of the contributory pension scheme is low and the social pension benefit and coverage are small or non-existent. These countries include Cambodia and the Lao People’s Democratic Republic, which have no social pension support for older persons, despite their low coverage of contributory pension schemes (World Bank, 2016a).

### 2.3 SDG 3: Ensure healthy lives and promote well-being for all at all ages

The 2030 Agenda targets universal health coverage, including financial risk protection and access to
quality essential health-care services. Ill health at a young age affects people throughout their later life, including in old age. Unhealthy living conditions, malnourishment and stunting drastically impede children’s cognitive development, which thus influences their educational outcomes and future job prospects. People who have suffered from malnutrition and lived in unhealthy living conditions are less likely to remain healthy when they are old and more likely to require care and support. Thus, preparing for healthy ageing starts at a very early age.

Economic and social gains throughout Asia and the Pacific have reduced mortality rates; they have also increased life expectancy, which is one of the drivers of population ageing. Although people are living longer lives, the causes of death and disability are changing, from infectious to non-communicable diseases. Environmental degradation and the hazards associated with it also pose a serious threat to human health, particularly for older persons.

**THE LIKELIHOOD OF ILLNESS AND DISABILITY AND THE PREVALENCE OF NON-COMMUNICABLE DISEASES INCREASE WITH AGE.**

The share of deaths due to non-communicable diseases is increasing in the Asia-Pacific region. Cardiovascular diseases and cancers were the most common causes of death in 2012 (OECD and WHO, 2016). In India, about 42 per cent of all older persons suffered from a chronic condition due to non-communicable diseases in 2007, and the rate was higher for women than for men. Causes of the chronic conditions in India, such as arthritis, hypertension, cataract and diabetes, are more prevalent among women, but heart disease and asthma are more...
prevalent among men (Government of India and UNFPA, 2017). Similar health issues among older persons are also reported in the Islamic Republic of Iran; cardiovascular diseases have increased over the past years, mainly due to changing nutritional patterns. And dietary risks, high blood pressure, obesity and inactivity are reported as the main risk factors among older persons in the Islamic Republic of Iran (WHO, 2015; Rashedi and others, 2016). As a result of chronic conditions, many older persons spend a significant number of years with at least one disability. Consequently, some are homebound or even bed-bound, and some require full-time care to execute major functions.

**MANY PEOPLE ARE LIVING LONGER BUT SPEND MORE YEARS IN DISABILITY BECAUSE HEALTHY LIFE EXPECTANCY HAS INCREASED LESS THAN TOTAL LIFE EXPECTANCY.**

People now live not only longer but also healthier than before. Both healthy life expectancy and life expectancy grew in most countries of the Asia-Pacific region between 2000 and 2015. However, overall life expectancy grew faster than healthy life expectancy. This means people live longer, but they also spend a longer period of their life with a disability. For example, in Cambodia, in spite of increases in both overall life expectancy and healthy life expectancy after age 60 years, older persons will spend an estimated seven years with a disability, which is about 40 per cent of their remaining life. As a result of improved health care, many diseases do not automatically lead to death any more, but people spend more time with chronic conditions leading to impairments.

Women tend to spend more years with disabilities than men. In Turkey, for instance, 60-year-old women will live an estimated 6.4 years of their remaining life with an impairment, compared with same-age men who will live only an estimated 2.3 years with an impairment (see figure 15). In many countries, women’s life expectancy at 60 years grew faster than men’s, but healthy life expectancy grew faster for men than for women.

The increasing number of older persons and their health status has implications for the delivery of health care and long-term care due to increased demand. Many health-care systems are not equipped to meet this increased demand by older persons. In the Islamic Republic of Iran, for instance, the average waiting time for hospitalization is the longest among people aged 50–62 years and older than 65 years. This reflects insufficient capacity in hospitals to address the increasing incidence of age-related diseases.

**OUT-OF-POCKET SPENDING AS A SHARE OF TOTAL HEALTH-CARE EXPENDITURE IS STILL HIGH IN MANY COUNTRIES, RANGING FROM 40 PER CENT TO 70 PER CENT.**

In Afghanistan, Azerbaijan, Bangladesh, Cambodia, India and Tajikistan, more than 60 per cent of total health-care expenditure is financed by out-of-pocket expenditure of private households (ESCAP, 2017). Heavy out-of-pocket expenditure increases the financial burden on individuals, particularly on people who are poor, who are in most need of well-structured health-care services. As health-care costs for individuals rise with age, they become a particular burden for older persons or households with them. When older persons are economically dependent, they often do not seek treatment, particularly in poor households. Achieving good health and well-being for all will require directed effort towards affordable health care for older persons, including expanding the coverage of affordable health-care systems and increased resource allocation to tackle the rising rate of non-communicable diseases.

Public health-care expenditure is low in many countries of the Asia-Pacific region, leading to high out-of-pocket expenditures. Eleven governments responding to the survey reported public health-care expenditure at less than 2 per cent of GDP, while private household financing in those countries is at least half of the total health-care expenditure (see figure 16). In Afghanistan, for instance, health-care spending has increased in recent years and now stands at 2.9 per cent of GDP; but 63 per cent of health-care costs is still borne by private households. The bright side is that most countries have the fiscal space to increase their health-care spending because
Figure 15  Expected years spent with an impairment after reaching the age of 60 years, by sex (difference between healthy life expectancy and life expectancy at age 60)

Older women spend more years with a disability than older men.

Source: ESCAP based on DESA, 2017 and WHO database, see www.who.int (accessed 3 July 2017).
Low public health expenditure is mostly associated with high health costs for private households. Investing in health reduces poverty and inequalities and consequently leads to more productive populations.

**EXPANDING PUBLICLY FINANCED UNIVERSAL HEALTH COVERAGE WOULD REDUCE OUT-OF-POCKET EXPENSES.**

Some countries spend a large proportion of their GDP on health care, which leads to low out-of-pocket expenditure for households. These include small island developing States, which cannot realize economies of scale, but also countries with a large proportion of older persons, such as Japan and New Zealand. Of course, population ageing leads to higher health-care costs, which can be a fiscal challenge in the provision of universal access to health care. Data from the National Transfer Accounts for Japan indicate that older persons consume large government transfers, mainly because of health-care costs. To avoid higher health-care costs due to population ageing, countries should start investing in preventive health care as well as in healthier lifestyles of the general population to ensure that older persons can remain healthier for a longer time. They should also invest in making their health-care systems as efficient as possible. The introduction of a co-payment scheme can prevent overuse of the health-care system, which was an issue in Japan in the 1980s.

**PROFESSIONAL LONG-TERM CARE SERVICES ARE STILL LIMITED IN THE ASIA-PACIFIC REGION.**

In many countries, long-term care is still subsumed under the health-care system, although long-term care can be considered as "social care". When the number of older persons requiring long-term
care increased sharply, which caused significant strain on the physical and financial capacity of its health-care system. Japan was the first country to separate long-term care services from general health insurance. Long-term care services are now delivered through an integrated system of public, private and community providers and financed through long-term care insurance (MHLW, n.d.). The Republic of Korea also introduced a long-term care insurance scheme in 2008, when changing family structures and increased female labour force participation increased the demand for non-family caregivers (Kwon, 2009). As the numbers of older persons requiring long-term care increase rapidly in many countries, more governments must consider new concepts to provide and finance long-term care. For many countries in this region, long-term care is mainly provided by unpaid care work by family members.

Older persons are vulnerable to the financial impact of morbidity and mortality risks. With the Asia-Pacific region moving towards an aged society, it is important to accelerate the development and expansion of health care to support healthy ageing. There is critical need for achieving universal health-care coverage and health equity. Health-care delivery systems in this region have features in common that make them ill-prepared for the non-communicable disease epidemic. Therefore, health-care systems must shift their priorities and invest more in preventive health care to ensure healthier populations.

2.4 SDG 5: Achieve gender equality and empower all women and girls

Ageing has specific bearing on SDG 5 because the older a population is, the larger proportion of women it tends to have. Discrimination of women and girls throughout the life course is compounded in old age. Achieving gender equality among older persons is also key to reaching several other SDGs, including the end of poverty, ensuring healthy lives and promoting the well-being of all ages. Target 5.4 also seeks to “recognize and value unpaid care and domestic work”, which is relevant in the context of population ageing because many women provide unpaid care to older family members.

Gender equality is not only about women, and gender equality for older persons requires that the different experiences of both older men and older women are addressed. While older men, on average, have a better financial situation and stronger role in society by virtue of being men, the higher morbidity rate of men, their different health situations and, at times, greater difficulties in adjusting to a changing role in old age, warrants a gendered approach to ageing. However, as a way of starting with those furthest behind, older women should be a priority for countries in the Asia-Pacific region to achieve the SDGs.

AGEING HAS DIFFERENT IMPLICATIONS FOR MEN AND WOMEN.

Inequalities and discrimination throughout the life course, including in relation to gender, are continuous and cumulative with old age. Ageing increases the vulnerability of women (and men) who are poor, live with a disability, in rural areas, belong to an ethnic minority and/or are migrants, as well as the vulnerability of women who are widowed and divorced.

LIKE WOMEN OF YOUNGER AGES, OLDER WOMEN ARE Often VICTIMS OF GENDER-BASED VIOLENCE.

Violence against older persons has generally been addressed through the frame of elder abuse, while violence against women adds a more specific gender lens by defining it as “any act of gender-based violence that results in, or is likely to result in, physical, sexual or psychological harm or suffering to women, including threats of such acts, coercion or arbitrary deprivation of liberty, whether occurring in public or in private life”. This can also include financial abuse, exploitation or deprivation of resources, neglect and abandonment.

Studies indicate that the majority of older victims of neglect, abuse or violence are women, reflecting the gender discrimination at large in society. Perpetrators can be family members, friends or acquaintances but also can be strangers who prey on older persons or commercial organizations that defraud older clients (WHO, 2002). Isolation, cognitive decline, dementia, disability and care
dependency as well as a history of interpersonal violence constitute additional risk factors for violence against older women (DESA, 2016).

**WOMEN ARE MORE VULNERABLE TO POVERTY IN OLD AGE.**

Gender role expectations make people vulnerable to poverty in old age and limit their access to social protection. Women’s domestic role and unpaid care responsibilities in the household, including for children and ageing parents, impacts adversely on their ability to participate in the labour market and, as a consequence, make them more vulnerable to poverty as they age. Because pensions are labour based, women are less likely than men to have income security in their old age due to their absence from formal employment for much of their life. Women are also less likely to have access to land (see figure 17), and in several countries of the Asia-Pacific region, are disadvantaged in inheritance rights. As a result, many older women depend financially on their spouse or, in the likely event they are widowed, on other family members. In India, for example, 72 per cent of older women in both rural and urban areas were economically dependent in 2004, with three quarters of them dependent on their children (CSO India, 2016). For many older women, having access to a social pension plan or other cash transfer is crucial for their survival and their dignity.

Some of the inequalities that older women experience now could improve for future generations of older women if gender education gaps were to decline over time, which would likely lead to better financial

Figure 17  **Percentage of women and men not owning any land, latest available year**

Women are less likely to have land ownership.

security in old age. Gender disparity has narrowed substantially at all levels of education since 2000 in Asia (United Nations, 2015). However, in most Asia-Pacific subregions, the women and girls who have benefited from improvements in the education gap between the sexes are those born in the 1990s onwards, which means that possible improvements for future generations of older women could take decades.

While some countries in the region have implemented income support schemes targeting women, there is a need to ensure that social protection programmes reach women to a greater extent and that social protection systems take the life-course approach to effectively cover older women (ESCAP, 2015).

**WOMEN ARE MORE LIKELY TO BE LIVING ALONE IN THEIR OLD AGE, EXACERBATING THEIR FINANCIAL VULNERABILITY.**

The loss of a spouse can lead to social stigma, exclusion and isolation of older men and women. Because women often outlive their spouse, they are more likely to be widowed—and live alone—in old age. In several cultures, it is common for men to remarry, while remarriage is frowned upon for women (Government of India and UNFPA, 2017; UNFPA, 2014a). For example, in Indonesia in 2010, 61 per cent of all older women were widowed, while only 16 per cent of older men were widowed. When taking into account the difference in the singulate average age at marriage and the longer life expectancy of women, older women outlive their spouses by a range of 4–10 years (see table 1).

**AS LIFE EXPECTANCIES LENGTHEN IN THE REGION, THE DEMAND FOR LONG-TERM CARE INCREASES, WHILE THE MAJORITY OF THE “OLDEST-OLD” ARE WOMEN.**

In Japan, the share of women receiving long-term care was greater than the share of men receiving it across old ages. Approximately half of the Japanese women aged 85–89 years received long-term care, while only 30 per cent of men in the same age group did so in 2015 (ESCAP, 2015a).

Caregivers are also ageing, with many older persons caring for other older persons. The proportion of

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**Table 1 Life expectancy, mean age at marriage and average number of years a woman lives alone after her spouse’s death**

<table>
<thead>
<tr>
<th>Country</th>
<th>Life expectancy</th>
<th>Singulate mean age at marriage</th>
<th>Average number of years a woman lives alone after her spouse’s death</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
<td>Women</td>
<td>Men</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>69.9</td>
<td>71.5</td>
<td>25.4</td>
</tr>
<tr>
<td>Bhutan</td>
<td>67.9</td>
<td>68.6</td>
<td>25.4</td>
</tr>
<tr>
<td>India</td>
<td>64.7</td>
<td>68.2</td>
<td>24.8</td>
</tr>
<tr>
<td>Indonesia</td>
<td>68.8</td>
<td>72.9</td>
<td>25.7</td>
</tr>
<tr>
<td>Maldives</td>
<td>76.9</td>
<td>79.0</td>
<td>26.4</td>
</tr>
<tr>
<td>Myanmar</td>
<td>63.0</td>
<td>67.2</td>
<td>27.6</td>
</tr>
<tr>
<td>Philippines</td>
<td>65.4</td>
<td>72.2</td>
<td>27.0</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>71.2</td>
<td>77.5</td>
<td>27.6</td>
</tr>
<tr>
<td>Thailand</td>
<td>71.1</td>
<td>77.8</td>
<td>27.4</td>
</tr>
<tr>
<td>Timor-Leste</td>
<td>66.0</td>
<td>69.1</td>
<td>26.9</td>
</tr>
</tbody>
</table>

older caregivers has been increasing, too. In Japan in 2001, for instance, 50 per cent of female caregivers and 64 per cent of male caregivers were aged 60 years or older. This percentage increased to 69 per cent for both male and female caregivers in 2013. Such changes pose certain challenges including increased pressure on older caregivers, in particular women, to provide support to older persons. Related to this is the caregiving profession finding it hard to acquire younger talent, with the benefit of innovative ideas, to care for older persons and strengthen intergenerational relations.

**AN AGEING POPULATION ALSO HAS IMPLICATIONS ON YOUNGER GENERATIONS OF WOMEN.**

Younger generations must take care of ageing parents while also preparing for their own old age, which is increasingly difficult with fewer siblings (due to declining fertility rates). In Japan, a woman in her 50s is likely to take care of four people—her own parents and her husband’s parents. Care responsibilities often limit women’s capacity to participate in the paid labour force. According to the 2013 National Survey on Family, 40 per cent of married women in Japan quit their job when they started taking care of their ageing parents (ESCAP, 2015a). Recent global estimates showed that 75 per cent of the world’s unpaid care work, including routine household work, was undertaken by women: 39 per cent of unpaid care work was caring for children and ageing relatives (McKinsey Global Institute, 2015). This deference to expectation, however, is also changing. Research from 2013 revealed that more than 80 per cent of women in the Republic of Korea disagreed or strongly disagreed with the statement: “Men work outside the home and women take care of the home” (ESCAP, 2015b). This change in attitude could have implications on women’s willingness to take care of older persons if it requires them to withdraw from the labour market.

**EVEN IN THOSE COUNTRIES THAT HAVE DEVELOPED A FORMAL SYSTEM OF LONG-TERM CARE, THE WORKFORCE IN THE FORMAL CARE SECTOR IS LARGELY COMPOSED OF WOMEN, SUCH AS HEALTH WORKERS, NURSES AND DOMESTIC WORKERS.**

In Japan and the Republic of Korea, the introduction of long-term care insurance has contributed to a dramatic increase in personnel engaged in long-term care. While the increasing demand for long-term care provides employment opportunities for women, this work is often poorly remunerated and can place
women in vulnerable working conditions. Beyond the challenge of how to finance the future needs for long-term care, governments must regulate the care economy to ensure decent work conditions for caregivers and good-quality care services. In Japan, concerted efforts have been made to ensure adequate pay and desirable career paths and working environments for care workers (ESCAP, 2015a; ESCAP, 2015b).

A lifetime of discrimination in education, employment, nutrition and health care translates to a lack of employment and pension benefit, financial vulnerability, dependency on family members, disability and/or poor health for older women. Leaving no one behind requires us to increase our efforts to ensure equality between older women and older men and to focus our efforts on those furthest behind—older men and older women with multiple vulnerabilities. A requisite for these needed efforts, which is largely missing, is sex-disaggregated data on older persons and further research into the lived experiences of older men and older women. Addressing the root causes of gender inequalities in old age requires addressing gender disparities throughout the life course. Gender equality in old age will only be reached with equality between girls and boys and between middle-aged women and men.

2.5 SDG 8: Promote inclusive and sustainable economic growth and decent work for all

Shrinking working-age populations raise the alarm for negative impacts on economic growth. Working-age populations are shrinking in Georgia, Japan, Russian Federation and Singapore; a similar phenomenon is predicted to occur within the next five years in China, Thailand and Viet Nam. With fewer workers, holding all other things constant, a challenge to sustain economic growth is posed. Simulations in Japan revealed that population ageing has reduced annual economic growth by 1 percentage point (IMF, 2017). A similar downturn may be experienced by China and the Republic of Korea, although at half or up to three quarters of a percentage point of economic growth (IMF, 2017). At the far end, Thailand is forecasted to experience a 7 per cent decline in its annual economic growth rate in 2020 (UNFPA, 2011).

If countries were to increase women’s labour force participation and develop policies for regular and orderly migration, the number of people in the labour force would increase, which would generate opportunities for additional economic growth. In Australia, for example, economic growth in recent years would have been significantly lower without in-migration (Piggott, 2017). To support this growth, technological upgrades will need to be made (if not already made) with an advanced rate of population ageing.

INTERNATIONAL MIGRATION CAN ATTENUATE THE IMPACT OF THE SHRINKING WORKING-AGE POPULATION.

Foreign migrants tend to be younger, on average, than the population of their host country. Although it may slow the increase of the average age of residents in a country, migration cannot halt or reverse the gradual process of population ageing. Currently, merely a few countries in the Asia-Pacific region have adopted in-migration as a strategy to address population ageing, which is reflected in the net migration rates for the region. Only Australia, New Zealand and Singapore have a policy on in-migration that allows for long-term settlement. The Russian Federation allows free labour migration through the Eurasian Economic Union and has a patent system for other countries. It also facilitates citizenship for labour migrants who fulfil certain conditions.

Population ageing may affect a country’s labour productivity. Depending on the type of work, a relatively older workforce can be more productive because they are more experienced and have accumulated more knowledge. However, an older workforce may be less productive in physically demanding professions. In agriculture, for example, ageing of the workforce often leads to low agricultural productivity (Suphanachart, 2017). Many countries experience an ageing of their agricultural workforce that is faster than that of the total workforce due to labour migration of younger people to urban areas, leaving agriculture largely to older persons. In countries with a large share of GDP in sectors that require a sizable intake of physical labour, total factor productivity may decrease.
because of population ageing if no technological advancements and change in production structures are made. In line with this assumption, economic growth in China is predicted to fall by 0.3 per cent due to declining productivity related to population ageing (IMF, 2017).

Population ageing does not always lead to lower productivity. More aged countries are not less productive these days; it is rather the opposite because the most aged countries in the region are also the most economically advanced countries (see figure 18). In recent years, the greatest productivity gains were achieved through technological upgrading in aged countries, such as Japan and the Republic of Korea (OECD, 2017).

While providing employment opportunities for older persons who are still able and willing to work is an important response to the phenomenon of population ageing, in many countries in the region, older persons work out of necessity. Although women are less likely to receive a pension and have fewer opportunities to accumulate savings throughout their life course, they are also less likely to participate in the paid labour force (see table 2). Women who do not participate in the paid labour force in their younger age will be unlikely to take up paid work when they are old—many of them may not have the skills to even engage in paid work.

Figure 18 18 Median age and GDP per person employed
High productivity is found in many countries with a relatively old population age structure.

Table 2  Labour force participation rate of persons aged 65 or older in selected countries, by sex, 2016

<table>
<thead>
<tr>
<th>Country</th>
<th>Male (%)</th>
<th>Female (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>BANGLADESH</td>
<td>50.3</td>
<td>16.1</td>
</tr>
<tr>
<td>CHINA</td>
<td>28.3</td>
<td>18.1</td>
</tr>
<tr>
<td>FIJI</td>
<td>37.8</td>
<td>15.6</td>
</tr>
<tr>
<td>INDIA</td>
<td>41.5</td>
<td>10.7</td>
</tr>
<tr>
<td>MALAYSIA</td>
<td>35.4</td>
<td>12.1</td>
</tr>
<tr>
<td>MONGOLIA</td>
<td>14.0</td>
<td>9.4</td>
</tr>
<tr>
<td>MYANMAR</td>
<td>41.3</td>
<td>26.2</td>
</tr>
<tr>
<td>PAPUA NEW GUINEA</td>
<td>55.4</td>
<td>52.4</td>
</tr>
<tr>
<td>RUSSIAN FEDERATION</td>
<td>15.1</td>
<td>9.5</td>
</tr>
<tr>
<td>UZBEKISTAN</td>
<td>20.6</td>
<td>8.0</td>
</tr>
</tbody>
</table>

Source: ESCAP, 2016b.

The majority of older persons are working in the informal sector without decent pay or income security.

Although a relatively high percentage of older persons still work in many countries, they often do not have access to decent work and may earn a low income. Older persons are often overrepresented in the informal sector. One reason is because of the statutory retirement age and other age-based discrimination in the formal sector. Another reason is the lack of social protection in the informal sector, which forces people to work longer, while those covered by a pension can retire. In Thailand, for example, the proportion of older persons in the informal sector increased from 10 per cent in 1999 to 12 per cent in 2009. It is also argued that, due to increasing education levels, formal sector employers prefer younger people, which leaves many older persons able to only access employment in the informal sector.

In order to resolve the aforementioned challenges, population ageing does not automatically lead to reduced economic growth. In fact, a second demographic dividend may be realized if people adapt their consumption behaviours to a longer life expectancy. A population concentrated at older ages and facing an extended period of retirement has the incentive to accumulate assets over time, which in turn can stimulate investments and thus, economic growth. Research findings indicate that in more developed countries, older persons who live alone support themselves financially with their own labour earnings, income from assets and through public cash transfers (NTA, 2016). Therefore, if appropriate labour market and other policies are established to allow for a productive absorption of the working-age population as well as the promotion of savings accumulation at younger ages, it is likely that population ageing can stimulate economic growth.

Population ageing must be taken into consideration when designing policies to maintain economic growth and access to decent work, particularly in countries with shrinking working-age populations. Even in countries that still have time to harness the demographic dividend, attention must be given to creating decent work opportunities for older persons who have no other income stream.
2.6 SDG 10: Reduce inequality within and among all countries

This goal aims at reducing income inequality but also calls for the empowerment and promotion of the “social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status” (target 10.2). It further seeks to ensure equal opportunities, eliminate discriminatory laws and promote “policies, especially fiscal, wage and social protection policies, [that] progressively achieve greater equality” (target 10.4).

Population ageing leads to rising economic inequality.

Income inequalities are likely to increase with population ageing because households of older persons either have no income or income that is significantly small. If the proportion of the older population increases, increasing income inequalities can be expected (Deaton and Paxson, 1997). When population growth slows, capital intensity increases, thus widening income inequality (Piketty, 2014). In addition, an increase in longevity extends the period of income fluctuation over individual life cycles and consequently widens income inequality (Goldstein and Lee, 2014).

Where it has occurred in the region, economic growth combined with social policies has led to substantial reductions in poverty. But the gains have disproportionately benefited the richest households, leading to rising inequality. One way to assess income inequality, with a focus on the most vulnerable households, is to compare the income share of the top 10 per cent of a country’s population over several decades with that of the bottom 10 per cent and see how the ratio between these shares changes (see figure 19). Available data from 22 countries reveal that, in most of them, inequality has increased. In Georgia, Kyrgyzstan and the Russian Federation, for instance, the ratio increased by more than 4 percentage points. But the change has been greatest in China: In 1981, compared with the bottom 10 per cent, the richest 10 per cent had six times as much income; by 2009 they had 18 times as much. Even in countries in which income inequality has fallen, the reductions occurred from relatively high levels and often remained above the regional average (ESCAP, 2017).
There are vast cross-country differences in income inequality. In Kazakhstan and Pakistan, for example, the income share of the richest 10 per cent is around 6 times that of the poorest, while in Malaysia it is almost 20 times that of the poorest. In Asia-Pacific, this means that the richest 10 per cent have 35 per cent of total income while the poorest have less than 2 per cent (ESCAP, 2017).

Inequalities in wealth in the Asia-Pacific region are even higher than income inequalities. Wealth inequality can be measured through the Gini index, which ranges from 0, or absolute equality, to 1, which means one person owns everything. The Asia-Pacific region, which has around 62 per cent of the total global wealth, has an average Gini index of 0.90, compared with the value for Latin America, at 0.81 (Credit Suisse, 2016). In India, the wealthiest 10 per cent of the population now owns 36 times more wealth than the poorest 40 per cent. In China, the wealthiest 10 per cent has 26 times more. In China and India, the wealthiest 20 per cent of each population has 78 per cent of total wealth; in Thailand, they have 70 per cent; and in Indonesia it is 65 per cent. Japan is much more equal, with the richest 20 per cent only having around half of all wealth (ESCAP, 2017).

When it comes to wealth inequalities, older persons usually have more wealth than younger people because they have had more time to accumulate it throughout their lifecycle. However, wealth inequalities among age cohorts are often more distinct among older than younger people because greater earning power will generate higher savings throughout the life course, leading to greater wealth. Thus, inequalities are often deepened in old age, which again can lead to higher

Figure 19  **Median age and GDP per person employed**

High productivity is found in many countries with a relatively old population age structure.
inequalities in ageing societies (Bussolo, Koettl and Sinnott, 2015).

Limited access to a pension scheme further leads to inequalities in old age. In many countries of the region, a minority of the working-age population is covered by contributory pension schemes, whether through mandatory or voluntary contributions. This means that the majority of the working-age population does not have access to a contributory pension scheme and, again, women have even less access than men. In many countries, the pension system is only for public sector employees; in other countries, it is also for formal private sector employees, but with limited access to informal sector workers. This already forms an inequality that will further intensify in old age: those who are already better off and more protected in their working age through jobs in the formal private sector will be more protected in their old age. Additionally, most pension systems are defined contribution systems without any re-distribution element or benefit cap. Thus, workers with higher incomes and able to pay in more will also receive proportionally larger pensions. This is reflected in beneficiaries by income groups, which shows that most pension beneficiaries are in the highest-income group.

Most countries in the Asia-Pacific region still rely on family to support older persons. For instance, older persons in Cambodia and China received familial financial transfers valued at about 16–18 per cent of their consumption (NTA, 2016). The familial support system can also create additional inequalities. With decreasing old-age support ratios (see Chapter 1), adult children must increase the share of their resources devoted to supporting their parents if that transfer is to be high enough to support all of them, or their parents will receive a reduced level of assistance. The effect of ageing on family assistance is uncertain. If families are highly altruistic, they may adjust their intergenerational transfers to reallocate resources equally among all members. But if altruism is weak, income differences within the family may widen in response to population ageing (Altonji, Hayashi and Kotlikoff, 2000).

Mandatory retirement ages are early, when compared with life expectancy at the age of retirement, yielding long retirement duration and increasing the risk of old-age economic inequalities.

Older persons also face inequalities in access to the labour market due to the statutory retirement age. Not only are statutory retirement ages a form of age discrimination, they also deepen further economic inequalities by limiting the contribution period. This leads to low benefit levels in pension systems that are largely defined contribution systems. In several countries, the statutory retirement age is lower for women than for men, which, in addition to the other disadvantages, further reduces women’s potential benefit levels. Statutory retirement ages are still low in many countries of the region—as low as 55 in Fiji, Mongolia and Sri Lanka. In many countries, people on average can expect to live at least 20 years after retirement. Assuming that they started work at the age of 20, they had 35 years to pay into a pension fund and have to live for another 20 years with the benefits or a lump-sum payment, which is typically the case in countries with provident funds. This situation leads to either little benefit or, in the case of higher benefits, renders the pension system unsustainable.

Circumstances are exacerbated for women because of their longer life expectancy and, in some cases, their lower retirement age (see figure 20). With an earlier statutory retirement age than men, older women in many countries in the region have a retirement duration of more than 25 years (as high as 31 years in Sri Lanka). While a lower statutory retirement age for women is often meant to “reward” them by being able to retire earlier, it actually leads to greater income inequality between men and women. In defined contribution pension systems without redistribution elements, pension benefits depend only on contributions. Thus, women are deprived of the opportunity to pay in as many years as men do and are confined to receiving smaller benefits, which increases income inequality. Recent research suggests that merely increasing women’s labour force participation could maintain current economic support ratios until 2040 (ECLAC, 2013a; ECLAC, 2013b; ECLAC, 2013c; ECLAC, 2013d). But
if women are forced by a mandatory retirement age to leave the labour force early, this potential is lost.

Equal opportunity to decent work for older persons is essential. Older persons who want or need to work should be enabled to continue with income-generating activities for as long as they are able to do so productively. Unemployment, underemployment and labour market rigidities often prevent this, thus restricting opportunities for individuals and depriving society of their energy and skills. Evidence shows that early retirement has not just led to more jobs for youth; instead, the evidence suggests that policies that promote the employment of older persons benefit both older and young workers (ILO, 2012). There is thus a need to increase awareness in the workplace of the benefits of maintaining an ageing workforce. Policies to extend employability, such as flexible retirement, new work arrangements, revising the statutory retirement age, providing incentives to hire, retain or retrain older workers, adaptive work environments and vocational rehabilitation for older persons with disabilities, are essential and allow older persons to combine paid employment with other activities.

Economic inequality rises with age. It accrues and is reinforced over a person’s life. Well-designed polices can have favourable impact on inequality reduction as well as poverty reduction. Future efforts to promote more egalitarian societies should include measures that enhance the socioeconomic status of older persons, provide access to equal opportunities and fair treatment, access to affordable public services, including health care, and provide income security and the opportunity to engage in gainful employment.

Figure 20  Life expectancy at retirement age, by sex
Women face longer retirement duration because of earlier statutory retirement age and longer life expectancy than men.

Source: ESCAP based on statutory retirement age reported in Asia and the Pacific, 2016b, and life expectancy reported in DESA, 2017.
2.7 **SDG 11: Make cities and human settlements inclusive, safe, resilient and sustainable**

This goal is one that makes particular reference to older persons. Two of its targets call for the inclusion of older persons: “by 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons” (target 11.2) and “by 2030, provide universal access to safe, inclusive and accessible, green and public spaces, in particular for women and children, older persons and persons with disabilities” (target 11.7).

Urbanization trends affect older persons in two ways. First, in several countries of the region, most older persons already live in cities; in Australia, Islamic Republic of Iran, Mongolia and Russian Federation, for example, more than 70 per cent of all older persons live in cities. Second, in many other countries, older persons in rural areas are affected by the move of younger people to cities who leave them behind.

The rapid growth of cities in the Asia-Pacific region has resulted in dense populations with living conditions often difficult for older persons. They are at risk of being left behind in city life since they are often excluded from accessing many urban amenities. Public transport, for instance, is often not accessible for people with mobility restrictions. Heavy traffic and rudimentary walkways often make movements within cities hazardous for older persons. Furthermore, older persons are often disproportionately affected by heavy air pollution due to pre-existing medical conditions, such as asthma.

Over the next few decades, the level of urbanization is expected to increase across the world, with the Asia-Pacific region expected to urbanize faster than any other region between 2030 and 2050. Only a few countries are home to half of the world’s urban population. In 2014, China had the largest urban population, with 758 million urban dwellers, accounting for 20 per cent of the global total. China was followed by India, with 410 million urban dwellers, and the United States of America, with 263 million urban dwellers.
In several countries of the region, older persons are significantly less likely to live in urban areas than the overall population, which reflects a large movement of younger people to cities (see figure 21). In Bhutan, one of the fastest-urbanizing countries in the region, the overall urbanization rate is almost double that of older persons: while 38.6 per cent of the overall population lives in urban areas, only 19.3 per cent of the older population lives in such settings. In Vanuatu, 26 per cent of the total population lives in cities, compared with only 12 per cent of all people aged 60 years or older.

Although South and South-West Asia are urbanizing rapidly, most older residents of those subregions live in rural areas. Older persons living in rural areas are more likely to live alone because their children have moved to a city. Urbanization favours the development of most health facilities in urban areas, leaving older persons in rural areas often without access to health services. Similarly, in Pacific island countries, older persons are often left behind on outer islands, with limited infrastructure and limited access to health care (UNFPA, 2014b).

Additional challenges include that the Asia-Pacific region is home to the world’s largest urban slum population and has the largest concentration of people who live below the poverty line. For example, in 2010, one third of the world’s 1.2 billion extreme poor lived in India alone. China, despite much progress in poverty reduction, ranked second, and was home to about 13 percent of the global extreme poor (ESCAP, 2015d). Adequate shelter, safe neighbourhoods, safe water,
improved sanitation, health care, transport and access to modern energy systems, or even a legally defined address, are rights still not enjoyed by all people. Living conditions in slums are often even more difficult for older persons: Inadequate shelter, lack of access to safe water and improved sanitation again leads to compounded vulnerabilities for older persons. Detailed data on older persons living in slums are required for designing policies to reach slum populations of all ages.

Governments and stakeholders should promote various policies to create more age-friendly urban settings so that older persons can participate in daily life and contribute to continuing urban prosperity. This includes not only ensuring that older persons have an adequate standard of living but also making streets more walkable and making public transport truly accessible to older persons and persons with disabilities.

2.8 SDG 13: Take urgent action to combat climate change and its impacts

The Asia-Pacific region is the most disaster-affected and most disaster-prone region in the world. Many of these disasters, such as the increase in cyclones or droughts, can be attributed to climate change. Older persons are often disproportionately affected by disasters because of their physical, social and economic vulnerabilities. As a result of physical limitations, it can be more difficult to evacuate older persons during a disaster. Due to social isolation, older persons may not be alerted to a disaster. Moreover, economic vulnerabilities, mean that they more likely live in accommodation easily destroyed in a disaster (floods, cyclones or earthquakes) or that does not provide adequate protection from heatwaves.

Older persons are often disproportionally affected by disasters because of their physical, social and economic vulnerabilities.

In many disasters, older persons are disproportionately represented among the casualties. For example, the Great East Japan Earthquake and Tsunami claimed 15,853 lives; 56 per cent of them were aged 65 years or older, even though this age group made up only about 23 per cent of the total population (HelpAge International, 2013). Older persons are more vulnerable to heatwaves because they are more likely to suffer from chronic health conditions that make them more susceptible to heat stress. In a heatwave in Australia in 2009, more than 80 per cent of the deaths were people older than 65 years (Harvison, Newman and Judd, 2011).

Not only are older persons more likely to be directly affected by disasters, their needs are often not met during the disaster response. They are typically left behind in humanitarian situations in general. They are often the last in distribution lines, and their needs are often not included when equipment is procured for circulation. Medicines distributed during disasters often do not include the regular medicines that older persons must take for chronic diseases, such as high blood pressure. Shelters provided after disasters typically do not take into consideration the mobility and sometimes other restrictions of older persons (HelpAge International, 2015).

Older persons are also left behind when it comes to disaster risk reduction, although their experience and wisdom could be harnessed, for example, in tracking early warning signs to disasters. A study conducted by HelpAge International (2015) revealed that, in 2012, a mere 1 per cent of disaster risk reduction projects targeted older persons. In a 2014 survey, most older respondents reported they were inadequately informed of disaster risk reduction efforts: 68 per cent of the respondents were not part of the disaster preparedness planning in their community, while only 9 per cent participated repeatedly (UNISDR, 2014). Older persons are traditionally viewed as passive recipients of aid rather than active contributors to disaster risk reduction efforts.

It is critical to collect data that encompass information on local hazards and risk profiles and to implement policies that comprehend both the vulnerabilities and capacities of older persons in disaster risk management. It is particularly important to adopt the Sendai Framework for Disaster Risk Reduction, 2015–2030, which encompasses specific reference to the inclusion of older persons in policymaking processes, “including in humanitarian contexts and, in particular,
in disaster risk reduction policies, strategies and practices and in emergency response, considering their specific requirements, vulnerabilities and capacities” (United Nations, 2015).

2.9 Conclusions

Population ageing affects sustainable development because poverty and economic and health inequalities increase with age. Old-age poverty is a concern, particularly for countries with the least adequate pension systems and where absolute poverty is high. Old-age health care and long-term care is a critical area for most countries. Yet, investments in health care are inadequate in most countries. When compared with the World Health Organization’s recommendation of a minimum expenditure of $44 per person per year, they are extremely low in the most impoverished of situations, with per capita spending as low as $4 per person. Out-of-pocket health expenditures are high in many countries, ranging from 40 per cent to 70 per cent of total health expenditure. A low statutory retirement age results in a long retirement duration and increases the risk of economic inequalities among older persons. Gender inequality is one of the most fundamental challenges confronting the region, subjecting older women to poverty, little (if any) pension benefit, long retirement duration, long years of disability and/or gender-based violence.

With limited time to prepare for rapid population ageing in this region, adequate social protection systems and universal quality health-care services will become more important than ever. Not only do social protection systems provide income security to older persons, they contribute to the reduction of inequalities. Universal access to health care will be crucial to ensure that people stay healthy longer and also to reduce the high financial burden and risks faced by private households.

The impacts between population ageing and sustainable development are not limited to the SDGs discussed in this chapter. There are also areas of sustainable development in which the link to population ageing needs to be further examined and better strategies need to be found to include older persons. More research is required on the links between population ageing and climate change, environmental degradation and sustainable consumption and production.

The Madrid Plan of Action provides a comprehensive global blueprint that complements the 2030 Agenda. It lays out concrete actions for governments to address population ageing by including older persons and protecting their rights.
CHAPTER THREE

Recent policy developments in the Asia-Pacific region
IMPORTANT MESSAGES FOR THE REGION

OLDER PERSONS WHO WANT TO WORK SHOULD HAVE THAT RIGHT AS WELL AS EMPLOYMENT OPPORTUNITIES.

The statutory retirement age across the Asia-Pacific region is low, considering the current and increasing life expectancies, resulting in long retirement duration. Eliminating age barriers in the formal labour market would help to ease the fiscal pressure on pension schemes and health-care systems. Allowing older persons to work as long as they are able and willing would sustain their self-sufficiency and reduce their social alienation.

ESCAP IS MANDATED TO FACILITATE THE REVIEW AND APPRAISAL OF THE MADRID INTERNATIONAL PLAN OF ACTION ON AGEING.

As mandated by the United Nations Economic and Social Council, ESCAP provides assistance to members and associate members in organizing their Madrid Plan of Action national review and appraisal exercises to promote networking and the exchange of information and ideas on policy responses.

RESEARCH ON AGEING AND AGE-DISAGGREGATED DATA ARE ESSENTIAL FOR DESIGNING POLICIES ON AGEING POPULATIONS AND ASSESSING THE FISCAL AND SOCIAL HEALTH OF COUNTRIES.

Scientific research on innovative information and technologies are essential to support policy responses to the ageing population phenomenon. Demographic and socioeconomic data disaggregated by age, sex and other relevant characteristics are important to document changes in the age distribution of a population and the well-being of a society.

3.1 Review of the Madrid International Plan of Action on Ageing

In its resolution 2015/5, the Economic and Social Council mandated regional commissions to conduct comprehensive reviews on the implementation of the Madrid Plan of Action at the regional level. Since its adoption by the United Nations General Assembly in 2002, the Madrid Plan of Action has undergone a review and appraisal every five years. As part of this review process, ESCAP administered a government-led survey on progress achieved by members and associate members in the Asia-Pacific region. By mid-2017, the following had submitted their responses to the survey: Armenia; Australia; Azerbaijan; Bangladesh; Cambodia; China; Fiji; India; Islamic Republic of Iran; Kyrgyzstan; Macao, China; Malaysia; Mongolia; Myanmar; Nepal; New Zealand; Pakistan; Philippines; Republic of Korea; Russian Federation; Samoa; Singapore; Sri Lanka; Thailand; Tonga; Turkey; Uzbekistan; and Viet Nam. Together, these countries represent 89 per cent of the region’s total population.

The survey was structured according to the three priority areas of the Madrid Plan of Action: older persons and development, advancing health and well-being into old age and ensuring enabling and supportive environments. It included an additional section on government structures, legislation and national policies, which inquired about the institutional arrangements for coordinating and implementing the national agenda on ageing and the rights of older persons.

This chapter highlights the survey responses from governments in reference to implementation of the Madrid Plan of Action for the 2012–2016 period. Survey results from the 2007 and 2012 reviews, national policy reports and public administrative records are included to augment the analysis of the recent findings.

3.2 Institutional arrangements to address population ageing: Government structures, legislation and national policies

Because the impacts of population ageing cut across many sectors, institutional frameworks are
needed, including national legislation, policies, plans and well-coordinated government structures, that can identify, prioritize and address the needs of ageing societies.

GOVERNMENT COORDINATING BODY OR COMMITTEE ON OLDER PERSONS

The ambit of socioeconomic policies of departments of social protection, welfare, labour and health extends to older persons. As population ageing figures more prominently in national agendas, governments are recognizing the need for greater coordination among these thematic sectors. By 2016, around two thirds of the survey-responding ESCAP members and associate members had appointed a dedicated government coordinating body, agency, council or committee on ageing, comprising representatives from relevant ministries to ensure an effective and increasing delivery of services to older persons. Evidence suggests that countries with centralized mechanisms are likely to operate in a more efficient and harmonious fashion; almost all survey-responding governments without such bodies reported constant challenges in coordination among ministries and departments.

Some of the most advanced members and associate members in terms of institutional structures and mechanisms include China; Japan; Macao, China; Republic of Korea; and Singapore. In 2016, Macao, China, for instance, appointed an Interdepartmental Directive Group on Old Age Security Mechanism, which involves 13 government departments. The National Committee on Ageing was established in China in 1999 and is reported to comprise representatives from 32 central and state departments and “people’s groups”. The Presidential Committee on Low Fertility and Aging Society in the Republic of Korea consists of 14 ministers and 9 private experts and is supported by the Policy Implementation Agency.

OVERARCHING LEGISLATION ON OLDER PERSONS

Legislation is the primary instrument at the disposal of governments to meet the needs and protect the rights of older persons. There is a growing trend towards adopting overarching legislation on older persons because it provides a unified and comprehensive legal foundation for national action plans, policies and programmes across sector areas pertaining to older persons. Around two thirds of the survey-responding members and associate members have such overarching national legislation, both in developed and less developed economies across the region. In some younger nations as well as less developed States, old-age care and protection are still provided under sector-specific legislation, such as social protection or health care. A few governments have adopted new legislation or amended their existing legislation (see table 3).

GENDER AND DISABILITY PROVISIONS IN NATIONAL FRAMEWORKS ON OLDER PERSONS

The vulnerabilities of women and persons with disabilities are often exacerbated in old age. National policies and action plans should acknowledge them as potentially the most vulnerable of all older persons. More frequently, these considerations are reflected in national constitutions as well as universal policies and programmes on gender, disability and anti-discrimination. This suggests that although the specific needs of more vulnerable groups as a whole are recognized, the particularities of gender and disability issues in old age receive less attention.

The survey responses indicate that the multifaceted gender dimensions of ageing tend to be particularly overlooked, despite evidence that social, cultural and economic differences between men and women become even more prominent in old age. Specific provisions for gender and disability are considered in about half of the national frameworks on ageing by responding members and associate members, although there are more provisions for disability than gender. Most gender and disability considerations are found in legislation in East and North-East Asia and high-income countries of the Pacific. Significant gaps remain in legislation in South-East Asia, and North and Central Asia.

Among gender provisions, the Second Basic Plan on Low Fertility and Aging Society (2011–2015) in the Republic of Korea points to the need for the
Government to develop a policy on jobs that use the professional knowledge and skills of older women and to expand their pension rights. The Third Plan on Low Fertility and Aging Society (2016–2020) suggests the need to enlarge the national pension entitlements, especially for career-discontinued women and to support women’s employment.

Among the disability provisions, the Disability Strategy (2016–2026) in New Zealand was developed in consultation with older disabled persons, who comprise 65 per cent of the population living with a disability. The strategy focuses on actions in the priority areas of education, employment and economic security, health and well-being, rights, protection, justice, accessibility, attitudes, choice, control and leadership.

**NATIONAL POLICIES AND ACTION PLANS ON OLDER PERSONS**

Over the past few years, many countries have adopted or revised their action plans and programmes on ageing to better manage the needs of older persons in sector-specific policies in an increasingly coordinated and systematized way (see table 4). Lower-income countries have been catching up in adopting ageing-specific policies and action plans. Currently, a national policy or action plan on older persons is available in 80 per cent of the responding members and associate members, with the largest number in East and North-East Asia, and South-East Asia.

More policy initiatives are underway. Azerbaijan and Cambodia are reviewing their national policy and programme on older persons, respectively, while Sri Lanka reported that its 2006 National Policy for Senior Citizens is undergoing a participatory review. Pakistan has drafted a Policy on Senior Citizens, while the Islamic Republic of Iran worked on formulating its first Strategic Plan for the Elderly, currently due for approval by the authorized ministry. Despite the absence of a national policy and plan of action on ageing, Australia has created comprehensive sector-specific policies and programmes on care for older persons.

### Table 3  National legislation adopted, revised or due for adoption on ageing, by selected government responses, 2012–2017

<table>
<thead>
<tr>
<th>Country</th>
<th>Legislation</th>
<th>Focus areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHINA</td>
<td>2012 Revision and 2015 Amendment to the 1996 Law of the People’s Republic of China on Protection for Rights and Interests of Older Persons</td>
<td>Maintenance and support by families, social security, social services, social preferential treatment, liveable environment, participation in social development, legal liability and prevention of abuse.</td>
</tr>
<tr>
<td>MACAO, CHINA</td>
<td>Elderly Law (due for adoption in 2017)</td>
<td>Rights of older persons, social participation, older persons’ care mechanism, cooperation, coordination and supervision.</td>
</tr>
</tbody>
</table>

Monitoring frameworks

Most governments that have established policies and programmes on ageing also have various forms of regular monitoring of the implementation. Nevertheless, only several high-income countries have comprehensive monitoring and evaluation processes that include independent monitoring bodies, rigorous evaluation tools or stakeholder-inclusive assessment mechanisms.

Among them, Australia has a rigorous framework for addressing ageing and care for older persons’ needs through the monitoring and evaluation of its old-age pension system to ensure that the benefits provide an adequate standard of living. The Australian Age Discrimination Commissioner, working under the Human Rights Commission, is authorized to ensure compliance with the laws and policies on ageing, address discrimination and promote stakeholder participation, in cooperation with other commissioners.

Budgetary allocation on older persons’ policies and programmes

As part of the increasing focus on policies and programmes targeted at older persons, it is necessary to allocate and distinguish the budget on ageing-related initiatives. In many countries, funding for older-population policies and programmes is part of the general budget or is spread across government units (see table 5). This poses challenges for planning and reporting.

The survey findings indicate that a complete set of budgetary information on ageing is available only in a few high-income countries, although many governments have reported their income security budgets. Remarkably, ageing initiatives have received increased funding over the past five years in almost all countries that reported their budgets. The largest share of the budget is allocated to spending on old-age pension schemes,

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Table 4 National policies and action plans on ageing adopted or revised, 2012–2016

<table>
<thead>
<tr>
<th>Country</th>
<th>Policy/Plan</th>
</tr>
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<tbody>
<tr>
<td>Bangladesh</td>
<td>National Policy on Older Persons, 2013</td>
</tr>
<tr>
<td>Macao, China</td>
<td>The Ten-Year Plan for the Provision of Services for the Elderly, 2016–2025</td>
</tr>
<tr>
<td>Myanmar</td>
<td>National Plan of Action on Ageing, 2014</td>
</tr>
<tr>
<td>Singapore</td>
<td>Action Plan for Successful Ageing, 2015</td>
</tr>
<tr>
<td>Turkey</td>
<td>Healthy Ageing Action Plan and Implementation Programme, 2015–2020</td>
</tr>
<tr>
<td>Vietnam</td>
<td>National Plan of Action on Older People, 2012–2020</td>
</tr>
</tbody>
</table>

Source: ESCAP, 2016c.
followed by affordable health care, with long-term care ranking third.

**MADRID PLAN OF ACTION IMPLEMENTATION CHALLENGES**

Responding to the survey question on challenges experienced in the implementation of the Madrid Plan of Action, most ESCAP members and associate members indicated regular or occasional constraints across the majority of the areas cited in the survey (see table 6).

### 3.3 First priority area: Older persons and development

The first priority of the Madrid Plan of Action calls for the integration of older persons into social and economic development. The five major areas discussed under this section are: (a) participation of older persons in policymaking; (b) older persons’ needs in humanitarian and disaster relief; (c) contributory pension schemes; (d) non-contributory pension schemes; and (e) employment.

**PARTICIPATION OF OLDER PERSONS IN DECISION-MAKING AND POLICY FORMULATION**

Participatory and bottom-up approaches to ageing-related decision-making are essential to create well-informed policy solutions (United Nations, 2002). This requires the inclusion of older persons at every level of decision-making, from the formulation of relevant policies, to implementation, to the evaluation of programmes and projects. Achieving participation involves promoting the establishment of older persons’ associations and encouraging their representation in decision-making, with emphasis on the equal participation of older women and older men.

Most ESCAP members and associate members have some form of participatory measures in place, although the extent of stakeholder engagement varies greatly. Since the preceding Madrid Plan of Action review in 2012, more members have established regular and well-coordinated mechanisms that allow for older persons to systematically participate in ageing-related decision-making processes. For example, the National Committee on Ageing in Viet Nam is consulted when it comes to law amendments and implementation of action plans related to older persons. In the Republic of Korea, the Korean Senior Citizens’ Association is represented in the Long-Term Care Committee, where older persons are consulted on issues related to the long-term care insurance. Singapore broadly consulted all age groups, including older persons, in the formulation of its 2014–2015 Action Plan for Successful Ageing.

Several members and associate members strengthened their participatory measures in the past several years. Sri Lanka, Myanmar and Nepal involved older persons’ associations in the process for formulating a national policy or action plan on ageing. Mongolia adopted a Law on Law Enforcement in 2015, which regulates a comprehensive procedure for formulating draft laws and regulations to include discussions with the public, civil society groups and expert groups. China initiated a pilot project to strengthen its older persons’ associations and their participation.

Participatory mechanisms in general, and those for older persons in particular, are still limited in many countries, especially in the North and Central Asian subregion. General public consultations are conducted occasionally in several countries, but because older persons are not specifically targeted, their perspectives are likely to remain neglected. This is because older persons often stay at home due to poor health, mobility restrictions or to look after grandchildren.

**NEEDS OF OLDER PERSONS IN HUMANITARIAN AND DISASTER-RELIEF PROGRAMMES**

In emergencies and crises, older persons are some of the most vulnerable of all affected persons in need of assistance due to chronic illness, mobility issues or dementia. Older persons’ needs are often overlooked in humanitarian situations and after disasters. This may mean that older persons are among the last in line for food and emergency kits. Specific provisions that cater for the needs of older persons in national emergency plans and disaster relief programmes
are necessary, as is actively engaging older persons’ associations (older women’s groups, in particular) in the development of such plans.

As stated in the 2015 Sendai Framework on Disaster Risk Reduction, older persons can greatly contribute to disaster risk reduction initiatives due to their “knowledge, skills and wisdom, which are invaluable assets to reduce disaster risk, and they should be included in the design of policies, plans and mechanisms” (UNISDR, 2015).

About half of the responding members and associate members have some provisions that include the
specific needs of older persons in humanitarian and disaster relief. These are typically located in areas more prone to natural disasters. Four such policies have been developed since the 2012 review of the Madrid Plan of Action: the Sri Lanka National Disaster Management Policy (2013), the Bangladesh Disaster Management Policy (2015), the Nepal Risk Reduction Policy (2015) and the Myanmar National Social Protection Strategic Plan (2014), all of which contain specific provisions for vulnerable populations, including older persons. India framed model rules in 2009 to ensure the provision of timely assistance and relief to senior citizens during natural calamities and other emergencies. Sri Lanka has included older persons as a vulnerable category deserving priority in its resource distributions during disaster situations. Some countries reported efforts to include older persons in disaster issues, but they were not systematic and remained generic. Overall, more efforts to comprehensively include older persons in all phases of humanitarian and disaster relief programmes and to harness their potential in disaster preparedness are needed.

**CONTRIBUTORY PENSION SCHEMES**

Almost all survey-responding members and associate members have some sort of pension system, but coverage remains low in many of them. In most countries, less than half of the working-age population has access to a pension scheme. Where they exist, the pension schemes often cover only the public sector, the military and, in some instances, the formal private sector—but not the informal sector. Given the speed of population ageing in the region, low pension coverage is a major concern for economic development.

Because contributory pension systems are labour-based social protection schemes, women's coverage by a pension system is significantly smaller than men's coverage. Many countries seek to include women through voluntary coverage, but even that form of coverage remains low. With most pension systems in the region of a contributory nature, women's benefits are typically lower than men's due to breaks for childbirth and children's education. Only a few systems have a gender-based redistribution mechanism; for example, Japan and the Republic of Korea credit childbearing breaks, which is important for "gender justice" in the delivery of pension schemes and to address "lowest-low fertility".

Many countries in the region provide provident funds that offer a lump-sum payment upon retirement instead of an annuity. Fiji conducted reforms in 2012, improving the overall sustainability of its public pension scheme. Participants are now offered the option of an annuity or a lump-sum payment. Most participants still opt for the lump-sum payment, which is often used for major medical expenses, larger consumption goods or even to rebuild houses after a natural disaster. Such usage, however, detracts from the long-term purpose of ensuring income security in old age.

Some countries have been undertaking reforms to increase pension coverage and improve the benefit levels. China has systematically rolled out a contributory pension system, first in urban and then in rural areas. By 2012, almost 80 per cent of the rural and urban populations were covered. Both schemes were integrated into one system in 2014, followed by the Occupational Pension System in 2015, thus aligning the pension insurance system of government enterprises with that of non-government enterprises. The Republic of Korea undertook comprehensive pension system reforms in 2015 to guarantee a basic pension to all older persons. Armenia introduced a funded (cumulative) component into its pension system for public enterprises in 2014, which will expand to private enterprises in 2017.

The Russian Federation is executing a Three-step Strategy on Long-term Development of the Pension System (2012–2030), part of which includes a law that incentivises voluntary late retirement. Persons applying for pension benefits five years after reaching pension age receive a 36 per cent increase on the fixed payment and a 45 per cent increase on the insurance pension benefit. But for people applying 10 years after retirement age, the fixed payment and insurance pension benefit increase by 211 per cent and 232 per cent, respectively. Mongolia has re-insured...
587,200 people under its Law on Refund for Working Year and Pension Insurance Contribution, which assumes a recalculation and refund of working years and pension insurance contributions of people not working during the economic transition period between 1990 and 2000.

**NON-CONTRIBUTORY PENSION SCHEMES, SOCIAL ASSISTANCE SCHEMES AND POVERTY REDUCTION**

Income-support systems are important to alleviate old-age poverty and help older persons live with dignity. While almost all responses reported some scheme in place for older persons, their coverage, size and frequency barely provides the minimum subsistence level income in many members and associate members (see table 7).

Most members and associate members offer means-tested social pension schemes, which normally apply to the poorest older persons and older persons with disabilities. Benefit levels are often low relative to the cost of living.

Several members and associate members provide universal social pension schemes, but mostly with pension benefits of low value. Nepal, Samoa and

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**Table 7  Social pension programmes or schemes, by selected responses, 2010–2017**

<table>
<thead>
<tr>
<th>Country</th>
<th>Scheme</th>
<th>Eligibility</th>
<th>Monthly amount</th>
<th>Number of beneficiaries</th>
<th>Year</th>
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<tr>
<td>AUSTRALIA</td>
<td>Age Pension</td>
<td>Means tested</td>
<td>Maximum fortnightly for: Each member of a couple: AU$661.20 (US$476) Single person: AU$877.10 (US$651)</td>
<td>1,544,131 1,249,633 2,793,764</td>
<td>2016</td>
</tr>
<tr>
<td>AZERBAIJAN</td>
<td>Social Benefit</td>
<td>Pension tested</td>
<td>AZN66 (US$36)</td>
<td></td>
<td>2016</td>
</tr>
<tr>
<td>BANGLADESH</td>
<td>Old Age Allowance Programme</td>
<td>Means tested</td>
<td>BDT500 (US$6)</td>
<td>3,150,000</td>
<td>2016</td>
</tr>
<tr>
<td>CHINA</td>
<td>Basic Pension Insurance System for urban and rural residents</td>
<td>Means tested</td>
<td>CNY656.66 (US$83) Varies by province CNY30–CNY500</td>
<td></td>
<td>2015</td>
</tr>
<tr>
<td></td>
<td>Old Age Allowance Policy</td>
<td></td>
<td></td>
<td></td>
<td>2014</td>
</tr>
<tr>
<td>FIJI</td>
<td>Social Pension Scheme</td>
<td>Pension tested</td>
<td>FJ$50 (US$24)</td>
<td>280,000</td>
<td>2016</td>
</tr>
<tr>
<td>INDIA</td>
<td>Old-age Pension Scheme of the National Assistance Programme</td>
<td>Means tested</td>
<td>INR400 (US$6) (&gt;79) INR500 (US$8) (&lt;79)</td>
<td>17,000,000</td>
<td>2010-</td>
</tr>
<tr>
<td></td>
<td>Pension for Retired Central Government Employees</td>
<td></td>
<td></td>
<td></td>
<td>2011</td>
</tr>
<tr>
<td>ISLAMIC REPUBLIC OF IRAN</td>
<td>Imam Khomeini Relief Committee</td>
<td></td>
<td></td>
<td>1,500,000</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>State Welfare Organisation</td>
<td></td>
<td></td>
<td>450,000</td>
<td></td>
</tr>
<tr>
<td>REPUBLIC OF KOREA</td>
<td>National Basic Livelihood Security System</td>
<td></td>
<td></td>
<td>1,646,000</td>
<td>2015</td>
</tr>
<tr>
<td>KYRGYZSTAN</td>
<td>Social Benefit</td>
<td>Pension tested</td>
<td>US$14.5</td>
<td>1,773</td>
<td>2016</td>
</tr>
<tr>
<td>MACAO, CHINA</td>
<td>Subsidy for Senior Citizens</td>
<td>Universal</td>
<td>MOP8,000 (US$1,001)</td>
<td>67,319</td>
<td>2015</td>
</tr>
</tbody>
</table>
Country Scheme Eligibility Monthly amount Number of beneficiaries Year

<table>
<thead>
<tr>
<th>Country</th>
<th>Scheme</th>
<th>Eligibility</th>
<th>Monthly amount</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>MONGOLIA</td>
<td>Social Welfare Pension</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MYANMAR</td>
<td>1. Pension Scheme for Civil Servants, Military and Political Employees</td>
<td>Age 90+ and 100+ one-off cash assistance from the Department of State Welfare</td>
<td>24,970</td>
<td>2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NEPAL</td>
<td>Old Age Allowance</td>
<td>Universal</td>
<td></td>
<td>1,200,000</td>
<td>2016</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Veterans’ Pension</td>
<td></td>
<td></td>
<td>4,187</td>
<td>4,087</td>
<td>8,274</td>
</tr>
<tr>
<td></td>
<td>Emergency Benefit</td>
<td></td>
<td></td>
<td>2,184</td>
<td>1,741</td>
<td>3,925</td>
</tr>
<tr>
<td></td>
<td>Supported Living Payment</td>
<td></td>
<td></td>
<td>678</td>
<td>653</td>
<td>1,331</td>
</tr>
<tr>
<td></td>
<td>Jobseeker Support, Sole Parent Support, Student Hardship</td>
<td></td>
<td></td>
<td>189</td>
<td>216</td>
<td>405</td>
</tr>
<tr>
<td></td>
<td>Student allowance</td>
<td></td>
<td></td>
<td>28</td>
<td>31</td>
<td>59</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td>358,249</td>
<td>311,581</td>
<td>669,830</td>
</tr>
</tbody>
</table>


Thailand provide universal social pension schemes for all persons older than a specified age. New Zealand offers a universal age-based superannuation of NZ$900.20, irrespective of years of employment, income or asset ownership. Myanmar recently introduced a universal social pension scheme for citizens older than 90 years. The 2014 Old Age Allowance Policy in China entitles people older than 70 years to a monthly allowance of CNY30–CNY500 ($4–$72), depending on their age and the province where they live.

New efforts to improve the social protection of older persons continue in several members and associate members, including support to workers in the informal sector. Among them, China issued Provisional Measures for Social Assistance (Five Guarantees system) to destitute persons in 2014. Fiji, Sri Lanka and Tonga adopted social protection and welfare schemes for older persons, effective as of 2012–2013, while Myanmar is piloting (2015–2018) a regular (bimonthly or quarterly) cash transfer scheme. Mongolia is in the process of introducing a multi-pillar old-age pension scheme, and Singapore expanded its social safety measures for older persons by introducing the Silver Support Scheme in 2016, which provides a quarterly cash supplement to older persons in the bottom 20 per cent income group. The Government also launched a universal ComCare Long-Term Assistance Scheme in 2016, targeting the most vulnerable groups, including older persons, with monthly cash assistance.

Poverty in rural areas of the Asia-Pacific region is particularly acute, given that most people engage in informal agricultural work and have no recourse to benefits under a contributory pension scheme. Several countries are responding to this challenge by implementing poverty reduction programmes in rural areas. China, for instance, has been expanding assistance to disadvantaged older persons in rural areas through the 2011–2020 Guidelines for Rural...
Poverty Relief. Myanmar is implementing universal rural development projects, including Sustainable Rural Development Intervention projects, with specific support to older persons’ livelihoods. Under the 2013 law on pension insurance in the Russian Federation, a programme providing targeted supplementary pay-outs to disadvantaged older persons in rural areas will be launched in 2020. Mongolia will launch an innovative measure this year, in which the pension benefit of agricultural workers will be calculated at 1.2 years for each year of service. In Viet Nam, older persons in rural areas are covered under the large-scale National Targeted Programme for Sustainable Poverty Reduction 2016–2020.

**MEASURES TO INCREASE EMPLOYMENT OPPORTUNITIES FOR OLDER PERSONS**

Increasing employment opportunities for older persons is particularly relevant in countries and territories with a shrinking labour force. In most of South and South-West Asia, labour force participation of older persons is already high. Most of them work out of necessity because of few other income sources. Measures to facilitate improved employment prospects for older persons were reported in 60 per cent of the survey-responding members and associate members. These vary from formal job training and employment schemes available in the high-income countries of East and North-East Asia, and the Pacific to ad hoc work opportunities for retired professionals in other subregions. Legislative changes also differ, from laws permitting re-employment of older citizens to increasing the statutory retirement age.

Japan and Singapore have invested heavily in an extensive set of measures, including legislation and programmes, to facilitate the employment prospects for older persons. In Japan, retired persons can benefit from part-time employment under the Silver Human Resource Center programme (Weiss and others, 2005). In Singapore, the Retirement and Re-employment Act was revised in 2012 to require
employers to offer re-employment to eligible employees after the retirement age of 62 years and up to 65 years. As of 2017, this age cap will be raised to 67 years. Under the Adapt and Grow Initiative, the Government of Singapore also made enhancements to a total of three training and employment schemes that target mature workers and older persons affected by the economic slowdown and restructuring. Its Special Employment Credit provides wage-offsets to employers hiring older workers. From 2017, the Special Employment Credit will be tiered by employee age to create greater incentives for employers to hire persons in the older age bands.

To secure pension eligibility in Australia, the Restart Wage Subsidy encourages employers to hire mature-aged jobseekers by providing eligible employers with a subsidy of up to AU$10,000 ($9,340). Most employees under this scheme work part time, averaging 20 hours per week.

India and Samoa provide re-employment opportunities to retired government officials or teachers. Viet Nam adopted a Labour Code in 2012 that facilitates part-time and flexible working conditions for older persons. Fiji amended its National Employment Centre Bill in 2016 to facilitate skills training and job search support for people who are unemployed, including retired persons with certain skills. Turkey included specific provisions in its draft Active Ageing Strategy to support older persons’ participation in the labour market. Macao, China plans to launch employment services and vocational training that include older persons in the informal sector.

Except for Australia; Macao, China; and New Zealand, a statutory retirement age exists across the ESCAP region. The retirement age is as early as 55 years and lower for women than for men (see figure 22). Early statutory retirement ages cause underutilization of older persons’ potential

Figure 22  **Statutory retirement age, selected ESCAP members and associate members, 2016**

Statutory retirement age is at 60 years or younger in many of the members and associate members.

Source: ESCAP, 2016c; Alizia and others, 2016.
and smaller retirement benefits; they also threaten the sustainability of pension funds, especially when the expected retirement period is as long as the contribution period.

Several members and associate members recently increased their retirement age to respond to these challenges, including Azerbaijan, Indonesia, Malaysia, Russian Federation and Singapore. In the Russian Federation, where men currently retire at the age of 60 and women at the age of 55, the retirement age will be increased by six months annually until 2032. Armenia amended its Labour Code in 2015 to allow some employees reaching retirement age to continue working until the age of 65 years to secure pension eligibility.

3.4 Second priority area: Advancing health and well-being into old age

POLICIES AND PROGRAMMES ON HEALTHY AND ACTIVE AGEING

Many ESCAP members and associate members are promoting healthy and active ageing of older persons through their health systems, including the prevention of non-communicable diseases for the entire population. Some governments, mainly concentrated in East and North-East Asia as well as South-East Asia, have dedicated health policies for older persons or specific provisions for age-specific health-care needs in their universal policies.

Among the latest developments, Turkey adopted a universal Healthy Ageing Action Plan and Implementation Programme, 2015–2020 that has improvement of the quality and accessibility of health services for older persons as one of its four priority areas. Commendably, through a stakeholder-inclusive process, the Government of Turkey issued an Active Ageing Strategy Document in 2016 that covers objectives for health care, age-friendly environments and the monitoring and evaluation of healthy ageing policies. Of other noteworthy efforts found through this Madrid Plan of Action review, Sri Lanka formulated a National Policy on Elderly Health in 2014, while the Philippines adopted a National Health Care Program for Senior Citizens in 2012. In China, older persons are covered under the universal 12th Five-Year Plan for Medical and Health Services, the Plan of Healthy People’s Republic of China 2030 and the National Fitness Programme, 2016–2020.

AFFORDABLE ACCESS TO PRIMARY AND SECONDARY HEALTH CARE

More than two thirds of the responding ESCAP members and associate members reported providing free or subsidized health care to older persons through public health insurance, universal free health care or as part of schemes targeted at certain social groups, including older persons. Some also provide discounted medication or health supplies.

In many countries and territories, the availability of health insurance is linked to social insurance packages and entitles beneficiaries to free health care and pension benefits. Some run co-payment schemes on some health services while subsidizing others. In a few countries and territories, such as China; Macao, China; and Tonga, health care is free to all citizens.

The major challenges lie in the coverage, accessibility and quality of care provided under the public health services. In many parts of the Asia-Pacific region, health-care costs are largely borne by private households. This makes it difficult for older persons to access health care because they typically confront the higher costs with incomes that are lower than what working-age people earn. Myanmar, for example, reported that, although medical services in public hospitals are free, patients still need to make contributions, such as purchasing medication or paying for the sterilization of equipment. It was also reported that health-care services are not equally accessible to all people.

Nevertheless, efforts to provide better health care are continuing. Several members and associate members reported efforts to improve coverage, accessibility and quality of their public health-care systems. Kyrgyzstan in 2012 and Armenia in 2015 expanded coverage of health insurance, while Singapore enhanced both its basic health insurance in 2015 and ElderShield severe disability insurance in 2016. Azerbaijan adopted its Law on Medical Insurance in 2016, which facilitates universal health insurance,
including a comprehensive range of medical services, and is in its pilot implementation phase. The Republic of Korea reduced the minimum eligibility age for its National Health Insurance, from 75 years old in 2012 to 70 years old in 2015 and then down to 65 years old in 2016. Through several initiatives, China has indicated plans to strengthen public and private health-care insurance and enhance the quality and outreach of health insurance to its rural residents. Also in China, the Law on Protection for Rights and Interests of Older Persons was revised in 2015 to give priority health-care access to older persons with financial difficulties and/or without family support.

GERIATRIC AND GERONTOLOGICAL TRAINING

A large and growing ageing population requires more specialized health care and a greater pool of geriatric-trained medical personnel. The survey responses suggest that, in response to this challenge, 60 per cent of the responding members and associate members are providing different forms of geriatric and gerontological training, although the duration and quality varies. Some members and associate members have introduced university degrees in gerontology, while others provide a six-month certificate course or short training courses.

Geriatric training is particularly developed in East and North-East Asia. However, although some form of geriatric training exists in most of those areas, expert consultations conducted by ESCAP reveal that geriatric and gerontological training opportunities are often insufficient to meet older persons’ needs. Additionally, it is difficult to attract younger people to this kind of training.


Only a few ESCAP members and associate members (typically the more developed economies) reported having health-care facilities with geriatric care and cited the number of physicians who have specialized training (see tables 8 and 9). Region-wide, there is a shortage of geriatric-trained personnel in health-care institutions as well as health centres for older persons. There are however, some exceptions; for instance, Hong Kong, China has 18 health centres for older persons,6 and Indonesia operates Integrated Health Services Centres as well as Community Health Centres for older persons (Koestoer, 2014). Filling the relevant data gaps in the Asia-Pacific region remains critical for understanding and efficiently responding to the shifting health-care needs, considering the increasingly ageing societies.

LONG-TERM CARE

Two thirds of the survey-responding members and associate members are implementing measures to increase the quality of long-term care services for older persons through a range of initiatives, from improving the quality of care and monitoring standards to introducing innovative solutions. Most of the responding members and associate members have boarding facilities for older persons, although the quantity and quality are often below adequate levels. Comprehensive measures to upgrade facilities or enhance the quality of service were reported in only a few higher-income countries. Several responses reported efforts at expanding community- and home-based care.

Several members and associate members have undertaken recent initiatives to strengthen long-term care for older persons. As the most aged country in the world, Japan already has an advanced system of long-term care, with a long-term care insurance scheme as well. In 2012, Japan amended its Long-term Care Insurance Act to introduce the integrated community care system, in which older persons move between different care facilities and their home to receive appropriate care. China amended the Law on Benefits and Rights of Older Persons in 2012, making several references to long-term care. The law recognizes the need to develop community-care services and seeks to assist professional institutions.
Table 8  **Number of health-care facilities with geriatric care, by selected ESCAP members and associate members with available data, 2015–2017**

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of health care facilities with geriatric care</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUSTRALIA</td>
<td>285 public hospitals providing nursing home care (out of 698 public hospitals)</td>
<td>2015</td>
</tr>
<tr>
<td>CHINA</td>
<td>1,036 (total)</td>
<td>2015</td>
</tr>
<tr>
<td>MACAO, CHINA</td>
<td>1 public and 1 private hospital</td>
<td>2016</td>
</tr>
<tr>
<td>NEW ZEALAND</td>
<td>665 (total care for older persons' residential facilities, including health care)</td>
<td>2017</td>
</tr>
<tr>
<td>REPUBLIC OF KOREA</td>
<td>1,416 (total)</td>
<td>2016</td>
</tr>
<tr>
<td>RUSSIAN FEDERATION</td>
<td>3 specialized hospitals and 4 geriatric centres</td>
<td>2015</td>
</tr>
<tr>
<td>SINGAPORE</td>
<td>6 public general hospitals and 7 community hospitals</td>
<td>2015</td>
</tr>
</tbody>
</table>

*Source: ESCAP, 2016c.*

Table 9  **Physicians with specialized training in geriatric care, by selected ESCAP members and associate members with available data, 2015–2016**

<table>
<thead>
<tr>
<th>Country</th>
<th>Number of geriatric-trained personnel</th>
<th>Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>MACAO, CHINA</td>
<td>8 physicians and 23 nurses</td>
<td>2016</td>
</tr>
<tr>
<td>MONGOLIA</td>
<td>24 doctors and 28 nurses (but a requirement of 49 doctors and 98 nurses)</td>
<td>–</td>
</tr>
<tr>
<td>RUSSIAN FEDERATION</td>
<td>140 (total)</td>
<td>2015</td>
</tr>
<tr>
<td>SINGAPORE</td>
<td>86 (34 women and 52 men)</td>
<td>2015</td>
</tr>
</tbody>
</table>

*Source: ESCAP, 2016c.*

in providing long-term care, including day care for older persons.

Some countries also have introduced new types of services. Turkey, for example, launched palliative care centres in 2015 to treat terminally ill patients. Myanmar piloted a comprehensive community-based services for older persons programme in 16 villages across the country. Thailand also developed a comprehensive programme of community-care services.

MEASURES TO ENHANCE MENTAL HEALTH SERVICES FOR OLDER PERSONS

Given the increasing population of older persons, the incidence of age-related diseases is growing, such as dementia and Parkinson’s disease. However, fewer than half of the responding members and associate members provide mental health services to older persons, either under targeted policies and programmes or under ageing-specific provisions.
in universal mental health programmes. In some members and associate members, the older population must use general mental health services that are not targeted to their needs because ageing-related mental health counselling and care are not available. In most of the region, the availability and quality of mental health services remain insufficient (Maramis and others, 2011).

Several ESCAP members and associate members have made recent efforts to enhance their mental health services for older persons. China adopted a National Mental Health Working Plan, 2015–2020 containing a specific provision for its older population. Singapore introduced a Community Mental Health Masterplan to improve the care for persons with mental health conditions and dementia. Thailand started a project on improving the system of mental health promotion and prevention of mental health problems among older persons. Macao, China established two day-care centres for older persons with dementia in 2015 and a new dementia medical centre in 2016. Australia introduced a dementia training programme in 2016 that provides a national approach to accredited education and skill upgrading in dementia care.

MEASURES TO SUPPORT OLDER PERSONS WITH DISABILITIES AND ENSURE THEIR PARTICIPATION IN DECISION-MAKING PROCESSES

Many older persons have some form of disability, and tailored measures to support and promote their active engagement in related decision-making and policymaking processes are important for designing well-informed policies and programmes. Only half of the responding members and associate members have targeted provisions for older persons with disabilities. Others, however, address the needs of such older persons under existing policies and programmes on disability.

All survey-responding members and associate members in East and North-East Asia have tailored measures of the aforementioned nature. Examples were also reported in other subregions. Among them, the Commonwealth Continuity of Support Programme, launched in Australia in 2016, provides ongoing support to persons with disabilities who are not eligible for the National Disability Insurance Scheme. Thailand amended its 2007 Empowerment of Persons with its Disabilities Act in 2013 to allow people older than 60 years to be permanently registered as persons with disabilities, and entitled to legal assistance, personal assistants, reduced fees for public transportation and house modifications, among other things.

3.5 Third priority area: Ensuring enabling and supportive environments

The aim of promoting age-friendly environments is to ensure that older persons can make decisions on whether to live independently in a household or in a care institution. Governments are encouraged to promote “ageing in place”, which refers to the independent and self-sufficient living of older persons, which in turn requires age-friendly and disability-friendly housing design and public infrastructure as well as affordable accommodation and transportation. Some older persons who cannot live independently need care in specialized institutions or assisted living at home, which in turn calls for quality long-term and home-based care options. This also necessitates professional training for care personnel, adequate care standards and education and support to households looking after older family members.

AGE-FRIENDLY, AFFORDABLE LIVING AND TRANSPORTATION

Most older persons prefer ageing in a home environment. The majority of the responding members and associate members have some measure that enables supportive living and a transportation environment for older persons. It is often limited, however, to free or discounted public transportation, although the responses did not indicate if such public transportation is accessible to older persons. Measures to improve living environments include upgrading entire communities and public spaces to the needs of older citizens.

Most ESCAP members and associate members also have some form of nursing home for older persons, although in some places they are available only to
people without a family. Measures to increase the quality of service and care staff training were evident only in some countries and territories.

In 2012, Japan established a comprehensive system of community care for older persons, including housing, living support, health care and long-term care. Through this system, care for older persons is centred in age-friendly homes, with a system of providers catering to their needs (ESCAP, 2015).

Hong Kong, China offers several housing solutions, from an Elderly Persons Flats scheme and an Ageing-in-Place scheme for its low-income population, to a Senior Citizen Residences Scheme for older persons with middle-income status. The Ageing-in-Place scheme includes a comprehensive range of age-friendly measures, including home safety and accessibility services, health assessment, health-care support, social activities and neighbourhood support.

Malaysia introduced a Physical Planning Guideline for the Elderly in 2016, which includes standards and requirements for care homes, retirement villages and the upgrading of residential homes according to the concept of ageing in place. Turkey established an innovative housing scheme in 2012 that provides age-friendly accommodation units connected to apartment buildings or communities, as opposed to relatively isolated traditional nursing homes. In 2016, the Islamic Republic of Iran started a pilot project to create age-friendly and inclusive public spaces and provide concessional use of public facilities. China issued the Regulations on the Construction of Accessible Environments Initiative in 2012, aiming to build age-friendly living conditions that maximize older persons’ potential for independent living through improved public facilities, accessible transportation and the adaptive reconstruction of housing and community environments.

Singapore aims to transform the city into an age-friendly space through pilot projects on co-locating nursing homes and living facilities to provide a continuum of care. It is looking at innovative home-based care under a Care Close to Home pilot programme that started in 2014, building “smarter homes” and “active ageing hubs”, and using high-technology measures to adapt public facilities and infrastructure (in line with a
Home and Community Masterplan). The Republic of Korea plans to pass the Act on Housing Security for the Elderly and provide more rental housing for older persons.

With its Accessible India Campaign, India seeks to make public buildings and public transport in urban areas accessible to persons with disabilities and older persons.

TRAINING AND ACCREDITATION SYSTEM FOR CAREGIVERS

The quality of old-age care services is largely determined by the availability of professional care personnel. According to the survey responses, more than half of the responding ESCAP members and associate members provide some form of caregiver training, but few have established an accreditation system, although some governments have plans to do so.

Several members and associate members have accelerated their efforts in strengthening training for caregivers. The Islamic Republic of Iran and Myanmar, for example, have been providing caregiver training since 2014, while Thailand has implemented a substantial pilot project on long-term care for older persons and persons with disabilities and aims to form an accreditation system for long-term care within the next five years. China plans to strengthen the qualification training and enforce mandatory certification for health and care staff, while Fiji will enact its Minimum Standards for Residential Homes for the Elderly sometime this year. Malaysia reported training 1,976 home-help volunteers since 2012.

Despite this progress, a shortage of qualified caregivers throughout the region persists, even in countries and territories with a highly developed long-term care system, such as Japan. In Japan, an estimated additional 2 million caretakers will be required by 2025 to meet the demand (ESCAP, 2015). In some countries, the shortage in caregivers is also exacerbated by the outmigration of care personnel, particularly women who work as nurses or domestic workers (DESA, 2015a).

CARE QUALITY STANDARDS, MONITORING MECHANISMS AND SUPPORT TO FAMILY CAREGIVERS

Standards and monitoring mechanisms to ensure the quality of older persons’ care services have been established in fewer than half of the responding ESCAP members and associate members. An equal proportion of responding members and associate members have measures to support families, especially older women, in looking after older persons. Australia introduced a National Aged Care Quality Indicator Programme in 2016, which is a voluntary approach measuring the quality of facilities for older persons to assist customers in decision-making and help service providers in self-performance assessment. The Australian Aged Care Quality Agency collects feedback about the quality of care received.

Singapore issued guidelines for palliative care, home- and centre-based care and the Enhanced Nursing Homes Standards in 2015. Kyrgyzstan is preparing a project on the accreditation of entities providing social services to older persons, while minimum standards on providing social care were established in 2014.

To support family caregivers, Singapore established centre-based weekend respite care to cover family members’ care duties, when family members are exceptionally unable to look after older persons. China, Malaysia, Russian Federation and Uzbekistan provide financial incentives to family members looking after older persons.

RECOGNITION OF OLDER PERSONS’ CONTRIBUTIONS AND PROTECTION FROM NEGLECT, ABUSE AND VIOLENCE

Respect to older persons is a strong part of societal and family values in the Asia-Pacific region: older persons have the authority and recognition, both in the family and the community. Most countries have a range of initiatives to promote that recognition and respect, and they acknowledge the contribution and wisdom of older persons. These include annual older persons’ days and to dedicated public festivals, films and books. However, there are few institutional
Instruments and mechanisms for the reporting and prevention of elder abuse, discrimination or violence, or they do not always work in practice.

Protection of older persons from abuse, discrimination and violence is normally guaranteed under national constitutions and universal protection acts of most countries in the region. However, as of 2016, fewer than half of the responding members and associate members had legislation on older persons’ rights or had specific provisions for older persons in their universal rights legislation, such as the laws on domestic violence. These included Australia, China, Fiji, Republic of Korea, Myanmar, Nepal, New Zealand, Pakistan, Singapore and Sri Lanka.

In Australia, an Aged Care Complaints Commissioner handles reported grievances and provides advice on the protection and rights of recipients of care for older persons. The Republic of Korea supports older persons’ protection agencies in efforts to educate the public, improve awareness on elder abuse and offer professional counselling to victims. The Government also supports a project that provides shelter for abused older persons and works to prevent the reoccurrence of abuse through family counselling. New Zealand issues Elder Abuse and Neglect Prevention Guidelines to assist health-care workers to identify, support and empower older persons experiencing abuse and provides support on risk assessments and appropriate referral options. The Government supports 27 organizations nationwide that provide older persons’ abuse and neglect prevention services, including counselling for victims, advocacy and education programmes.

Due to limited research and institutional constraints, the data on cases of older person abuse, neglect and violence are mostly unavailable in the Asia-Pacific region. Among the few examples found, Australia has a compulsory reporting mechanism in permanent residential care homes; in 2014–2015, 2,862 assault notifications were recorded, which was a 1.2 per cent incidence per year. Of them, 2,422 cases related to the use of force, 396 cases to sexual contact and 44 cases to both. In 2015, 375 cases of older persons’ abuse were recorded nationwide in Myanmar and 6,154 cases in the Republic of Korea. In the latter country, 38 per cent of the reported cases were classified as emotional abuse, 26 per cent as physical abuse, 16 per cent as neglect, 9 per cent as financial abuse and 2 per cent as sexual abuse. Over the same year, in Singapore, a total of 1,194 complaints were reported nationwide, 85 per cent of which were made by women. A 2012 study in New Zealand, Towards Gaining Greater Understanding of Elder Abuse and Neglect, found that among people aged 50–84 years, one in ten had experienced some form of abuse.

Such data are currently absent for most of the Asia-Pacific region, but the intraregional disparity within the numbers support the existing premise that, in many cases, abuse incidents are underreported. Additionally, older women are more likely than men to become victims of abuse. All told, there remain legislative, policy and implementation gaps in providing safety and security to older persons, which requires legislation as well as stronger complaint and support mechanisms for older persons.

3.6 Conclusions

Population ageing will have profound effects on poverty, health care, income and gender equality throughout the Asia-Pacific region. Given the diverse stages of the demographic transition across the region, different policies may be needed at different stages. Lessons drawn from high-income countries in other regions show that the policy agenda will be challenging for developing countries in this region that are already experiencing rapid ageing. Many countries have limited time to prepare for sustainable health and pension systems while maximizing demographic dividends from the soon-shrinking labour force.
ADDRESSING THE CHALLENGES OF POPULATION AGEING IN ASIA AND THE PACIFIC: IMPLEMENTATION OF THE MADRID INTERNATIONAL PLAN OF ACTION ON AGEING

Taking a rest in the village. UN Photo / John Isaac
CHAPTER FOUR

Towards sustainable population ageing: Recommended actions
This report has shown that population ageing has emerged as a major policy challenge for Asia and the Pacific. However, the challenge can not only be addressed, it can be turned into an opportunity to foster sustainable development by investing in the core values enshrined in the 2030 Agenda and the Madrid Plan of Action. Below recommended actions to deal with rapid population ageing and how to turn this demographic change into a development opportunity are outlined.

1 Broadening the scope of social protection to reduce poverty and income inequality of all, including for all older persons.

a. Ensure that social protection systems cover an increasing proportion of the formal and informal working population and that the benefit levels are adequate to provide basic income security, paying attention to socially and economically disadvantaged groups, including older women.

b. Improve contributory pension systems by linking retirement-age to life expectancy, using innovative measures to expand coverage of workers and to finance the systems, conducting regular actuarial evaluations, refining the management of pension funds, providing incentives to contribute and improving collection of contributions.

c. Introduce or expand non-contributory pension schemes for providing broad social assistance to cover the older population. In countries that already cover a large proportion of the older population with social pensions, the possibility to increase benefit levels could be considered.

d. Improve redistribution elements in pension systems, such as higher replacement rates for lower-income groups than for higher-income groups and child credits for women, so that the systems become tools for addressing inequalities, including gender inequality.

2 Ensure healthy lives and promote well-being at all ages, including for older persons.

a. Ensure that older persons have universal and equal access to quality health care without suffering the financial hardship associated with paying for care.

b. Re-orient health-care systems to address changing health-care needs as a result of population ageing, including addressing dementia and other age-related mental health issues, and strengthening disease prevention. Encourage the use of technology to provide access to health care for older persons, such as digital technology to monitor non-communicable diseases.

c. Prioritize healthy ageing among all age groups as the process for the functional ability that enables well-being in older age. This requires responses at all ages, at multiple levels and in multiple sectors, including preventing and addressing functional and cognitive decline among older persons and fostering ageing in place.

d. Develop health and social long-term care systems, including palliative care, with public, private and community providers who can deliver good-quality integrated care; recognize and enhance the capacity of formal and informal caregivers, including volunteers.

e. Reduce fragmentation and segmentation within health-care systems by pooling funds and harmonizing contribution levels and benefit packages between population groups to also maximize solidarity.

f. Include non-communicable disease interventions in universal health coverage schemes, giving priority to very cost-effective interventions.

g. Provide affordable access to essential technology and medicines to manage non-communicable diseases.
h. Train primary health-care workers and social workers in basic gerontology and geriatrics to respond to the needs of older persons.

3 Provide employment opportunities for all, especially for older persons who want to work.

a. Enhance income-generating opportunities for older persons, particularly for older women. Promote decent work and re-employment opportunities as well as appropriate and flexible employment by public and private employers.

b. Eliminate age barriers in the formal labour market by promoting the recruitment of older persons and preventing the onset of disadvantages experienced by older workers in employment, such as an early statutory retirement age.

c. Promote decent work and re-employment opportunities, as well as appropriate and flexible employment by public and private employers. Various financial incentives could be used, including subsidies and financial grants to employers who recruit, retain and reemploy older workers.

d. Promote self-employment initiatives for older persons by encouraging the development of small and microenterprises and by ensuring access to credit for older persons, without discrimination, including gender-based discrimination.

e. Consider subsidizing or providing other support to training and lifelong learning activities for older workers to improve their productivity and employability.

4 Make cities inclusive, safe, resilient and sustainable for all, including older persons.

a. Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning, ensuring that no older persons are left behind, including older persons living in rural areas, indigenous and ethnic minority older persons, older migrants and older women, as well as marginalized and vulnerable older persons in general.

b. Ensure access for all, including older persons, to adequate, safe and affordable housing and basic services; upgrade slums by encouraging the development of “age-friendly” housing design that promotes independent living, including for older persons with disabilities.

c. Ensure access to safe, affordable and sustainable transport systems for all, and improve road safety, with special attention to the needs of women, children, persons with disabilities and older persons.

d. Provide universal access to safe and inclusive green public spaces.

5 Address all forms of discrimination.

a. Ensure the full enjoyment of economic, social and cultural rights, as well as civil and political rights, of all persons.

b. Ensure the equal enjoyment of all human rights by all older persons and address gender-based and age discrimination in employment and access to health-care services, financial services, adequate housing and public transport, through legislation, affirmative action or other appropriate measures, while taking into account the national context, such as culture and national legislation.

c. Create and strengthen mechanisms for the participation and social inclusion of older persons in an environment of equality that serves to eradicate the prejudices and stereotypes that prevent them from fully enjoying those rights.

d. Reduce the specific health risks of being a woman or a man by tackling the exposures and vulnerabilities that differ due to gender norms, roles or relationships. One example could be improving women’s access to health care, and making health systems more sensitive to women.
e. Strengthen implementation of laws such as on domestic violence, discrimination against older persons and legal rights to equal pay for equal work. Conduct an audit of existing laws to identify prevailing cases of discriminatory legislation.

6 Provide equal access by older persons to food, shelter and medical care during and after natural disasters and other humanitarian emergencies.

   a. Ensure that all persons, including older persons, have equal and comprehensive access to food, shelter and medical care during and after natural disaster and other humanitarian emergencies.

   b. Make explicit reference to and design national guidelines for assisting older persons in disaster relief plans, including fostering disaster preparedness, training for relief workers and ensuring availability of services and goods, in line with the Sendai Framework for Disaster Risk Reduction.

   c. Raise awareness of and protect older persons from physical, psychological, sexual or financial abuse in emergency situations, with particular attention to the risks faced by women.

   d. Include older persons in the provision of community relief and rehabilitation programmes by identifying, supporting and empowering vulnerable older persons.

7 Harness demographic dividends.

   a. Harness the window of opportunity of demographic dividends to enhance economic development.

   b. For countries with a large share of a young population and where fertility rates remain high, investments in education, vocational training and health care, including sexual and reproductive health-care services, are important to create a window of opportunity and reap the first demographic dividend.

   c. For countries with a large share of a working-age population and in the transition of population ageing, policies on creating productive jobs for the growing share of those of working age are essential to reap the first demographic dividend. In the meantime, it is necessary to prepare for ageing by encouraging personal saving and designing sustainable social protection systems that meet the needs of old-age income security.

   d. For countries with sustained low fertility rates and a large share of older persons, policies and institutions are needed to foster healthy and productive ageing by mobilizing savings for effective investment in human and physical capital. In this context, welfare systems—pension funds, health care and long-term care—should be strengthened, while ensuring fiscal sustainability and protection for older persons. Family-friendly work policies, such as part-time and flexible employment opportunities for both men and women, are important for them to combine caring for older persons and participation in the labour market. Policies to facilitate safe, regular and orderly in-migration can address labour shortages, particularly in the health and care sector related to older persons.

8 Promote research, use of technology and disaggregation of data.

   a. Encourage and promote research and development on innovative information and communication technologies for older persons.

   b. Expand and harness scientific research, expertise and technology to focus on the social and health implications of ageing, especially in developing countries.

   c. Promote access to and sharing of data among public sectors and between public and private sectors to better link diverse forms of data.

   d. Intensify efforts to collect data disaggregated by age, sex and disability, and analyse them to inform policy formulation and to monitor and
evaluate policies and programmes related to older persons.

e. Advocate for the quantification and inclusion of older persons’ contributions in national accounts, including unpaid care for family members.

f. Support and facilitate research related to ageing policy implementation and its translation into practice, in order to enhance the knowledge base for action.

THE ROLE OF ESCAP

As their regional commission, ESCAP serves its members and associate members in addressing the challenges of population ageing by supporting the implementation of the Madrid Plan of Action and the 2030 Agenda for Sustainable Development. In doing so, ESCAP undertakes analytical work and technical cooperation, and also promotes the sharing of experiences and regional consensus building. The periodic reviews of the implementation of the Madrid Plan of Action, conducted by ESCAP help in highlighting good practices and identifying gaps and emerging areas in implementation in the region. As population ageing is a cross-cutting area through all policy areas that requires a coordinated approach, ESCAP also assesses the institutional environment countries set up to design and monitor policies on population ageing.

ESCAP closely coordinates its work with that of other United Nations entities, such as ILO, UNFPA and WHO, as well as the ASEAN Secretariat and civil society organizations such as HelpAge International, to expand and promote regional and subregional dialogue and exchange on ageing issues among countries. Based on the focus areas identified by members and associate members, ESCAP conducts analytical work and provides technical cooperation on population ageing and related areas, including poverty, inequality and social protection. Aligned to the 2030 Agenda for Sustainable Development, ESCAP links its analytical work and technical cooperation activities with the SDGs and the related targets. The analytical work covers linkages between population ageing and all dimensions of sustainable development, and research on the groups that are potentially “left behind” to distil policy lessons that address vulnerability. ESCAP also collects, analyses and disseminates data on population ageing and the situation of older persons; it further advocates for the collection of age-disaggregated data. Data is published in the annual publication “Population Data Sheet” as well as in analytical reports.

ESCAP technical assistance on good practices in the provision and financing of long-term care services for older persons includes addressing the human resource needs for such care. Technical assistance also covers promoting income security for older persons, assessing prevailing systems of income security for older persons, including their gender dimensions, and identifying good practices, gaps and areas for reform of existing systems.

Through its analytical work, ESCAP also assesses good practices and experiences in using information and communication technology to provide access to health care for older persons, depending on the development level of different countries. Additionally, it provides technical assistance on how countries can use such technology to enhance access to health care for older persons, particularly in rural and remote areas.

Given the strong linkages between ageing and disability, ESCAP technical assistance supporting the Incheon Strategy for Persons with Disabilities promotes the rights of and accessibility for persons with disabilities. It also promotes inclusion of persons with disabilities in disaster risk reduction strategies, which in turn benefits older persons with disabilities and mobility restrictions.

ESCAP will continue to support its members and associate members in the future based on priorities they identify. Further, ESCAP will closely work with its partners to ensure that population ageing is comprehensively addressed in the implementation of the 2030 Agenda and the rights of older persons are fully realized.
Endnotes

1 Due to changes in the method applied for the 2013 household survey in China, on which poverty data for that year are based, the comparability with previous years is subject to caution (World Bank, 2016).


3 See www.nta.com.

4 The WHO defines elder abuse as harm to a person aged 60 years or older through any single or repeated act that is physical, psychological, sexual, emotional or financial, including neglect and abandonment.


Street-food vendor cooking a barbeque.

UN Photo / Danni Li
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Governments in the region are increasingly recognizing that population ageing is already a challenge to achieving our United Nations 2030 Agenda on Sustainable Development due to the profound impacts this demographic phenomenon has on the well-being of all generations. It will ultimately influence the ambitions of the 2030 Agenda to reduce poverty for all people—of all ages and of all backgrounds—and to leave no one behind.

Providing income security for older persons, ensuring healthy lives in old age, ensuring access to health care for older persons and providing supportive environments to older persons are among the requisites for leaving no older person behind. These priorities were established with great foresight when the World Assembly on Ageing adopted the Madrid International Plan of Action on Ageing in 2002, to create a “society for all ages”.

Addressing the Challenges of Population Ageing in Asia and the Pacific argues that with effective policies, population ageing can herald a period of sustained progress. Efforts to achieve the Sustainable Development Goals and to invest in people emanate from the core values that were agreed to in the 2030 Agenda and the Madrid Plan of Action. The growing population of older persons will benefit from investments in health care and education and from adequate and sustainable social security systems. With productive employment and the promotion of savings and investments, population ageing can be accompanied by robust economic growth.