Ageing Demographics in the Middle East and North Africa: Policy Opportunities and Challenges

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Aims and objectives

- Detail the experience of population ageing in the MENA region
  - Within a context of socio-economic and other demographic trends
- Discuss the opportunities and challenges associated with population ageing
  - Life-course perspectives & positive impacts
  - Population dividends
  - Demand for LTC services & the care economy
- Mobilize policy debate and provide evidence-based recommendations

Overview of the report

1) Background & context
- Setting the scene- the region & topic

2) Demographic trends
- Demographic indicators Stage and pace of the ageing transition

4) Supply & demand for LTC in the MENA region
- Supply of LTC (family, services)
- Demand for LTC (unhealthy years, NCD & dementia, health expenditures)

3) Financial, Economic, and Social Consequences of Population Ageing
- Economic dependency
- Population dividends
  - Female labour market participation (links to gender inequalities & emerging care markets)
- Fiscal implications and Social implications

5) International learning
- LTC funding models
- LTC markets

6) Conclusion & recommendations

Data and Method

Data

- National statistics and indicators
- literature and policy scanning

Analysis

- Comparative analysis
- Environmental scanning (opportunities & threats)

1) Background & context

- Commonalities & Differences
  - Geography, income, population size
  - Main language is Arabic (except Iran & Malta)
  - Main religion is Islam (except Malta)
- Socio-demographic context
- Epidemiological transition
- Additional threats: COVID19; conflicts, political unrest

Country	Geographical sub-region	Income level	Area (km²)	Population (1000)
Malta	Mediterranean sea/EU	High	316	525
Bahrain	Arabian Peninsula/GCC		765	1,702
Kuwait			17,818	4,271
Oman			309,501	5,107
Qatar			11,571	2,881
Saudi Arabia			2,217,949	35,587
UAE			83,600	9,890
Iraq	Levant	Upper Middle	438,317	40,220
Jordan			89,342	10,200
Lebanon			10,452	8,825
Libya	North Africa		1,759,540	6,871
Algeria		Lower Middle	2,381,741	43,851
Egypt			995,450	102,334
Tunisia			155,360	11,818
Morocco			446,300	36,911
Iran	West Asia		1,628,760	83,993
Djibouti	East Africa		23,180	988
West Bank/Gaza	Levant		6,020	4,803
Syria		Low	183,630	17,500
Yemen	Arabian Peninsula		527,970	29,826

2) Population Ageing in the MENA Countries

Fertility & Life Expectancy in the MENA region

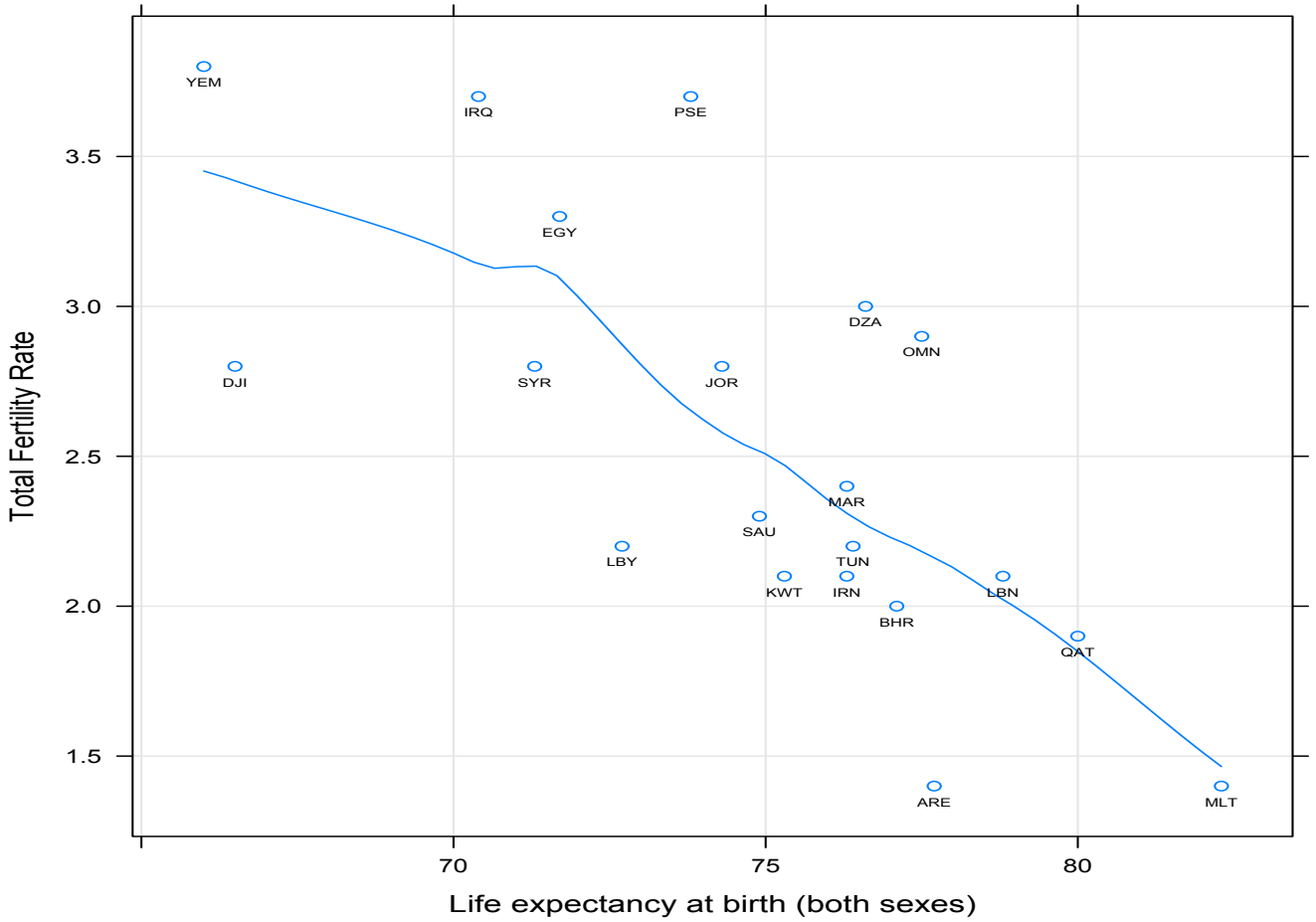
Different countries at different stages

An inverse relationship between fertility and LE across the region

Most countries had (in 2020) an average life expectancy between 75-80 years and a TFR between 2 to 3

Low TFR in UAE might be linked to large ex-pat communities

Decline in TFR not linear in some countries (e.g. Iran)

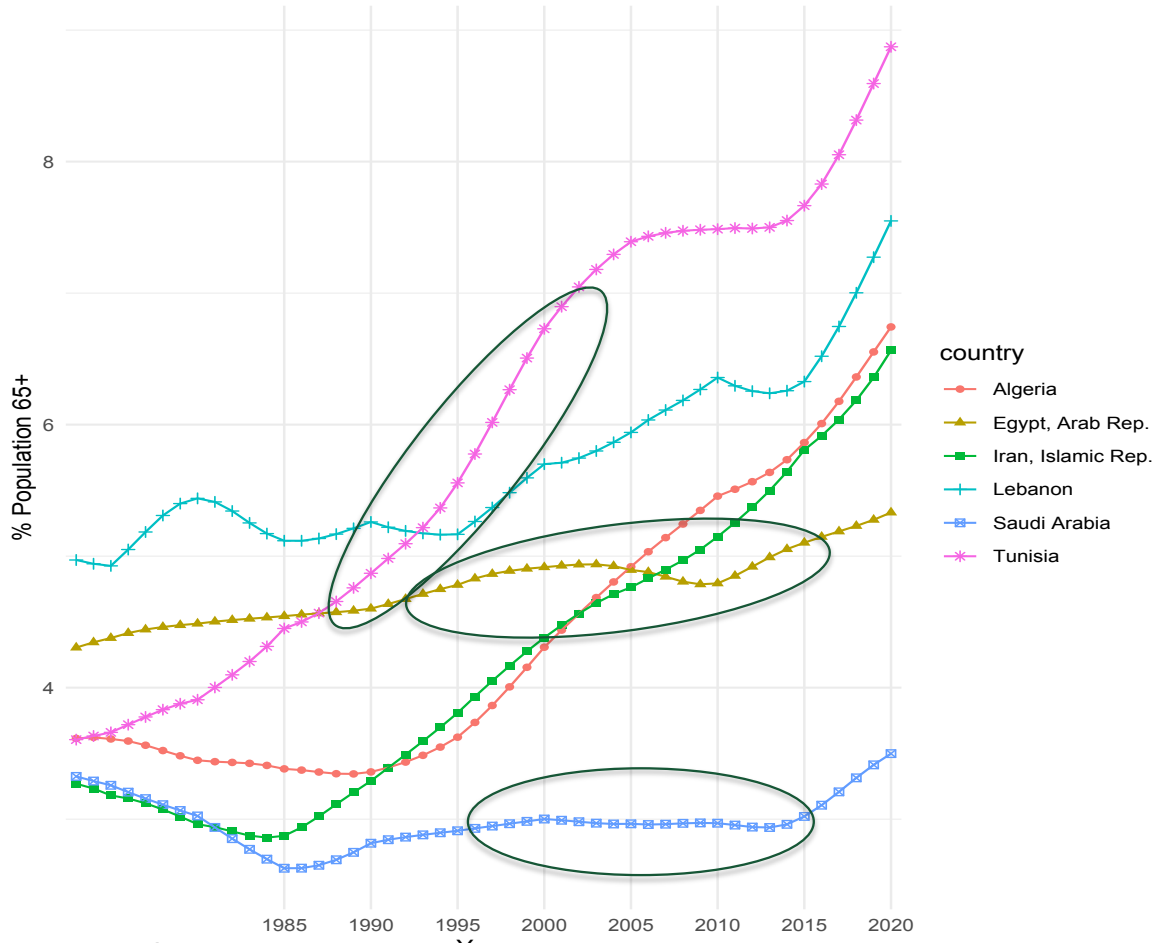


Trends in the % 65+

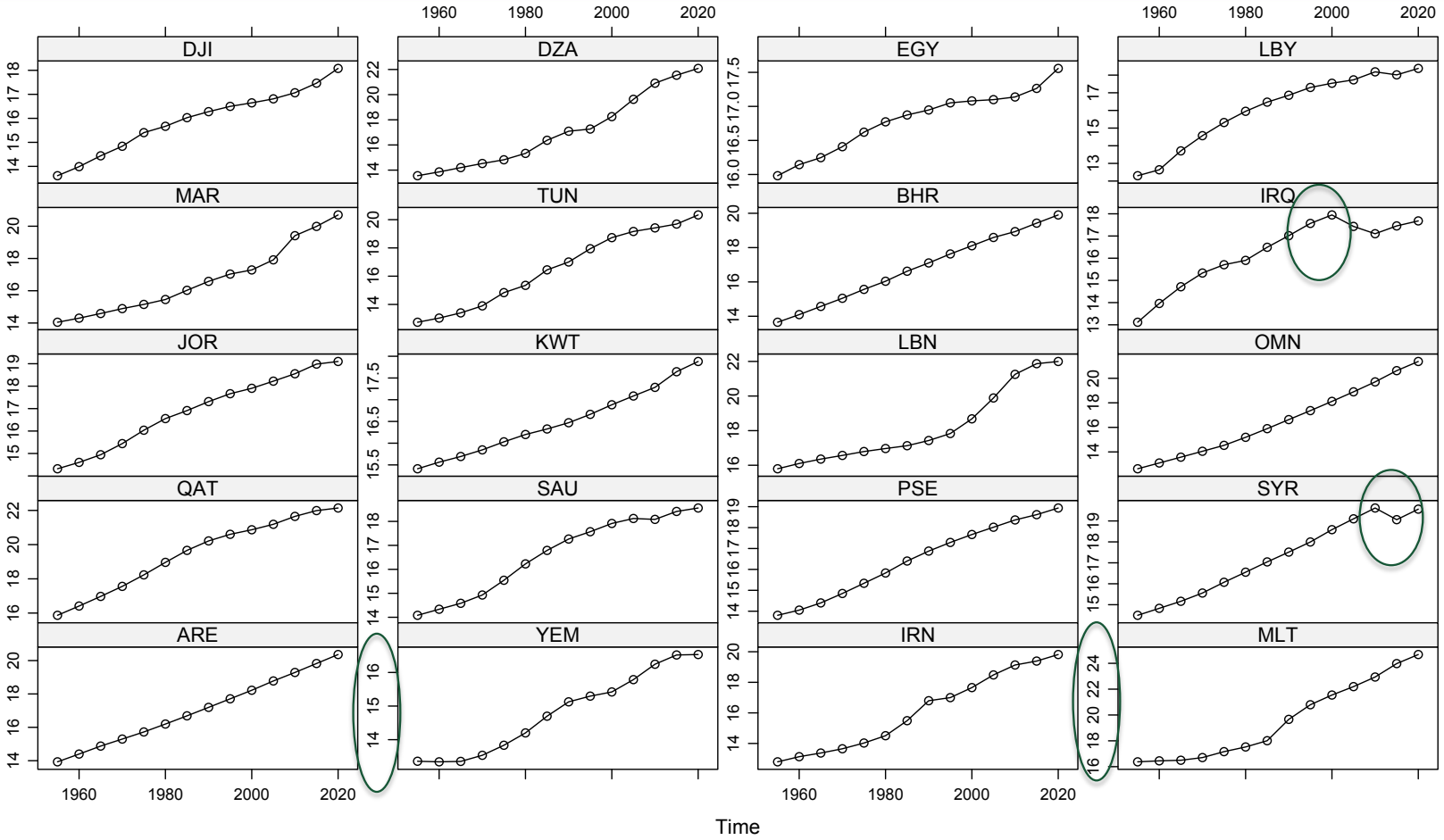
In 2020, %65+ ranged from 2% in Yemen to over 20% in Malta

In most countries it is around 10%

On average, the proportion increased in all countries. The pace of increase changed over different periods of time



Life expectancy at age 60 is also increasing

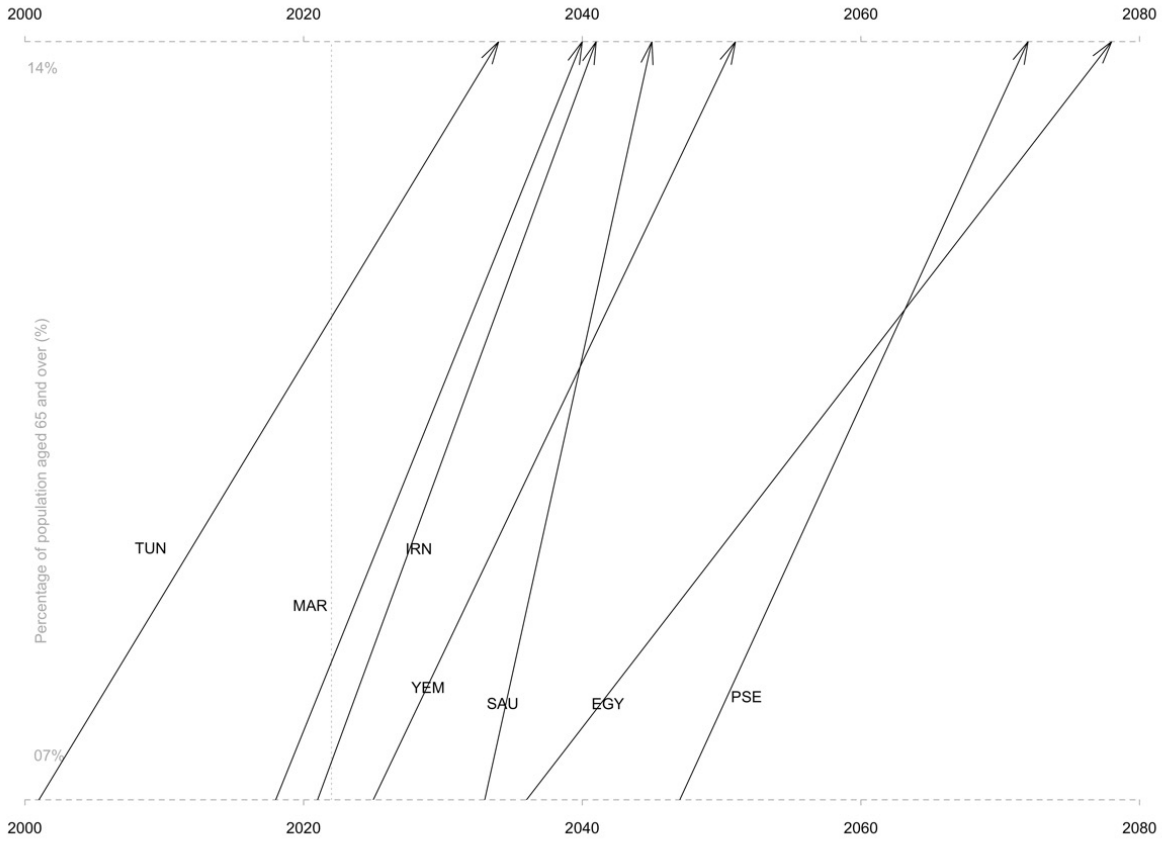


The pace of ageing transition

Malta has completed its ageing transition (in 2006 taking a total of 49 years)

Tunisia, Iran, Lebanon and Morocco have started the transition, most of the rest will start in 2030s

The pace of change in some countries (esp. GCC) is estimated to be considerabl fast (in as little as 10 years)



World Bank, The Future of SP in MENA, 8 Dec 2021
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3) Financial, Economic, and Social Consequences of Population Ageing in the MENA Region

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3.1 Economic dependency

Country	Total Age Dependency Ratio (under 20 and 65 or more/20-64)		
	1980	2000	2020
Qatar	77.9	52.8	23.5
UAE	54.4	50.9	25.0
Bahrain	87.1	67.8	35.4
Oman	133.8	101.8	41.2
Kuwait	102.5	61.4	42.4
Saudi Arabia	127.6	103.1	52.8
Iran	133.6	107.7	61.0
Tunisia	133.2	88.2	66.2
Malta	73.9	65.8	67.7
Libya	152.7	96.6	68.0
Lebanon	125.5	85.0	69.7
Morocco	142.0	100.4	73.7
Djibouti	152.0	120.3	74.8
Algeria	155.6	103.1	79.1
Syria	168.8	129	80.7
Jordan	172.9	117.3	88.7
Egypt	125.7	112.0	91.4
Iraq	156.5	135.1	106.1
West Bank & Gaza	171.9	154.1	107.1
Yemen	168.8	169.6	110.5

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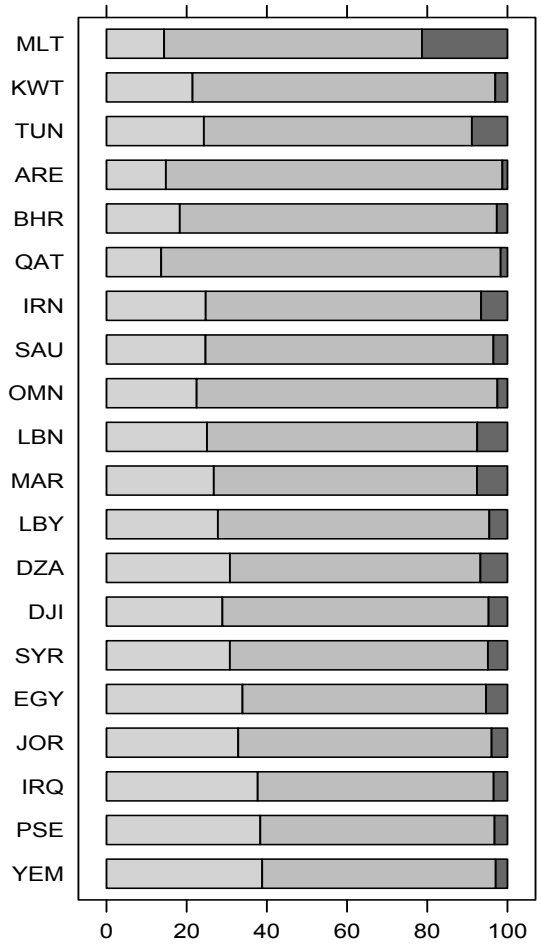
A low dependency ratio means that there are sufficient people working who can support the dependent population, assuming high employment rates

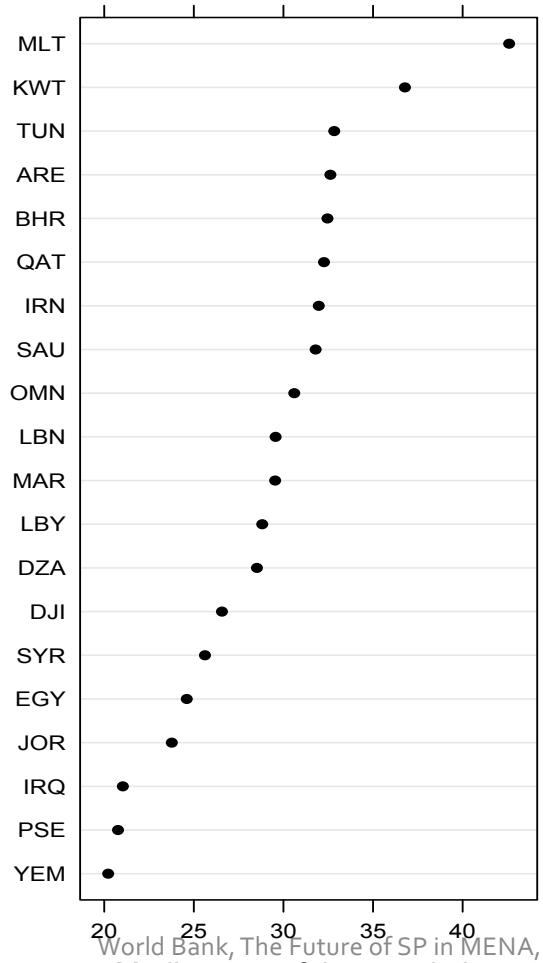
Country	Old-age dependency ratio
United Arab Emirates	1.6
Qatar	2.1
Oman	3.5
Bahrain	3.6
Kuwait	4.3
Saudi Arabia	5.3
Yemen	6.2
West Bank and Gaza	6.7
Iraq	7.1
Jordan	7.5
Libya	7.6
Djibouti	8.2
Syrian Arab Republic	8.8
Egypt	10.2
Iran (Islamic Republic)	10.6
Algeria	12.1
Lebanon	12.8
Morocco	13.2
Tunisia	14.7
Malta	35.8

One measure that can capture the specific impact of increased life expectancy is the old-age dependency ratio, which separates the potential economic pressure due to ageing alone.

3.2 Capitalizing on population dividends



% Population by age group (0-14, 15-64, 65+)



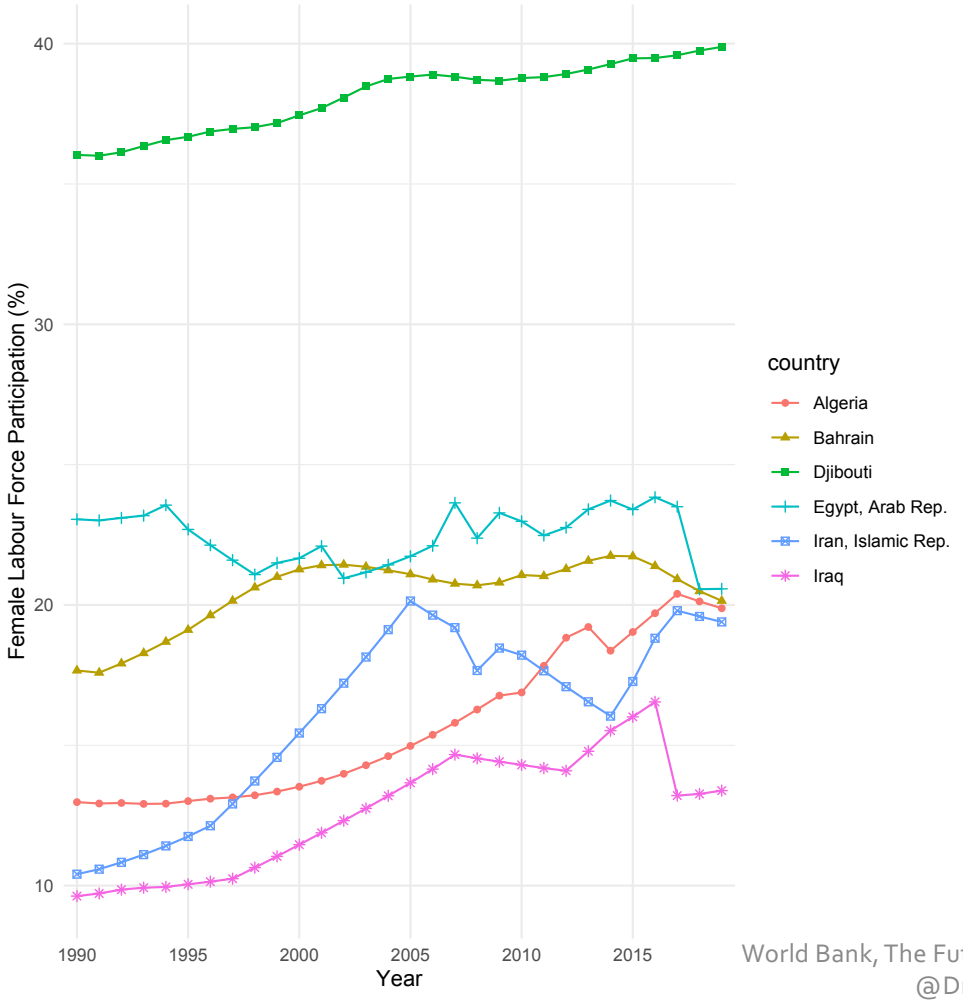
Median age of the population

- Age distributions reflect fertility, mortality and migration rates
- Median age of the population is lowest in Yemen and highest in Malta and Kuwait (potential migration effect)
- Working-age groups (15-64) constitute the largest group
- Optimal utilisation of working-age groups depends on employment rates and system contributions

3.3 Later Life Learning and employability across the life-course

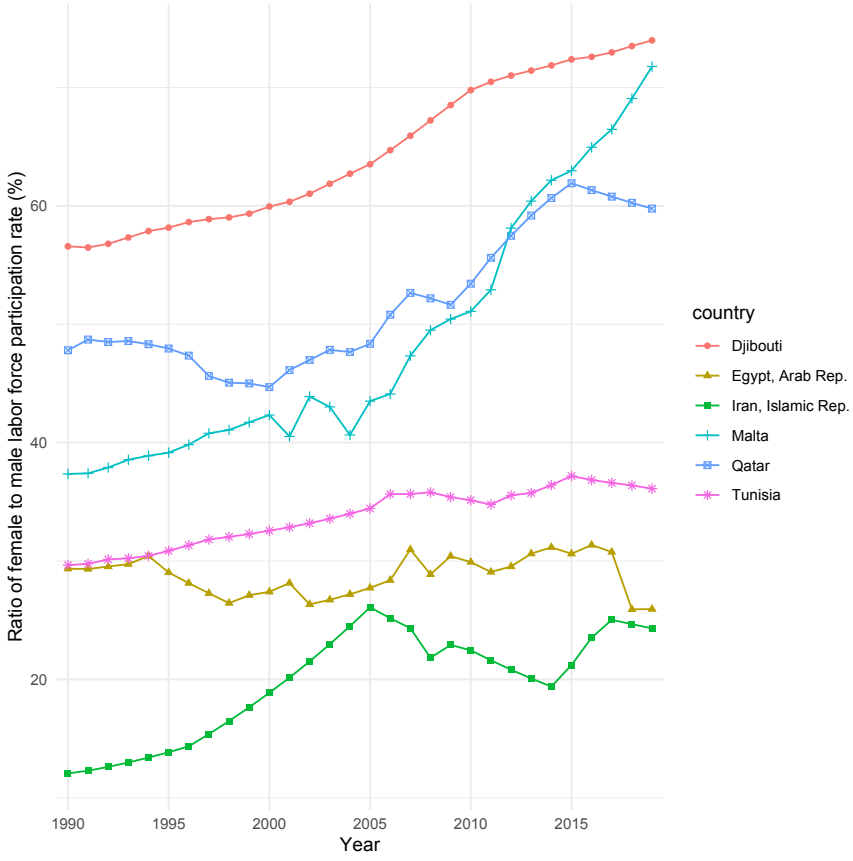
- Human & social capital advantages associated with longevity
- Social and health benefits of extending working lives
  - Caveats related to equity (health, gender, socio-economic status, desire to work)
  - Arguments against fixed retirement ages (integrative definition of ageing to be linked to retirement, Nilsson (2016)
- Later Life-Long learning
  - Can be formal (U3A) or less formal (self-help groups)
  - Positive effects on intrinsic capacity, social activities, social support networks and self-perception
  - Positive effects on functional ability

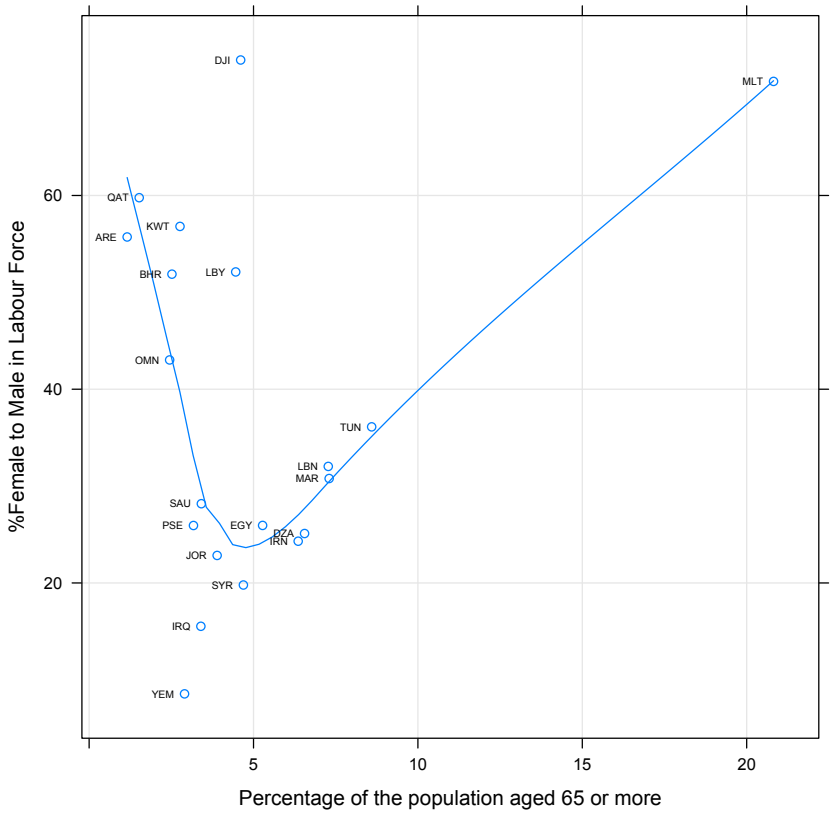
3.4 Care, gender & female labour participation



- Low female labour participation (FLP) rates; lowest in Yemen <8%
- Capitalise on human capital across ages by increasing FLP
- Changes over time are not linear
  - Some observed recent decline e.g Iran
- Figures usually do not include undocumented FLP
- Djibouti- interestingly high rates of FLP and female to male labour participation ratio

Female:male LP, GII and ageing





Country	GII
UAE	0.079
Malta	0.175
Qatar	0.185
Bahrain	0.212
Kuwait	0.242
Saudi Arabia	0.252
Libya	0.252
Tunisia	0.296
Oman	0.306
Lebanon	0.411
Algeria	0.429
Egypt	0.449
Jordan	0.450
Morocco	0.454
Iran	0.459
Syria	0.482
Iraq	0.577
Yemen	0.795

GII: 0.025 in Switzerland and 0.045 in Norway

3.5 Economic opportunities in the emerging LTC markets

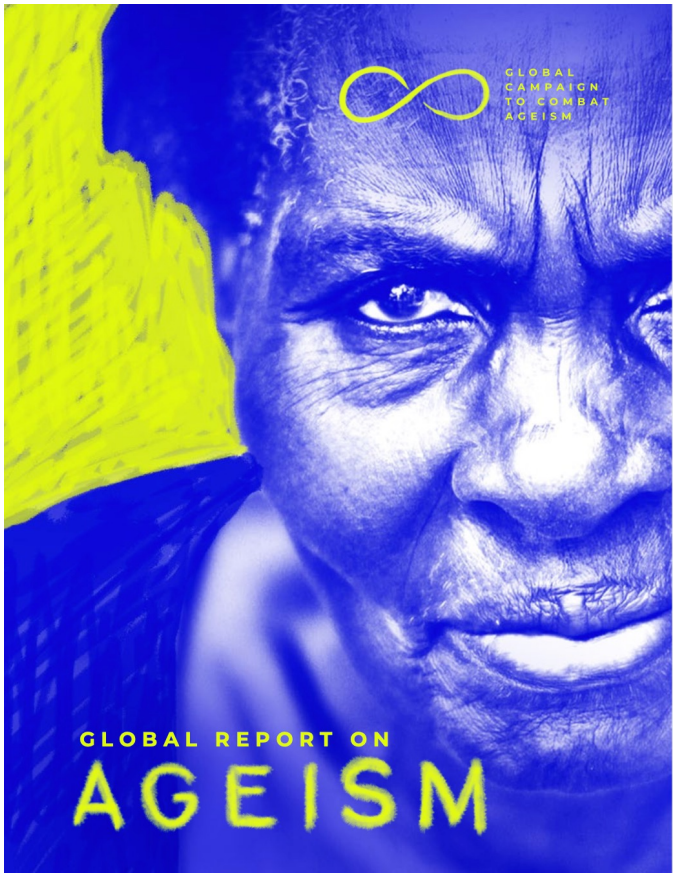
- Care economies are one of the fastest-growing employment sector, globally
- LTC jobs are reliant on human interactions and relationships (difficult/impossible to automate)
- Women make the majority of the LTC workforce
- Care economies are emerging in the region
  - Unregulated and fragmented
- Potential opportunities
  - Training and skills
  - Public trust: regulations, standards and inspections

Implications of population ageing

- Fiscal/economic implications
  - When combined with low employment rates
  - Potential underutilisation of human resources → losing opportunities associated with population dividends
  - Pension and insurance systems (linked to employment)
  - Distinguishing population and system demographics
- Social implications
  - Perceptions of ageing (changing habits)
  - Opportunities (life-long learning, re-employments)
  - Risks (isolation & loneliness, abuse/safeguarding)
  - Care burden

Ageism, Social Norms & Isolation

- Pre-existing & new perceptions
- Definitional challenges: what does 'ageism' mean in different contexts and settings?
  - Benevolent and hostile elements
- Operates at different levels: cognition, emotional & actions
- Different components: stereotyping; prejudice and discrimination
- Intersectionality: age, disability, gender, race etc.



4) The Demand for and Supply of Long-Term Care in the MENA Region

4.1 Supply of Long-Term Care Services in the MENA region

- Main source of care is the immediate family
  - A framework of responsibilities and filial obligations
  - Gender and care tasks (financial, co-ordination and hands on)
  - Bi-directional flow of responsibilities
- Charitable (religious) and community organisations
- Challenges to the familial care model
  - Sustainability & suitability issues

Reliance on the family

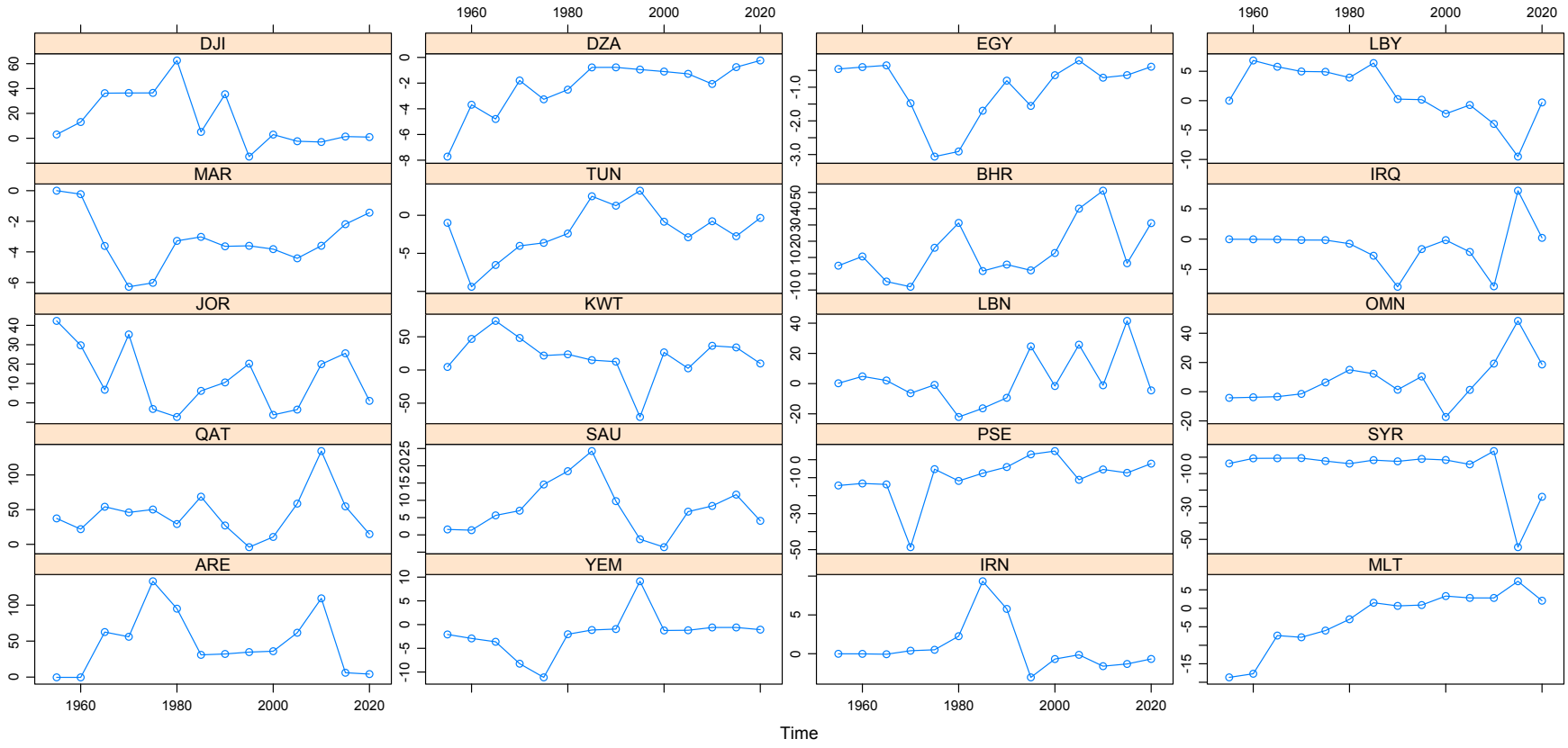
The 'invisible' welfare scheme

(un)sustainability of family care

- Socio-economic and demographic changes
- Emotional burden
- Competing opportunities

Suitability/adequacy of care

Migration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Formal services: Palliative care (an example)

Group 3b: Generalised provision	• Jordan, Malta, Oman, Qatar, Saudi Arabia
Group 3a: Isolated provision	• Algeria, Bahrain, Egypt, Iran, Kuwait, Lebanon, Libya, Morocco, Tunisia, West Bank & Gaza
Group 2: Building capacity	• United Arab Emirates
Group 1: No known activities	• Yemen, Syria, Iraq, Djibouti

4.2 Demand for Long Term Care support

- Both life expectancy and healthy life expectancy are increasing
  - Nature longevity limit?
  - HLE not growing as fast as LE

→ High number of years lived with LTC needs

→ Significant gender, ethnic & socio-economic differentials

→ Differentials within and across countries

Country	Life Expectancy at birth		Healthy life expectancy at birth		Difference between life expectancy and healthy life expectancy in years	
	Male	Female	Male	Female	Male	Female
Malta	79.9	83.8	70.9	71.9	9.0	11.9
Kuwait	79.3	84.0	69.5	71.1	9.8	12.9
Tunisia	74.9	79.2	66.1	67.7	8.8	11.5
Jordan	77.0	78.8	68.1	67.2	8.9	11.6
Iran	75.7	79.1	66.0	66.5	9.7	12.6
Lebanon	74.0	79.2	65.1	67.1	8.9	12.1
Libya	74.2	77.3	64.9	65.5	9.3	11.8
Algeria	76.2	78.1	66.7	66.1	9.5	12.0
UAE	75.1	78.4	65.8	66.2	9.3	12.2
Oman	73.0	75.3	64.5	64.5	8.5	10.8
Qatar	78.0	76.6	68.1	65.1	9.9	11.5
Bahrain	75.0	77.0	66.0	65.5	9.0	11.5
Egypt	69.6	74.1	62.3	63.7	7.3	10.4
Morocco	71.7	74.3	63.7	63.7	8.0	10.6
Iraq	69.9	75.0	61.6	63.7	8.3	11.3
Saudi Arabia	73.1	76.2	63.8	64.4	9.3	11.8
Syria	71.2	74.3	62.5	63.3	8.7	11.0
Djibouti	64.1	67.8	57.2	58.9	6.9	8.9
Yemen	64.4	68.9	57.0	58.0	7.4	10.9

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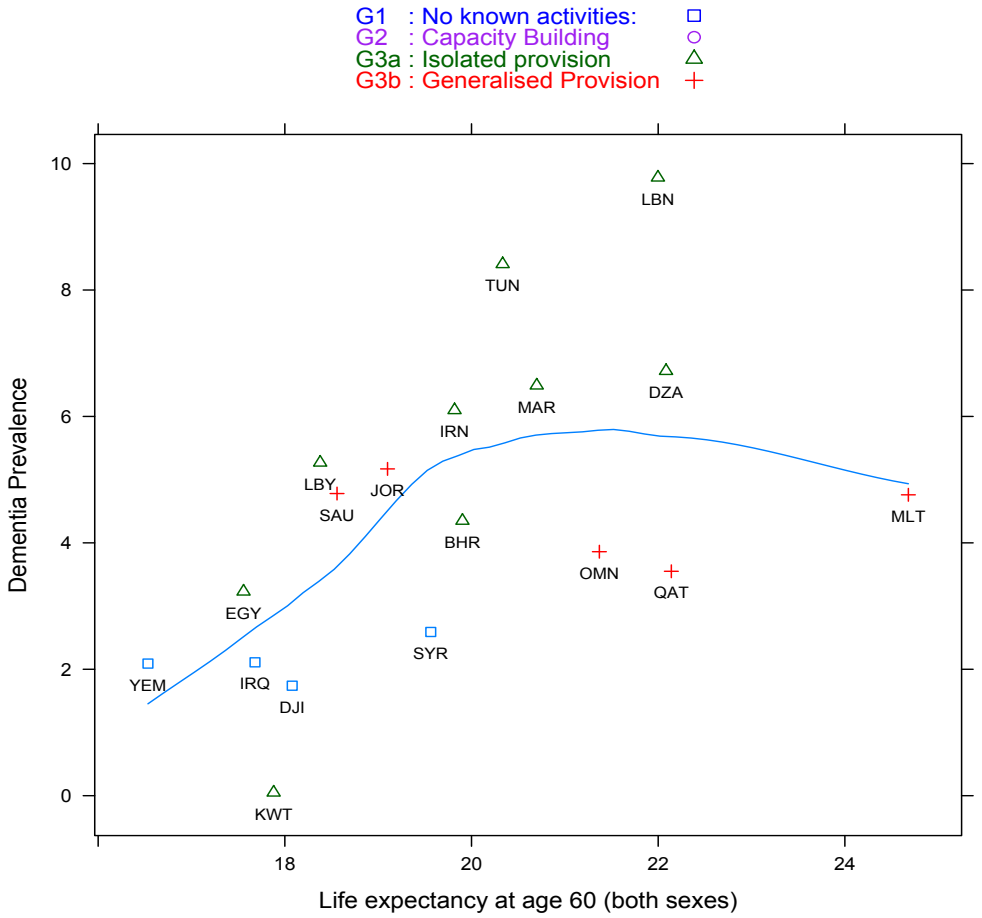
Increased burden of disease



- High burden of NCD
  - Diabetes, obesity
  - Qatar highest prevalence of obesity in the region (42.5% males & 52.4% females)
  - Older people at higher risks of NCD
- Lifestyle (sedentary); discouraging physical activities
- Dementia & Alzheimer disease
  - Affecting women disproportionality

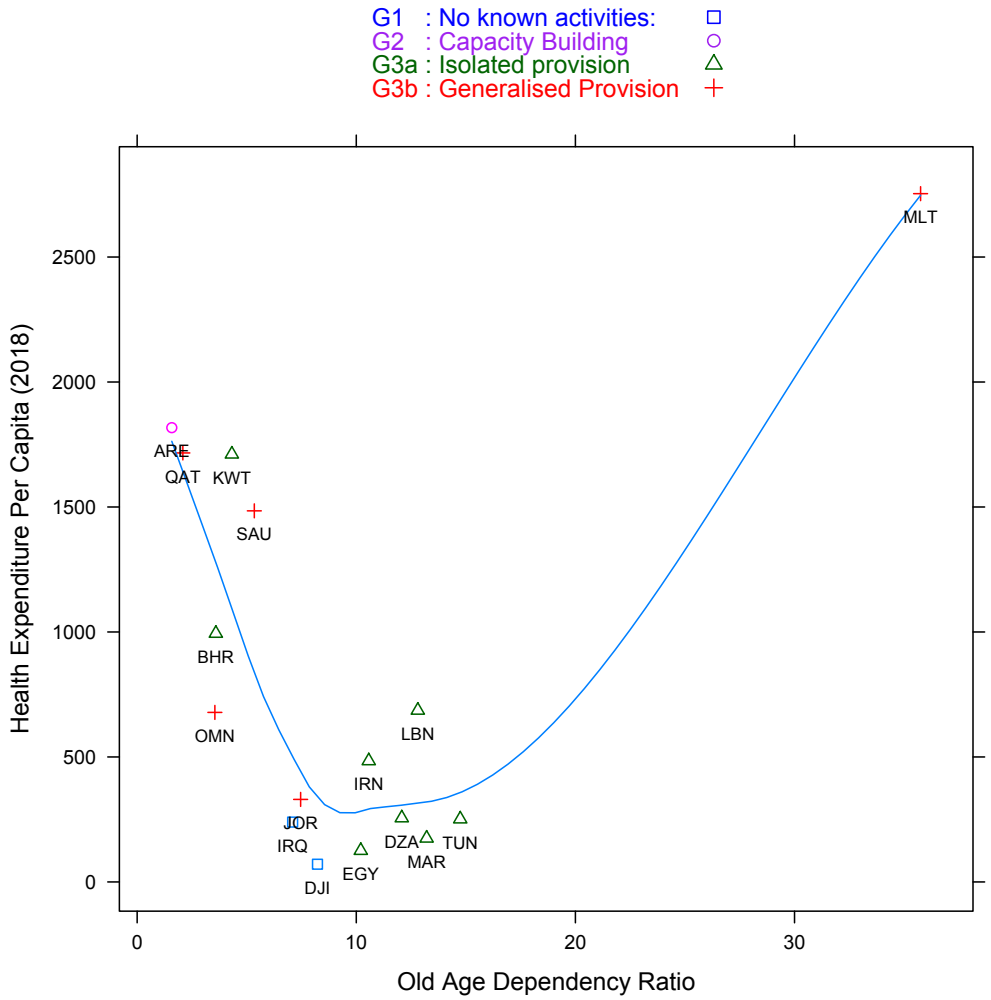
4.3 Health care expenditures and population

Existing debate re the causal relationship between ageing and HCE

- Red-herring hypothesis
- Recent study supports the 'time-to-death' hypothesis

HCE is affected by other factors than ageing (including GDP and other state investments)

Note the distribution of countries by palliative care grouping



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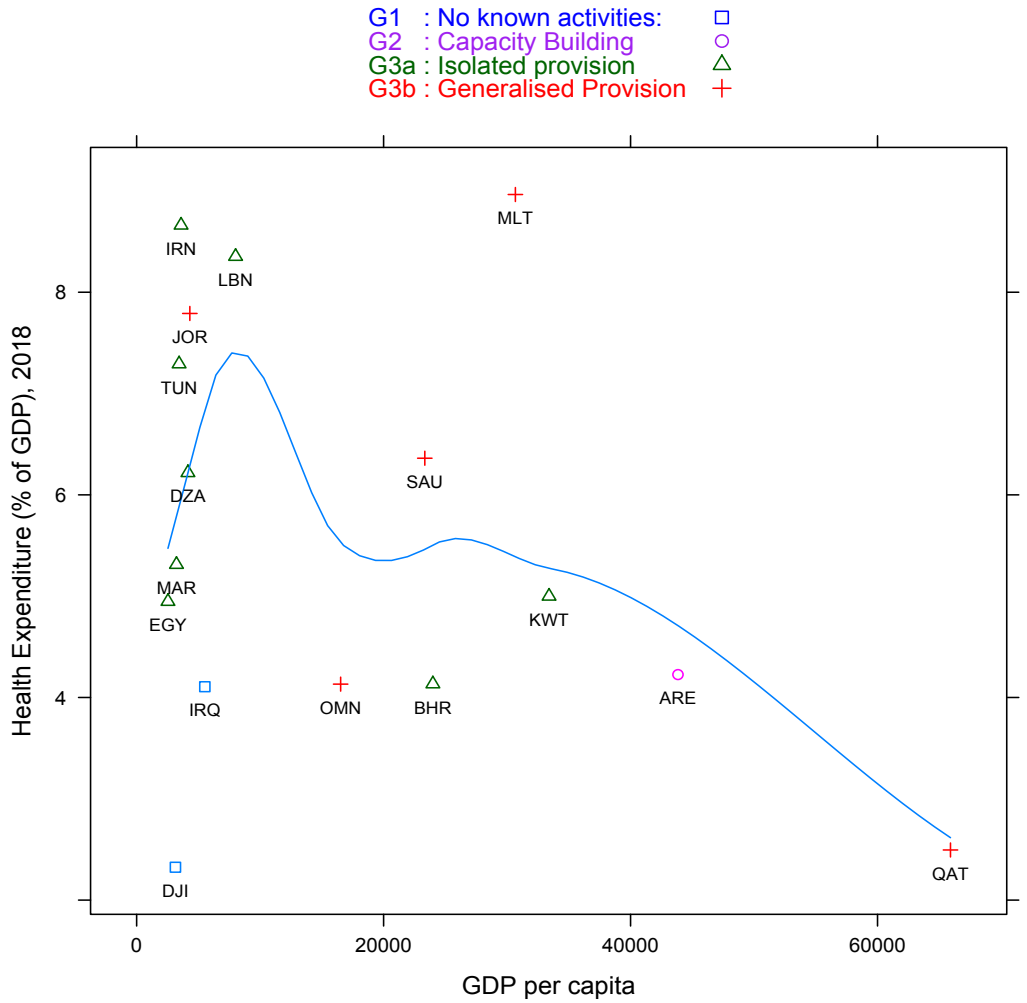
Health Care expenditure as a percentage of GDP and GDP per capita

Iran, Lebanon, and Jordan have higher HCE (compared to Morocco, Egypt, and Iraq albeit all having similar GDP per capita).

Qatar has one of the lowest HE (% of GDP) and highest GDP per capita



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5) Relevant International Experiences on Long-Term Care

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5.1 LTC Funding Approaches

- Main funder: State vs. individuals (out-of-pocket)
  - Varying degrees of contribution
  - Equity in resource allocations (e.g. outlier (high LTC cost) funding in Australia and France)
- Source of financing
  - Universal coverage through taxations (Finland, Sweden, Austria)
  - LTC insurance schemes (Japan, Germany)
  - Mixed-models (France)
  - Safety-net approaches (USA/UK)
- Responsibility of funding (state level)
  - Usually scattered across different ministries (central and local government)
  - Joint vs. separate health and LTC budgets
- Commissioning and providing LTC
  - Services and/or cash benefits

LTC funding sources

- Mandatory LTC insurance (Germany & Japan)
- Fully tax funded (Austria: supplemented by state grants)
  - Taxations can be national/local or a combination (e.g. local taxations are the main funding source in Finland)
- A mix of insurance and tax funded (France, the Netherlands)
  - In France part of the LTC funding comes from the healthcare budget from employer/employees contribution
- Out-of-pocket
  - Either as full (self-funders in the UK); co-contributor (Japan); or paying up to a limit (Austria; 80% of income in case of care homes and 25% in case of home care)
- Private arrangements
  - It is estimated that 80% of LTC in Europe is provided informally

5.2 LTC markets - Europe

Care regimes →
- Care Mix (Western)
- Universal (Nordic)
- Family-based (Mediterranean)
- Transitional (Central/East Europe)

Convergence of care models across Europe →
- Marketisation/Commodification
- De-institutionalization/Ageing in place
- Fragmentation
- Informal/private arrangements
- Migrant workers

The role of the state, family and individuals →
- Shifting responsibilities
- Familisation/Intergenerational support
- Re-emergence of caring communities

6) Conclusion & Recommendations

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Conclusion

- 'Rapid' process of ageing
  - Fast and steep
- High level of unpreparedness
  - Health and LTC services; Infrastructure
- Social-determinants of health and wellbeing at old age
- Nested within other demographic dynamics
- Socio-political structures
- Perceived age-related roles & duties
- A changing landscape (COVID19 & mobility)

- Social & economic opportunities
- Population dividends
- Silver economy
- Intergenerational exchange
  - Bi-directional flow of support (including financial and caring activities)
- Care markets and job creation
  - Female unemployment rates
  - Investment in training, skills and regulations/standards

Recommendations

- Harness opportunities: contribution of older people (including extending working lives), population dividends and LTC markets
- Human rights and equity at old age, Person-centeredness
- Ageing in place and enabling environments
- The role of social/human capital within comprehensive social protection systems
- Create formal mechanisms for LTC provision
  - Market shaping
  - Holistic approach
  - Set standards and regulations
  - Partnership working & integrated services
  - Ensure a sustainable and appropriately trained LTC workforce

Thank you for Listening

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