



MINISTRY OF LABOUR AND SOCIAL POLICY
CENTRE FOR HUMAN RESOURCE DEVELOPMENT
AND REGIONAL INITIATIVES



Project Addressing Demographic Challenges in the Countries participating in
the South East European Cooperation Process

CONTEMPORARY
DEMOGRAPHIC CHANGES
AND CHALLENGES TO THE
COUNTRIES PARTICIPATING IN
THE SOUTH EAST EUROPEAN
COOPERATION PROCESS

**ANALYTICAL
REPORT**

Table of contents

Introduction	3
Chapter One.....	6
1.1. State and trends in the demographic development	6
1.1.1. Fertility	6
1.1.2. Mortality.....	10
1.1.3. Migration	19
1.2. Effects of the Demographic Processes. Aging of the Population.....	22
Chapter Two	33
2.1. Economic Development	33
2.2. Labour Market.....	39
2.4 Healthcare.....	64
2.5 Urbanisation	67
2.6. Conclusions	72
2.6.1.Economic Development	72
2.6.2.Labour Market.....	72
2.6.3.Education.....	74
2.6.4.Healthcare.....	75
2.6.5.Urbanisation	75
Chapter Three.....	77
3.1 Social Development in the SEECP Participating Countries	77
3.2 Social Protection of the Population in SEECP Participating Countries	84
3.3 Vulnerable Employment.....	85
3.4. Conclusions	87
3.5. Challenges and Policies to Address Negative Demographic Consequences	89

Chapter Four	92
4.1 Need to Develop General Guidelines for Managing Demographic Changes and Addressing Demographic Challenges	92
4.2 Priorities for Cooperation in the Area of Demography and Guidelines for Joint Actions	94
4.3 Measures for Cooperation between the SEECP Participating Countries to address Demographic Challenges	98
Appendix 1	101
Appendix 2	106
Appendix 3	108
Appendix 4	125

INTRODUCTION

The report summarises the results of research made by team of Bulgarian researchers operating in the area of demography. It is also based on the Joint Declaration of the Ministries of Labour and Social Policy adopted at the International Ministerial Conference of the countries participating in the South East European Cooperation Process (SEECP) held in May 2016 in the city of Sofia. **The research conducted in the period May - August 2017 aims to analyse the demographic processes and resulting challenges to the SEECP participating countries and to draw conclusions and make recommendations which can be used as a starting point for joint long-term cooperation in the process of creating mechanisms at regional level to manage demographic processes by implementing joint initiatives and projects based on exchange of experience and good practice.**

The demographic processes and resulting changes, along with the globalisation and advancement of information technologies, are the basis for formation of a new social reality which modern societies face with varying levels of severity. Demographic challenges affect many areas of economic and social life and will have increasingly significant consequences for the public finances and smooth operation of the social systems, including of the labour market, social security system, social protection, support and long-term care systems, healthcare, and education. The main demographic challenges to most of the SEECP participating countries are related to trends toward reducing and aging of over 144 million people and in the long run.

The demographic development of SEECP participating countries appears to be national and social priority requiring maximum concentration of the efforts, implementation of active, purposeful and consistent policy of the governments, and joining and coordination of the actions taken by the authorities, institutions and civil society structures at central, regional and local level. Several priority areas and targets in the demographic policy are outlined for most of the participating countries. They are aimed at slowing down the rate of population decline with a tend to stabilise it in the long run and ensuring high quality of human capital, including people with their health status, education, abilities and skills.

The report is an analytical document which **scope of research** is the population of the SEECP participating countries Albania, Bosnia and Herzegovina, Bulgaria, Greece, Kosovo, Former Yugoslav Republic of Macedonia (FYROM), Moldova, Romania, Slovenia, Serbia, Turkey, Croatia and Montenegro and its individual sets grouped depending on the needs by age, gender, education, etc. The demographic research methodology involves the use of basic demographic and social indicators, most of them involved in the compilation of country-

specific demographic profiles according to the adopted standards. On this basis, the most important aspects of the demographic and social processes in the participating countries are outlined. In order to achieve this result, data from population censuses, current demographic statistics, various studies of United Nations Population Division, Eurostat, World Bank, International Labour Organisation, World Health Organisation, national statistics of individual SEECP participating countries, etc. is used. To trace the trend toward demographic changes, the selected indicators have in most cases been analysed for a 10-year period. When determining the prospects for development of these indicators, such as total population or its main age groups, the average option of UN population forecasts is used.

Basic requirement for preparation of this report is to use **comparable data**, i. e. the data should be collected using the same methodology. For this reason, the principle of relying on the same data source when analysing the same indicators was used. In the cases where such sources are regional or international organisations, the data provided relates only to the countries which are their members or for which information is collected. This is the only reason to include in the report only data for some SEECP participating countries when the sources of information used are Eurostat, and the World Bank, while other information is not available for the other countries. The data on Kosovo is particularly limited, since most of the above-mentioned international institutions do not collect and process such data. In recent years, this gap has been successfully bridged by Kosovo Statistical Agency but the available data does not cover the entire 10-year research period, and it is unclear whether the data collection and processing methodology of this agency is fully comparable to that of other national and international statistical institutes. This is the only reason for the lack of data on Kosovo in the analysis of a number of indicators.

Based on the conclusions of the social and demographic analysis, and of the issues and guidelines for development of the region outlined in the South East Europe 2020 Strategy adopted in 2013 several priority areas and targets in the demographic policy and cooperation between the individual SEECP participating countries are outlined. They are aimed at slowing down the rate of population decline with a tend to stabilise it in the long run and ensuring high quality of human capital, including people with their health status, education, abilities and skills.

The demographic processes and resulting changes, along with the globalisation and advancement of information technologies, are the basis for formation of a new social reality which the societies in South East Europe face with varying levels of severity. Demographic

challenges affect many areas of economic and social life and will have increasingly significant consequences for the public finances and smooth operation of the social systems, including of the labour market, social security system, social assistance and long-term care systems, healthcare, and education. The main demographic challenges to most of the SEECP participating countries are related to trends toward reducing and aging of over 144 million people and in the long run.

The report consists of the following four interrelated chapters: The first chapter highlights the basic demographic processes - birth rate, mortality, and migration, outlining the trends toward development through the dynamics of the demographic indicators. Particular emphasis is put on the population aging, being a rapid process, albeit at different rates in the various SEECP participating countries, and on the challenges to the labour market, and social security, healthcare and social systems. The second chapter highlights, on the basis of indicators, the state and dynamics of population development in the SEECP participating countries in terms of the labour market, education and healthcare. The third chapter presents indicators on social development and social protection system. The challenges and policies for cooperation between the SEECP participating countries are outlined. The fourth chapter summarises the priorities and perspectives for collaboration and cooperation between SEECP participating countries to address demographic challenges and outlines basic approaches, guidelines and measures for cooperative actions.

The report was developed by a team of the Institute for Population and Human Studies at the Bulgarian Academy of Sciences consisting of the following members: Prof. Tatyana Kotseva, PhD (Chapter 3, Chapter 4), Assoc. Prof. Elitsa Dimitrova, PhD (Chapter 2, Chapter 3) and Chief Assist. Spas Tashev, PhD (Chapter 1, Chapter 4).

Chapter One

CHARACTERISTICS OF DEMOGRAPHIC PROCESSES IN SEECP PARTICIPATING COUNTRIES - KEY TRENDS AND DEVELOPMENT PERSPECTIVES

This chapter of the report will review the main demographic processes which take place in the SEECP participating countries. Based on this analysis, trends and perspectives in the demographic development of these countries will be outlined.

1.1. State and trends in the demographic development

1.1.1. Fertility

The trend observed in most SEECP participating countries toward reducing of the population is a direct consequence of the birth rate decline resulting from the so-called "demographic transition"¹. This decline is objectively justified by the impact of many demographic, social and economic factors. The demographic transition, socio-economic changes in the region after the end of the Cold War and the emergence of new market economies in the late 1980s and early 1990s accelerate the birth rate decline. Despite this general trend, over the past ten years significant differences in the total fertility rate have been observed. Notwithstanding its generally low values, falling within the range 1.23 - 2.12, the countries in this region can be divided into three groups based on this indicator:

- Countries where the total fertility rate increases, albeit slowly (Bulgaria, Romania, Slovenia, and Croatia);
- Countries where the total fertility rate does not change significantly (Bosnia and Herzegovina, Greece, and Moldova);
- Countries where the total fertility rate decreases (Albania, Kosovo, FYROM, Serbia, Turkey, and Montenegro).

In theory, minimum rate to provide simple reproduction of the population is 2.1 live births. Currently, only in Kosovo the values of total fertility rate (2.12) ensure simple

¹ Demographic transition is a process which involves the change in the type of reproduction of the population as a result of moving from higher birth and mortality rates to lower ones.

reproduction of the population. The rate in Turkey - 2.01 - is close to these indicators, albeit below this limit.

From demographic point of view, the birth rate currently in decline in the SEECP participating countries is due to the decreased fertility of women in childbearing age and their reduced number.

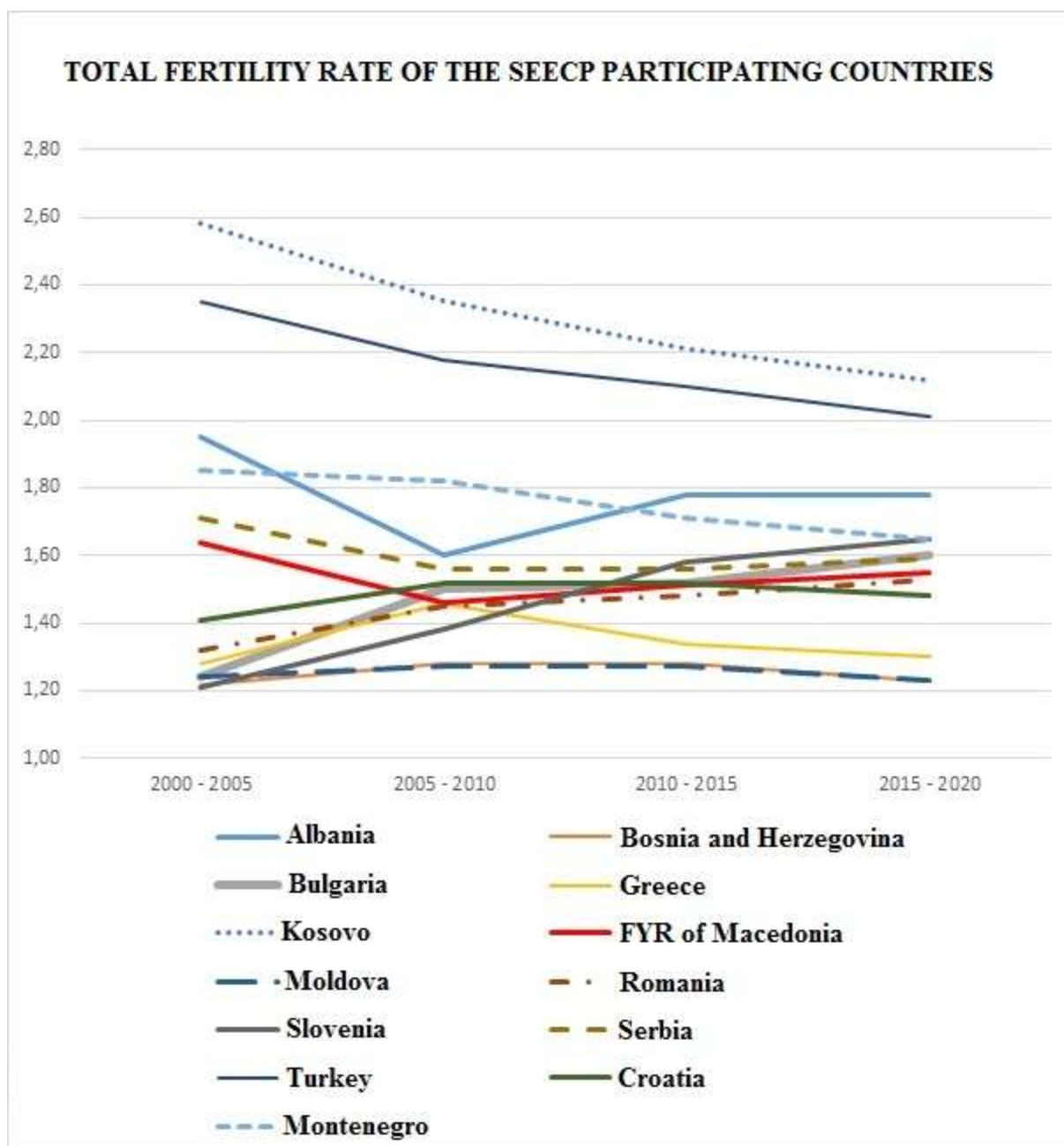


Figure 1.1

Total fertility rate of the SEECP participating countries

Sources: United Nations and Eurostat Population Division

The current negative effect of the decreasing number of women in childbearing age will affect the population reproduction over the next decades. This is due to both the negative changes in the age structure of women aged 15-49 and the decreasing absolute size and relative share of girls aged 0 - 14 in most of the SEECP participating countries who will participate in the reproduction of the population in the coming decades.

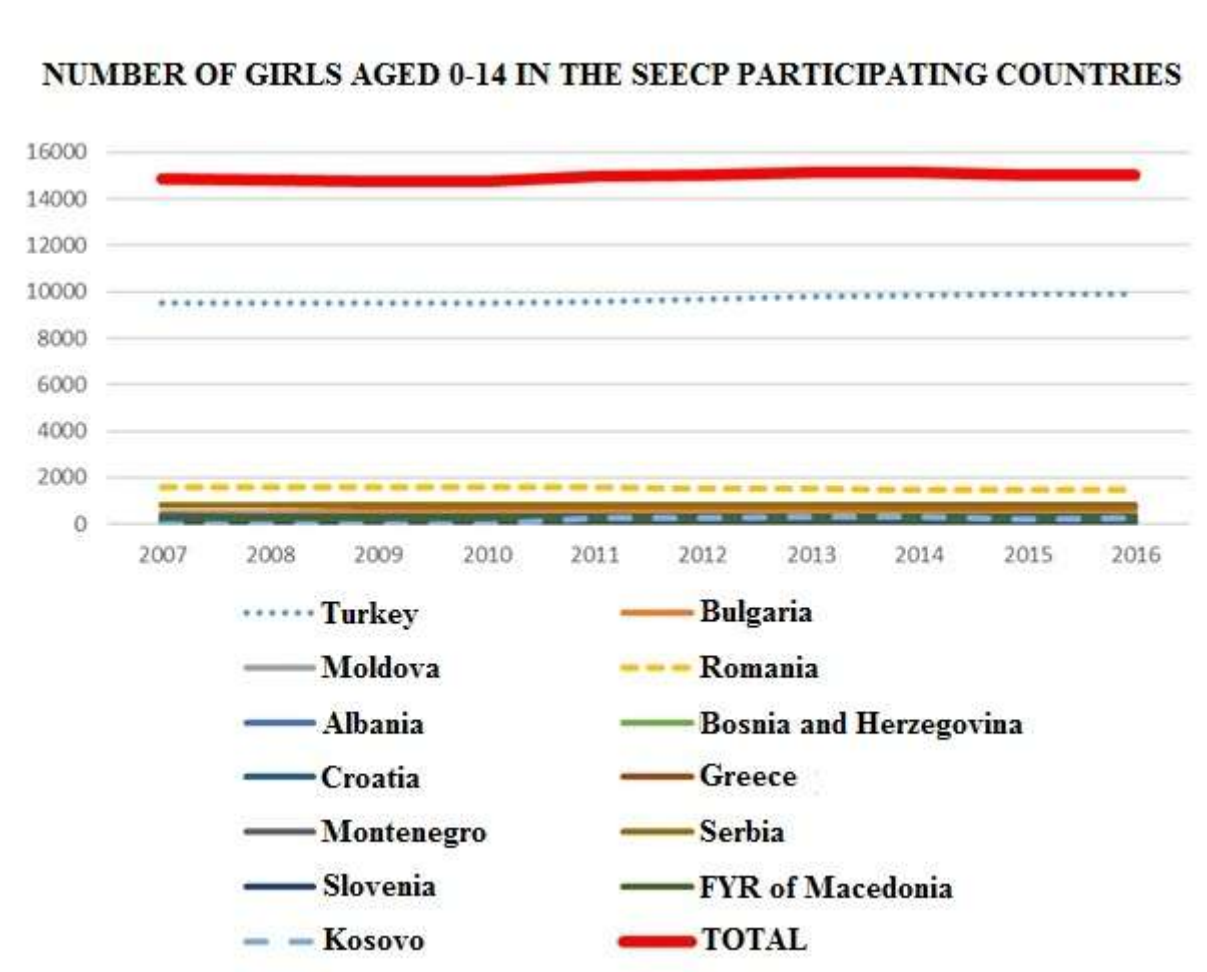


Figure 1.2

Number of girls aged 0-14 in the SEECP participating countries

Source: United Nations Population Division

As a result of the demographic processes in Turkey, the total number of female population aged 0-14 has even slightly increased from 14.9 million to 15.0 million over the past ten years. In this country, the population in the group has grown from 9.5 million to 9.88 million, while small increase in the same indicator is observed in Slovenia - from 136,000 to 150,000. In Bulgaria, the development of this age group is relatively stable, the decrease in the

period being only about 1,000 people. In the other 11 countries, sustained reduction of the number of persons covered by this age group is observed.

In the coming decades, the objective opportunities for increasing the birth rates and sizes of the population due to birth rates will become increasingly limited.

The current negative effect of the decreasing number of women in childbearing age will affect the reproduction of the population in most of the SEECP participating countries over the next decades. This is due to both the negative changes in the age structure of women aged 15-49 and the decreasing absolute size and relative share of girls aged 0 - 14 who will participate in the reproduction of the population in the coming decades.

The changes in attitudes to the maximum number of children in the family are among the factors that explain the declining birth rate.

Against the background of the trend toward reducing the total number of female population aged 0-14, the high level of adolescent birth rate among part of their population is a problem for the SEECP participating countries.

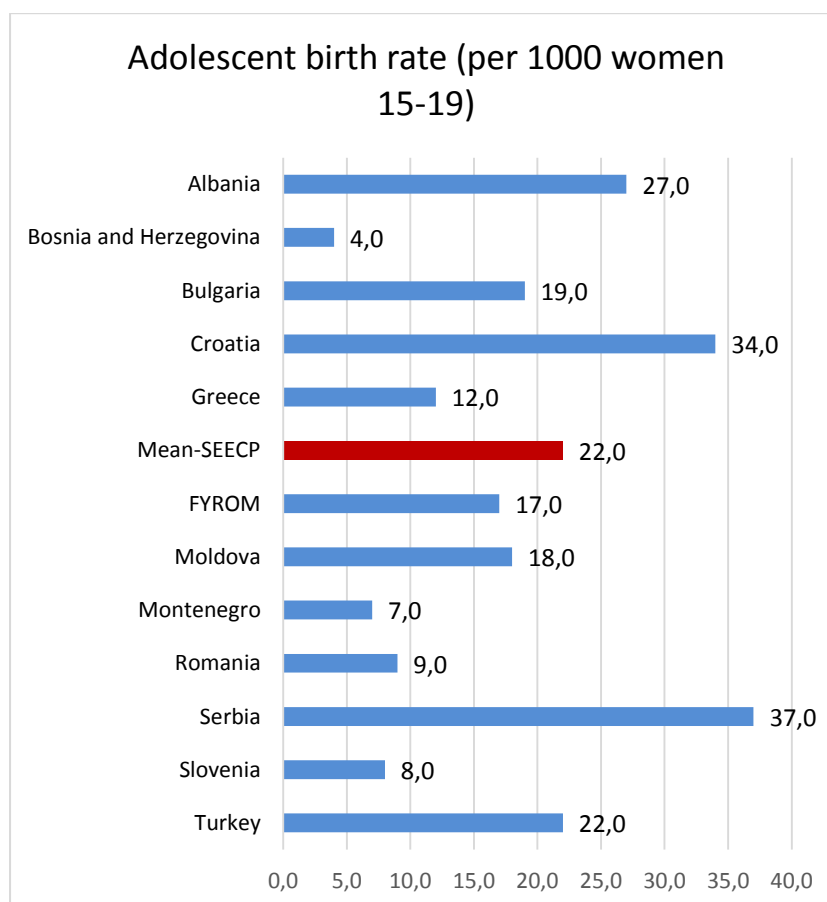


Figure 1.3

Adolescent birth rate (per 1000 women at age 15-49) in the SEECP participating countries

Source: United Nations Population Division

United Nations Population Division, World Population Prospects

<http://hdr.undp.org/en/countries>

** There is no data on Kosovo.*

The adolescent birth rate (number of born children per 1,000 women aged 15-19) is an important indicator of both the health culture and sexual one, in particular of the population education, and social standards, including the standards concerning the relations between men and women, and the family relations, as well. The data in figure 1.3 indicates that the average adolescent birth rate for the SEECP participating countries is 18 ‰. Two countries feature indicators far above the average ones - Bulgaria is ranked first with the highest adolescent birth rate of 37 ‰, followed by Romania - 34 ‰. The other three countries with high adolescent birth rates are Turkey - 27 ‰, Albania - 22 ‰ and Moldova - 22 ‰. The adolescent birth rates in Serbia -19 ‰, FYROM -17 ‰ and Montenegro - 12 ‰ are close to the average ones. The lowest adolescent birth rates are observed in Greece - 7 ‰, Croatia -9 ‰, Bosnia and Herzegovina - 8 ‰ and Slovenia - 4 ‰.

1.1.2. Mortality

The high mortality rates - overall, premature, and child mortality rates - are among the worrying demographic issues in most of the SEECP participating countries. Major factor which determines the dynamics of overall mortality is the observed trend towards population aging. This process is characterised by changes in the age structure of the population, confines itself to the relative shares of young people and increases the share of the older ones. The more advanced the population aging among the SEECP participating countries, the higher crude death rates.

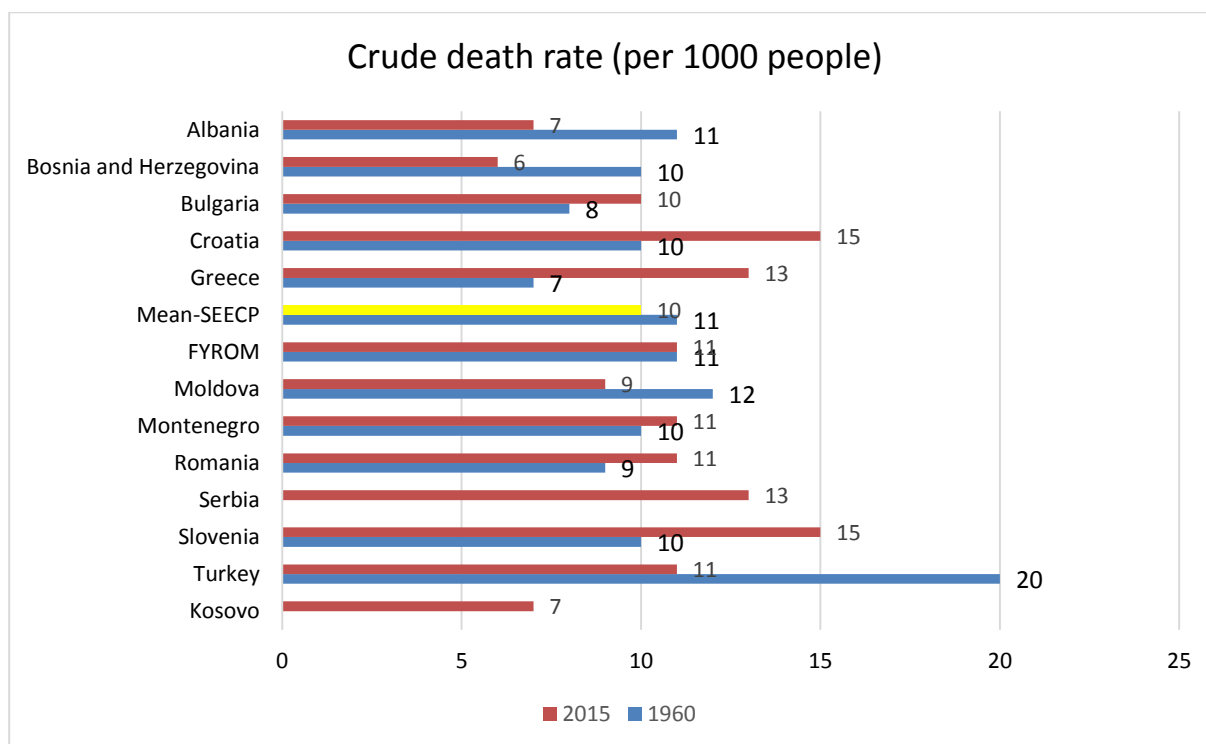


Figure 1.4 Crude death rate (per 1000 people) in the SEECP participating countries

Source: United Nations Development Programme. Human Development Reports

Figure 1.4 presents the trend in mortality of the population for 55-year period. Based on the crude death rate (number of deaths per 1,000 inhabitants) the SEECP participating countries are divided into two groups. The first group features steady trend toward increase in the mortality rate for the period 1960-2015. This group covers the following countries: Bosnia and Herzegovina - 10 ‰ (1960) and 11 ‰ (2015), Croatia - 10 ‰ (1960)) and 13 ‰ (2015), Greece - 7 ‰ (1960) and 11 ‰ (2015), Romania - 9 ‰ (1960) and 13 ‰ (2015) and Bulgaria - 8 ‰ (1960) and 15 ‰ (2015). In Bulgaria, the mortality rates are almost doubled over the 50-year period.

The other group includes the countries where a trend toward reducing the crude death rate is observed. In Turkey, the reduction of crude death rate is most drastic for half a century - it is reduced from 20 ‰ (1960) to 6 ‰ (2015). Slight reduction of crude death rates is reported in Moldova - from 12 ‰ (1960) to 11 ‰ (2015), FYROM - from 11 ‰ (1960) to 9 ‰ (2015) and Albania, where the reduction is clearly manifested - from 11 ‰ (1960) to 7 ‰ (2015). As regards the two newly formed countries in the last decades - Slovenia and Montenegro - there is no dynamics in the indicator values - 10 ‰ for the two countries for the two years. In terms of Kosovo and Serbia, only data for 2015 is available, and therefore no trend in the development

of this indicator can be presented. It is also worth noting that the crude death rate in Serbia is as high as this in Bulgaria - 15 ‰ (2015).

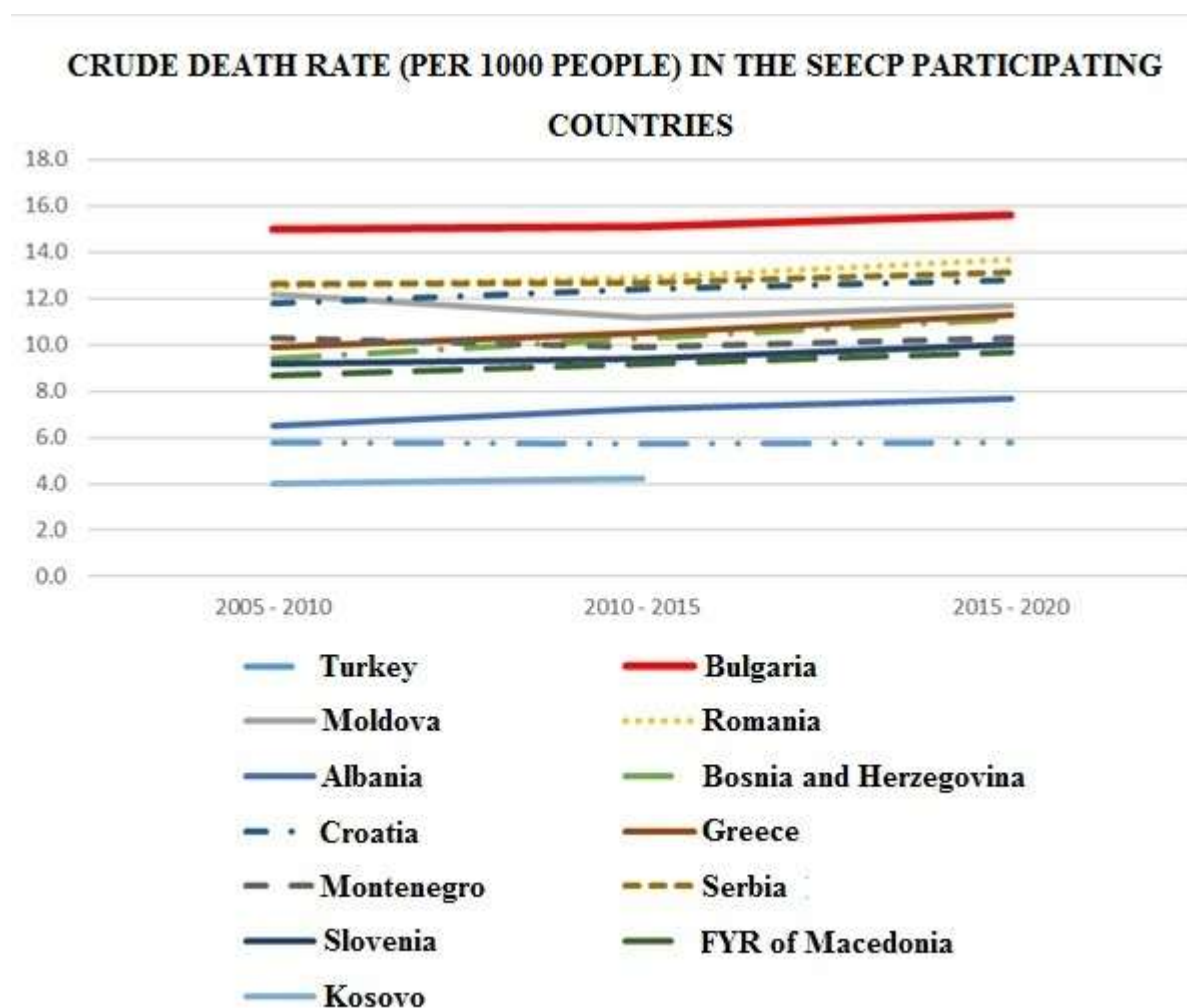


Figure 1.5

Crude death rate (per 1000 people) in the SEECP participating countries

Sources: United Nations and Eurostat Population Division

As is apparent from figure 1.5 which presents more detailed picture of the crude death rate over the past 10 years and forecast by 2020 for the countries including Kosovo, Bulgaria features the highest crude death rate. Over the past 10 years, it has increased from 15 to 15.6 ‰. It is high in most of the other SEECP participating countries. Only in Turkey (5.8 ‰), Kosovo (4.2 ‰) and partly in Albania (7.7 ‰) the crude death rate is lower which is due to the larger proportion of the young population which features low mortality rates.

The probability of dying among the male population at the age of 15 before reaching the age of 60 (per 1,000 persons) is indicative of premature mortality. It synthesises the conditions

and quality of life in the country. Over a 10-year period, the values of this indicator reduce in all SEECP participating countries. The countries with the highest indicators at the beginning and at the end of the period are Moldova - 312 ‰ in 2005 and 244 ‰ in 2014, and Romania - 227 ‰ in 2005 and 195 ‰ in 2014. Bulgaria also reports high values close to this indicator - 220 ‰ in 2005 - but due to lack of data in this database the dynamics of this indicator cannot be seen. Serbia and Turkey are among the countries with high indicators - 178 ‰ and 170 ‰, respectively, in 2005. The values of this indicator in the two countries decline to 140 ‰ -142 ‰ in 2014. Albania and Greece are the countries with the lowest probability of dying among the male population in the average age - 108 ‰ in the two countries in 2005 and up to 85 ‰ in Albania and 101 ‰ in Greece in 2014.

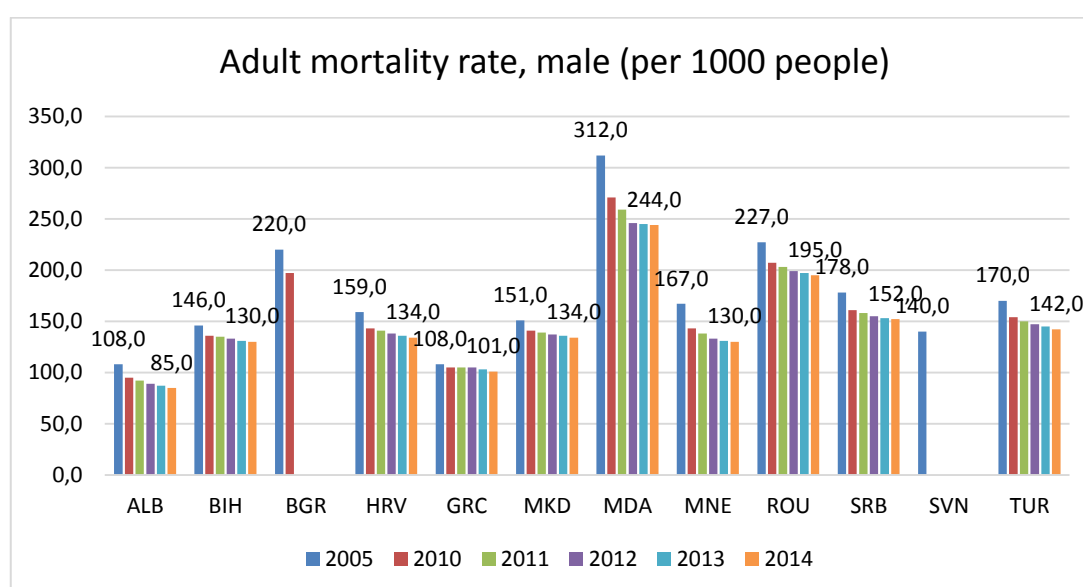


Figure 1.6

Probability of dying among the male population at the age of 15 before reaching the age of 60 in the SEECP participating countries

Source: United Nations Development Programme. Human Development Reports

<http://hdr.undp.org/en/indicators/57906#>

* There is no data on Kosovo, and complete data on Bulgaria and Slovenia.

The data on probability of dying among the female population at the age of 15 before reaching the age of 60 (adult mortality, female) is shown in Figure 1.7:

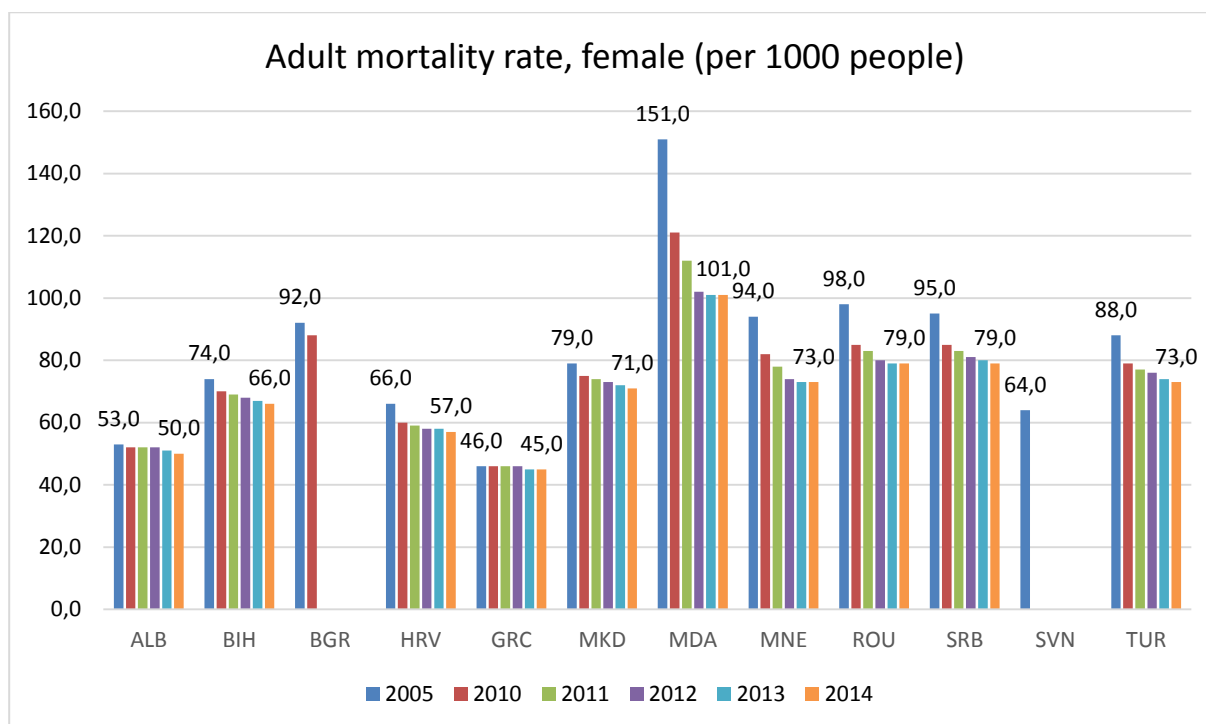


Figure 1.7

Probability of dying among the female population at the age of 15 before reaching the age of 60 in the SEECP participating countries

Source: United Nations Development Programme. Human Development Reports

<http://hdr.undp.org/en/indicators/57906#>

** There is no data on Kosovo, and complete data on Bulgaria and Slovenia.*

The probability of dying among the female population at the age of 15 before reaching the age of 60 (per 1,000 persons) is almost two times lower than that reported in male population. In a 10-year period (2005-2014), decline in the values of this indicator in all SEECP participating countries is observed. The highest indicator values at the beginning and at the end of the period are achieved by Moldova - 151 ‰ and 101 ‰, respectively. In 2005, Bulgaria (92 ‰), Romania (98 ‰), Turkey (88 ‰), and Serbia (95 ‰) also report high indicator values. During the research period, the lowest probability of dying of women in adulthood is observed in Albania - 53 ‰ (2005) and 50 ‰ (2014), Croatia - 66 ‰ (2005) and 57 ‰ (2014), Bosnia and Herzegovina - 74 ‰ (2005) and 66 ‰ (2014), and Greece - 46 ‰ (2005) and 45 ‰ (2014). At the end of 2014, the other countries reach indicator values within the range 73 ‰ -79 ‰.

Maternal mortality is also an important analytical indicator. The data on it is reflected in Figure 1.8:

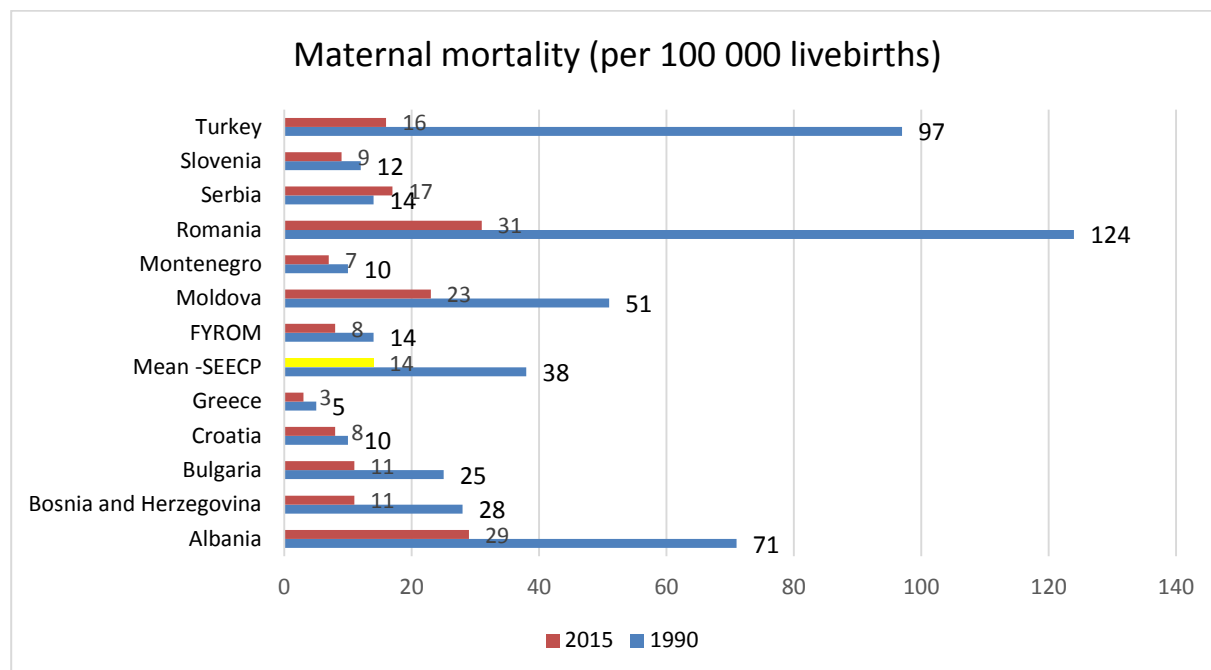


Figure 1.8

Maternal mortality (per 100 000 livebirths) in the SEEC

Source: World Bank

<http://data.worldbank.org/indicator/SH.STA.MMRT>

* There is no data on Kosovo.

Maternal mortality (per 100,000 live births) over a period of 25 years shows a steady trend toward repeated reduction in all SEEC participating countries. Four countries fall within the group of countries with extremely high maternal mortality rates - Romania, Turkey, Moldova and Albania. In 1990, maternal mortality in Romania was the highest - 124 per 100,000 live births, followed by Turkey - 97, Albania - 71 and Moldova - 51. On the contrary, it is exactly Romania where significant reduction of these indicator values is observed in a 25-year period - the reduction is almost 4 times, as the indicator value reaches 31 per 100,000 live births in 2015. The most significant reduction of maternal mortality - 6 times - is observed in Turkey: it reaches 16 per 100,000 live births in 2015. This indicator is also reduced more than two times in Moldova - from 51 to 23 - and Albania - from 71 to 29. The group of countries with low maternal mortality rates covers Slovenia - 9 per 100,000 live births, Montenegro - 7 per 100,000 live births, FYROM - 8 per 100,000 live births, Greece - 3 per 100,000 live births and Croatia - 8 per 100,000 live births. In Bulgaria, Bosnia and Herzegovina and Serbia,

maternal mortality rates are slightly higher than those observed in the countries reporting the lowest values - 11 per 100,000 live births, 11 per 100,000 live births and 17 per 100,000 live births, respectively. Serbia is the only country where maternal mortality has increased during the period under review.

Infant mortality rate (children who died up to 1 year of age per 1,000 live births) is a key indicator of the standard of living in a country. The data on it is shown in Figure 1.9:

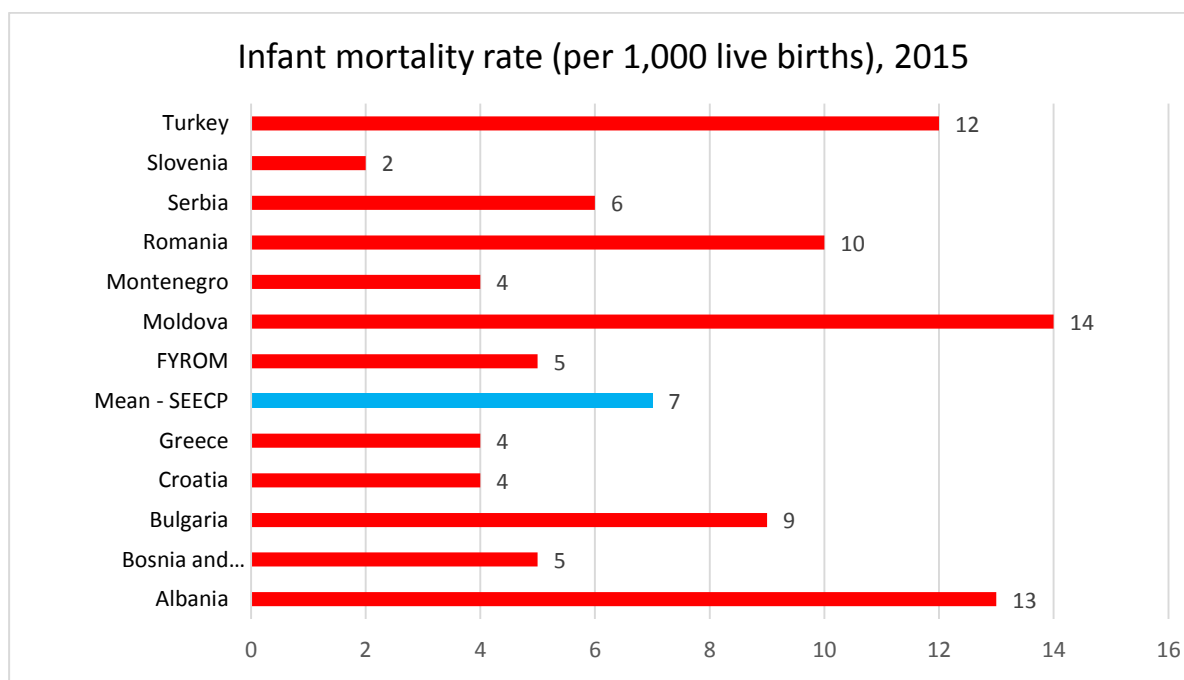


Figure 1.9

Infant mortality rate (per 1,000 live births) in the SEECP participating countries, 2015

Source: World Bank

<http://data.worldbank.org/indicator/SP.DYN.IMRT.IN>

* There is no data on Kosovo.

Due to the lack of data on most of the countries for the year 1960, the time-related dynamics of this indicator for a longer period can not be presented but it can be noted that the trend is toward continuous decline. In 2015, values higher than the average ones for the SEECP participating countries - i. e. 7 ‰ - are reported in five countries. Moldova has the highest indicator value - 14 ‰, followed by Albania - 13 ‰, Turkey - 12 ‰, Romania - 10 ‰ and Bulgaria - 9 ‰. In the other countries, child mortality rates are lower - Serbia - 6 ‰, FYROM - 5 ‰, Montenegro - 4 ‰, Greece - 4 ‰, Croatia - 4 ‰, Bosnia and Herzegovina - 5 ‰ and Slovenia - 2 ‰.

Another important indicator is the child mortality under the age of 5. It expresses the number of dead children under 5 years of age per 1,000 live births.

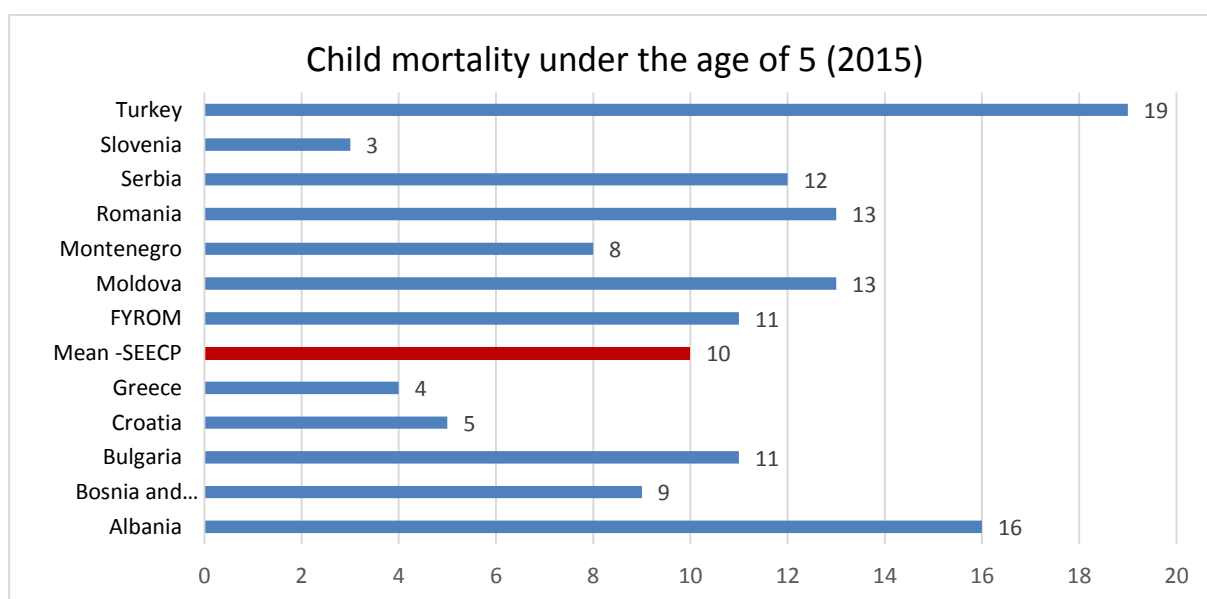


Figure 1.10

Child mortality under the age of 5 (per 1,000 live births) in the SEECP participating countries

Source: World Bank

<http://data.worldbank.org/indicator/SP.DYN.IMRT.IN>

* There is no data on Kosovo.

The average for the SEECP participating countries is 10 ‰. However, in most countries the values are higher. This is mainly due to two countries where this indicator has high values - Turkey - 19 ‰ and Albania - 16 ‰.

Child mortality rates under the age of 5 are above the average in Romania - 13 ‰, Moldova - 13 ‰, Serbia - 12 ‰, Bulgaria - 11 ‰, and FYROM - 11 ‰.

Child mortality rates under the age of 5 are below the average in five countries - Bosnia and Herzegovina - 9 ‰, Montenegro - 8 ‰, Croatia - 5 ‰, Greece - 4 ‰ and Slovenia - 3 ‰. In the last three countries the rates are relatively low and correspond to the average for the EU countries.

The high rates of child mortality under the age of 5 in most SEECP participating countries are reasons for implementing policies on addressing the factors leading to high child

mortality rates - the state of maternal and child healthcare, and conditions for childbirth and raising babies and young children.

Mortality caused by road accidents is a comprehensive indicator of road quality, driver culture, and road transport regulation. The data on it is shown in Figure 1.11:

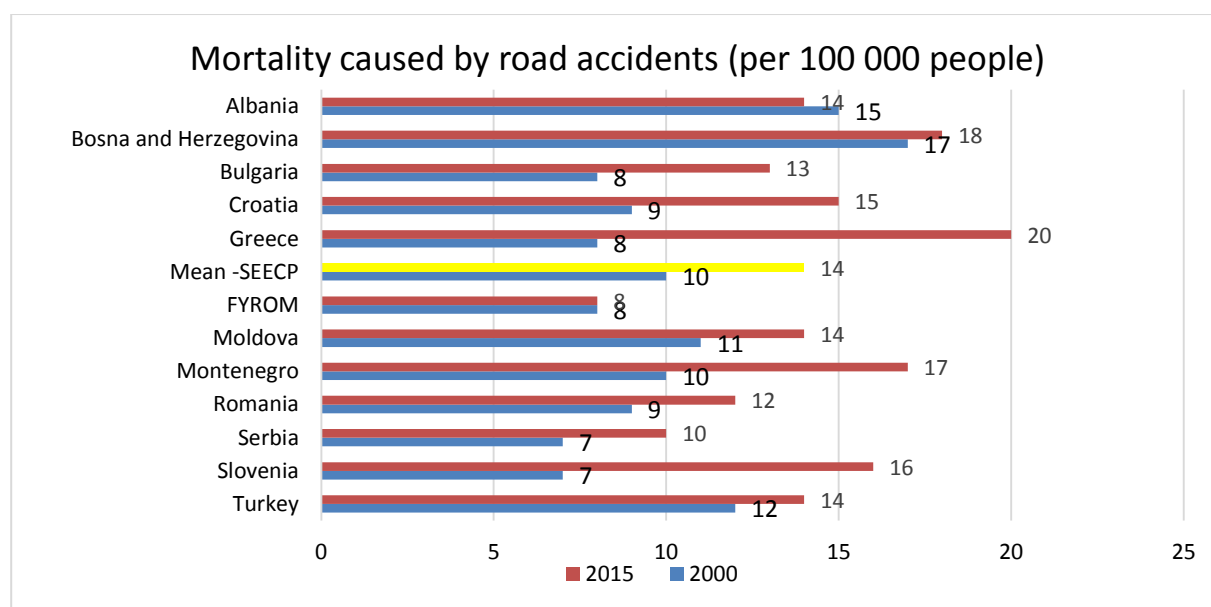


Figure 1.11

Mortality caused by road accidents (per 100 000 people) in the SEECP participating countries

Source: World Bank

<http://data.worldbank.org/indicator/SH.STA.TRAF.P5>

* There is no data on Kosovo.

In a period of 15 years, all SEECP participating countries show a trend toward reduction of mortality rates caused by road accidents (Figure 1.11). The lowest reduction is reported in two countries - Bosnia and Herzegovina - from 18 per 100,000 (2000) to 17 per 100,000 (2015) and Albania - from 15 per 100,000 (2000) to 14 per 100,000 (2015). The country with the highest indicator values over the period under review - Greece - is in a trend toward drastic decline of 2.5 times of this mortality rate - from 20 per 100,000 (2000) to 8 per 100,000 (2015). Significant reduction is observed also in Slovenia - from 16 per 100,000 (2000) to 7 per 100,000 (2015), Montenegro - from 17 per 100,000 (2000) to 10 per 100,000 (2015) and Croatia - from 15 per 100,000 (2000) to 100,000 (2015). In the other countries, there is milder decline in this indicator values - Serbia from 10 per 100,000 (2000) to 7 per 100,000 (2015),

Romania from 12 per 100,000 (2000) to 9 per 100,000 (2015), and Moldova - from 14 per 100,000 (2000) to 11 per 100,000 (2015).

1.1.3. Migration

The democratisation process in Eastern Europe, crisis in the Middle East in the early 1990s and Arab Spring in the early 21st century led to widespread migration flows. A large part of the Middle East and North Africa refugee flows pass through most of the SEECP participating countries. They migrate along the Eastern Mediterranean and Western Balkan migration routes. This migration is characterised by the fact that the migrants enter illegally the countries, while the migration itself is transit one, since the migrants' ultimate destination is Western Europe.

Table 1 reflects the cases of illegal entries already detected outside the border checkpoints along the Eastern Mediterranean and Western Balkan migration routes and the number of migrants broken down by country of origin in the period 2009-2016.

Table 1.

Illegal entries detected outside the border checkpoints along the migration routes crossing the SEECP participating countries - Eastern Mediterranean and Western Balkan migration routes and number of migrants broken down by country of origin in the period 2009-2016 based on data provided by Frontex (2017)

Route	Year								Total	%
	2009	2010	2011	2012	2013	2014	2015	2016		
Eastern Mediterranean migration route	39,975	55,688	57,025	37,224	24,799	50,834	885,386	182,277	1,333,208	100
By sea	28,848	6,175	1,467	4,370	11,831	44,057	873,179	174,605	1,144,532	85.85
Syria	184	139	76	906	5,361	27,025	489,011	81,570	604,272	45.32
Afghanistan	11,758	1,373	310	1,593	4,080	11,582	212,286	41,775	284,757	21.36
Iraq	-	-	76	47	57	382	90,130	26,573	117,265	8.80
Other	5,675	416	1,005	1,824	2,333	5,068	81,752	24,687	122,760	9.21
By land	11,127	49,513	55,558	32,854	12,968	6,777	12,207	7,672	188,676	14.15
Syria	354	495	1,216	6,216	7,366	4,648	7,329	3,015	30,639	2.30
Iraq	2,674	2,704	1,054	987	372	483	2,591	1,405	12,270	0.92
Afghanistan	639	21,389	19,308	7,973	2,049	893	1,349	1,345	54,945	4.12
Other	-	-	33,980	17,678	3,181	753	938	1,907	58,437	4.38

Western Balkan migration route	3,089	2,371	4,658	6,391	19,951	43,357	764,038	130,261	974,116	100
Unspecified	-	-	75	39	38	153	556,258	102,430	658,993	67.65
Syria	-	12	34	178	1,171	7,320	9,065	-	98,780	10.14
Afghanistan	700	469	983	1,665	2,174	8,342	53,237	10,620	78,190	8.03
Other	2,389	1,890	3,566	4,509	16,568	27,542	64,478	17,211	138,153	14.18

Over this period, a total of 1,333,208 illegal immigrants who crossed the border along the Eastern Mediterranean migration route, accounting for 42.38% of all illegal entries into the EU are registered. 974,116 illegal entries, or 30.96% are registered on the Balkan Migration Route which makes it the second important entrance gate.

Persistent emigration processes are observed in most of the SEECP participating countries which is why the net migration is generally negative. An exception to this trend is made by Slovenia and Turkey. In Slovenia, the net migration is positive in the period 2005-2010 - + 4.9 - but then it begins to decrease and is currently about 0.6. In Turkey, the net migration in the period 2005 - 2010, albeit negative, is close to the migration balance - - 0.1. As a result, however, of the subsequent crisis in the Middle East, the net migration in the period 2010 - 2015 became positive - 5.3. This is due to the fact that at present about 2.9 million migrants have entered Turkey and can not migrate to Western Europe due to the agreement signed between EU and Turkey. It is expected that by 2020, the migration in Turkey will be negative again at the rate of - 1.0.

In the period 2005 - 2010, Albania and Romania have largest migration losses - - 16.9 and - 8.4, respectively. On average, the net migration over the period 2005 - 2020 for all SEECP participating countries is expected to be - 1.4.

According to data provided by USA Pew Research Centre, as of 2015, 14.9 million people born in the SEECP participating countries lived permanently abroad.

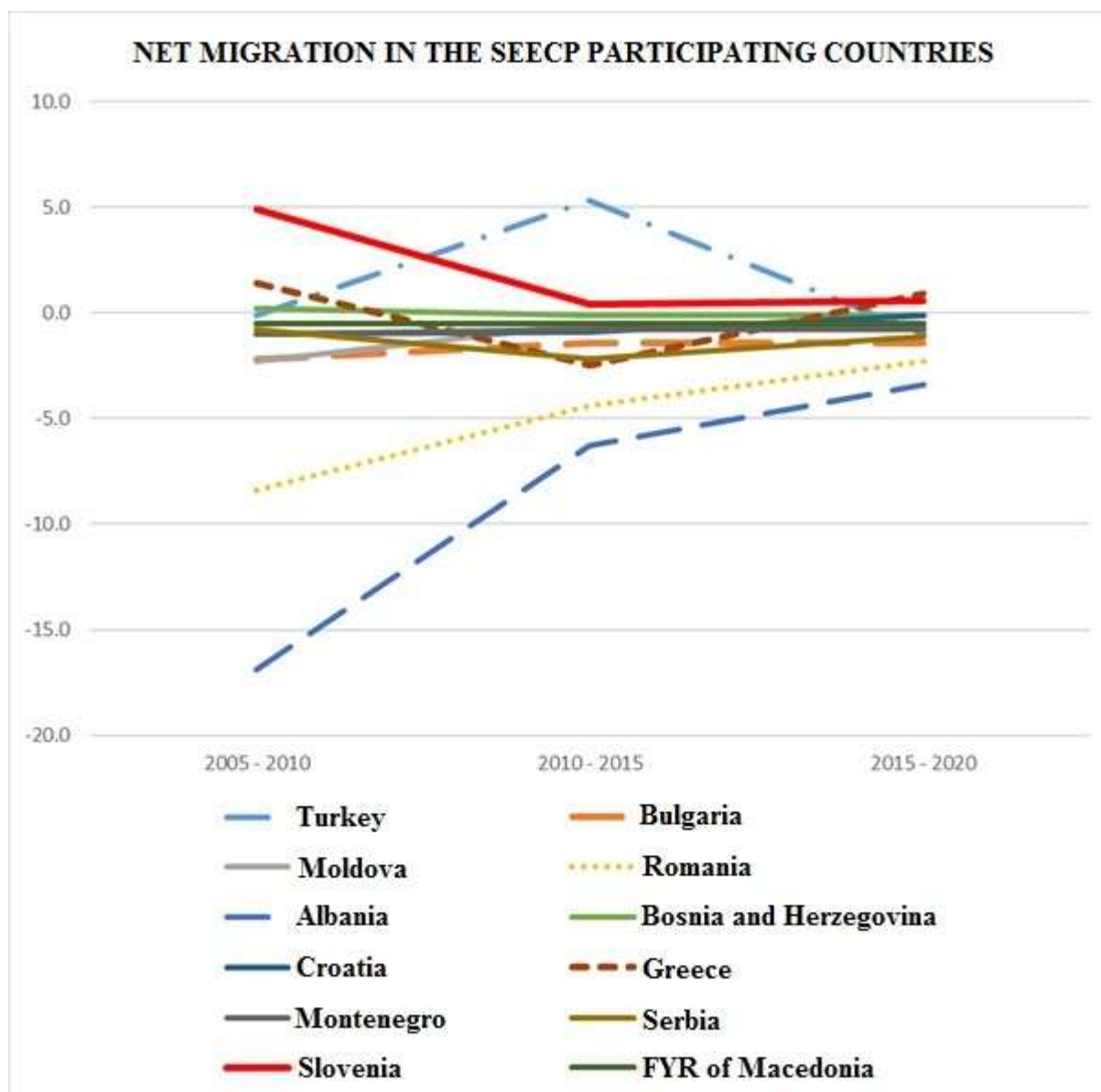


Figure 1.12

Net migration in the SEECP participating countries

Source: United Nations Population Division

* There is no data on Kosovo.

The regional migration of the population within the SEECP is of certain scientific and practical interest. There is no such official statistics at the moment but the data provided by Pew Research Centre can be used as a basis to draw some conclusions. For example, the number of internal migrants among the SEECP participating countries by 2015 is as follows (Table 2) according to data provided by the above-mentioned Centre:

Table 2

Number of regional migrants (in thousands) in the SEECP participating countries by 2015 according to data provided by Pew Research Centre (2017)

From	B												
	ALB	BIH	BGR	HRV	GRC	XKX	MKD	MDA	MNE	ROU	SRB	SVN	TUR
ALB	X	<1	<10	<1	440	N/A	70	<1	<10	<1	<1	<1	<10
BIH	<1	X	<1	400	<1	N/A	<10	<1	30	<1	340	110	<10
BGR	<1	<1	X	<1	70	N/A	<10	<1	<1	10	<10	<10	480
HRV	<1	10	<1	X	<1	N/A	<10	<1	20	<1	280	50	<1
GRC	30	<1	<10	<1	X	N/A	<1	<1	<1	<10	<1	<1	60
XKX	N/A	N/A	N/A	N/A	N/A	X	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MKD	<1	<10	<10	10	<10	N/A	X	<1	<10	<1	50	20	140
MDA	<1	<1	<10	<1	10	N/A	<1	X	<1	80	<1	<1	<10
MNE	<1	<1	<1	<1	<1	N/A	<10	<1	X	<1	70	<10	<1
ROU	<1	<1	<10	<1	50	N/A	<1	<10	<1	X	<10	<1	20
SRB	<1	<10	<10	50	<10	N/A	20	<1	20	<10	X	30	<1
SVN	<1	<10	<1	20	<1	N/A	<1	<1	<10	<1	10	X	<1
TUR	<10	<1	<10	<1	30	N/A	20	<1	<1	<10	<1	<1	X

*Legend: <- less than (in thousands)

Based on this data it can be concluded that in 2015, the total number of regional migrants in the SEECP participating countries is around 3.3 million people. This means that about 22.2% of the SEECP participating countries' emigration is intra-regional.

Most regional migrants are observed in Serbia (761,000), followed by Turkey (717,000) and Greece (612,000). Bulgaria (37,000 regional migrants), Bosnia and Herzegovina (28,000 regional migrants) and Moldova (10,000 regional migrants) are ranked last.

1.2. Effects of the Demographic Processes. Aging of the Population

The current demographic situation of the population in the SEECP participating countries results from the prolonged action of many factors and influences. Some of them are related to the general trends in the demographic development of the countries, while others

concern the specific features of the historical, economic and cultural development of each individual state or region.

As a result of the above demographic processes, over the 10-year research period, the total population has grown from 139 million to 144 million. The growth rate is 4.28 %. This is mainly due to the demographic processes in Turkey. During the research period, the population in Turkey increased from 69.73 million to 78.74 million, the growth rate being 12.92 %. As regards the other 12 SEECP participating countries, there is a general trend toward decrease of the population from 688.21 million to 657.35 million, or a negative growth rate of - 4.48 % is observed.

Regardless of the currently observed contrary demographic trends between Turkey and the other 12 SEECP participating countries, a slowdown in the growth rate of the Turkish population is also expected in the following years, and according to the average option of UN population forecasts, it will reach its maximum by 2060, and then it will also start to decline. Such a trend is a reason for Turkey to also join the long-term cooperation of the SEECP participating countries in creating mechanisms at regional level to manage demographic processes caused by a future expected decline in the population.

The currently observed results are influenced by the demographic processes specific to developed and developing countries - decreased marriage and birth rates, increased urbanisation, increased mortality, aging of the population and intensive emigration. As a result of these processes, most of the SEECP participating countries are facing a serious demographic crisis.

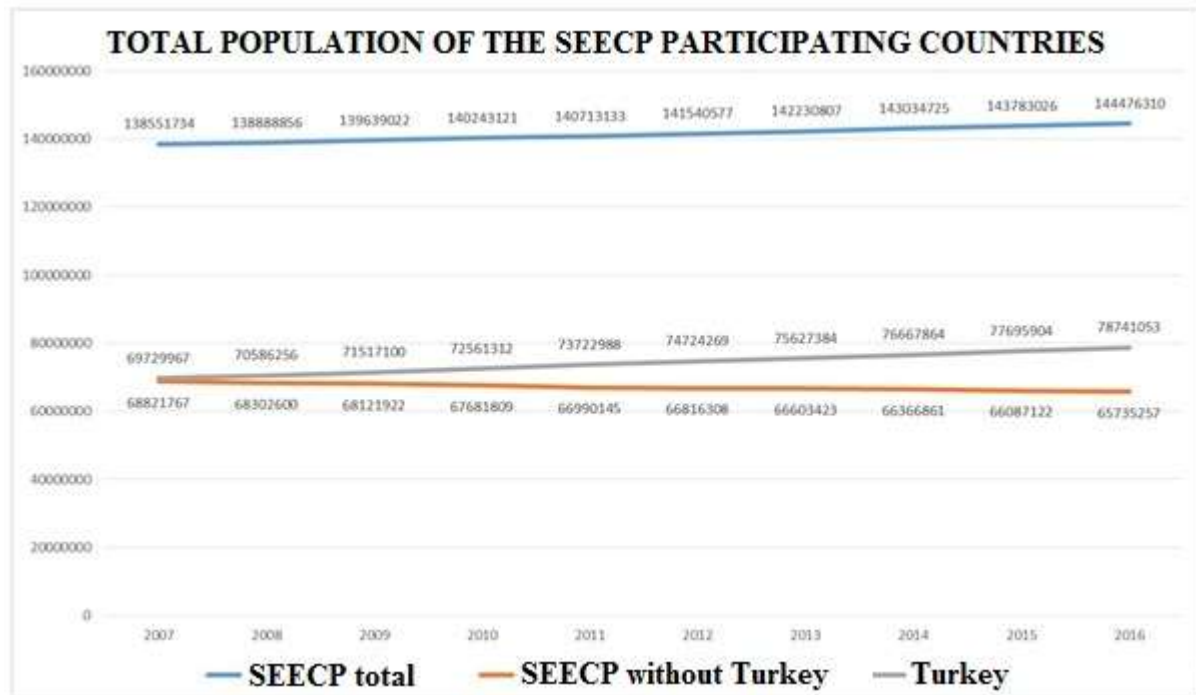


Figure 1.13

Total population of the SEECP participating countries

Source: United Nations Population Division (2017)

The population decline in most SEECP participating countries is a result of both the birth and death rates balance and the balance between settlement and displacement. As noted above, two migration routes pass through the region. Despite the fact that most of the migrants and refugees using these routes are transit ones, the closing of external and internal borders in the EU results in the stay of larger number of migrants against their will which further complicates the migratory situation in the researched group of countries.

Direct consequence of the specificity and interaction between the main demographic processes is the population aging which is especially remarkable in the SEECP participating countries (figure 1.14). In the period 1960 - 2015 (which covers 55 years), the relative share of the population over the age of 65 was below 10% at the beginning of the period and increased to over 10% at the end of the research period.

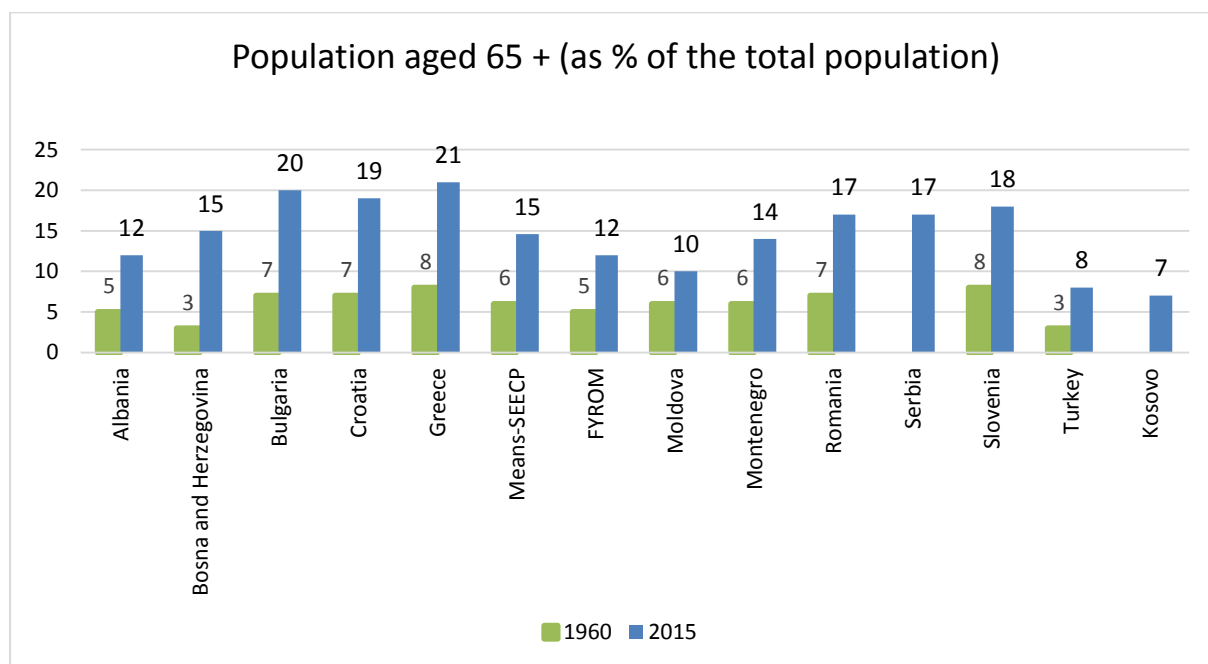


Figure 1.14

Population over the age of 65 (% from the total population) in the SEECP participating countries

Source: World Bank

<http://data.worldbank.org/indicator/SP.POP.65UP.TO.ZS?>

* There is no data on Kosovo.

In 1960, values slightly higher than the average (5%), i. e. higher percentage of the elderly population, are registered in Bulgaria - 7%, Croatia - 7%, Greece - 8%, Romania - 7% and Slovenia - 8%.

In the other countries, the relative share of elderly people is as follows: Albania - 5-6%, FYROM - 5%, Moldova - 6%, Montenegro - 6 %. The smallest relative share of elderly population is reported in Bosnia and Herzegovina - 3% and Turkey - 3%.

In 2015, most of the SEECP participating countries report double, even threefold increase in the rate of elderly population aged over 65. The population aging is most prominent in Greece - 21%, Bulgaria - 20% Croatia - 19%, Slovenia - 18% and Romania - 17%. The process is slower in Montenegro - 14%, Albania - 12% and FYROM - 12%. Although in Turkey the percentage of elderly population has increased from 3 % to 8% over the period under review, this rate is still relatively low compared to that of the other countries. The aging process in Moldova is the slowest - from 6% in 1960, it only rises to 10% in 2015, compared to an average of 12% for all countries covered by the research. The data on countries like Serbia

and Kosovo can not be reviewed in long-term perspective. The figures for 2015 show that Serbia has high proportion of elderly population - 17% - based on which it can be included in the group of countries with aging populations, while in Kosovo the relative share of elderly people is the lowest compared to all other countries - 7 %, i.e. this is the country with the youngest population.

The population aging in the SEECP participating countries is manifested most prominently in the continuous increase in the population average age. At the beginning of the ten-year research period, the highest average age was reported in Bulgaria - 41.1 years in 2005. At present, the average age of the population of Bulgaria, Romania, Bosnia and Herzegovina, Greece, Serbia and Slovenia is similar and averages 42.3 years. By 2020, the average age of the population is expected to be the highest in Greece - 45.4 years. The population average age is the lowest in Kosovo, Albania and Turkey (28.7, 34.3 and 29.8, respectively, by 2015).

In all SEECP participating countries, the average age of the population is expected to increase by an average of 5 years by 2020 compared to 2005 (Figure 1.15). The average age will slightly increase in Croatia and Bulgaria (3.5 and 3.6 years, respectively), i. e. the rate of aging will slowdown compared to that of the population in the other countries covered by the research. The fastest rate of aging is expected in Albania and Romania where the average age of the population is expected to increase by 5.7 and 7.1 years, respectively, in 2020 compared to 2005.

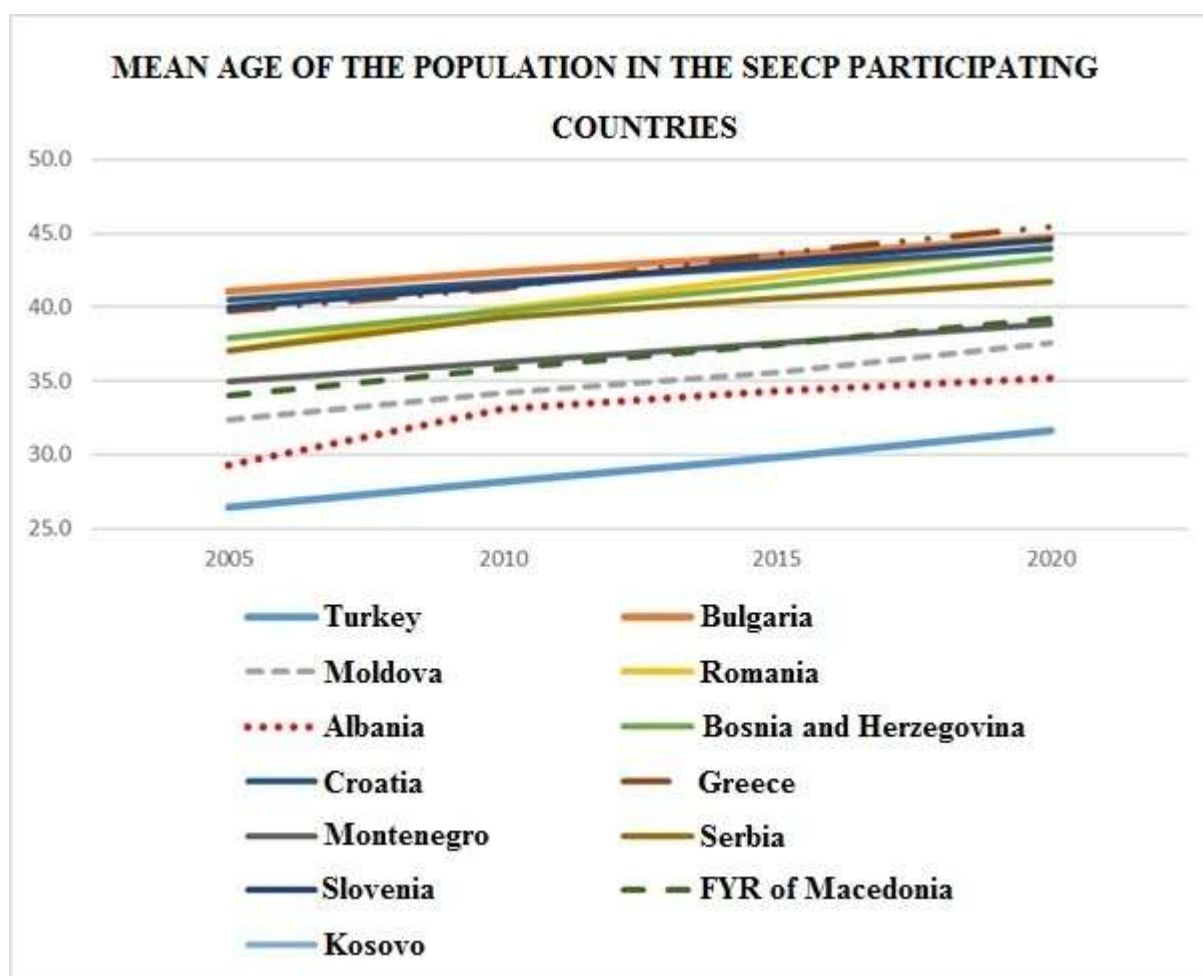


Figure 1.15

Mean age of the population in the SEECP participating countries

Sources: United Nations and Eurostat Population Division

Expected life expectancy at birth is another key indicator of the quality of life in the relevant country. The data on it is shown in Figure 1.16:

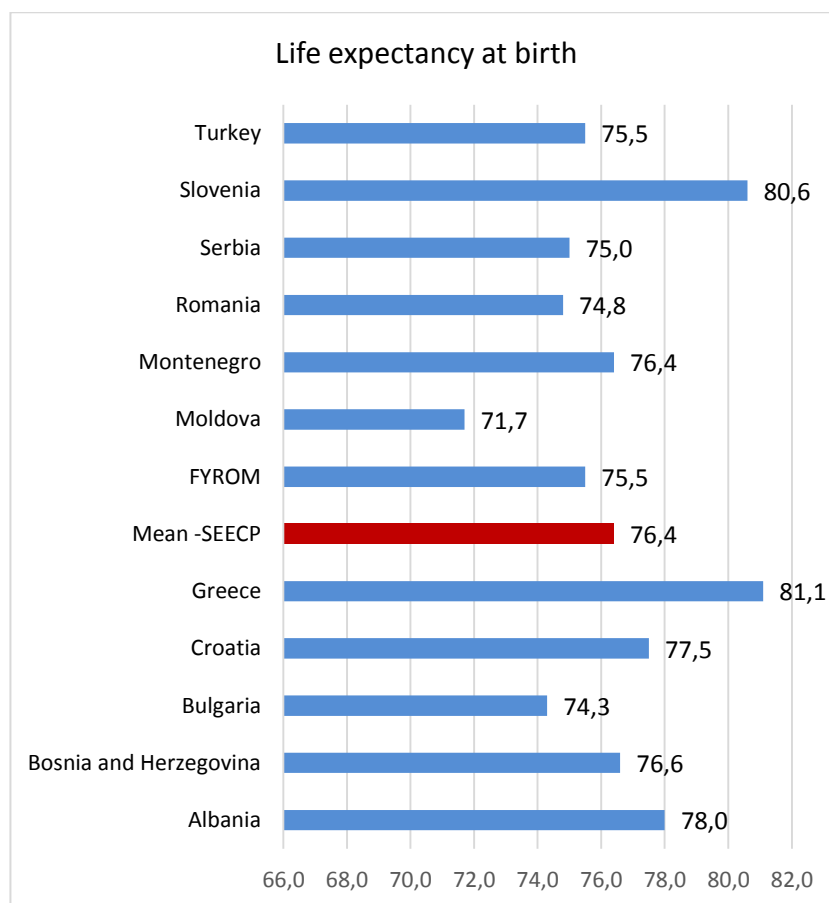


Figure 1.16

Life expectancy at birth in the SEECP participating countries

Source: United Nations Development Programme. Human Development Reports

<http://hdr.undp.org/en/indicators/69206>

* There is no data on Kosovo.

In all SEECP participating countries, the values of this indicator are close to the average of 76.4 years. Two countries have longer life expectancy (over 80 years). These are - Greece - 81.1 and Slovenia - 80.6 years. The shortest life expectancy (under 75 years) is observed in three countries: Moldova - 71.7, Bulgaria - 74.3, and Romania - 74.8. The values of this indicator in the other countries are around the average, with Albania having slightly longer life expectancy - 78 years. In general, the average life expectancy in the SEECP participating countries is 4-5 years shorter than the average of this indicator for the EU countries, which is over 80 years.

Average number of healthy life years is another unified analytical indicator. The data on it is shown in Figure 1.17:

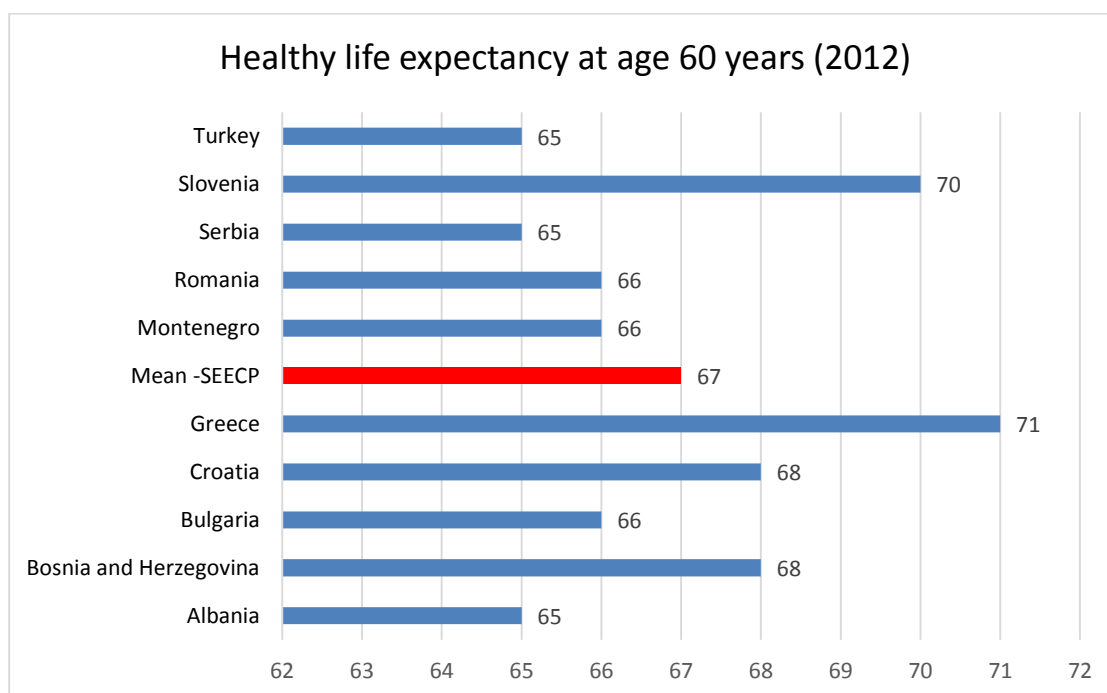


Figure 1.17

Healthy life expectancy at age 60 years in the SEECP participating countries, 2012

Source: World Health Organisation

<http://www.who.int/gho/countries/>

There is no data on Moldova, FYROM and Kosovo.

The healthy life expectancy at age 60 years provides a unified picture in all SEECP participating countries for which data is available. The values of this indicator are ten years lower than those of the average life expectancy at birth. This is inherent in all SEECP participating countries. An exception is made only by Romania, with a difference between the two indicators being only eight years.

In recent years, the aging of the population continues in the countries covered by this research, and it deepens in some of them which is a direct consequence of the demographic transition. Aging of the population which is one of the most serious demographic problems is also emerging in some non-EU SEECP participating countries, such as Kosovo and Albania, where, until recently, birth rate higher than the EU average one has been observed.

In the period 2007 - 2016, the total population in the age group within the age ranges from 0 to 14 decreased from 30.43 million to 30.28 million, the growth in this group being 0.5%.

During the same period, the working-age population increased from 92.59 million to 97.41 million, the growth rate being 5.21 %. At the same time, the retirement age population increased from 15.33 million to 17.9 million, or 16.78% growth in this group was observed.

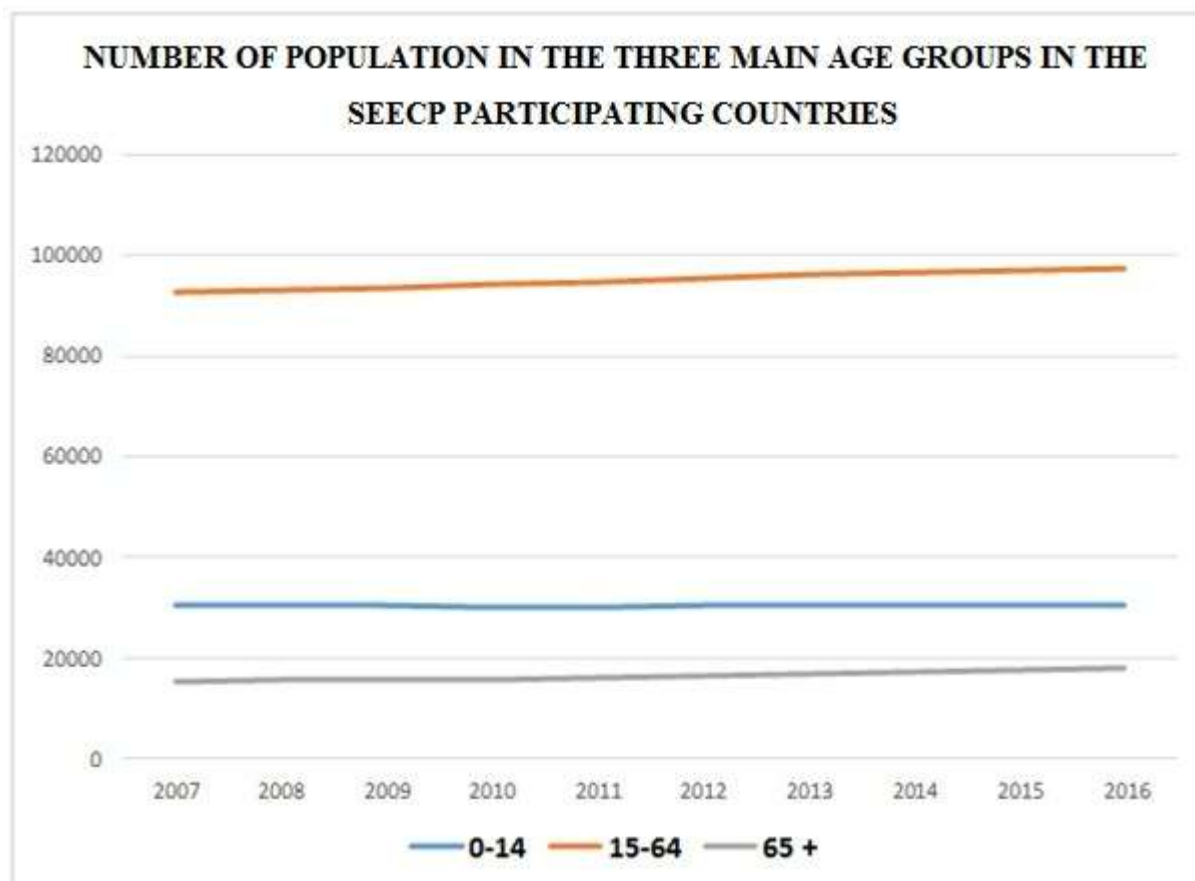


Figure 1.18

Number of population in the three main age groups in the SEECP participating countries

Source: United Nations Population Division (2017)

* There is no data on Kosovo.

Looking ahead, the SEECP participating countries will not make an exception to the other Western and Central European countries, both in terms of birth and mortality rates and in terms of the population aging.

The large-scale emigration processes mainly among the younger age groups contributed to the deterioration of the age structure which directly led to increase in the relative share of elderly people among the population. The emigration of young families accelerated the aging of the population.

The aging of the population is also manifested in distribution of the ratio between the three age groups - population below the working age, working-age population and population over the working age - where serious and deepening disproportions occur. Extremely unfavourable trend is observed in the change of the population replacement rate (rate between the population aged 15-19 and population aged 60-64) which characterises the reproduction of working-age population. In Bulgaria, Moldova, Romania, Bosnia and Herzegovina, Croatia, Greece, Serbia and Slovenia, this ratio is below 1.00 and therefore even a mere reproduction of working-age population is no longer ensured which directly and negatively affects the economic growth of the country. At present, Montenegro and FYROM have reached a critical value for this ratio and will experience the effects of its reduction over the coming years. Only in Turkey and Albania the population replenishment ratio is relatively high but its value has fallen by 26.47% and 41.11%, respectively, over the past ten years. Looking ahead, all SEECP participating countries will have problems with the reproduction of working-age population.

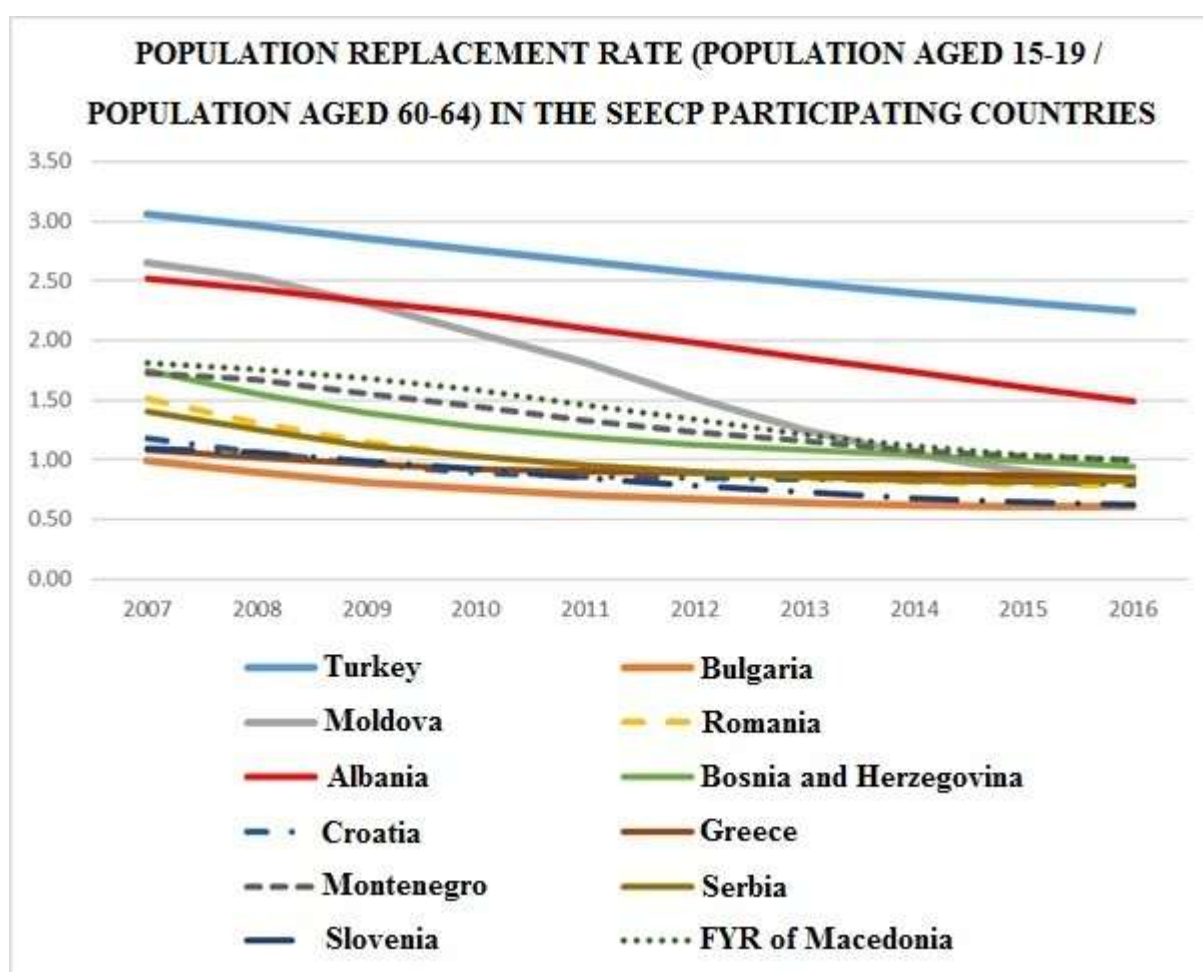


Figure 1.19

Population replacement rate (rate between the population aged 15-19 and population aged 60-64) in the SEECP participating countries

Source: United Nations Population Division (2017)

** There is no data on Kosovo.*

The aging of the population is a process which has serious consequences in various public life areas: economic growth, savings and investment, labour force and employment, pension system, healthcare and care for elderly, transfers between generations, family formation and development of life plans, etc.

The observed declining or negative natural growth combined with the aging of the population aggravates the reproduction opportunities which is confirmed by the values of the key demographic indicators.

The deterioration of age structure of the population in the SEECP participating countries affects also the number and quality of labour resources. The aging on a dynamic labour market with constantly evolving requirements for the qualifications and professional skills of the employed persons creates the need for continuous increase in the overall potential and lifelong learning of the .

The growing number and share of elderly people (over the age of 65) poses serious challenges to the social security systems of most of the countries covered by this research, their social assistance systems and healthcare. In general, the social transfers for people over the age of 65 will increase.

The problem of population aging in the SEECP participating countries and the deforming age structure are extremely serious and significant. The reason for such evaluation is the fact that the current structure will determine the reproduction of the population in the coming decades.

Chapter Two

CHANGES IN THE LABOUR MARKET, EDUCATION AND HEALTHCARE AS A RESULT OF DEMOGRAPHIC PROCESSES TAKING PLACE IN THE SEECP PARTICIPATING COUNTRIES

This chapter of the report will review the changes in the socio-economic area and labour market and their relationship with the demographic processes taking place in the SEECP participating countries. We will briefly discuss the economic development and urbanisation processes, and the trends in education and healthcare. Based on the review of the dynamics and levels of development of these processes, the final part will highlight the main challenges and common objectives which should be laid down in the development policies of the SEECP participating countries.

2.1. Economic Development

Gross Domestic Product (GDP) per capita is one of the most important economic development indicators (Figure 2.1). In nominal terms, the dynamics of this indicator in the period 2000 - 2015 determines two sub-periods: the period from 2000 to 2008, that is, before the global economic crisis, when the indicator increased, thus indicating positive trends in the economic development of the SEECP participating countries, and the period after 2008 when decline or stagnation of GDP per capita (in nominal value) in all countries was observed.

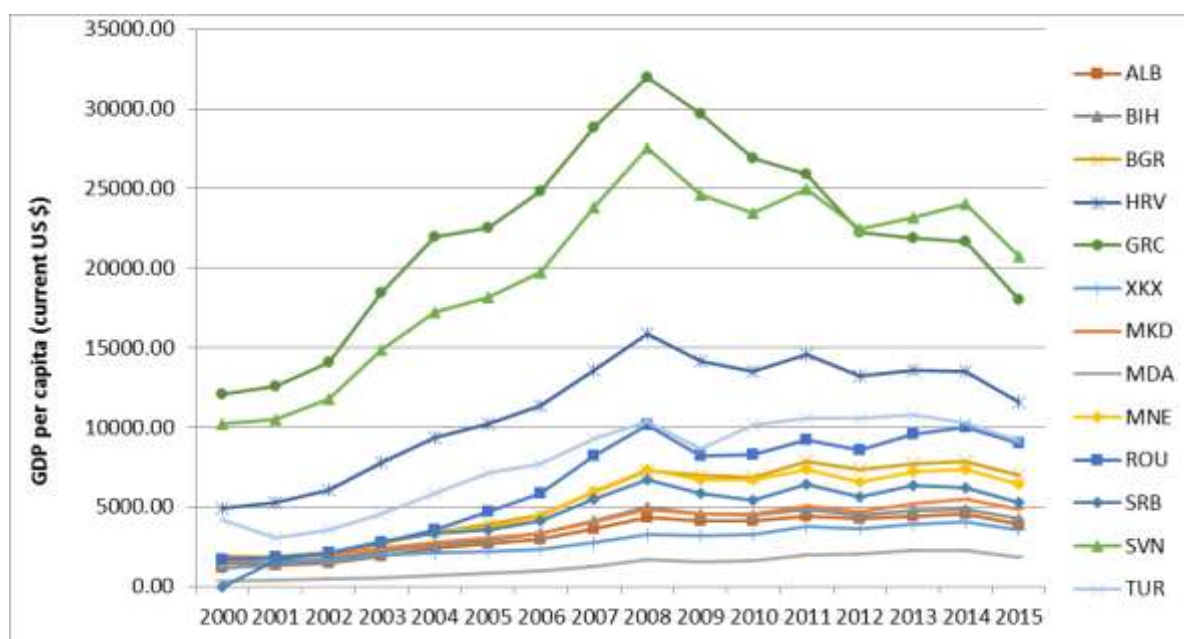
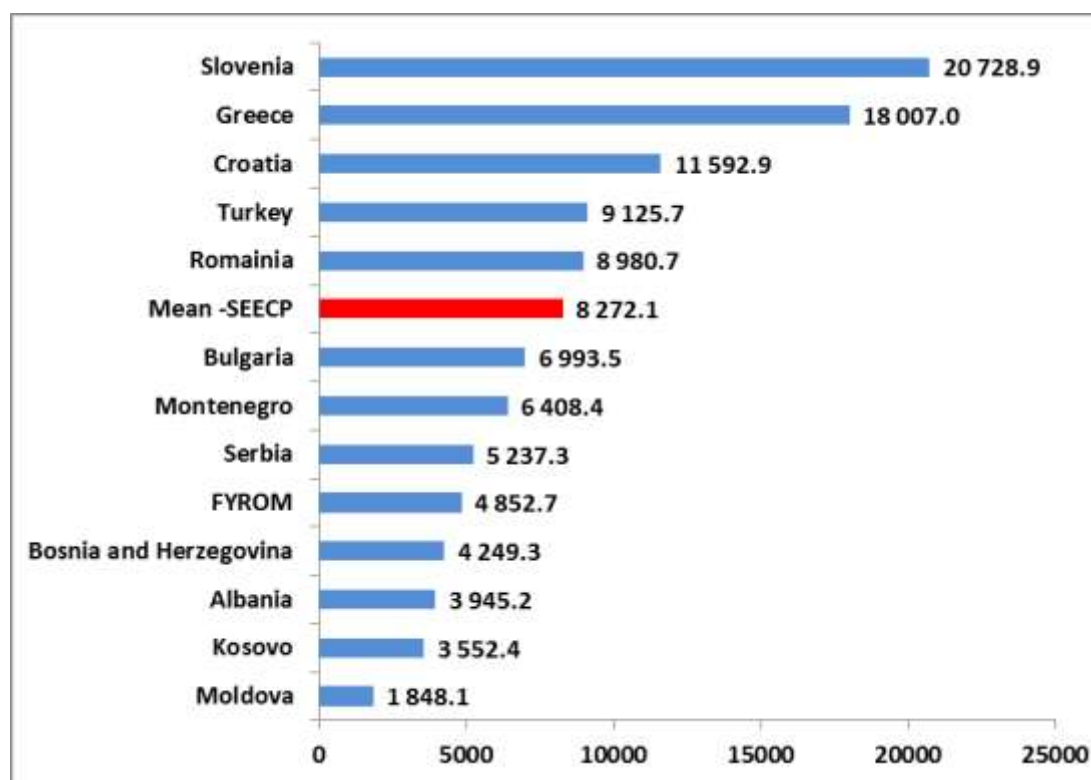


Figure 2.1

*GDP per capita (current US \$), 2000-2015**Source: World Bank, <http://data.worldbank.org/>*

During the period 2000-2015, the economic development of Greece was most unfavourable. By 2008, it had the highest GDP per capita (current US \$). After significant decline in the indicator value, in 2012, Greece was ranked second, after being replaced by Slovenia, as regards GDP per capita (current US \$). In recent years, Slovenia has maintained its top position, although it has also been severely affected by the global economic crisis.

*Figure 2.2**GDP per capita (current US \$), 2015**Source: World Bank, <http://data.worldbank.org/>*

The 2015 figures show that GDP per capita (in nominal value) is highest in Slovenia - \$ 20,728.9 (Figure 2.2). Despite the crisis, Greece ranks second - 18,007.0 \$ GDP per capita (current US \$). The lowest GDP per capita is reported by Moldova - 1,848.1 \$. In 2015, the former Yugoslav Republics of Macedonia and Bosnia and Herzegovina, and Albania and Kosovo have the lowest values of the indicator.

In 2015, GDP per capita (current US \$) shows that the region is widely diverging in economic terms. For example, in 2015 Moldova has almost 10 times lower GDP per capita (current US \$) compared to Slovenia and Greece. In 2015, the difference in the indicator value between Greece and Bulgaria is almost three times in favour of our southern neighbour.

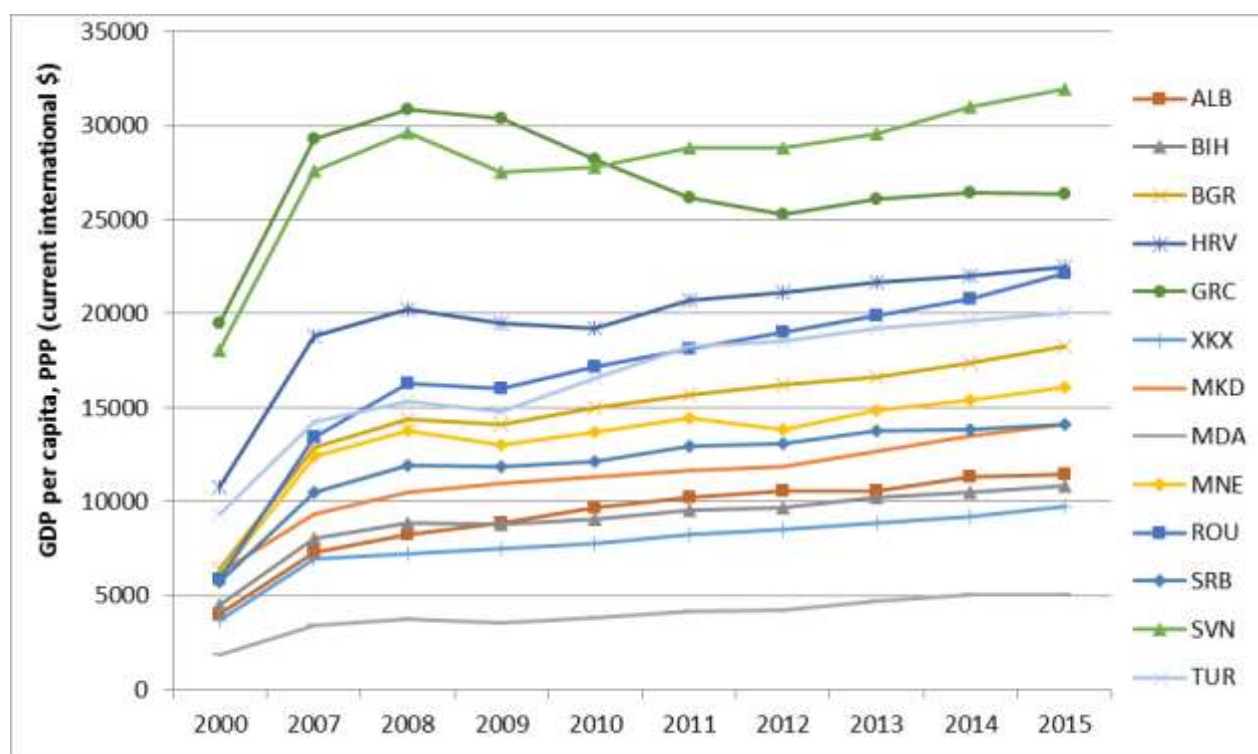


Figure 2.3

GDP per capita, PPP (current international \$), 2000 - 2015

Source: World Bank, <http://data.worldbank.org/>

The dynamics of GDP per capita (based on purchasing power parity) for the SEECP participating countries shows that in the period 2000-2015, with the exception of the years of global economic crisis, the indicator has increased in almost all countries covered by this research, albeit at different rates (Figure 2.3). By 2010, despite the strong decrease, Greece is the country with the highest GDP per capita (based on purchasing power parity) from all countries in the region. After 2010, Slovenia has the highest indicator values. Moldova is the least developed and most affected country by the crisis, followed by Kosovo.

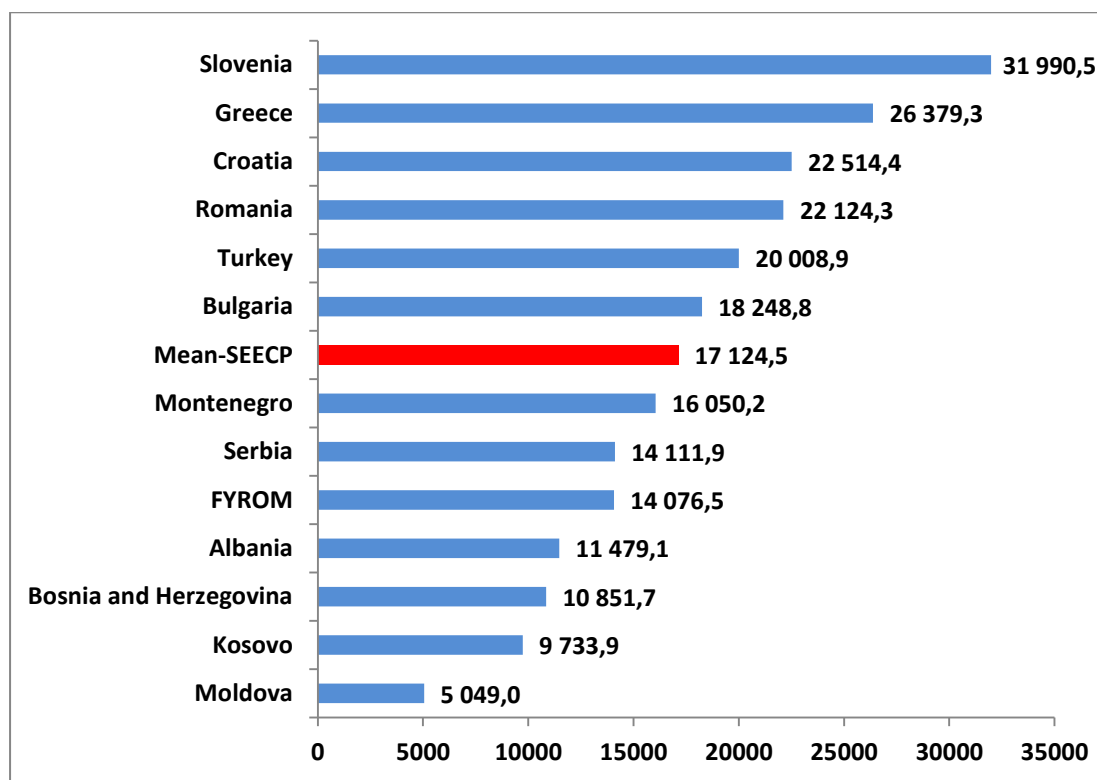


Figure 2.4

GDP per capita, PPP (current international \$) in the SEECP participating countries, 2015

Source: World Bank, <http://data.worldbank.org/>

In 2015, Slovenia has the highest GDP per capita (based on purchasing power parity) - 31,990.5 among the SEECP participating countries (Figure 2.4). The lowest value of the indicator is reported in Moldova - 5,049.0. The difference in the indicator values of the two countries is 6 times. This data shows that countries with strong economies, such as Slovenia, manage to cope relatively quickly with the crisis and gradually begin to recover their levels of economic development from the pre-crisis period. In the other countries, however, the recovery is slower.

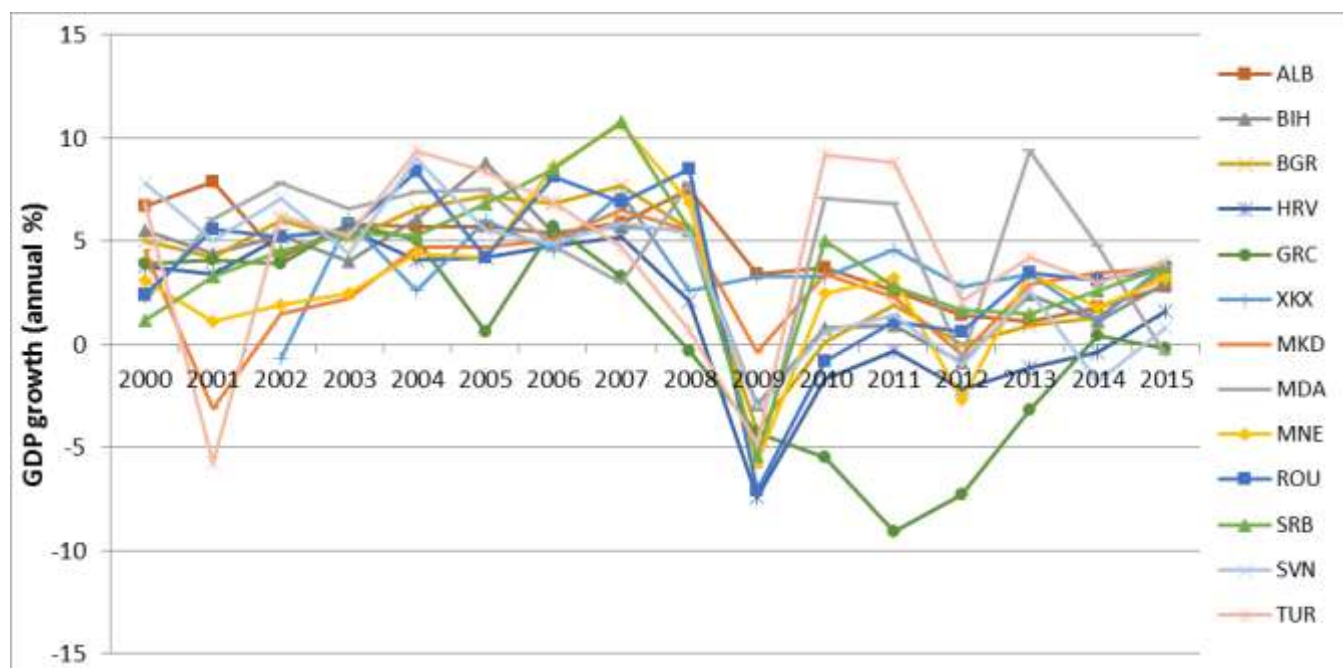


Figure 2.5

GDP growth rate (annual %) of the SEECP participating countries, 2000-2015

Source: World Bank, <http://data.worldbank.org/>

Such a conclusion can also be made based on the figures referred to in Figure 2.5 which reflects the GDP growth rate of the SEECP participating countries over the period 2000-2015.

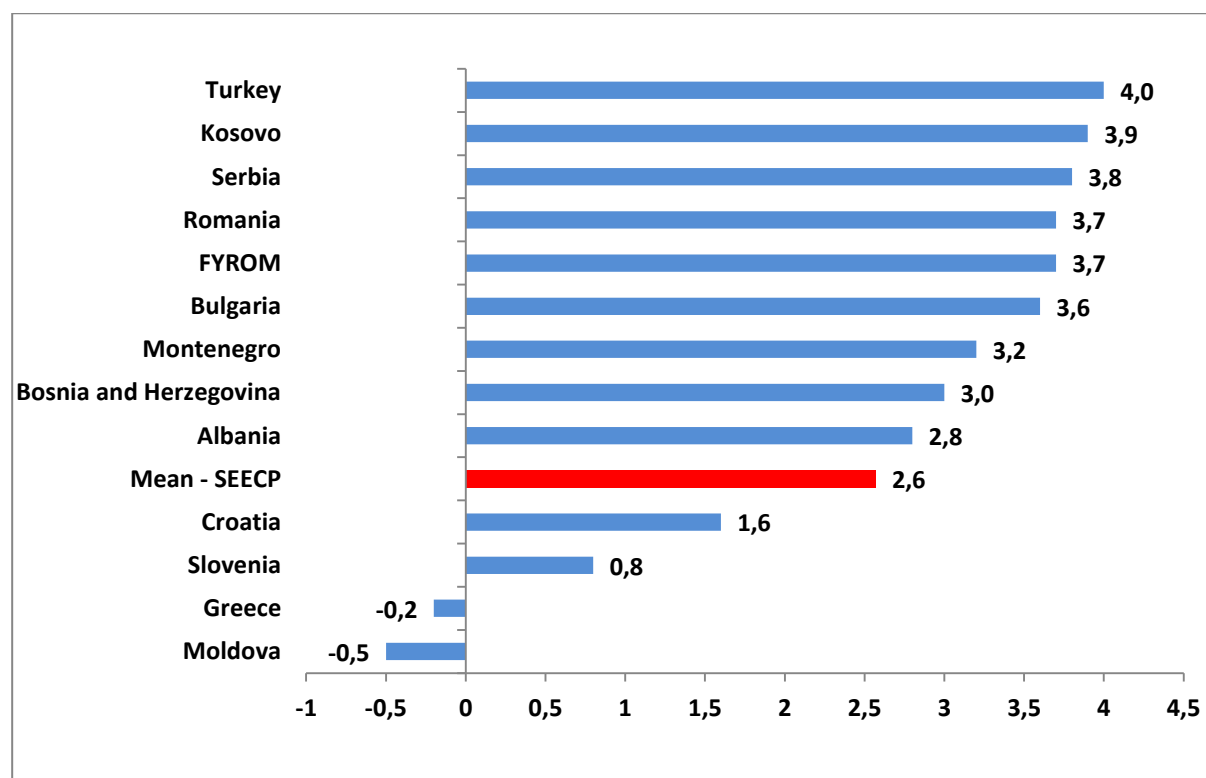
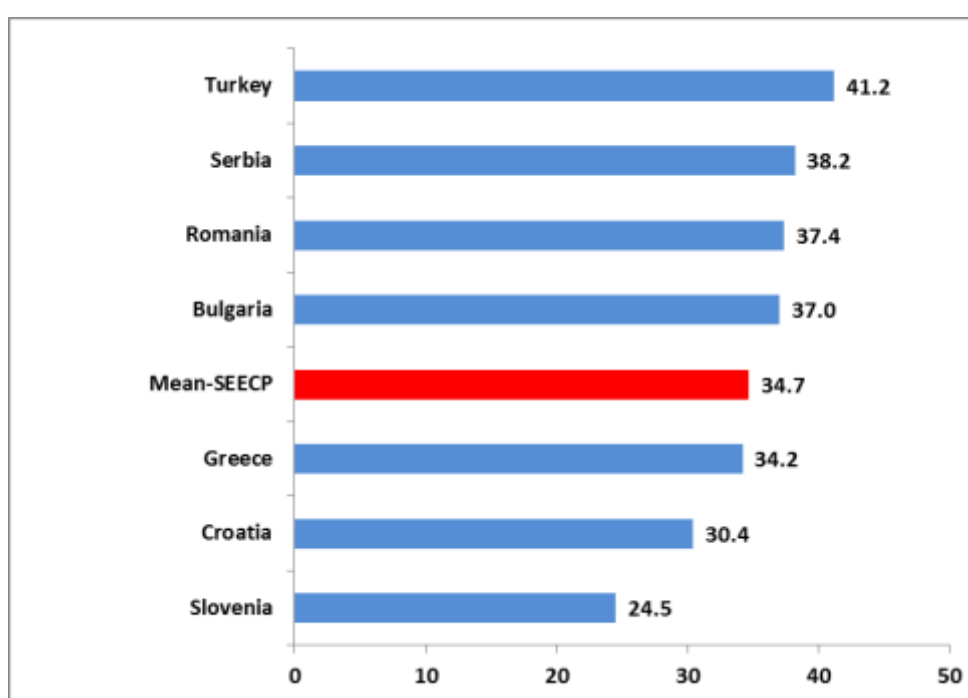


Figure 2.6

*GDP growth rate (annual %) of the SEECP participating countries, 2015 (%)**Source: World Bank, <http://data.worldbank.org/>*

How are the SEECP participating countries ranked based on the GDP growth rate in 2015? Figure 2.6 shows that Turkey has the highest GDP growth rate (4%), followed by Kosovo (4%) and Serbia (4%). GDP growth rate in Slovenia (0.8%) is slight but positive. In 2015, Greece and Moldova report negative GDP growth rate: -0.2% and -0.5%, respectively. When interpreting the data, however, the GDP levels based on which the indicators are calculated should be taken into account.

*Figure 2.7**Gini coefficient of equalized disposable income of the SEECP participating countries, 2015**Source: Eurostat - Income and Living Conditions Survey, 2015:**http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc_di12*

*Notes: 1) There is no new data on Albania, Bosnia and Herzegovina, Kosovo, FYROM, Moldova and Montenegro.

2) The data on Turkey is for the year 2014.

Gini coefficient is an indicator which measures economic inequalities in the society. Figure 2.7 shows that in general, there are significant income inequalities in the individual

SEECF participating countries for which data from recent years is available. According to Eurostat data (Income and Living Conditions Survey), in 2015, the average Gini coefficient for the SEECF participating countries for which data is available is 34.7. In 2015, the income inequities are greatest in Turkey (41.2) and Serbia (38.2), while in Slovenia they are the smallest (24.5).

Further analysis of poverty in the region based on data provided by World Bank shows that there is a wide variation between the countries, as regards the percentage of population living below the national poverty line. In 2015, about 25% of the people in Romania and FYROM live below the national poverty line. In the same year, every tenth household in Moldova and Montenegro lives below the national poverty line.

In addition to the differences in the economic welfare between the SEECF participating countries, the analysis also highlights significant inequalities in the wealth distribution in these countries. The wealth distribution in Turkey is most uneven - the Gini coefficient is worth more than 40 in 2015. Slovenia, in addition to being the richest country in the region, appears to be a country where the wealth distribution is closest to the egalitarian model.

2.2. Labour Market

Labour market situation and trends in the development are directly related to the ongoing demographic processes in the SEECF participating countries.

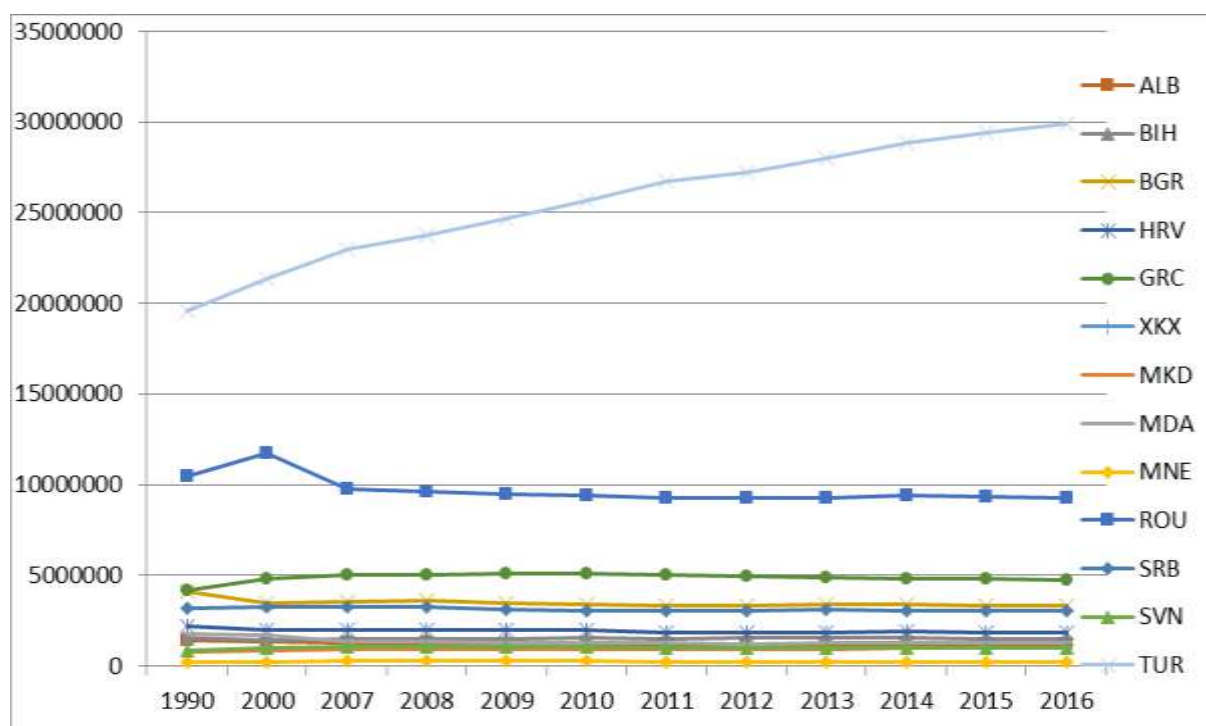


Figure 2.8

Labour force (total) in the SEECIP participating countries, 1990-2016

Source: World Bank, <http://data.worldbank.org/>

* There is no data on Kosovo.

As regards the size of the labour force, there are significant differences between the SEECIP participating countries which are mainly due to the different population size (Figure 2.8). Turkey is the most populous country with a young age structure. As a result of these features in the country demographic profile, there is a tend toward continuous increase in the labour force size in the period 1990-2016. In 2016, the size of the Turkish labour force reaches almost 30 million people. For comparison, the labour force in Montenegro is 250,000 people in 2016, and in Slovenia, Albania and Moldova the includes about one million people.

Romania is the second country with the largest population in the region. By 2000, the in this country has also increased. After 2000, there is a downward trend and subsequent stabilisation in the size of which, in 2016 is slightly over 9 million people. The decline and retention of the size is due to the continuing process of population aging and the emigration as a result of which smaller number of persons become a part of the active working-age population.

In recent years, Greece also shows a trend toward reducing the labour force size as a result of the long low birth rate period, external migration and advanced aging of the population. In 2016, the labour force in this country is 4,770,478 people.

It is important to note that, with the exception of Turkey, a process of reducing or stabilising the number of persons in the labour force is observed in all other SEECP participating countries. The reasons thereof are related to the trend toward low birth rate which is observed over a long period of time in countries like Greece, Bulgaria, Croatia, and Romania. Another important factor is external migration, especially among young people. The overall migration profile of the region shows that the external migration is very high in the SEECP participating countries. The continuing population aging process in almost all SEECP participating countries also contributes to the reduction in the size and, hence to the increased proportion of persons in retirement age.

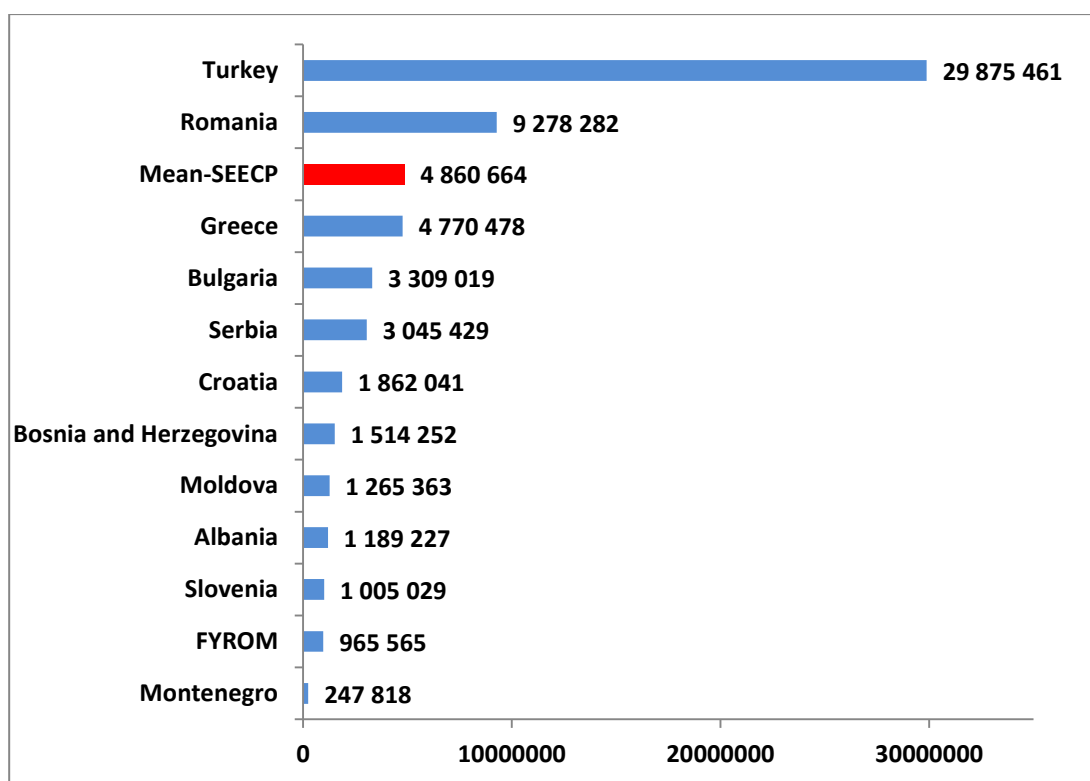


Figure 2.9

Labour force (total) in the SEECP participating countries, 2016

Source: World Bank, <http://data.worldbank.org/>

* There is no data on Kosovo.

Figure 2.9 shows the number of persons in the labour force in the countries covered by this research. In 2016, Montenegro is the country with the smallest number of employed or unemployed persons (about 250,000). The labour force in FYROM involves less than one million people. As indicated above, Turkey, Romania and Greece have the largest number of persons in the labour force of the relevant country.

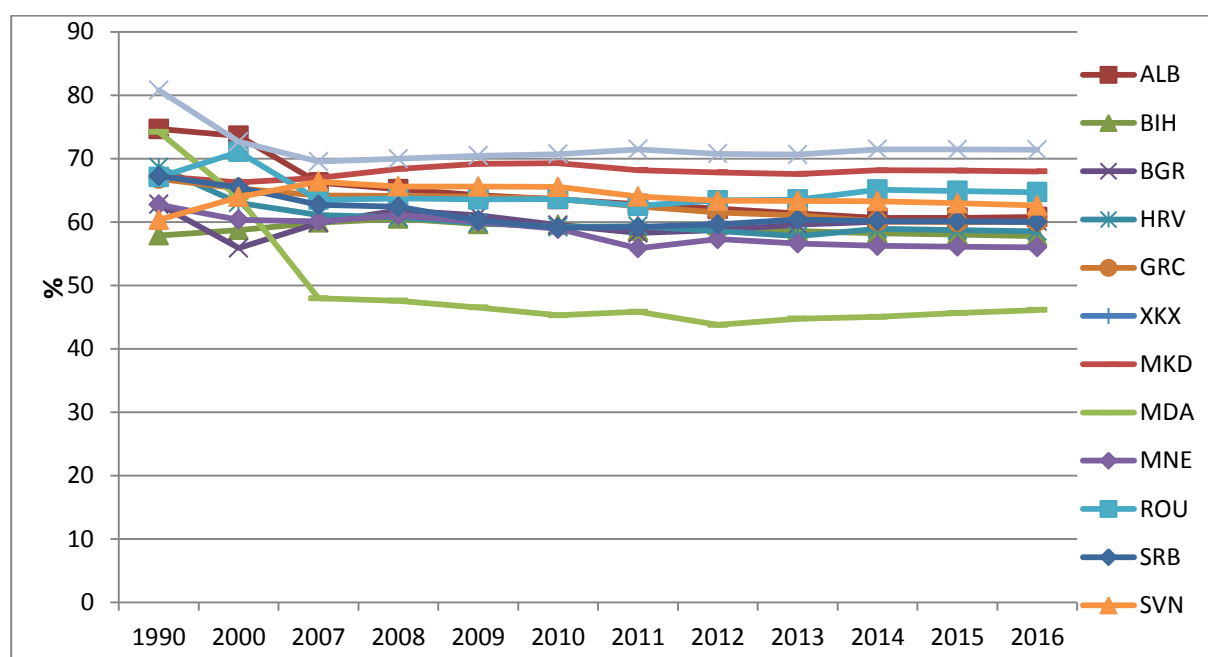


Figure 2.10

Labour force participation rate, male (% of male population ages 15+), 1990-2016 (%)

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

* There is no data on Kosovo.

Labour force participation rate of male population aged 15 and over is another important indicator of the labour market state (Figure 2.10). In the period 2000 - 2007/2008, this indicator declines in all SEECP participating countries as a result of the global economic crisis. In the coming years by 2016, the activity rate in male population increased in almost all SEECP participating countries. The increased activity rate among male population is mainly due to the stabilisation, economic growth and improvement in the labour market conditions in the individual countries.

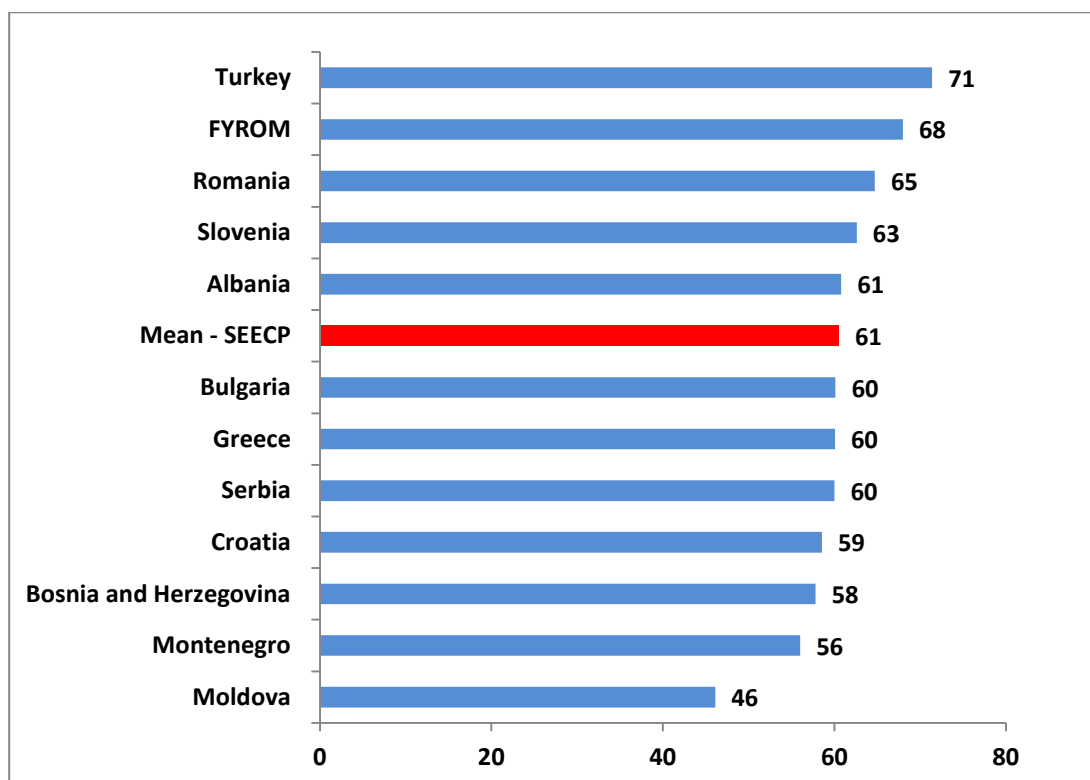


Figure 2.11

Labour force participation rate, male (% of male population ages 15+), 2016 (%)

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

* There is no data on Kosovo.

Figure 2.11 shows that Moldova differs significantly from the other countries by the indicator labour force participation rate of male population. The country reports significantly lower activity rates in male population than these in the other countries covered by the research. In 2016, the indicator is 46.1%. Montenegro and Bosnia and Herzegovina have relatively low indicator values in 2016 - 56.0% and 57.8%, respectively.

Throughout the period under review, the highest percentage of economically active male population aged 15 and over is reported in Turkey. In 2016, the value of the indicator in this country is 71.4%.

In 2016, the average labour force participation rate of male population aged 15 and over for all countries covered by this research is 61%. The levels of this indicator vary between countries as a result of the demographic factors and for reasons related to the economic and labour market situation.

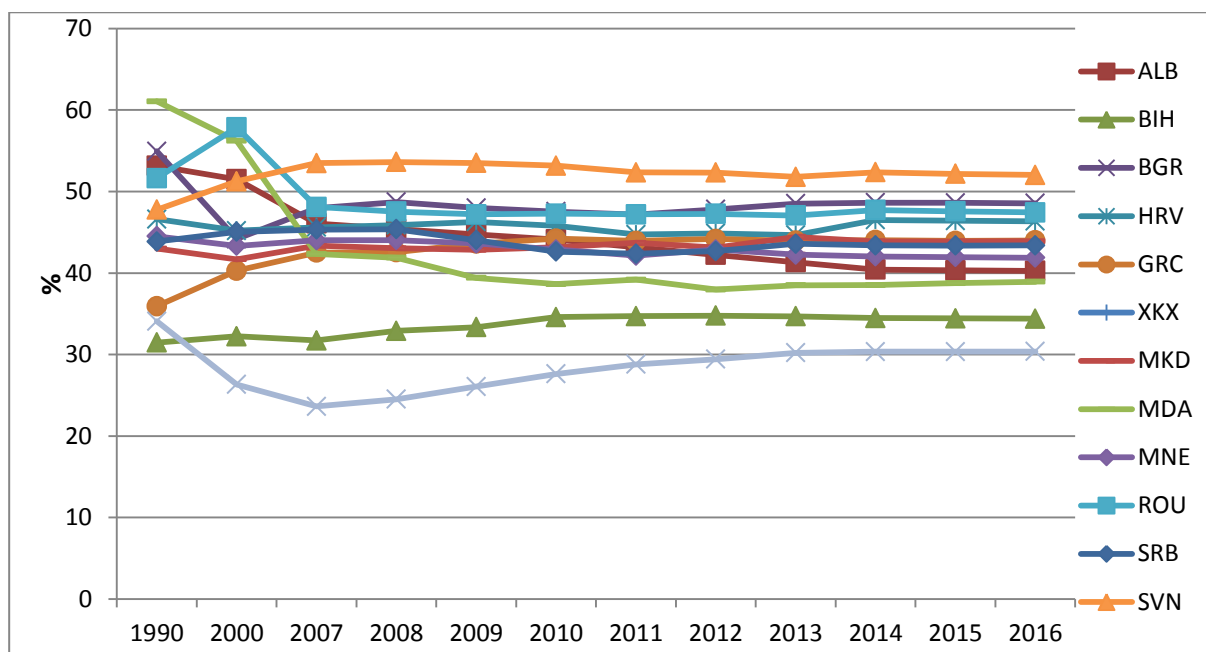


Figure 2.12

Labour force participation rate, female (% of female population ages 15+), 1990-2016 (%)

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

* There is no data on Kosovo.

Significant differences also exist in the levels of economic activity of female population aged 15 and over the SEECP participating countries. Figure 2.12 shows that after 2000, in most of them the labour force participation rate of female population has gradually increased, as the changes in the trends in certain years (2007-2008) are due to crisis periods in the development of national economies. After 2000, Slovenia maintains the highest activity rate among female population (52-53%). In the period 2000-2016, the lowest activity rates are reported in Turkey (about 30%) and Bosnia and Herzegovina (34-36%).

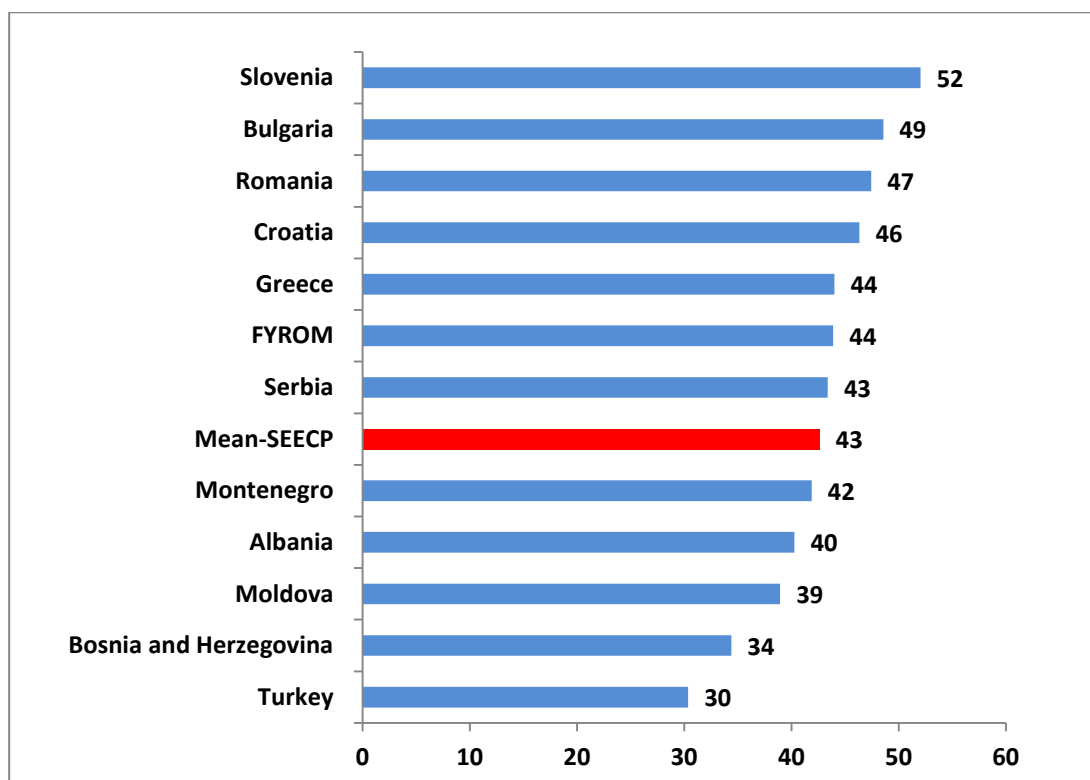


Figure 2.13

Labour force participation rate, female (% of female population ages 15+), 2016 (%)

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

* There is no data on Kosovo.

In 2016, the average labour force participation rate of female population aged 15 and over in the SEECP participating countries is 43% (Figure 2.13). It is significantly lower than the average indicator for male population - 61%. In the same year, the highest percentage of economically active female population aged 15 and over is reported in Slovenia - 51%. Bulgaria is the second country with the highest indicator - 48.6%.

The observed difference in the levels of economic activity of male and female population in Turkey is also of interest. The indicator activity rate of male population is among the highest in the region, while the indicator activity rate of female population is the lowest - 30.4%. Bosnia and Herzegovina is another country with the lowest activity rate of female population. In 2016, only 34.4% of the women in this country are economically active.

In general, after 2000, the labour force participation rate of female population in the SEECP participating countries shows a trend toward increase. However, the overall activity rate of female population remains significantly lower compared to that of the male population.

In particular, in the countries with predominant Muslim faith population the number of women participating in the labour market is more limited, while in the former socialist countries where the inclusion of women in paid work has a multi-annual history, the levels of economic activity of women are high.

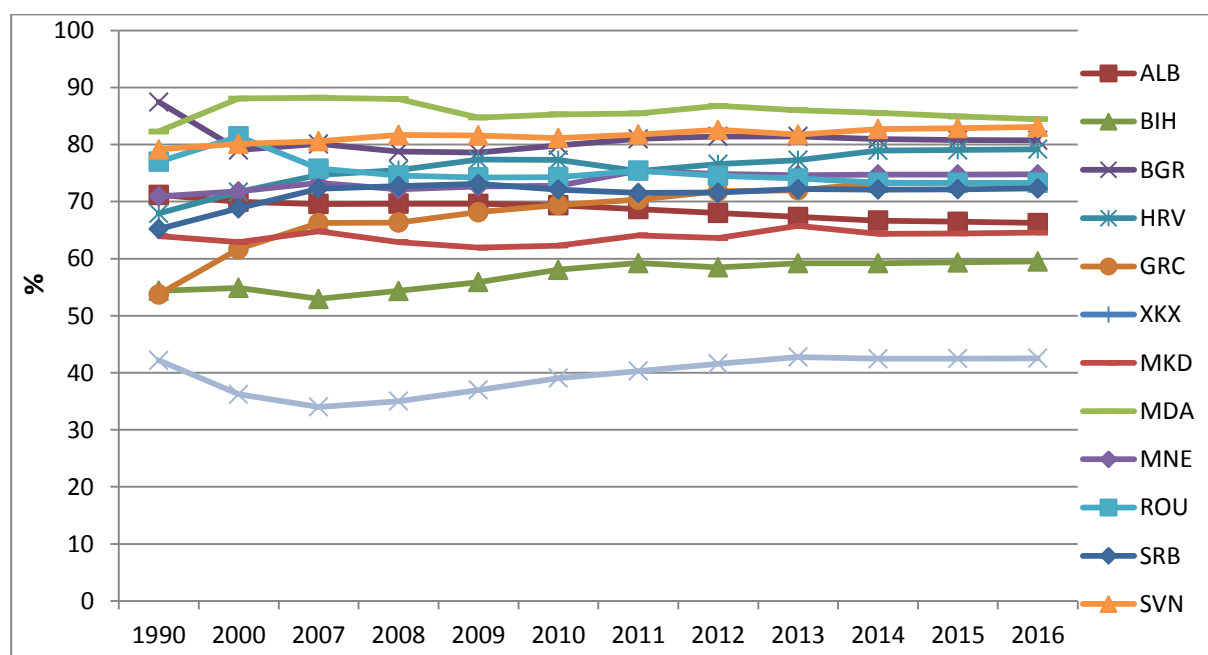


Figure 2.14

Ratio of female to male labour force participation rate (%) in the SEEC Participating Countries, 1990-2016

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

* There is no data on Kosovo.

More detailed analysis shows that the ratio between labour force participation rates of male and female population aged 15 and over in the SEEC participating countries in the period 1990-2016 is the most favourable in Moldova and Slovenia (Figure 2.14). In 2016, 85 women in Moldova and 83 women in Slovenia stand for 100 economically active men. Despite the upward trend in Turkey, in 2016, 43 economically active women stand for 100 economically active men. In Bosnia and Herzegovina the ratio is similar. In this country in 2016, 60 economically active women stand for 100 economically active men. In general, figure 2.15 confirms the existence of strong differences between the SEEC participating countries mainly in terms of the labour force participation rate of female population.

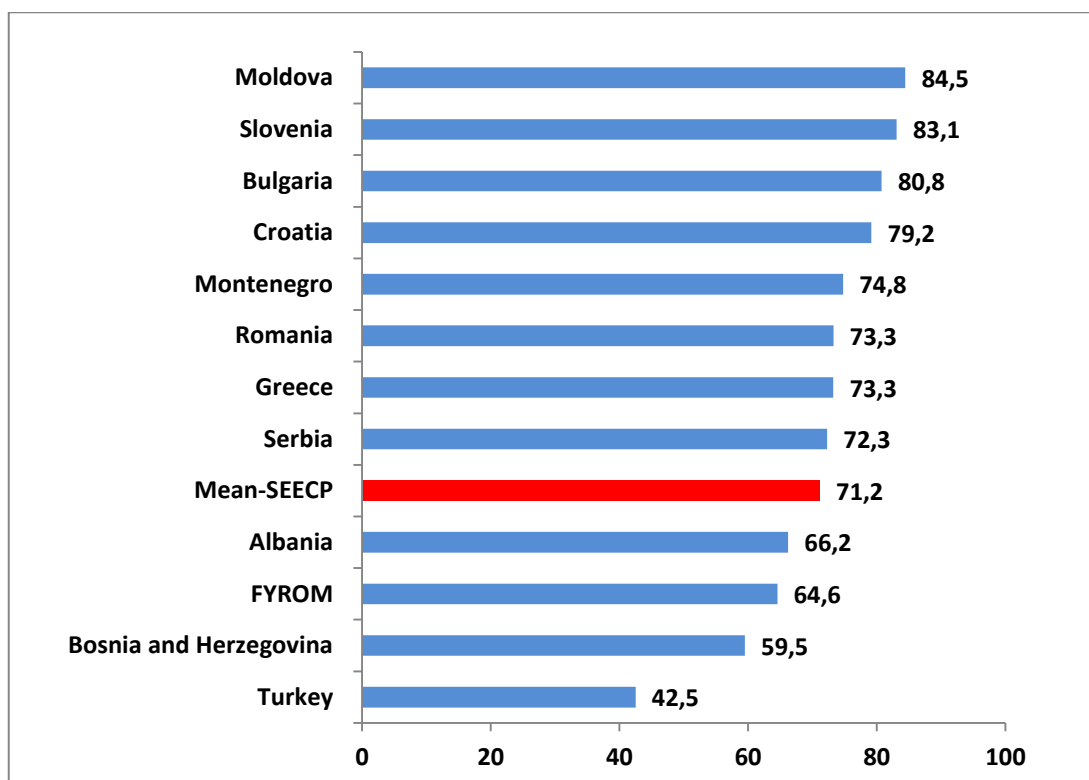


Figure 2.15

Ratio of female to male labour force participation rate (%) in the SEECP Participating Countries, 2016

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

* There is no data on Kosovo.

Although a positive trend in almost all countries covered by this research is observed in the last decade, Figure 2.15 shows clearly that the variation in the indicator value in 2016 remains too high. During that year, the ratio between activity rate of female and male population aged 15 and over varies from 42.5% in Turkey to 83.1% in Slovenia and 84.5% in Moldova. This in itself is an indicator of unequal access of women to the labour market.

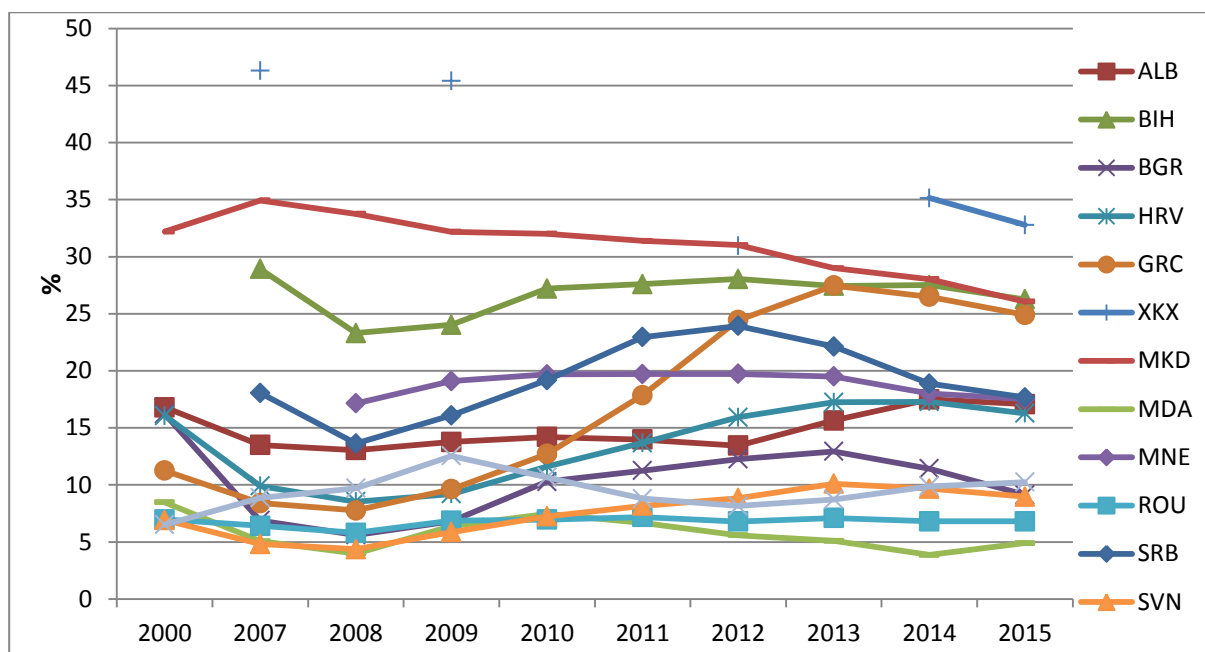


Figure 2.16

Unemployment, total (% of total labour force) in the SEECP participating countries, 2000-2015

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

The picture of the trends and unemployment situation in the group of countries covered by the research is also diverse (Figure 2.16). By 2008, unemployment rates varied between 17% in Montenegro and Albania and 4% in Slovenia. During this period, high unemployment is also reported in Bosnia and Herzegovina and FYROM - 23% and 33.7%, respectively. In the remaining SEECP participating countries, by 2008, the unemployment is significantly lower. The second period starts in 2008 and ends in 2013. During this period, unemployment in all SEECP participating countries increased, with the exception of FYROM where the trend was downward. The sharp increase in unemployment in Greece in the period 2008 - 2013 - from 8% to 28% - should also be taken into account. After 2013, unemployment decreased in the majority of SEECP participating countries.

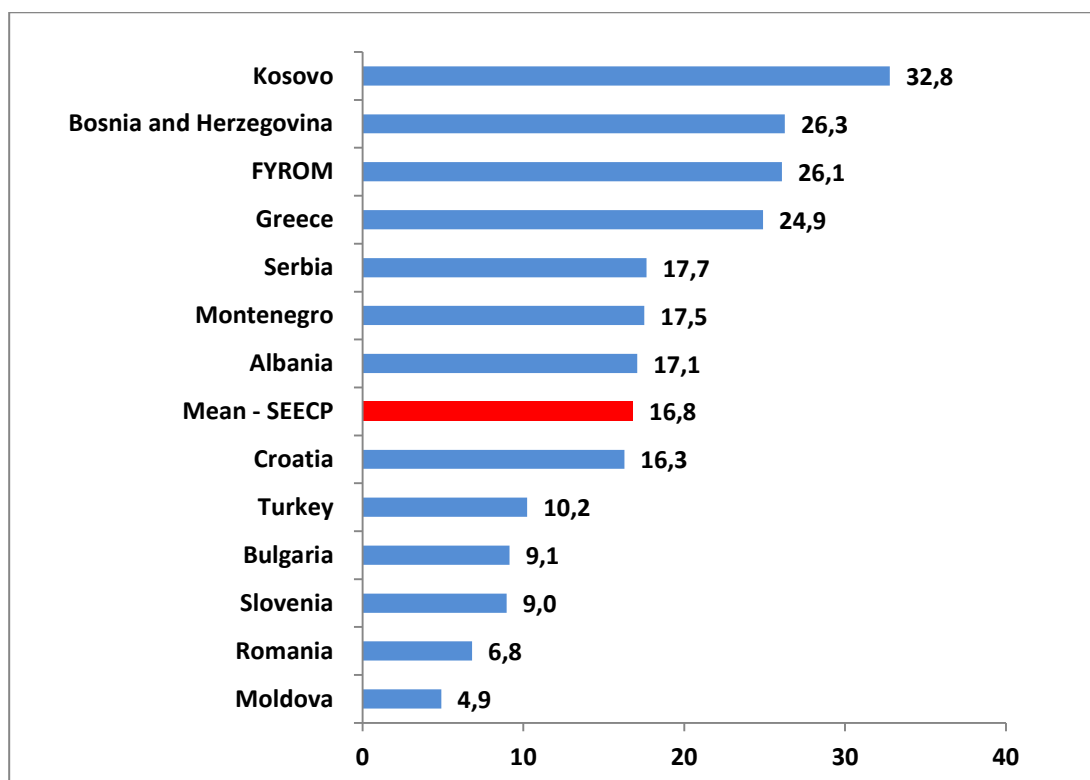


Figure 2.17

Unemployment, total (% of total labour force) in the SEEC participating countries, 2015

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

In 2015, the average unemployment rate in the entire region is high - 16.8% (Figure 2.17). The highest unemployment rate is reported in Kosovo - 32.8%. Unemployment is also high in Bosnia and Herzegovina, FYROM and Greece - the value of the indicator for 2015 exceeds 25%. The lowest unemployment rate for 2015 is reported in Romania - 6.8% and Moldova - 4.9%.

The analysis of unemployment trends in the SEEC participating countries shows that the unemployment rates vary widely from one country to another. This diversity has been preserved in recent years. There are countries where unemployment is extremely high (Kosovo and some of the former Yugoslav Republics - Bosnia and Herzegovina and FYROM). In other countries, the access to the labour market is considerably easier (Moldova, Romania, and Slovenia).

High unemployment in some of the SEEC countries is a reason for external migration among the working-age population with a view to seeking employment and better living conditions in economically more advanced developing countries which in

turn is a significant factor in the unfavourable demographic development of the countries. Labour emigration of working-age population has negative impact on the population size in the individual countries and leads to aging of the population in these countries.

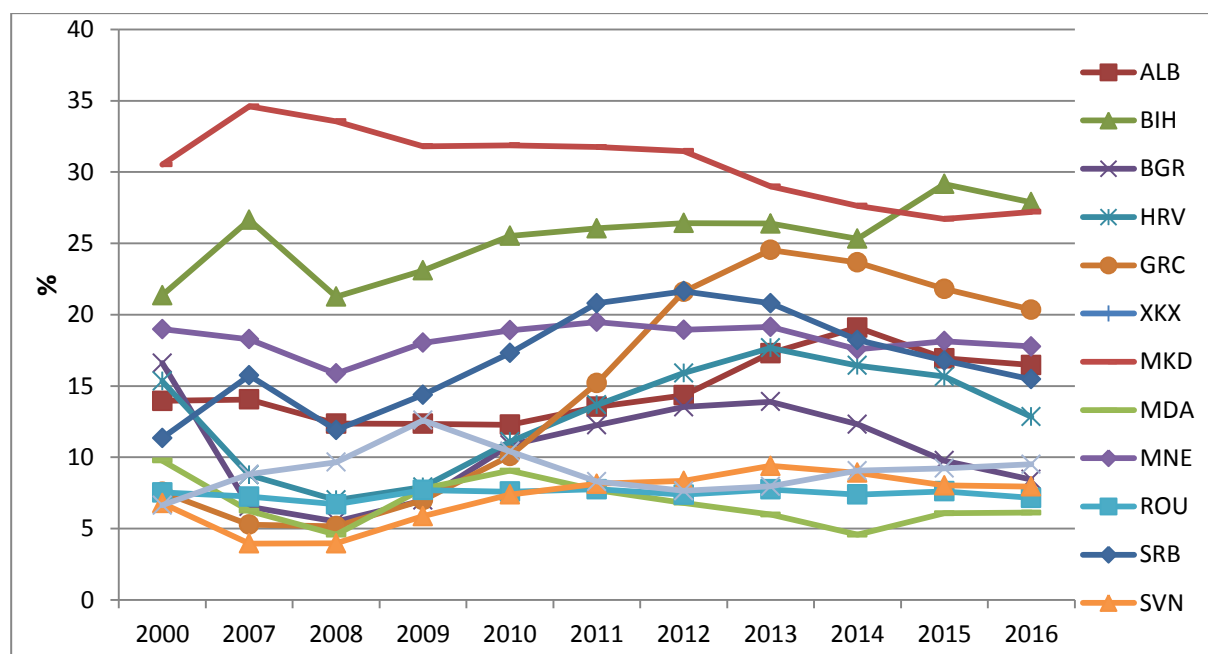


Figure 2.18

Unemployment, male (% of male labour force) in the SEEC participating countries, 2000-2016

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

The monitoring of male unemployment rate dynamics provides additional opportunity to analyse the differences in labour market access in the SEEC participating countries. In 2008-2012, male unemployment increased, with the most significant increase being in Greece and Serbia. In the post-crisis period, unemployment in most SEEC participating countries decreased, with Greece and Albania having the strongest decrease. After 2014, increase in male unemployment is observed only in Moldova and Turkey, while the other countries show a trend toward decrease.

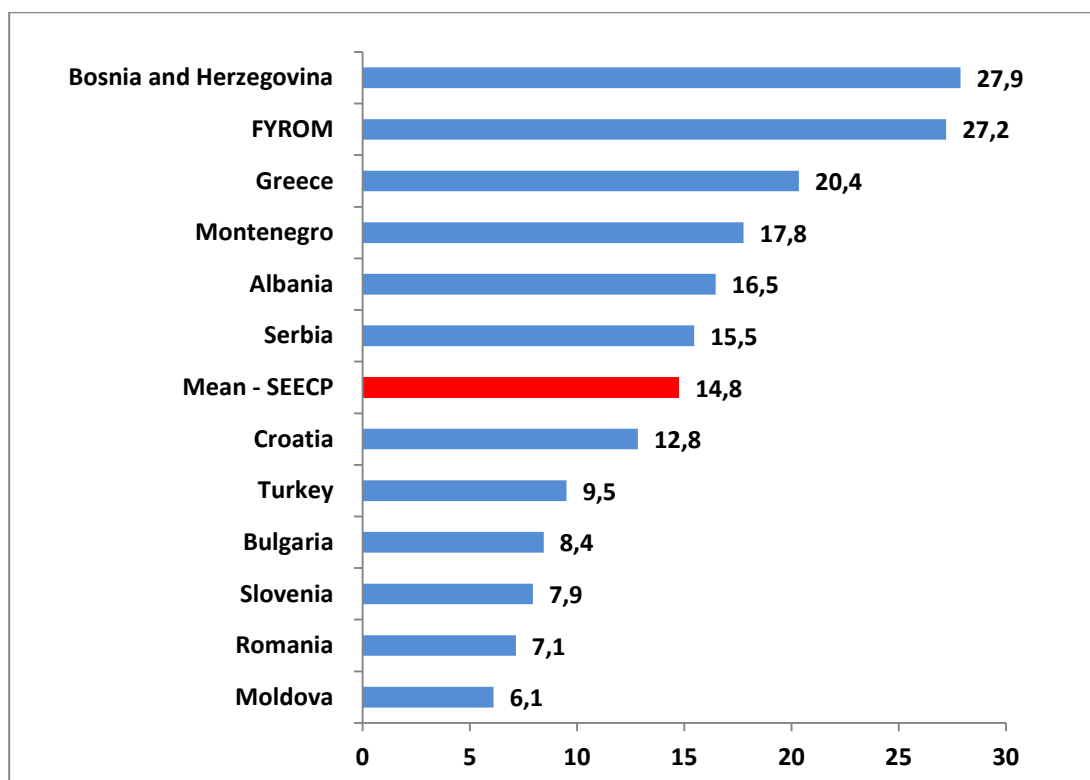


Figure 2.19

Unemployment, male (% of male labour force) in the SEECP participating countries, 2016

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

* There is no data on Kosovo.

In recent years, despite the overall downward trend in male unemployment rates, the differences in unemployment rates in individual countries have remained significant (Figure 2.19). In 2016, the highest male unemployment rate is registered in Bosnia and Herzegovina (27.9%) and FYROM (27.2%) at an average of 14.8% for the SEECP participating countries. In 2016, unemployment is the lowest in Moldova (6.1%) and Romania (7.1%). The different unemployment rates among the individual countries covered by this research confirm again the wide disparities between them in terms of the access to the labour market.

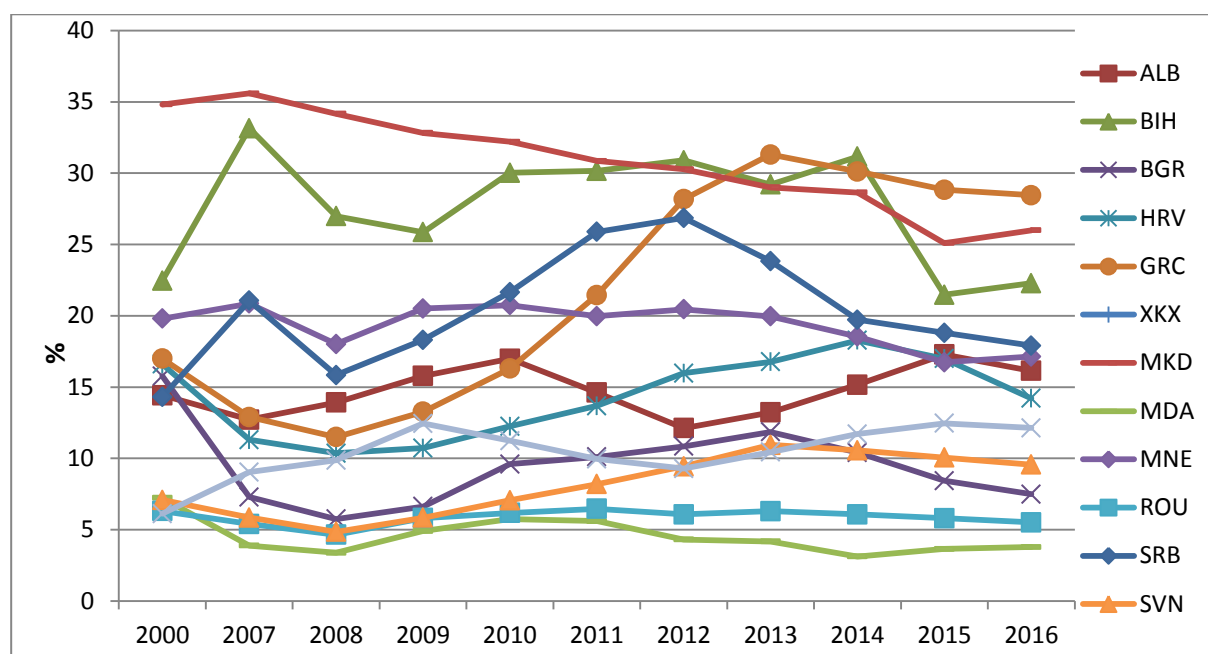


Figure 2.20

Female unemployment rate in the SEEC participating countries, 2000-2016

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

* There is no data on Kosovo.

Female unemployment trends and rates in the period 2000-2016 further confirm the existence of significant disparities between the SEEC participating countries in terms of the access to the labour market. The dynamics of female unemployment rate shows that after the global economic crisis, female unemployment decreases in most of the countries (Figure 2.20). After 2013, the strongest decrease is registered in Bosnia and Herzegovina and Serbia. In the same year, however, there is a peak in the female unemployment in Greece - 31.3%.

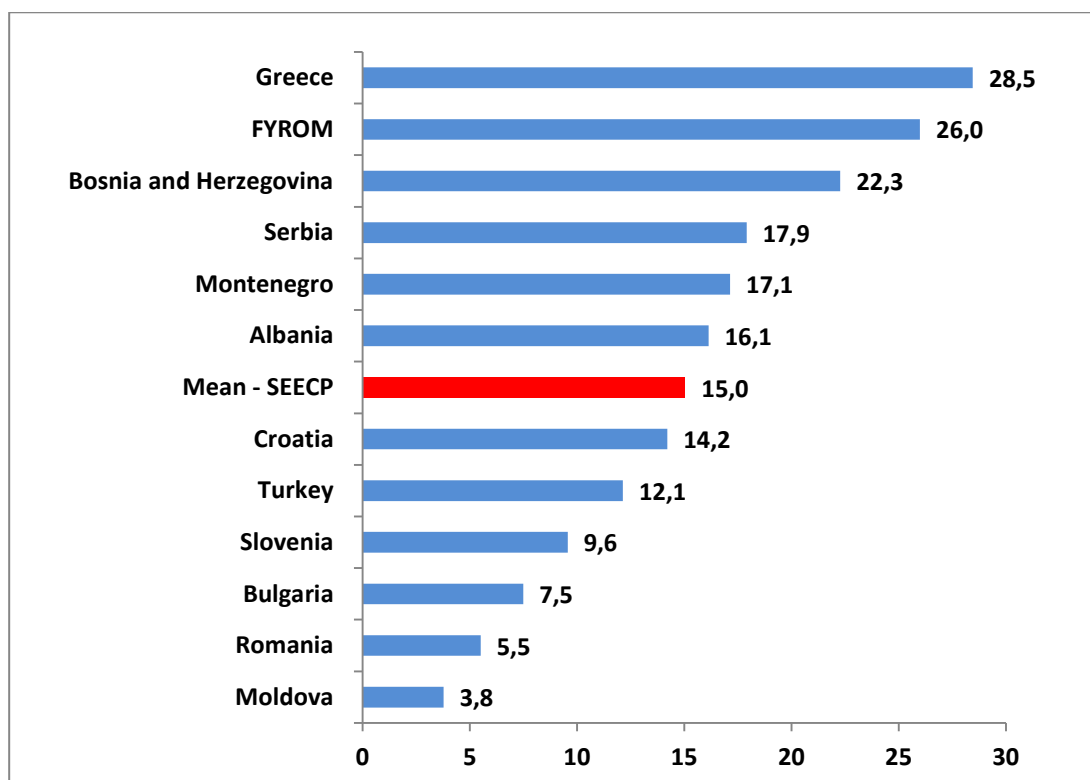


Figure 2.21

Female unemployment rate in the SEECP participating countries, 2016

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

* There is no data on Kosovo.

In 2016, female unemployment in the region varies from 3.8% in Moldova to almost 30% in Greece (Fig. 2.21). The average female unemployment rate for the entire region is 15%. High female unemployment (over 20%) is observed in countries like FYROM (26%) and Bosnia and Herzegovina (22.3%). The lowest female unemployment rates are reported in Moldova (3.8%) and Romania (5.5%).

In 2016, male unemployment is higher than female unemployment in eight of the SEECP participating countries. The differences vary from 0.3% in Albania to 5.6% in Bosnia and Herzegovina. Female unemployment rate is higher than male unemployment rate in five countries. The difference varies from -1.4% in Croatia to 8.1% in Greece.

The increase in women's activity rate and the mitigation of gender inequalities in the access to the labour market appears to be an important challenge which the SEECP participating countries should overcome.

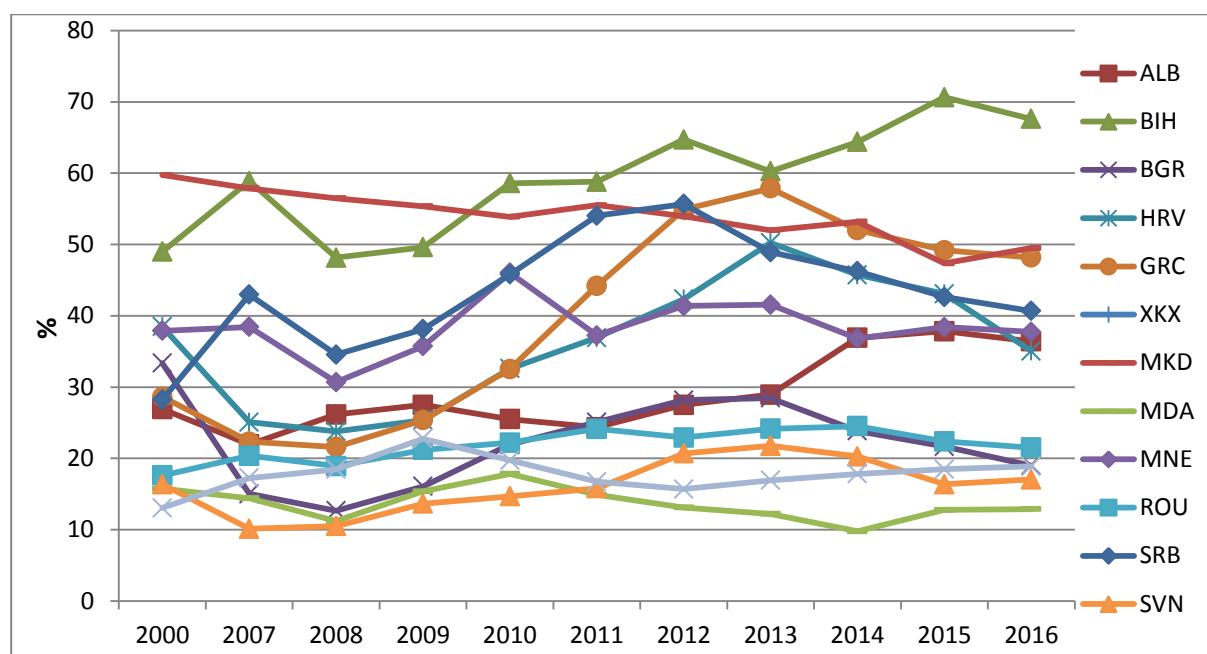


Figure 2.22

Unemployment, youth total (% of total labour force ages 15-24) in the SEEC participating countries, 2000-2016 (%)

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

* There is no data on Kosovo.

Youth unemployment indicator (15-24 years of age) is important for the analysis of labour market trends and situation and is directly related to the labour migration, being a factor for development of the SEEC participating countries' economies. The group of young people aged 15-24 appears to be particularly vulnerable to the negative trends and economic resilience in the countries covered by this research during the global economic crisis.

The latest figures show that, in 2016, youth unemployment is 64.7% in Bosnia and Herzegovina and 55% in Serbia and Greece. Moldova maintains very low youth unemployment rates throughout the period 2000 - 2016, reaching 13% in 2012. The indicator value in this country is the same in 2016 (Figure 2.22).

In recent years, Bosnia and Herzegovina and Albania have shown a trend toward increase in youth unemployment.

Over the last 3-4 years, Greece, Serbia and Croatia show a trend toward significant decrease. Despite the decrease, however, at present the indicator values remain very high (over 40%).

The analysis shows that the SEECP countries are also highly disparate in terms of youth unemployment rates and dynamics. High youth unemployment is one of the main preconditions for emigration and, therefore has strong negative impact on the demographic development of the countries covered by the research.

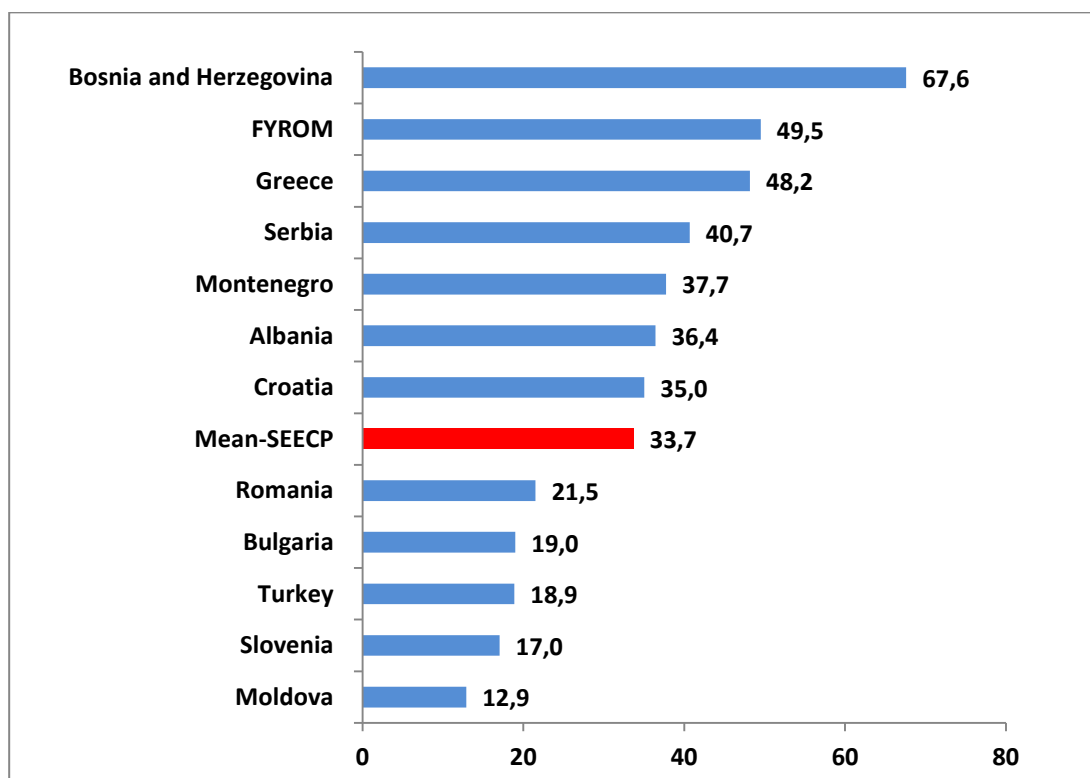


Figure 2.23

Unemployment, youth total (% of total labour force ages 15-24) in the SEECP participating countries, 2016 (%)

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

* There is no data on Kosovo.

The strong divergences between the countries in terms of the opportunities for employment which the national labour markets provide to young people can be easily traced on Figure 2.23. In 2016, youth unemployment rate for persons aged 15-24 in Bosnia and Herzegovina is 67.7%. In Moldova, youth unemployment is the lowest - 12.9%. Youth unemployment rates in Bulgaria (19.0%), Turkey (18.9%) and Slovenia (17%) are below 20%.

The average for the entire region is 33.7% which shows that the young people aged 15-24 find hardly jobs in most of the SEECP participating countries. High youth unemployment, in

turn, is a reason for labour emigration to other countries outside the region which offer better employment conditions and higher income.

This outlines another important priority in the policies of the group of countries covered by this research, i. e. reducing youth unemployment, which is extremely important to reduce the emigration among young people and, consequently, to maintain better population reproduction of the SEECP participating countries in the future.

2.3. Education

Investment in education is one of the main tools to increase the well-being of the nation and to ensure the future reproduction of human capital.

There are significant differences in public spending on education as a percentage of GDP in the SEECP participating countries over the period 2000-2013 (Figure 2.24).

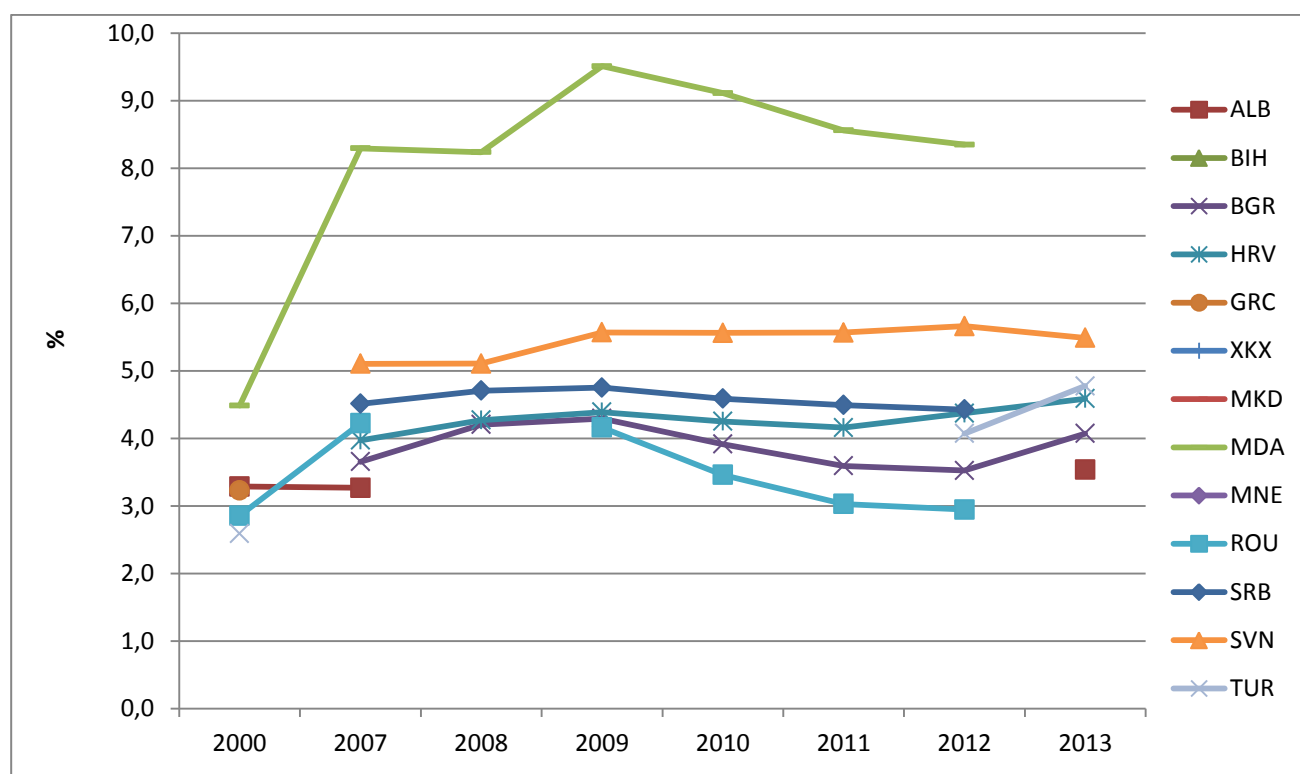


Figure 2.24

Government expenditure on education, total (% of GDP) in the SEECP participating countries, 2000-2013

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

*Notes: (1) There is no data on certain years for Albania, Bosnia and Herzegovina, Greece, Kosovo, FYROM, and Montenegro.

In recent years, spending on public education has varied from 8% in Moldova to 3% in Romania. Moldova makes highest GDP expenditure on education investments. However, it should be borne in mind that this country has one of the lowest GDP values among the countries covered by this research. After Moldova, the most economically developed country in the region - Slovenia - is ranked second in allocating expenditure to education as a percentage of GDP. Slovenia allocates just over 5% of its expenditure to development of the education, with a tend to increase this rate.

Figures on the other countries for which information is available show that the indicator value in Serbia and Croatia is slightly above 4%. Bulgaria and Romania allocate between 3% and 4% of its expenditure to education as a percentage of GDP and the spending in Turkey is just under 5% in 2013.

It is noteworthy that in the period after 2009 to 2012, there is a trend toward reduction of the spending on education in most of the SEECP participating countries for which data is available. In Romania, for example, in 2009, spending on education is 4% and, in 2012 2,9% of GDP. This reduction in some SEECP participating countries results from cutting the spending on education and social protection in the context of economic crisis which severely affects the region. After 2012, the spending on education increased as a result of the economic stabilisation in most of the SEECP participating countries.

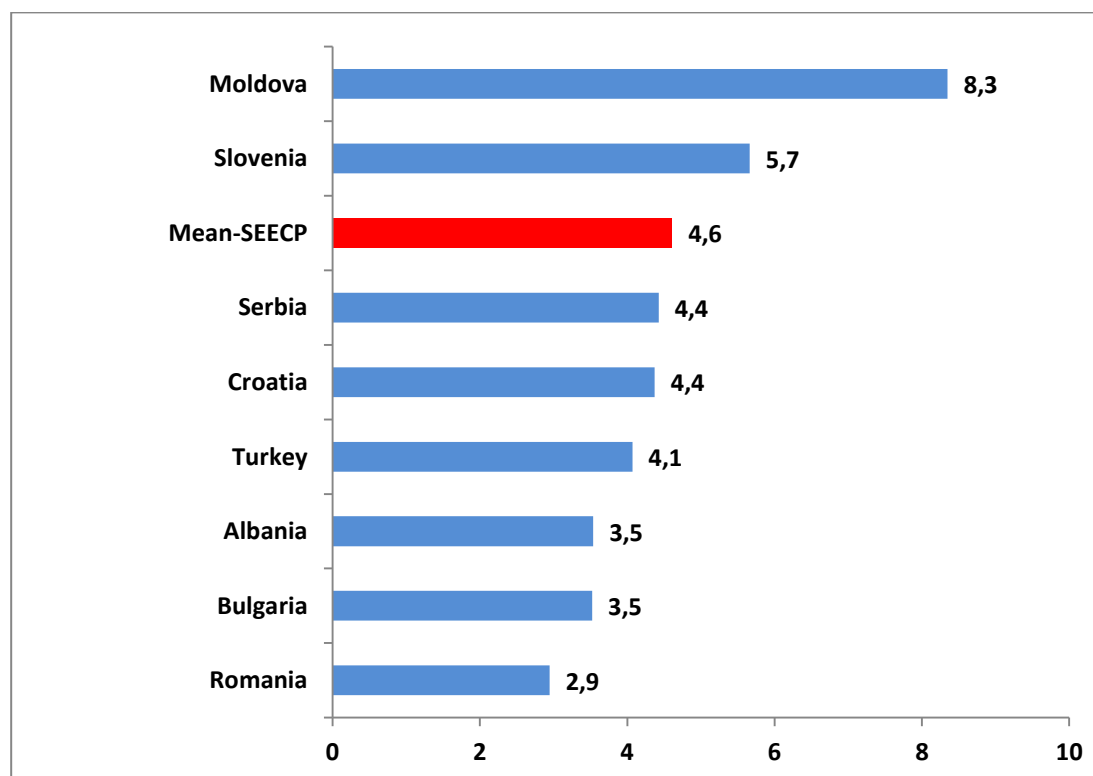


Figure 2.25

Government expenditure on education, total (% of government expenditure) in the SEECP participating countries, 2012

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

*Notes: 1) There is no new data on certain years for Bosnia and Herzegovina, Greece, Kosovo, FYROM, and Montenegro.

In 2012, government expenditure on education as a percentage of government expenditure in the SEECP participating countries is on average 4.6% of GDP (Figure 2.25). Romania has the smallest percentage of public spending on education - 2.9%, while Moldova has the highest one - 8.3% from the countries for which data is available. Taking into account the GDP value, Slovenia appears to be the country which has the highest allocations for development and investment in education.

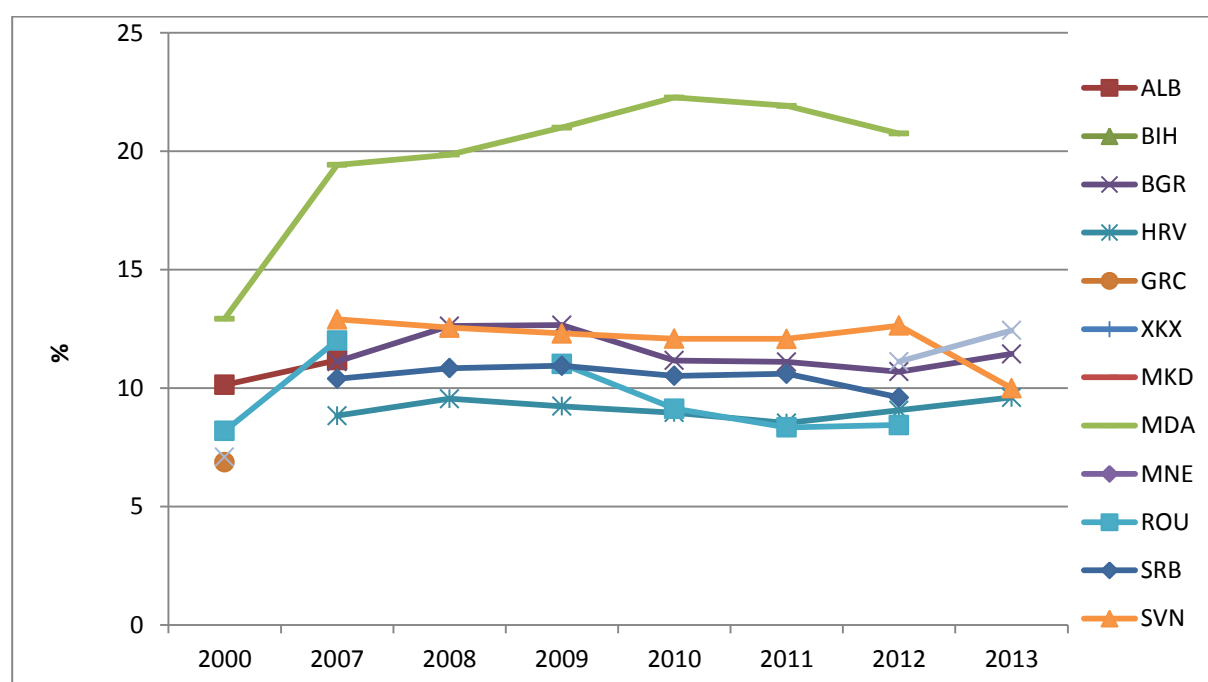


Figure 2.26

Government expenditure on education, total (% of government expenditure) in the SEECP participating countries of all public spending, 2000-2013

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

**Notes: There is no data on certain years for Bosnia and Herzegovina, Greece, Kosovo, FYROM, and Montenegro.*

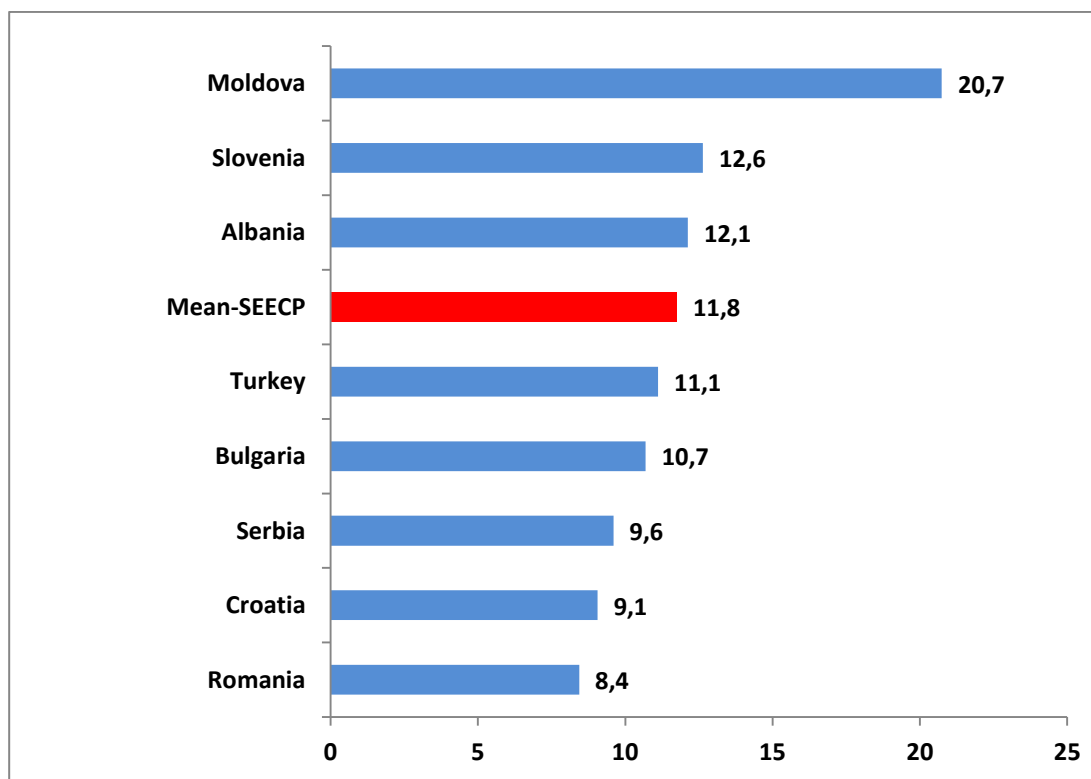


Figure 2.27

Government expenditure on education, total (% of government expenditure) in the SEECP participating countries of all public spending, 2012

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

**Notes: 1) There is no data on certain years for Bosnia and Herzegovina, Greece, Kosovo, FYROM, and Montenegro.*

2) The data on Albania is for the year 2013.

In 2012, the average rate of spending on education as a percentage of all public spending in the SEECP participating countries is 11.8% (Figure 2.27). In Moldova, the percentage is almost twice as high - 20.7%. In the same year, Bulgaria allocated 10.7% of all public spending to education, while Serbia and Croatia allocated just over 9%. In 2012, Romania has the lowest percentage of public spending - 8.4%.

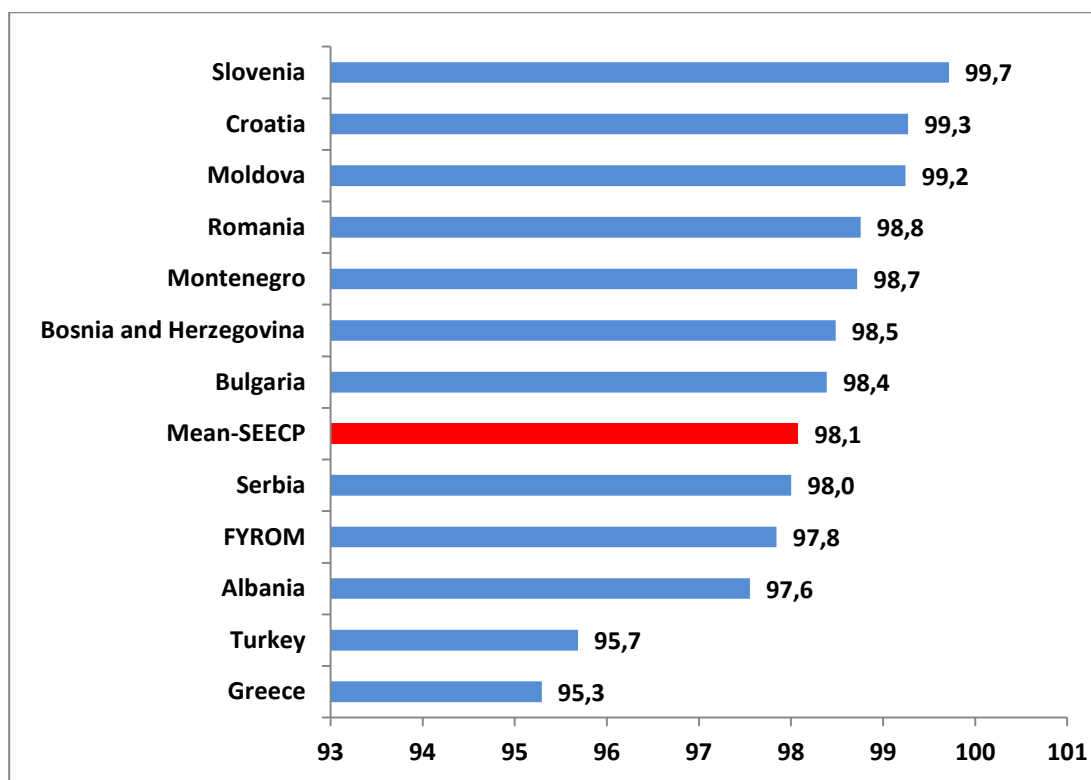


Figure 2.28

Literacy rate (% of people at ages 15 and above) in the SEECP participating countries (%), 2015

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

* There is no data on Kosovo.

As regards the indicator percentage of literate persons aged 15 and over, the figures for 2015 show that the SEECP participating countries have high percentage of literate population (Fig. 2.28). Almost 100% of the population aged 15 and over in Slovenia is literate. Only in Greece and Turkey the indicator values are lower - 95 % - 96 % of the population aged 15 and over can read and write. This is probably the high percentage of immigrants in Greece that impacts the indicator values for this country.

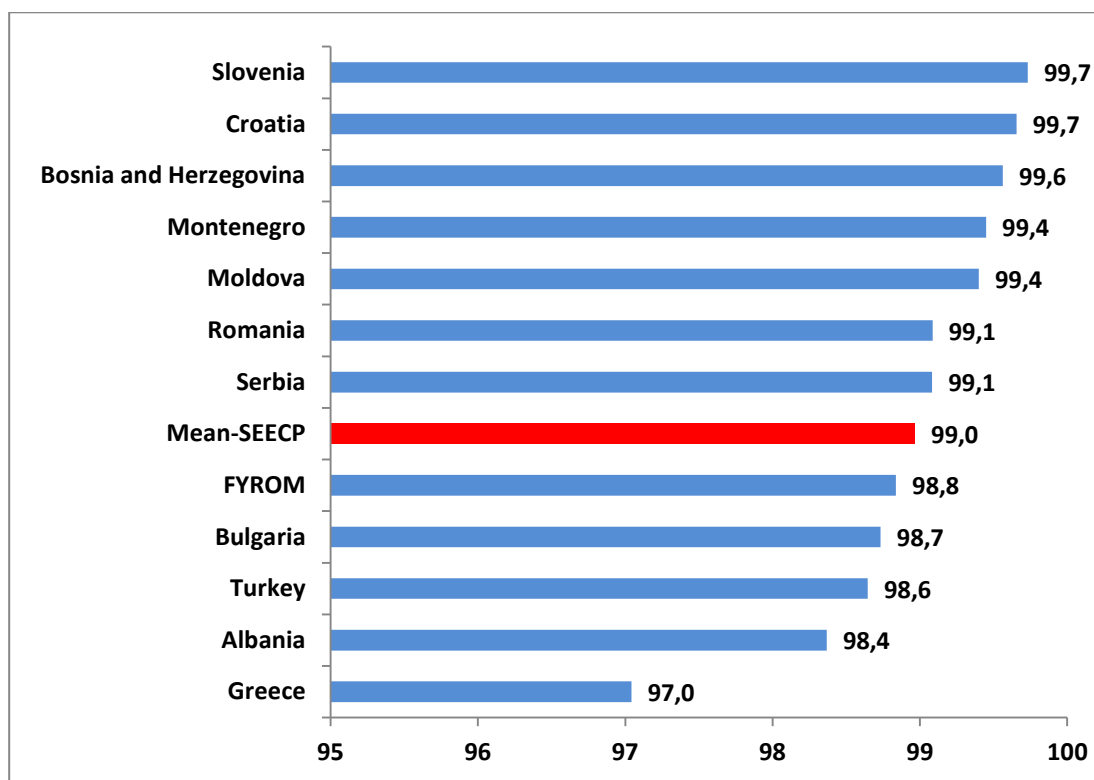


Figure 2.29

Literacy rate, adult male (% of males ages 15 and above) in the SEECP participating countries (%), 2015

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

* There is no data on Kosovo.

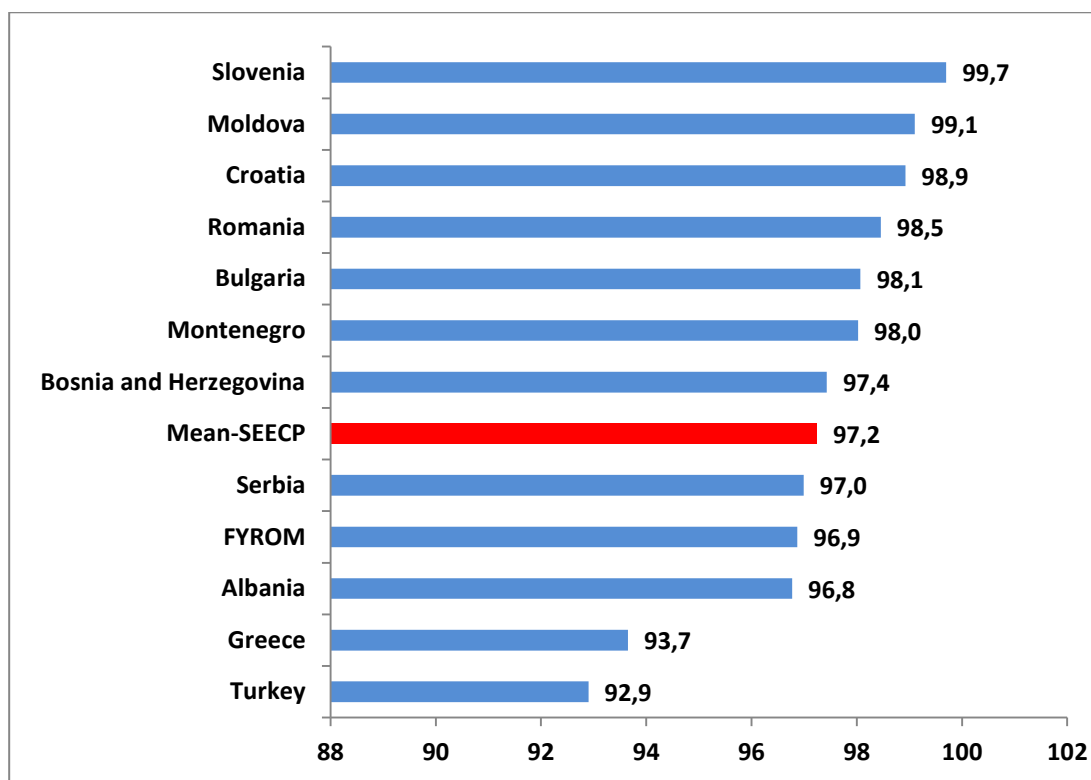


Figure 2.30

Percentage of literate female population aged 15 and over in the SEECP participating countries, 2015

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

* There is no data on Kosovo.

In 2015, significant disparities between the SEECP participating countries in terms of male and female literacy are observed. As regards the male population aged 15 and over, the highest literacy rates are reported in Slovenia and Croatia (99.7%) and the lowest ones - in Greece (97%) (Figure 2.29).

As regards the female population aged 15 and over, the highest literacy rates are reported in Slovenia (99.7%) and lowest ones - in Turkey (92.9%) and Greece (93.7%) (Figure 2.30).

The largest male and female literacy gap is observed in Turkey - 5.7% (see Appendix 4, Table 23). Male and female literacy gap is approximately 2% in the former Yugoslav Republics of Bosnia and Herzegovina, Serbia and Montenegro. Only Slovenia of all countries covered by this research has achieved almost complete equality in the literacy among male and female population over the age of 15.

In summary, the data shows that, **despite the high levels of literacy among the population of the individual SEECP participating countries, some of them are still lagging behind, as regards the persons who can read and write. Slovenia is an example of successful illiteracy tackling where gender inequalities are overcome and almost full literacy of the population is achieved.**

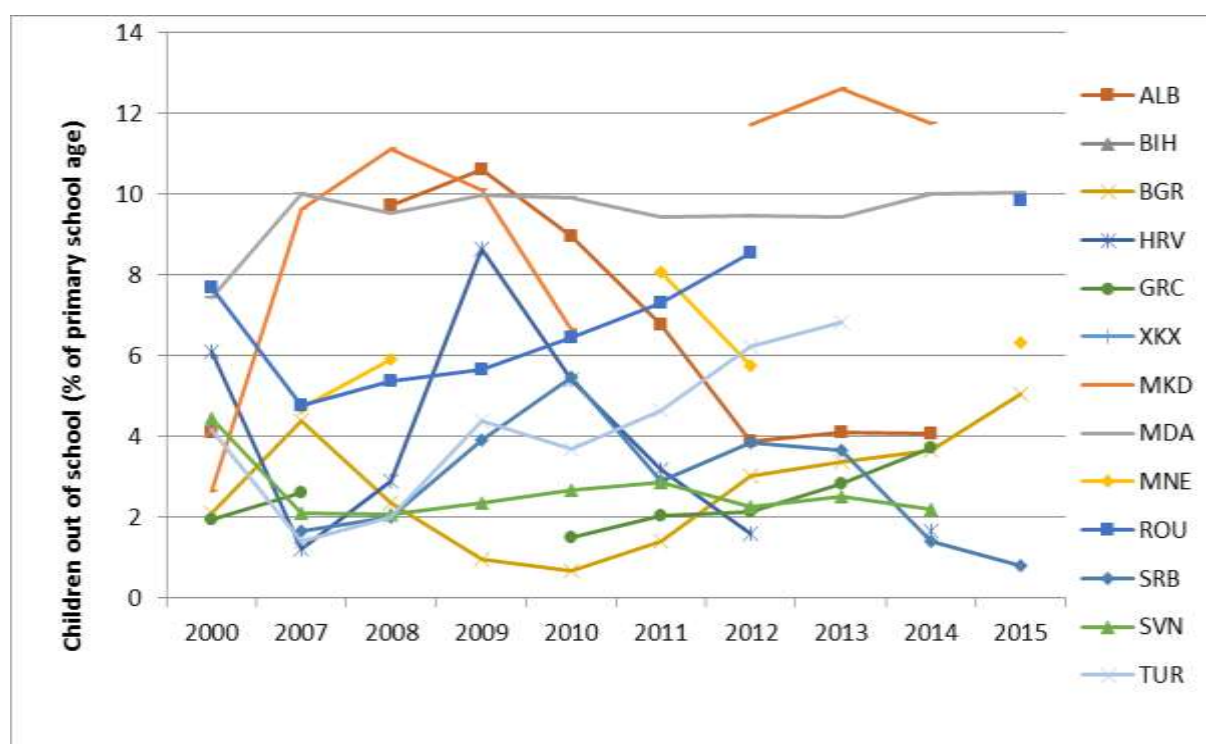


Figure 2.31

Children out of school (% of primary school age) in the SEECP participating countries, 2000-2015

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

* There is no data on Kosovo and Bosnia and Herzegovina.

The trends in the SEECP participating countries are also diverging in terms of the drop-out of children from primary education. In the period 2000 - 2015, in Turkey, Romania and Bulgaria there is a tend toward increase in the percentage of school-aged children who do not attend school, while in Slovenia and Serbia there is a downward tend (Figure 2.31). In 2014, the share of school-aged children who do not attend school is the highest in Albania -12%. The rates are high in Romania and Moldova as well. In 2015, 10% of the children in these countries

do not attend school. The rate of uncovered pupils in Serbia, Slovenia and Croatia is the lowest - below 2%.

A number of studies show that drop-out of school is mainly due to poverty and marginalisation, especially among minority groups. The trends are indicative of the social and economic inequalities which exist in the countries covered by this research with regard to the access of children, particularly those from vulnerable groups and minority communities, to the education system. **The analysis outlines an extremely important issue in the SEECP participating countries' development stemming from the inequalities in the access to education among children in the poorest segments. Drop-out of children of minority and socially deprived groups from the education system has a strong negative impact on both the current social situation in the region and on the state of human capital which the SEECP participating countries will have in the future.**

2.4 Healthcare

The health status of the population is a key qualitative characteristic of the reproduction processes. As shown in Chapter One, most of the SEECP participating countries are experiencing high mortality trends, including premature mortality rates among male population, and high rates of child and maternal mortality, while the expected average life expectancy in the SEECP participating countries is 4-5 years shorter than that in the EU countries. The healthcare system is one of the key elements for improving the health status of the population. We will present two important indicators which determine the condition of the healthcare system - public spending on health as a percentage of GDP and percentage of treatment and medication costs made by the families.

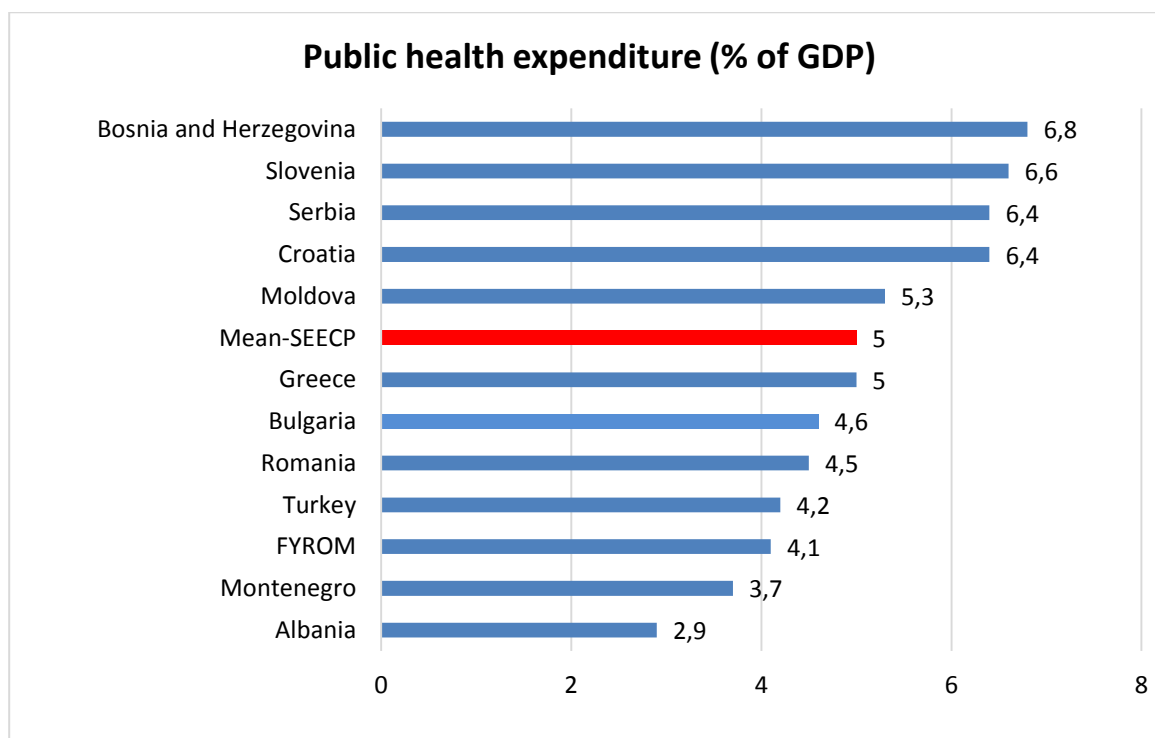


Figure 2.32

Public health expenditure (% of GDP) in the SEECP participating countries

Source: United Nations Development Programme. Human Development Reports

<http://hdr.undp.org/en/countries>

* There is no data on Kosovo.

The average value of public health expenditure as a percentage of GDP for the SEECP participating countries is 5% (Figure 2.32). In five countries this percentage exceeds the average one - Bosnia and Herzegovina (6.8 %) and Slovenia (6.6 %) have the highest percentage of public health expenditure, followed by Croatia - 6.4% - and Serbia - 6.4%. In Moldova, public health expenditure is slightly above the average - 5.3%, and in Greece is 5%. The other countries public health expenditure just over 4%: - Turkey - 4.2%, Romania - 4.5%, FYROM - 4.1%, and Bulgaria - 4.6%. The lowest public health expenditure is reported in Montenegro - 3.7% and Albania - 2.9%.

The higher public health expenditure in countries like Slovenia and Croatia relate to the better mortality rates (child, maternity mortality rates) but there are exceptions like Serbia which has high spending on health but also high maternal mortality rates. Therefore, the relation between public health expenditure and values of the demographic indicators is not linear. Another example is Moldova where public health expenditure is 5.3% (above the

average of 5% for the region) but in terms of all indicators of the population health status the country is ranked last.

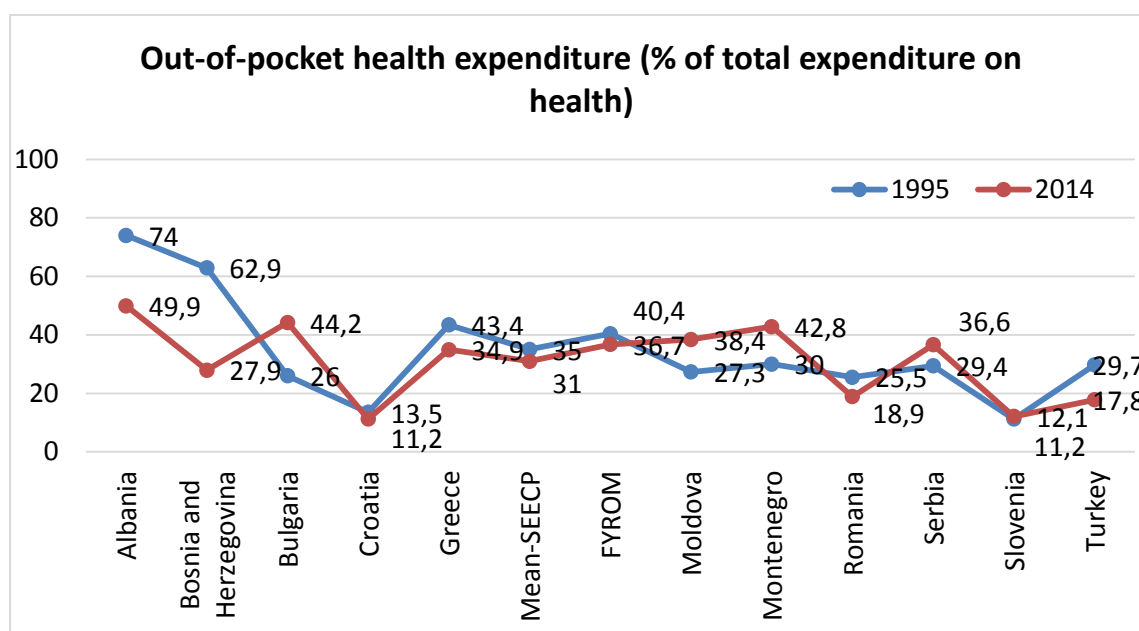


Figure 2.33

Out-of-pocket health expenditure (% of total expenditure on health) in the SEECP participating countries

Source: World Bank

<http://data.worldbank.org/indicator/SH.XPD.OOPC.ZS>

* There is no data on Kosovo.

Out-of-pocket health expenditure as a percentage of total expenditure on health is an indicator which indirectly shows the level of healthcare funding through public resources and the extent to which families pay for health services and medications. During a period of 20 years (1995-2014) similar trends in the percentage of funds allocated by the families for protection of their members' health, with slight increase in this resource (Figure 2.33) are observed. In most SEECP participating countries, the funds provided for in the family health budgets range between 30-45%. Their rate is the highest in Albania - 49.9% (2014) which, however, is almost two times lower than the family spending in this country in 1994 - 74%. The percentage of family health funds in Bulgaria is 44.2%, in Greece - 34.9%, in FYROM - 40.4%, in Moldova - 38.4%, in Montenegro - 42.8%, in Serbia - 36.6% and in Bosnia and Herzegovina - 27.9%. The families in Croatia - 13.5%, Romania - 18.9%, Slovenia - 12.2% and Turkey - 17.8% spend minimum funds for health protection.

When considering the spending on health of the families, some relation to the share of public spending on health can be given. In countries where public spending on health is low, the spending on health of the families increase. Such an example is Albania - the country has the lowest public spending on health (2.9%) and the highest family spending on health (50%), despite its double decrease over the last 20 years. Conversely, in countries with the highest public spending on health, such as Croatia (6.4%), Slovenia (6.6%), and Bosnia and Herzegovina (6.8%), the families incur the lowest spending on health - 13.5%, 12.2% % and 27.9%, respectively.

2.5 Urbanisation

In the last part of this chapter, we will briefly review the urbanisation trends in the SEECP participating countries. Figure 2.34 shows the diversity between the countries covered by this research with regard to the degree of urbanisation. In the period 1990 - 2015, the proportion of urban population in almost all countries increased. By 2015, Bosnia and Herzegovina and Moldova have the lowest urbanisation levels, with 45% and 40% urban population, respectively. The highest urbanisation level is reported in Greece where 78% of the population lives in the cities, Bulgaria - 74% and Turkey - 73% (2015).

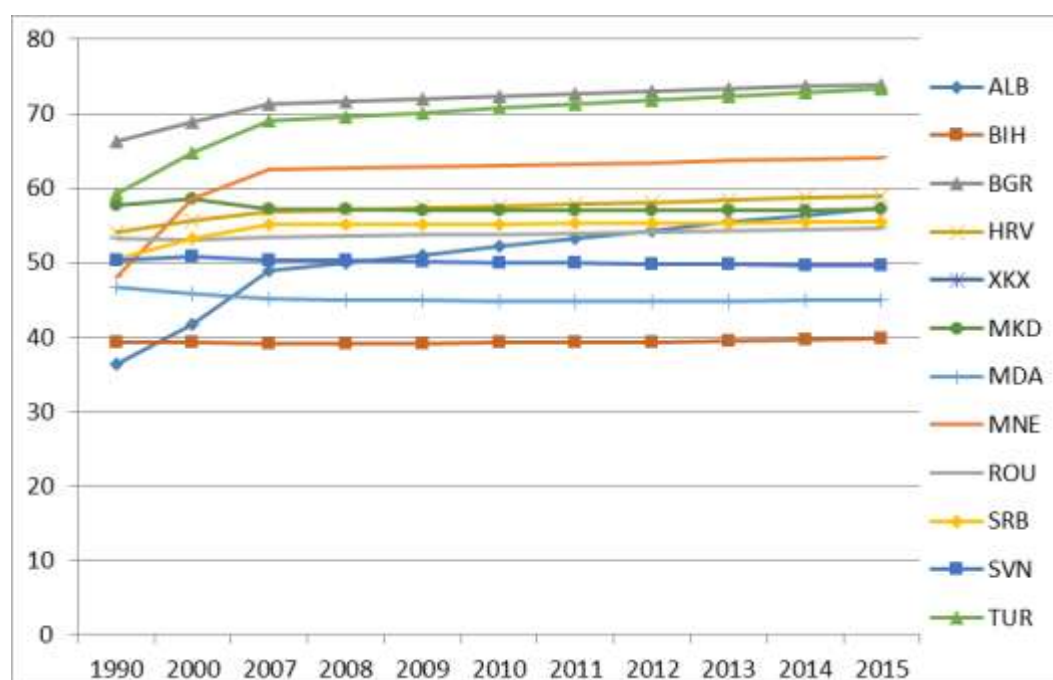


Figure 2.34

Urban population (% in total) in the SEECP participating countries, 1990-2015

Source: World Bank, <http://data.worldbank.org/>

The lowest dynamics in urbanisation processes is observed in Bosnia and Herzegovina where, in the period 1990 - 2015 the proportion of urban population increased by only one percent (from 39% in 1990 to 40% in 2015 (Fig. 2.34).

During the period under review, in some countries like Albania and Montenegro rapid urbanisation pace is reported. In 1990, 36% of the population in Albania, and 48% of the population in Montenegro lives in the cities. In 2015, the proportion of urban population reached 57% in Albania and 64% in Montenegro.

The dynamics in urbanisation processes is a sign of active internal migration processes in the SEECP participating countries caused by the different urban development between cities and villages, living standards, income, and job and training opportunities. In some countries like Bulgaria, for example, these processes are accompanied by increased depopulation and aging of the population in certain regions / localities.

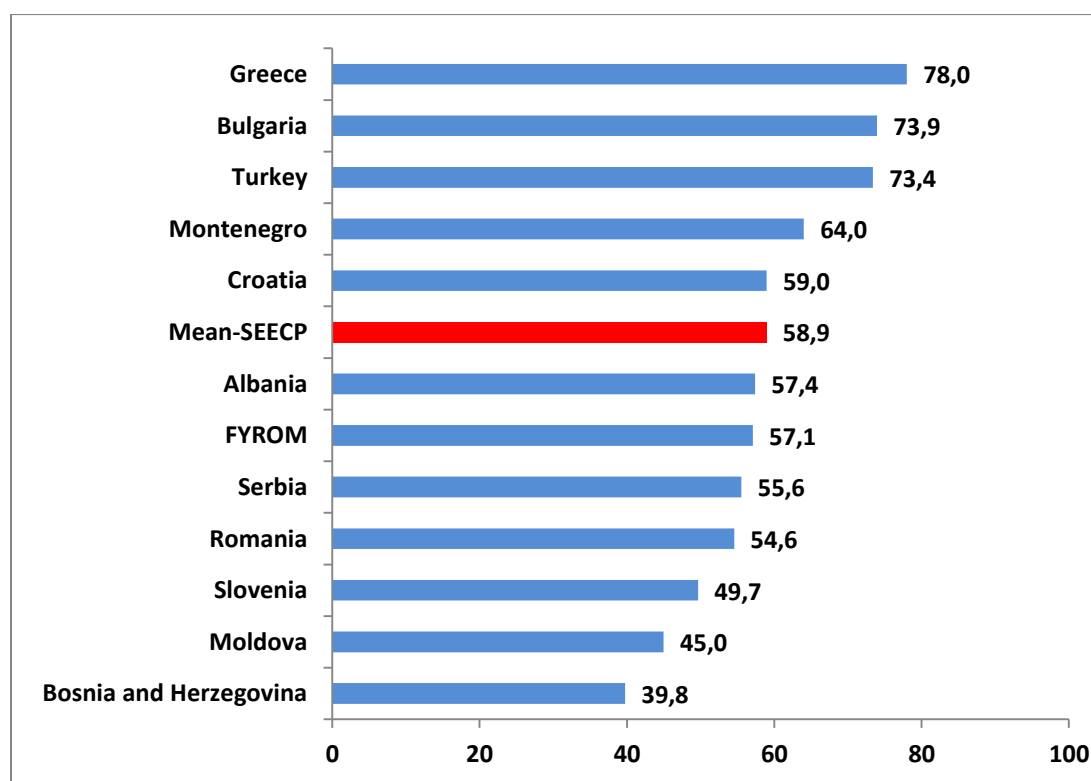


Figure 2.35

Urban population (% in total) in the SEECP participating countries, 2015

Source: World Bank, <http://data.worldbank.org/>

* There is no data on Kosovo.

Due to the strong diversity between the countries in terms of degree of urbanisation the average percentage of urban population in the region in 2015 is 59% (Figure 2.35). **This means that the urbanisation processes, mitigation of regional disparities and depopulation, and improvement of urban development and standard of living in the various localities in the SEECP participating countries appear to be one of the priorities of the common development policy.**

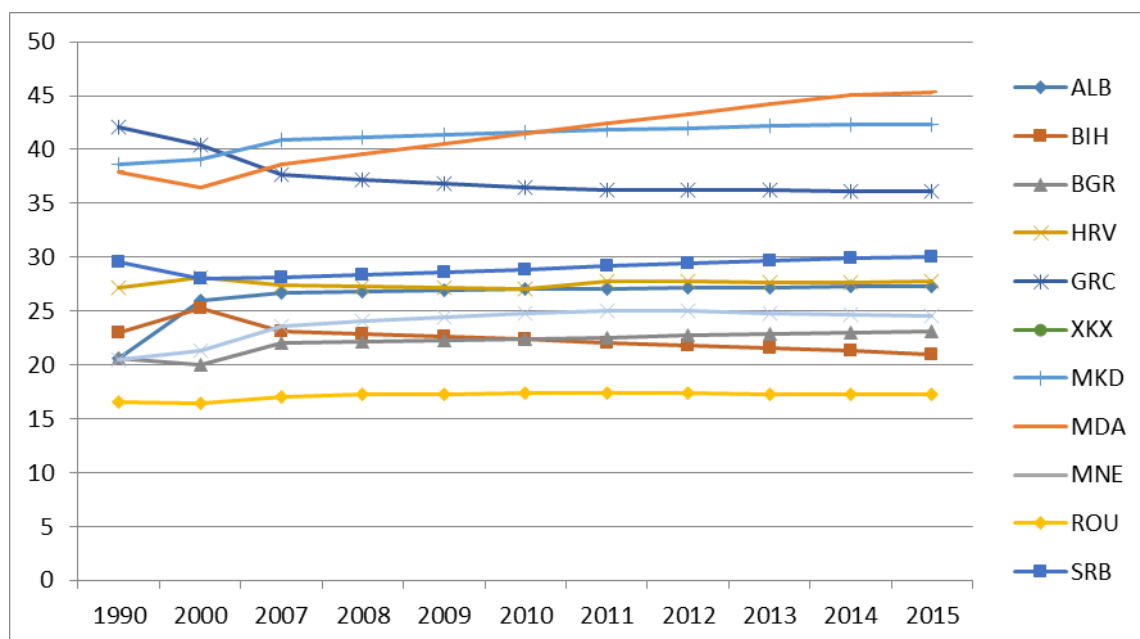


Figure 2.36

Population in the largest city (% of urban population) in the SEECP participating countries, 1990-2015

Source: World Bank, <http://data.worldbank.org/>

A more detailed insight into the dynamics of urbanisation processes shows that urban development is different in the SEECP participating countries. In some of them, there is a trend toward concentration of population in the capital or in several large cities, while in other countries the distribution of population is more even.

The figures show that, in the period 1990-2015 the proportion of population living in the largest cities in the SEECP participating countries (Figure 2.36) increased. The largest increase in the proportion of population living in the largest city is reported in Moldova and Albania. In 1990, 38% of the population of Moldova lives in the largest city (Chisinau). In 2015, Moldova maintains top position among all countries covered by the research in terms of concentration of

population in the largest city centre - almost half of the population (45.4%) lives in the capital. In 1990, the proportion of population living in the largest city in Albania is 20.7%, and in 2015 it grows to 27.3%.

In Turkey and FYROM, increase in the number of people living in the largest city is also observed which means that the internal migration to the largest urban centres has also increased. Concentration of population in one or several large cities is a sign of strong socio-economic disparities between the regions / localities and of development of depopulation processes in certain regions of a country. **This conclusion is important with regard to the inter-regional policies of the SEECF participating countries. These policies need to be aimed at achieving equitable development of the individual regions / localities, overcoming the differences in their socio-economic development and mitigating the negative effects of depopulation processes.**

During the period under review (1990-2015), a trend toward reducing the proportion of population living in the largest city is observed in Greece and Bosnia and Herzegovina. In the period 1990-2015, the population living in Athens declined by 6%. In 1990, 42.1% of the Greek population lives in the capital, and in 2015 this percentage is reduced to 36.2%. In Bosnia and Herzegovina, the difference for the specified period is 2%. In 1990, the inhabitants of Sarajevo are estimated at around 23%, and in 2015 - at 21%.

The data on the other SEECF participating countries shows that in the period 1990-2015, there is slight increase or stabilisation of the population living in the largest urban centres.

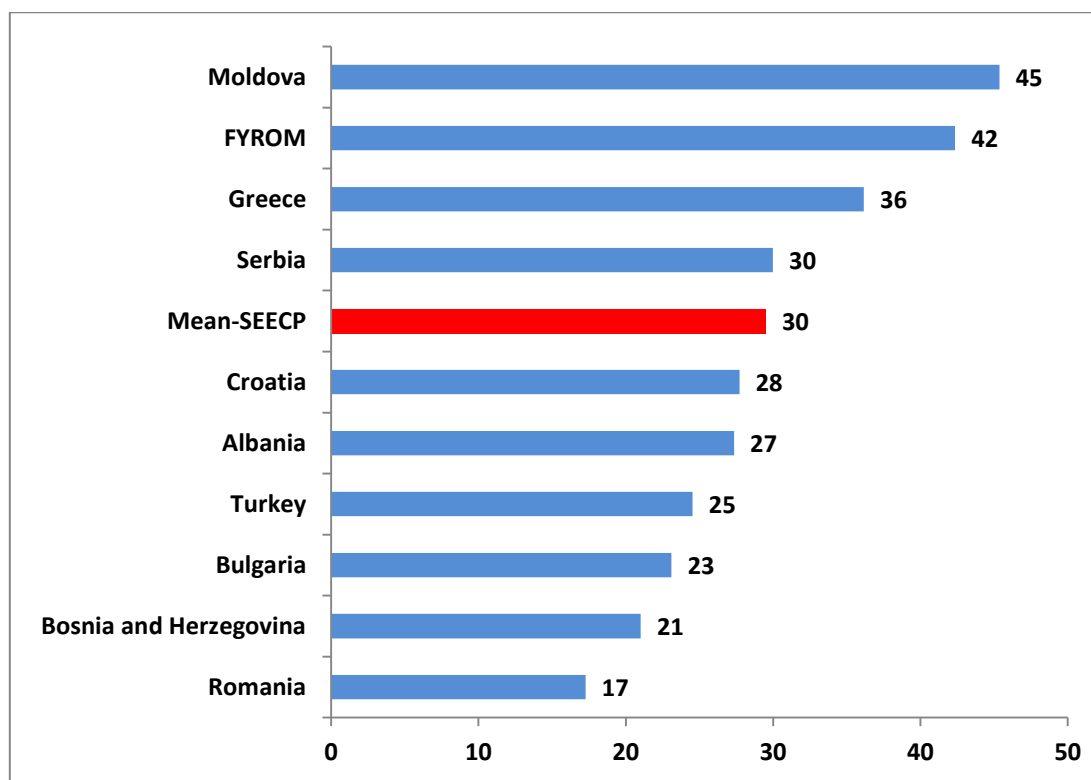


Figure 2.37

Population in the largest city (% of urban population) in the SEECP participating countries, 2015

Source: World Bank, <http://data.worldbank.org>

There is no data on Slovenia, Montenegro and Kosovo.

In 2015, the average concentration of population in the largest city per SEECP participating country is 29.5% (Figure 2.37). In the same year, the largest concentration of population is reported in Montenegro - 45.4% and Moldova - 42.4%.

In 2015, the lowest concentration of population in the largest city is observed in Romania (17%) and Bosnia and Herzegovina (21%). The vast territory where the population is scattered (Romania), and relatively low degree of urbanisation (Bosnia and Herzegovina) are a reason for the lower percentage of population living in the largest city centre reported in 2015.

The analysis of urban development of the SEECP participating countries shows that the **improvement and achievement of equal conditions for development, urban development and living standards of the various localities and the mitigation of the negative effects of depopulation processes appear to be key priorities in the development policies of the SEECP participating countries.**

2.6. Conclusions

2.6.1. Economic Development

The review of the economic development indicators shows that currently the economic picture of the SEECP participating countries is very diverse. Slovenia, Greece and Croatia have significantly higher GDP than the other SEECP participating countries. GDP is the lowest in Moldova, Kosovo and Albania. This gap can also be proved by the fact that, in 2015 Moldova has about 10 times lower GDP (in nominal value) than Slovenia.

In terms of GDP growth, diverse picture is emerging again. With the exception of Greece, after 2012, growth in GDP is observed in all SEECP participating countries. The highest GDP growth is reported in Turkey. In 2015, only Moldova and Greece still have negative GDP growth.

SEECP participating countries also differ substantially in terms of the levels of economic inequalities, as measured by the Gini coefficient. In 2015, the largest inequalities are observed in Turkey, while opposite trend is observed in Slovenia - the economic inequalities in society are significantly smaller.

The conclusion which can be drawn is that **the mitigation of economic disparities between the SEECP participating countries, achievement of sustainable development, reduction of income inequalities and stimulation of economic growth appear to be common objectives and areas of cooperation and exchange of experience.**

2.6.2. Labour Market

Analysis of the labour market, employment and unemployment reveals other significant differences between the SEECP participating countries. Turkey, Romania and Greece are the countries in the region with the largest population and the largest number of working-age persons. At the same time, the trends toward change in the number of labour force in the different countries are divergent. Turkey, being more populous country with young age structure of the population and still high birth rate, is distinguished from the other countries covered by this research by the increasing number of employees in the labour force. As regards the other SEECP participating countries, in the period 1990-2016 trends toward decline or retention of a constant level of are observed. These trends result from the low birth rates, emigration processes of working-age persons and aging of the population.

The reported divergent trends show that the SEECP participating countries need to adapt their economies and labour markets to the aging and shrinking of labour force, to revise their pension systems in view of the growing proportion of retirees, to reform their healthcare systems in view of the demographic changes related to the aging of the population and to provide access to full social and cultural life for retirees.

With regard to the activity rate of male and female population aged 15 and over, the analysis shows that Turkey is the country with the highest percentage of male population aged 15 and over who is economically active - 71% in 2016. On the contrary, opposite trend is observed in Moldova - 46% in 2016. In general, after 2007, all SEECP participating countries show a trend toward gradual increase in the economic activity among the male population aged 15 and over.

As regards the activity rate of female population, there are even more pronounced differences between the SEECP participating countries. They result from both the condition of national labour markets and the cultural differences in the perceptions of the role and place of women in the paid employment. **The increase of women's participation in the labour market and the equalisation of gender inequalities in the economic area appear to be main priorities in the employment policies of the SEECP participating countries.**

Another aspect of the SEECP participating countries' cooperation which the analysis highlights is related to overcoming the differences in unemployment and employment conditions. In recent years, there have been significant differences in the unemployment rates of SEECP participating countries. In 2015, in Kosovo, FYROM, Bosnia and Herzegovina and Greece the unemployment rate exceeds 25%, while in Romania the unemployment rate is significantly lower (7 %). The high unemployment rates in some SEECP participating countries are a prerequisite for emigration of working-age persons, both inside and outside the region, to countries with better economic welfare and job opportunities. The expectations of high emigration in the future are also proven by the analysis of youth unemployment which is high in most of the SEECP participating countries. The significant differences in the state and development of national economies of the countries also affect the access of young people aged 15-24 to the labour market. In many SEECP participating countries, the young people experience difficulties in finding a job which further incentivise the emigration among them.

In summary, the mitigation of gender inequalities in the labour market and the reduction of the differences in unemployment rates in the countries, especially among

young people, outline another important area for cooperation between the SEECP participating countries.

2.6.3. Education

The analysis of the educational trends in the SEECP participating countries shows that there are significant differences between them in terms of the public spending on education. The improved access to education and improved quality of education are investments in the well-being of the population with higher return. **One of the common objectives should therefore be to increase the funds allocated to education as a prerequisite for economic prosperity and sustainable development of the SEECP participating countries.**

Significant differences have also been reported among the countries in terms of the population literacy levels. In Slovenia, for example, the illiteracy among the population has almost been eradicated, while in Greece and Turkey the percentage of people aged 15 and over who cannot read and write is high (slightly over 5% in 2015).

The analysis shows that the differences in the education levels of men and women in the different countries should also be overcome. In general, the literacy among women aged 15 and over is lower than that among men. The gender differences in the individual countries range from 5 % in Turkey, where women's illiteracy levels are the highest, to almost 0 % in Slovenia where almost 100% of the population aged 15 and over is literate. **These differences outline another important area of the regional development policies - eradicating illiteracy, especially among minorities in the individual SEECP participating countries and overcoming gender gaps in the access to education.**

Another important issue which a number of countries covered by this research face is related to the drop-out of children, especially those of vulnerable groups and minority communities, from the education system. The high percentage of children who are not included in the primary education system and the recent trends toward increase of this rate in some of the countries covered by this research show the existence of deep socio-economic inequalities which limit the access of some children, especially those of the poor and marginalised population sections, to the education system. In the long run, this trend would have very negative impact on the reproduction of human capital and, more specifically, on the labour and educational potential which the SEECP participating countries will have in the future.

For this reason, another important area of cooperation and exchange of experience between the SEECP participating countries is to ensure that all children, irrespective of

their social / ethnic background and socio-economic status of the family, have access to the education system. The reduced percentage of children who drop out of the education system and the investment in quality education are another important area for cooperation between the SEECP participating countries. The guaranteed access to quality education is one of the main methods to eradicate poverty. The access to quality education and improvement of the population education are also a guarantee of high quality human capital which the SEECP participating countries will have in the future and, therefore, essential precondition for providing economic prosperity in the next decades.

2.6.4. Healthcare

The demographic profile of the SEECP participating countries on mortality indicators (total, adult, maternal, child mortality), life expectancy at birth, public and family health expenditure, and the ongoing intensive aging of the population in these countries poses serious challenges to the SEECP participating countries to address the high mortality rate, especially the premature one in men, and child and maternal mortality rate, to improve the health status of the population and to extend life expectancy. Although the demographic picture created based on these indicators is heterogeneous and the indicators in the two most developed countries (Slovenia and Greece) and the other countries are polarized, the overall demographic indicators related to the health status of the population in the SEECP participating countries are lagging behind the EU average ones.

The high and constantly increasing relative share of elderly people in the population structure of the SEECP participating countries is another challenge to their healthcare systems. The relatively small rate of public spending on health, combined with high percentage of out-of-pocket health expenditure is another loading factor. The above trends imply the need for cooperation between the countries with a view to developing the most effective healthcare policies, taking into account the aging populations of the SEECP participating countries.

2.6.5. Urbanisation

The analysis shows that high levels of urbanisation have been achieved among the SEECP participating countries. In Greece, Bulgaria and Turkey, the percentage of people living in cities is the highest, while in Moldova and Bosnia and Herzegovina, the percentage of people

living in cities is below 45%. The analysis also outlines a trend toward over-concentration of population in the largest city in almost each of the countries covered by the research which is a prerequisite for depopulation of certain regions / localities. This indicates that there are strong socio-economic disparities between the individual localities and more particular between the capital and other localities in the respective countries. The increased population of the largest cities in the countries covered by the research indicates also that there are intensive intra-migration processes at the national level due to the different job opportunities, income, education and better living conditions which the capital / large city offer. This outlines the need to invest in the development of small localities and to improve the conditions and quality of life in the small localities in SEECP participating countries.

The dynamics of urbanisation processes highlights that the achievement of sustainable intra-regional development should be one of the priorities to the SEECP participating countries. The mitigation of depopulation, improvement of well-being and living standards and ensuring sustainable development in all regions / localities appear to be another key priority for cooperation between the SEECP participating countries.

Chapter Three

DEMOGRAPHIC CHALLENGES TO SEECP PARTICIPATING COUNTRIES IN THE DEVELOPMENT AND IMPLEMENTATION OF POLICIES IN THE SOCIAL AREA, LABOUR MARKET, HEALTHCARE AND EDUCATION

Aging of the population is a significant problem but its manifestation varies from one to another SEECP participating country. These differences affect also the development of programmes in the social area. Notwithstanding these differences, it is expected that by 2060, most SEECP participating countries will increase their public spending on population aging by and above 4.7 percentage points of their GDP.

3.1 Social Development in the SEECP Participating Countries

The demographic trends will lead to significant increase in the public spending on pensions in almost all SEECP participating countries. This is a reason for both future reforms of the pension systems and greater participation of elderly employees in the labour market and may result in a stronger relation between pensions and pension contributions which is an additional incentive to remain in the labour market.

The level of social development of a country may be revealed by some indicators which cover different aspects of the country's social development, such as the Human Development Index (HDI), HDI calculated for women only, crime levels (number of murders per 100,000 people), percent of Internet users, percent of women in national parliaments, and emigrants' contributions as a percentage of GDP. We have presented in the section on social protection indicators, such as proportion of elderly people receiving pensions, and vulnerable employment indicator, including percentage of family and self-employed workers.

The Human Development Index (HDI) is an integrated indicator for measuring the country's level of development. It is an indicator of the country's achievements in key areas of human development, such as prolonged and healthy living, education and standard of living.

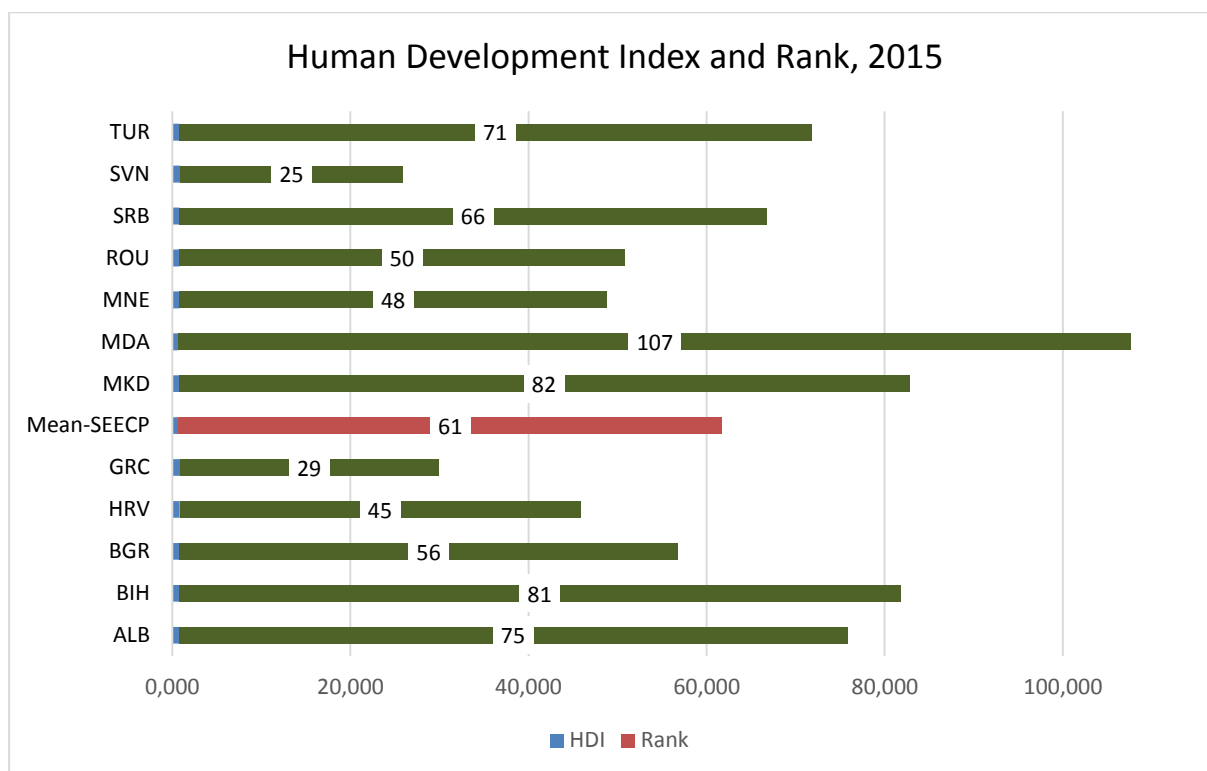


Figure 3.1

Human development index and ranking

Source: <http://hdr.undp.org/en/content/human-development-index-hdi>

* There is no data on Kosovo.

HDI is a geometric mean of the normalised indexes for each of the three areas. Health is measured by life expectancy at birth, while education is measured by average number of years in school for people aged over 25 and by estimated number of years at school for children starting primary school. Standard of living is measured by GDP. HDI does not measure inequalities, poverty, security, empowerment, etc.

As is apparent from figure 3.1, in 2015 six SEECP participating countries are ranked above the average of 61. These are countries with standard of living lower than that of the other countries of the group. Moldova is ranked first, taking 107 place among all 188 countries around the world. The other countries, albeit with lower standard of living, fall in the group of countries ranked below 100: FYROM - ranked 82, Bosnia and Herzegovina - ranked 81, Albania - ranked 75, Turkey - ranked 71, and Serbia - ranked 66. The other four countries have close ranks and small differences in HDI - Croatia - 45, Montenegro - 48, Romania - 50, and Bulgaria - 56. Two countries have the highest HDI and therefore are ranked among the top 30 countries in terms of standards of living: Greece - ranked 29 and Slovenia - ranked 25. It is

noteworthy that the EU member states stand out with the highest HDI compared to the other SEECP participating countries.

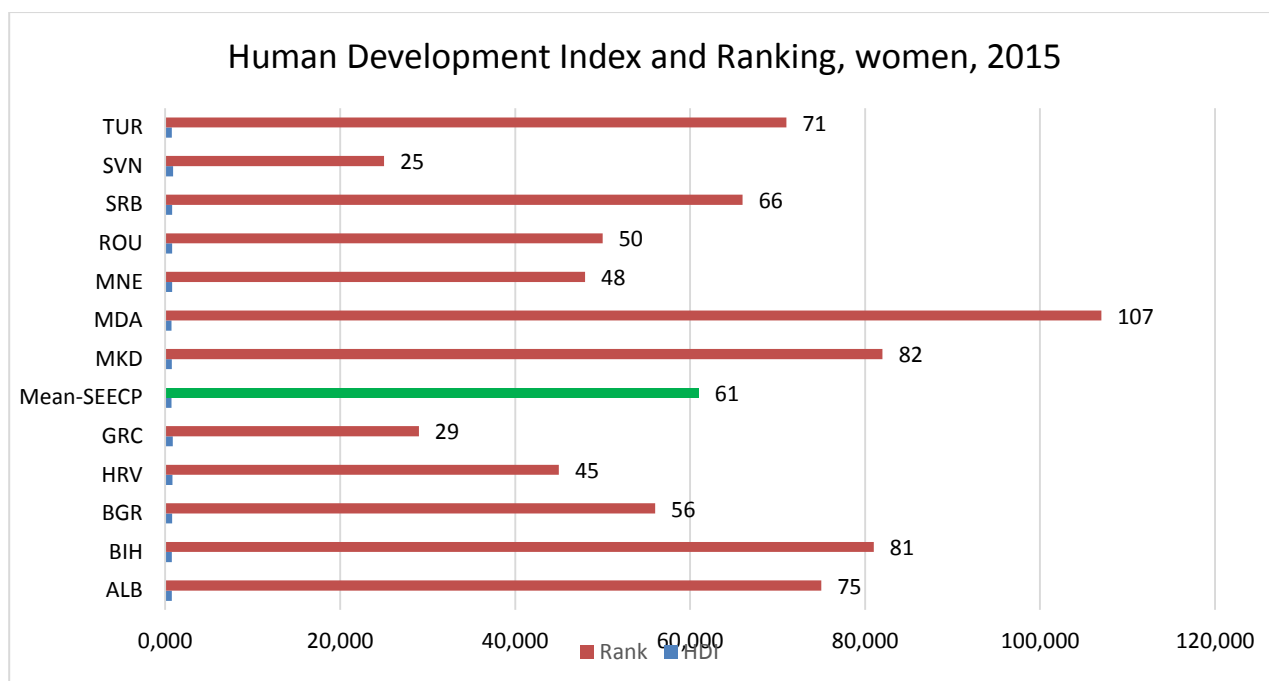


Figure 3.2

Human development index and ranking, women

Source: United Nations Development Programme

HDRO calculations based on data from UNDESA (2015a), UNESCO Institute for Statistics (2016), Barro and Lee (2016), World Bank (2016a), ILO (2016a) and IMF (2016).

* There is no data on Kosovo.

Human development index for women and the place on which the relevant country is ranked do not differ from the total HDI (Figure 3.2). The countries maintain their ranks which shows that the indicators calculated only for women as part of the population in the country concerned do not change the total HDI calculated for the entire population.

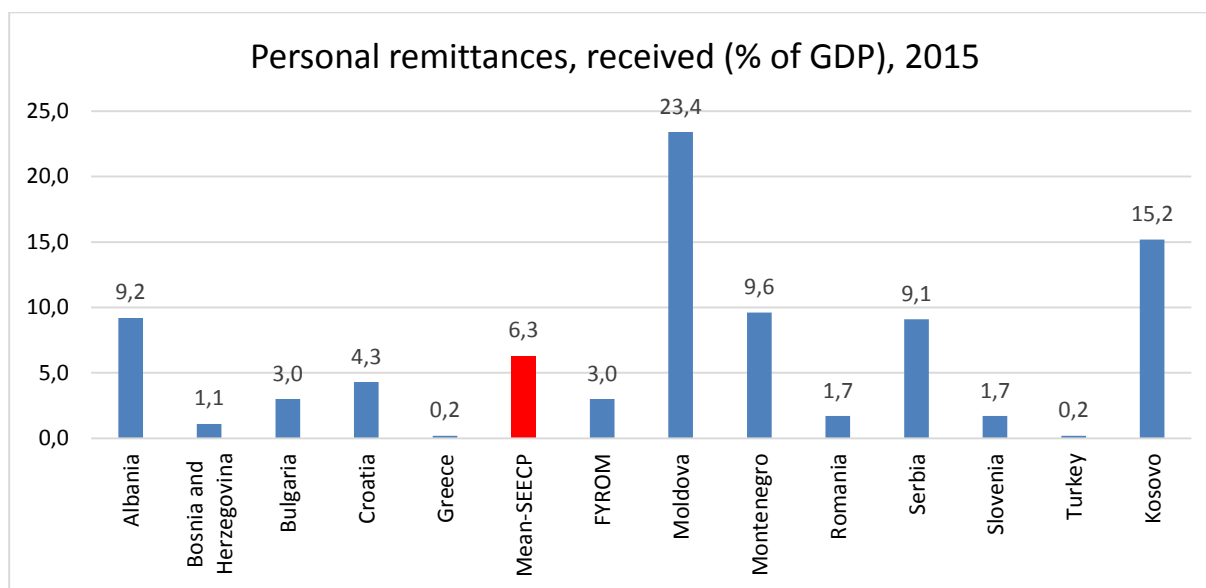


Figure 3.3

Personal remittances, received as a percentage of GDP, 2015

Source: World Bank

<http://data.worldbank.org/indicator/BX.TRF.PWKR.DT.GD.ZS?>

The cash transferred by emigrants as a percentage of GDP is an important indicator of the country's economy and well-being of individual families. As pointed out in Chapter One, there are intensive emigration processes in these countries, mainly stemming from the high unemployment, especially from youth unemployment, and from limited economic resources in the families. The largest proportion of personal remittances is reported in Moldova - 23.4% and Kosovo - 15.2% where large number of people live outside the country. Emigrants' contributions are driving factor for development of the economy and family consumption in these countries. Albania, Montenegro and Serbia fall into the second group of countries where emigrants' contributions also account for a high rate of GDP - 9.2%, 9.6% and 9.1%, respectively. The next group includes countries where emigrants' contributions are from 1 % to 4% - Bosnia and Herzegovina - 1.1%, Bulgaria - 3.0%, Croatia - 4.3%, FYROM - 3.0%, Romania - 1, 7%, and Slovenia - 1.7%. The lowest percentage of cash coming from emigrants is reported in Greece - 0.2% and Turkey - 0.2%. These are also the countries with the smallest number of emigrants.

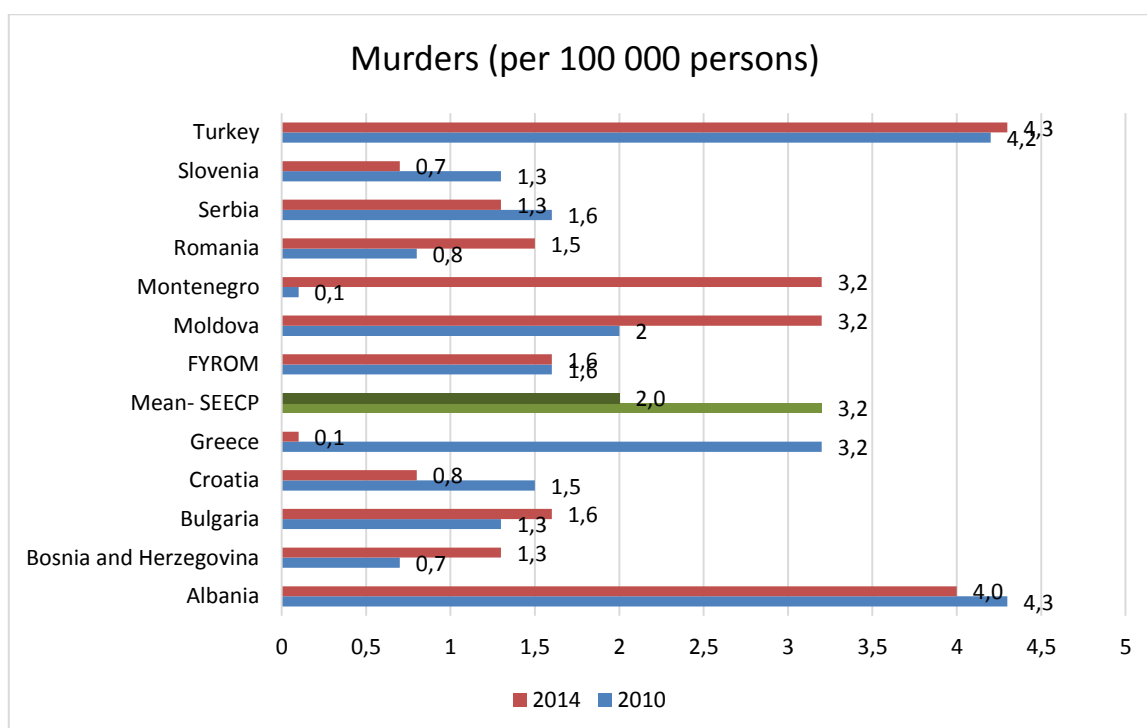


Figure 3.4

Crime levels - number of murders per 100 000 persons

Source: United Nations Office on Drugs and Crime.

UNODC (2016). UNODC Statistics.

<https://data.unodc.org/>

* There is no data on Kosovo.

Murders per 100,000 persons is an indicator showing the level of criminality in the country. In 2010-2014, all SEECP participating countries show a trend toward reduction of the murders, with the exception of two countries where murders are increased. These are Turkey where the level of murders has increased to a minimum - 4.2 per 100,000 persons (2010) and 4.4 per 100,000 persons (2014) and Montenegro where there is higher increase in the murders - 2.4 per 100,000 persons (2010) and 3.2 per 100,000 persons (2014). The reduction of murders is most drastic in Moldova - double reduction from 6.6 per 100,000 persons (2010) to 3.2 per 100,000 persons (2014). There is also strong reduction in the number of murders in Greece - from 1.6 per 100,000 persons (2010) to 0.1 per 100,000 persons (2014) and in Croatia - from 1.4 per 100,000 persons (2010) to 0.8 per 100,000 persons (2014). The countries with the lowest indicators of this serious offence are Greece - 0.1, Slovenia - 0.7, and Croatia - 0.8. The indicator in Bosnia and Herzegovina - 1.3, Bulgaria - 1.6, FYROM - 1.6, Romania - 1.5, and

Serbia - 1.3 is within the range 1.0 - 1.6. The highest level of murders is reported in Turkey - 4.3, Montenegro - 3.2, Moldova - 3.2 and Albania - 4.0.

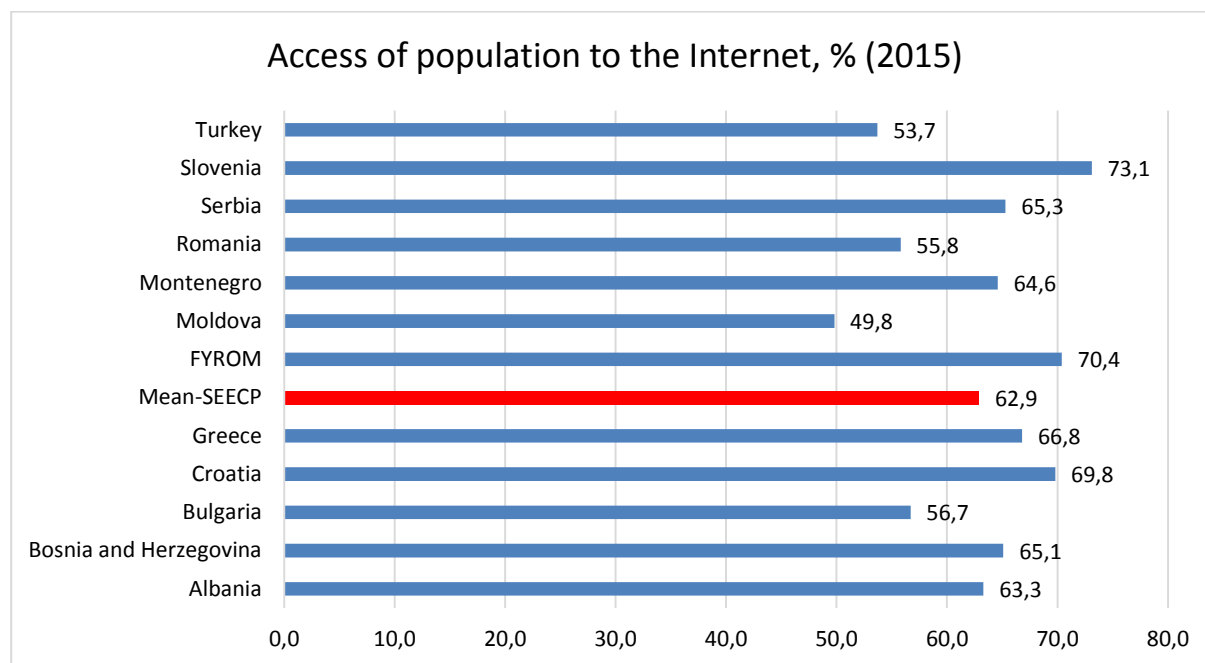


Figure 3.5

Access of population to the Internet (% from total population), 2015

Source: United Nations Development Programme.

ITU (2016). *ICT Facts and Figures 2016*. www.itu.int/en/ITU-D/Statistics/Pages/stat/

Accessed 2 August 2016.

** There is no data on Kosovo.*

Internet access is an indicator of the level of development of online technologies and communications. More than half of the population in all SEEC participating countries has access to the Internet. The two countries with the highest access of the population to the Internet are Slovenia - 73.1% and FYROM - 70.4%. The following countries provide over 60 % access of the population to the Internet: Serbia - 65.3%, Montenegro - 64.6%, Greece - 66.8%, Croatia - 69.8%, Bosnia and Herzegovina - 65.1% and Albania - 63.3%. In three countries, over half of the population has access to the Internet - Bulgaria - 56.7%, Romania - 55.8% and Turkey - 53.7%. The lowest usability of the Internet is reported in Moldova - 49.8%. The future belongs to the technologies, and therefore the development of online

communications and technologies in the countries with poor distribution among the population is a guideline for development of communications in the coming years.

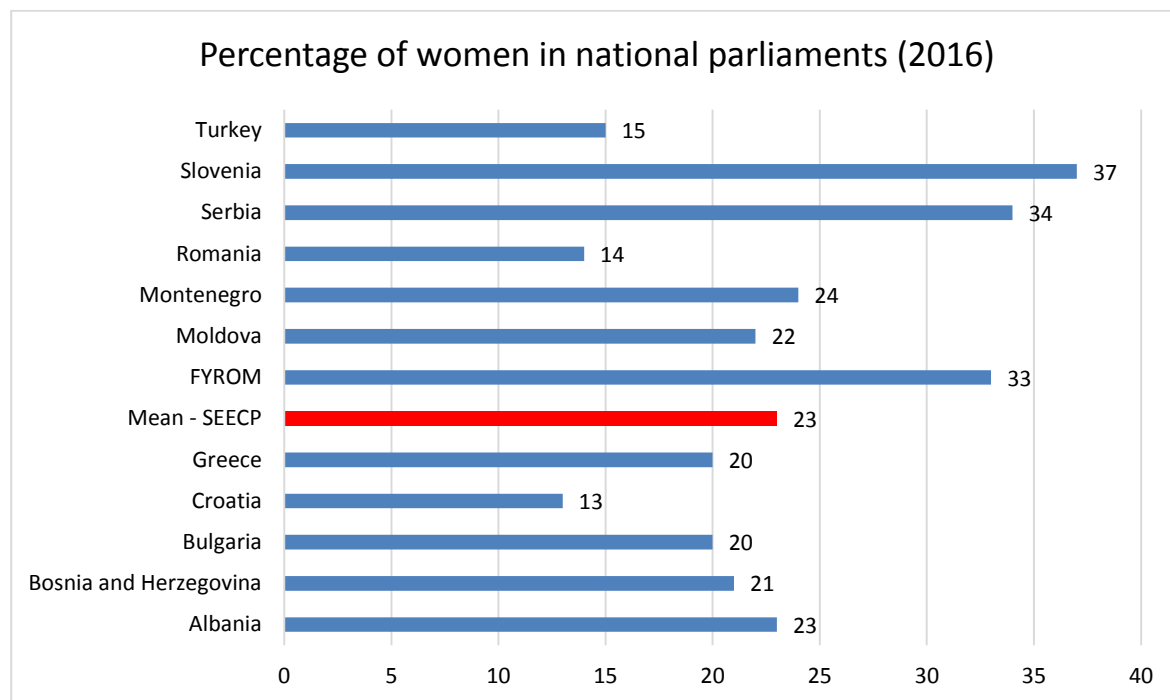


Figure 3.6

Percentage of women in national parliaments, 2016

Source: World Bank

<http://data.worldbank.org/indicator/BX.TRF.PWKR.DT.GD.ZS?>

* There is no data on Kosovo.

Percentage of women in national parliaments is an indicator of women's opportunities in the society, gender equality and the degree to address gender stereotypes. Five countries have higher figures - Slovenia - 37%, Serbia - 34%, FYROM - 33%, Montenegro - 24% and Albania - 23% at an average of 23% for the SEECP participating countries. Slovenia stands out as the country where more than one third of the parliament members are women, thus approximating the country indicator values to those of the developed western countries. In the other 7 countries, a quarter of parliament members are women. Four countries have similar indicators - Moldova - 22%, Bosnia and Herzegovina - 21%, Bulgaria - 20% and Greece - 20%. The countries with the smallest number of women in parliament are Turkey - 15%, Romania - 14% and Croatia - 13%. In general, women's participation in the SEECP participating countries' legislature is far from women representativeness in most EU countries which is a prospect of developing policies against gender-based discrimination and gender equality.

3.2 Social Protection of the Population in SEECP Participating Countries

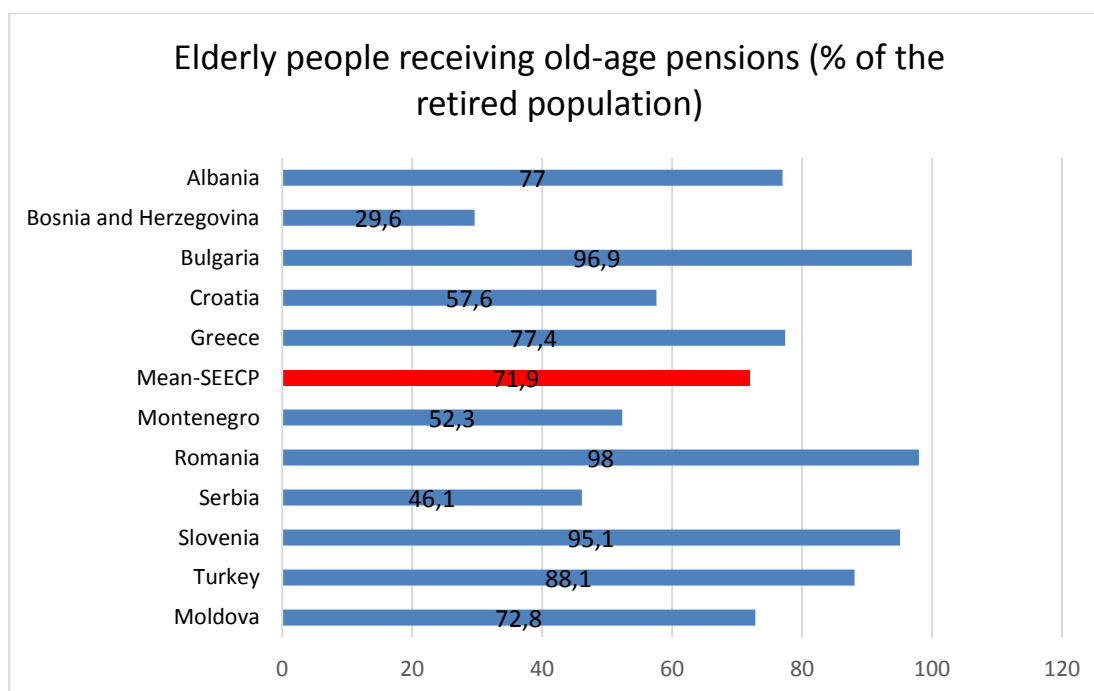


Figure 3.7

Elderly people receiving old-age pensions (% from retired population), 2015

Source: International Labour Organisation.

ILO (2016c). *World Social Protection Report 2014-15*. <http://www.social-protection.org/gimi/gess/ShowTheme.do?tid=3985>

There is no data on FYROM and Kosovo.

The pension protection of elderly people who have reached retirement age is part of the overall social protection of the population. The increased proportion of elderly people and pensioners in the SEECP participating countries due to the trend toward population aging requires serious investment to ensure a decent life for the elderly people in these countries. In 7 countries, pension protection is provided for the vast majority of the elderly population - these are the countries where those receiving pensions are over 71.9% above the average. The highest percentage of elderly people receiving pensions is reported in Romania - 98% and Bulgaria - 96.9%. The relative share of elderly people receiving pensions is also high in Slovenia - 95.1%, Turkey - 88.1%, Greece - 77.4%, Albania - 77% and Moldova - 72.8%. In the other countries which indicator values are below the average for this region, around and slightly below half of the pensioners receive pensions. For example, in Croatia, this rate is 57.6%, in Montenegro - 52.3%, and in Serbia - 46.1%. The lowest level of social protection of elderly people is

observed in Bosnia and Herzegovina where only 29.6% of elderly people in retirement age receive pensions. The countries where less than half of the elderly people receive social protection in the form of pensions are basis to pose the problem of formulating policies aimed at ensuring a decent life for the elderly people.

Looking ahead, public spending on health in the SEECP countries is expected to increase. From this perspective, the creation of opportunities for a healthier lifestyle can contribute to reducing the future costs. The investments in prevention and health technologies will allow the population to remain healthy and productive for a longer period of time. Effective technology management will be a key factor to reduce the future costs, and therefore it appears to be one of the possible areas of cooperation between the SEECP participating countries.

3.3 Vulnerable Employment

Vulnerable employment is defined as the sum of the employment status of family workers and self-employed workers. In principle, family workers are also self-employed. This indicator is important for the social protection of workers in case of any risk of losing their job, unemployment, sickness, or other risk.

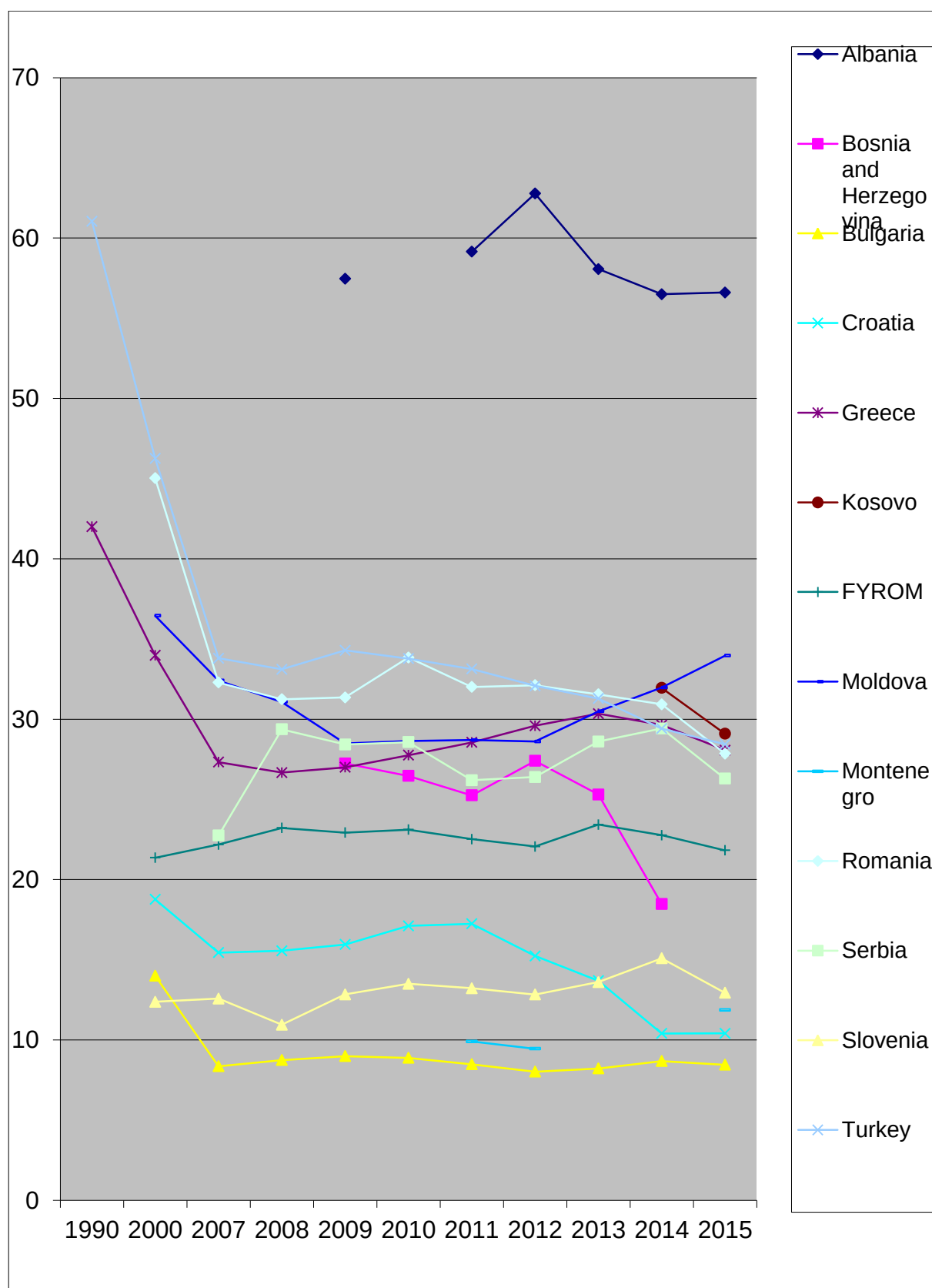


Figure 3.8

Vulnerable employment (% of total employment) in the SEECP participating countries

Source: World Bank

World Development Indicators. <http://data.worldbank.org/products/wdi>

The highest percentage of employees in the so-called vulnerable employment is reported in Albania - 56.6% (2015), i. e., almost every second employee is at risk of lack or insufficient insurance. In the next group of countries, about one third of the employed persons are included in vulnerable employment. These are: Turkey - 28.4% (2015), Serbia - 26.3% (2015), Romania - 27.8% (2015), Moldova - 33.9% (2015), Kosovo - 29.1% (2015), and Greece - 28.1% (2015). The smallest percentage of vulnerable employees is reported in Bosnia and Herzegovina - 18.4% (2014), Slovenia - 12.9% (2015), Montenegro - 11.9% (2015), Croatia - 10.4% (2015) and Bulgaria - 8.4% (2015). In these countries, the percentage of workers with low protection is the lowest from social security point of view. In general, the trend toward preservation of the percentage of workers with low social protection remains stable which is a serious problem for large part of the working population and for the labour market structure in terms of the social protection of jobs. In recent years, a trend toward reducing the rate of family and self-employed workers has been observed only in Romania, Montenegro and Bosnia and Herzegovina.

3.4. Conclusions

Human Development Index, being a comprehensive indicator of quality of life, shows that the SEECP participating countries are heterogeneous. Two EU member-states are among the top 30 countries ranked with the highest standard of living - Slovenia (25) and Greece (29). The next group of countries are those ranked between 40 and 60 position, and includes four EU member-states - Croatia (45), Montenegro (48), Romania (50) and Bulgaria (56).

The next group of countries are ranked between 66 and 82 position - these are Serbia (66), Turkey (71), Albania (75), Bosnia and Herzegovina (81) and FYROM (82). Moldova has the lowest standard of living (107).

As regards the public spending on education, despite the decreasing number of children over the coming decades in most of the SEECP participating countries, to achieve significant improvement in the quality of education further spending on education will probably be needed. Investments in human capital of the which consists of young and elderly people and where knowledge and skills will be transmitted between generations will be vital for the future productivity growth.

In terms of criminality measured as the number of murders per 100,000 persons, the highest level is reported in Turkey (4.3) and Albania (4.0). Montenegro (3.2) and Moldova (3.2) report similar values, as in the latter significant drop in crime has been observed in recent years.

The intensive emigration of part of the population is a major feature of the demographic processes in the SEECP participating countries and therefore the emigrants' money transfers to their home countries have a large share in GDP. The emigrants' contributions are an important source of investment and consumption of the families in their home countries. The highest percentage of contributions is reported by Moldova (23.4%), followed by Kosovo (15.2%), Montenegro (9.6%), Albania (9.2%) and Serbia (9.1%).

Internet technologies are developed in the SEECP participating countries - more than half of the population has access to the Internet. The two countries with the highest access of the population to the Internet are Slovenia - 73.1% and FYROM - 70.4%. The lowest usability of the Internet is reported in Moldova - 49.8%.

In terms of the gender equality measured as a percentage of women in national parliaments, this proportion is over one third and is close to the values in the developed Western countries only in three countries - these are Slovenia - 37%, Serbia - 34%, and FYROM - 33%.

As regards the social protection of the population in the SEECP countries, we have presented two indicators. The first indicator is percentage of elderly people receiving pensions. This is an important indicator, since the SEECP countries show a trend toward population aging which requires serious investment to ensure a decent life for the elderly people. In seven of the SEECP participating countries over three quarters of elderly people receive pensions - Romania - 98%, Bulgaria - 96.9%, Slovenia - 95.1%, Turkey - 88.1%, Greece - 77.4%, Albania - 77% and Moldova - 72.8%. Lowest social protection of elderly people is observed in Bosnia and Herzegovina where only 29.6% of them receive pensions.

The second indicator refers to the share of family workers and self-employed as a proportion of total employed persons (vulnerable employment). The highest rate of employees in the so-called vulnerable employment is found in Albania - 56.6% (2015) where every second employee is at risk of lack or insufficient insurance. In six countries, about one third of the employed persons can be treated as subject to vulnerable employment. These are: Turkey - 28.4 %, Serbia - 26.3 %, Romania - 27.8 %, Moldova - 33.9 %, Kosovo - 29.1 %, and Greece - 28.1 %. The stable trend toward preservation of the percentage of workers with low social protection

is a serious problem for large part of the working population and for the labour market structure in terms of the social protection of jobs in the SEECP participating countries.

3.5. Challenges and Policies to Address Negative Demographic Consequences

Based on the analyses in the preceding chapters, the challenges to the demographic and socio-economic development of the SEECP participating countries and the related policies to address negative demographic consequences can be highlighted. The first challenge refers to the quantitative reduction of the **and deterioration of its quality** as a result of low birth rates, aging of the population, and educational problems in the majority of the countries covered by the research. In this respect, the investments in education and quality of human capital are a priority. These investments are aimed at provision of better education, healthcare, care for families and children, decent work and quality employment (including new jobs, flexibility, job security), good working conditions and opportunities for employment, self-employment, qualification of , activation of the inactive persons, and promotion of employment among vulnerable groups on the labour market.

Moreover, a major challenge to the SEECP participating countries is the **uneven distribution of by regions, overpopulation (urbanisation) and depopulation of certain regions / localities**. In this respect, the common priorities in the policies of these countries should be focused on the equitable development of the regions. Similarly, the investments in industry, agriculture, transport infrastructure, trade, etc. are essential to achieve equitable regional development in the individual countries. Implementing an innovative approach to develop regions experiencing growth, in particular, to stimulate pilot areas for rapid and sustainable growth and to improve the employment conditions and quality of life in different regions is another key policy guideline aimed at mitigating the intra-regional disparities among the countries.

The internal and external migration related to intra-regional disparities in and between the SEECP participating countries in terms of the living conditions, income levels, employment, education opportunities and quality of life are another key challenge. With regard to this challenge, the areas of cooperation between the countries covered by this research concern the regulation of migratory flows **through improvements in the national and international legal frameworks regarding external migration and through creation of conditions for movement of** with a view to ensuring better quality employment within and outside the SEECP participating countries.

The demographic analysis outlines that the **aging of the population** is a major challenge to almost all countries covered by this research. The increased share of elderly people requires implementation of **active aging policies** in which development the SEECP participating countries could cooperate. These policies include **promoting pre-retirement and retirement employment, developing silver economy, promoting lifelong learning, improving the health and social care for elderly people, strengthening solidarity between and within generations and developing volunteering.**

Youth unemployment, low levels of youth employment and poor working conditions are another major challenge to the SEECP participating countries which is outlined in the analysis. To address this challenge, **policies that appear to be subject to cooperation are aimed at creating conditions for quality youth employment and better income, living standards and modern working conditions. Promoting policies aimed at reconciling family life and work, maternity support, improving the access and quality of care in nurseries and kindergartens and developing childcare services** are essential to improve the well-being of young people and their families.

Another major challenge to the SEECP participating countries which the analysis highlights is the need to **improve the access and quality of healthcare and education services.** In terms of the healthcare, the policies in which development the countries can cooperate and exchange experience and good practices are focused on **health prevention, introduction of modern health technologies, allocation of more financial resources to healthcare, care for elderly people, children, adolescents and mothers, development of long-term care (combining health and social services), and provision of equal access to healthcare.** In terms of the education policies, the common objectives and areas of cooperation and exchange of experience between the SEECP participating countries concern **coverage of all children by the education system, prevention of early school leaving, especially among children from vulnerable groups, improvement of the education services quality, provision of equal access to education, introduction of dual training system, improvement of the opportunities to acquire professional skills in the educational system, improvement of higher education quality, etc.**

The analysis highlights that another key challenge to the SEECP participating countries is **to improve the sustainability of social security and protection systems.** In the context of the population aging in the countries covered by the research and low levels of social protection in some of them, the areas of cooperation are determined based on the need to

implement reforms in the pension system and in the area of social security payments and social protection mechanisms, to ensure financial sustainability of the systems and fair distribution of funds, to apply flexible forms of retirement, etc.

Chapter Four

PRIORITIES AND PERSPECTIVES FOR COLLABORATION AND STRENGTHENING THE COOPERATION BETWEEN SEECP PARTICIPATING COUNTRIES TO ADDRESS DEMOGRAPHIC CHALLENGES

4.1 Need to Develop General Guidelines for Managing Demographic Changes and Addressing Demographic Challenges

At present, the demographic processes in the SEECP participating countries are diverse. Regardless of that, in 2060, trend toward birth rate decrease, population aging and emigration is expected to occur in all countries. This identity in the development of demographic processes establishes the framework for developing common mechanisms to manage demographic changes in South East Europe, labour migration and mobility in the region, and youth unemployment, and for promoting active life of elderly people, solidarity between the generations and transnational cooperation in the region, the ultimate goal of which is to address common demographic challenges. These demographic challenges affect many areas of economic and social life and have important consequences for the public finances and smooth operation of the social systems, including of the labour market, social security, healthcare, and education systems.

The dynamics of demographic processes affects all areas of public life. As noted in the Joint Declaration on Addressing Demographic Challenges in the Countries participating in the South East European Cooperation Process: "Addressing demographic challenges means providing better environment for birth, raising and educating children, achieving better material well-being indicators, standard of living and quality of life, achieving higher productivity, overcoming inequalities, implementing reasonable and adequate migration policy and fully using the potential for social and economic participation of all groups in societies" (p.2).

Specific feature of the demographic policy of SEECP participating countries is the need to aim it at both the quantitative parameters of population reproduction, and to the achievement of high quality of human capital, including people with their health status, education, qualification, abilities and skills.

Key prerequisite for development of such fully-fledged demographic policy is the application of principle of equal opportunities for all, thus establishing the framework and

rules on balance in the population composition and structure and in the development of human resources. In this sense, equal opportunities for all are basic principle of human resource development, and mainly of human and social capital.

Seeking manners to tackle demographic challenges in the SEECP participating countries is based on the idea to improve the standard of living of citizens in these countries and to facilitate the process of integration with the European Union. The South East Europe 2020 Strategy ² outlines a new model of development for the countries of the region based on the following five main points: integrated growth, smart growth, sustainable growth, inclusive growth and growth management. These main points promote accelerated socio-economic development by achieving sustainable growth and inclusive growth for all SEECP participating countries, competitive market economy with high levels of quality employment, social cohesion and solidarity between the generations. Demographic challenges can be overcome through the efforts of each country and through regional cooperation between the countries to implement these principles. This perspective entails the need for cooperation in development of common approaches to manage demographic policy aimed at both mechanical change in the key demographic indicators and at implementation and development of integrated policy to mobilise and make full use of the available human resources' capabilities and targeted investment in improving the quality of human capital in each country and the participating countries as a whole.

Common guidelines for managing demographic changes in the SEECP participating countries can only be developed through regional cooperation and coordination of all stakeholders - state institutions at national and local level, social partners, scientific and research organisations, and civil society organisations. By conducting a dialogue on common issues related to demographic changes and their consequences, and exchange of ideas and good practices, SEECP participating countries can seek joint solutions to effectively regulate migratory flows, to increase human resource quality, to create more socially protected and high-skilled jobs, to ensure equal access to the labour market and to overcome inequalities, to develop social services and care, to reconcile professional and personal life and to transfer knowledge and skills between generations.

² The regional working definition of South East Europe includes the following countries: Albania, Bosnia and Herzegovina, Kosovo, Montenegro, Serbia and FYROM (Strategy ... p.8)

4.2 Priorities for Cooperation in the Area of Demography and Guidelines for Joint Actions

Based on the analysis of demographic processes and trends in the SEECP participating countries, the following **priorities** for reducing the current and future negative effects of the specific ongoing demographic processes can be outlined:

- Extending working life;
- Improving equal participation of young people, women and elderly workers on the labour market;
- Avoiding conflict between women maternity and their employment outcomes by creating opportunities for reconciling family and professional life;
- Making reforms in tax and unemployment benefit systems to make work more attractive based on the flexicurity principle;
- Making reforms in pension systems;
- Increasing the efficiency of healthcare systems and long-term care systems;
- Making additional investment in education and research;
- Improving childcare systems;
- Effective integration of migrants and their generations and future development of properly managed policy on legal immigration to meet labour market needs;
- Providing support in terms of the social contacts of elderly people and their participation in employment and voluntary initiatives.

Based on the analysis of ongoing demographic processes and trends in the region, the following **thematic areas of cooperation** between the SEECP participating countries can be outlined:

- **Improving the quality of human capital and** by creating more favourable economic environment based on high competitiveness, intensification of trade, job-rich growth, promotion of innovation and knowledge-based economy appears to be a major area of cooperation to address the common demographic challenges which the SEECP participating countries face. The main objectives to reach the economic growth of the European Union countries, and to ensure competitiveness and sustainable growth in the region are outlined in the South East Europe 2020 Strategy which focuses on encouragement of internationalisation of small and medium-sized companies, development of regional chains through sector specification, synchronisation of tax

policies, etc. Human resources and their quantity and quality are the main driving forces of the economic prosperity in the SEECP participating countries. Low levels of economic activity, especially among young people and women, high unemployment among young people, high employment in the informal sector, and reduction of the as a result of the population aging in the countries of the region are key issues which can be solved by the countries by combining their efforts to find more effective policies on people's employment outcomes and to focus on specific groups such as young people, women, and people from vulnerable groups. Points of cooperation are the exchange of experience and good practices in the labour market legislation and policies to remove labour market restrictions, provision of flexible and protected jobs, development of employment and self-employment programmes focusing on vulnerable groups, development of programmes for vocational guidance, counselling and additional professional qualifications, seeking funds to reduce the informal employment, and creation of opportunities and programmes for social economy development. Guideline for joint actions concern the exchange of information and employment data through existing database platforms within the public employment services, and creation of data platforms for well-functioning practices and programmes to promote employment and to reduce unemployment.

- Guideline for joining SEECP participating countries' efforts is the development of broad guidelines of effective **policies on women's full-time employment and motherhood based** on the understanding that the labour status and economic conditions are the most important factors in making a childbirth decision among young people. Although the women's activity rates in the SEECP participating countries are different, there are countries where they are low and it is found that combining maternity with professional development of women is not fully realised due to lack of relevant attitudes. The working single and divorced mothers, and mothers of children with disabilities are in particularly difficult circumstances due to their extremely limited mobility and limited opportunities for flexible employment. Women are also far less represented in national parliaments than women in the EU legislature. Development of broad guidelines of gender equality policies and overcoming gender discriminatory attitudes through legislative changes, civic education and appropriate media policy are a potential area of cooperation.

- Extremely important area of cooperation for achieving smart growth and transition from economy based on low-productivity work to knowledge-based economy is related to the **education policies**. Exchange of experience and good practices to address the drop-out of children from education, provision of equal access to and improvement of the quality of educational services, improvement of vocational training and introduction of dual training system, improvement of the higher education quality, and synchronisation of the educational qualifications and degrees between the countries are points of dialogue and cooperation between the countries in the area of education.
- Another important point of cooperation stems from the tend toward uneven distribution of by regions which is expressed in over-occupation of certain localities, especially the capital, and in depopulation of other territories. Sharing experience in **development of regional policies** and policies on regions experiencing growth by stimulating pilot areas for rapid and sustainable economic growth and improved employment conditions and quality of life and developing and implementing successful models to promote cross-border cooperation and dialogue are promising areas of cooperation between the SEECP participating countries.
- Priority area of cooperation in the demographic policy of SEECP participating countries with a view to ensure inclusive growth is to further develop broad guidelines of policies on **improving the operation of health systems, promoting healthy lifestyles and extending healthy lives**. Reduction of mortality, including premature mortality, especially in male population, and mortality due to external reasons (such as road accidents) and reduction of child mortality and reaching levels similar to the EU average ones is one of the important priorities for cooperation in the development of common policies in this area. Another point of cooperation is to improve mothers' health status and to reduce maternal mortality. It is directly related to the above-mentioned need to improve the social status of women. The prevention of maternal mortality is related to multi-directional activities, the most important of them being to improve the quality and access to healthcare and services for women in childbearing age and pregnant women. For this purpose, attention should be paid to the continuous improvement of the qualifications of specialists working in the maternal health system.
- It is also necessary to join the efforts of the countries in policy-making and exchange of experience in applying effective approaches **on addressing inequalities and**

inadequate access of various groups of the population to health services, ensuring long-term and high-quality healthcare, cross-border synchronisation of the legislation in the area of healthcare, and overcoming the insufficient financing of healthcare and low capacity of the in this area.

- Priority area of cooperation between the SEECP participating countries is to exchange experience and good practices to promote active life of elderly people. The population aging is a trend which will develop in the coming decades in the countries of the region and which requires common efforts to address this challenge. The policies directed at the elderly people concern:
- **Revealing the opportunities and benefits** of the elderly people economic and social participation in society, in particular providing good employment opportunities, active participation in society and a healthy life for people currently aged 60 and over;
- **Promoting** the introduction of age management strategies in different sectors of the economy which will enhance their competitiveness, using the experience and specific qualities of elderly workers;
- **Supporting the silver economy growth** which, by serving the needs of the increasing number of elderly people, creates new opportunities for economic activity and professional development of people of all ages;
- **Strengthening solidarity between the generations** as one of the main factors in strengthening the social cohesion and developing a participatory culture involving women and men of all ages;
- **Creating appropriate framework and conditions for mobilising the potential of elderly people**, developing innovative approaches and providing appropriate training on duty of care for the staff;
- **Developing active aging policies** through specific activities;
- **Increasing the employment rates at pre-retirement and retirement age** through improved working conditions;
- **Investing in lifelong learning** and removing the obstacles to employment, including those related to gender or age discrimination. This should be achieved, where appropriate, in cooperation with the social partners;
- **Encouraging the access of elderly people to information and communication technologies** which will enable them to remain active and to be fully involved in public life;

- **Taking action to ensure synergies between health and social services**, and supporting healthy lifestyle to ensure active and independent life of elderly people and their dignified aging;
- **Encouraging regional and local authorities, social partners and other stakeholders to engage with active aging objectives** and to launch initiatives to achieve these objectives.
- **Promoting volunteering initiatives** and initiatives aimed at establishing relations between the generations, both for women and men, and volunteering activities aimed specifically at elderly people;
- The sound management of migration processes also appears to be a common priority for the SEECP participating countries. The countries' labour migration policy and the free movement of people must be flexible and must create opportunities for intra-regional labour migration, including seasonal one. Building cooperation in the area of internal and external migration concerns the synchronisation of regulatory regimes for free movement of , exchange of information and creation of information data exchange systems, development of strategic approaches to process management, and enhancement of the stakeholder's mutual coordination.
- Another important point of cooperation is the area of **building policies for management of social security and social protection systems**. The presence of large sections of the population outside the pension system and the low social security level are challenges which the SEECP participating countries face and which require from them to cooperate in the area of exchange of experience and good institutional practices to manage these systems.

4.3 Measures for Cooperation between the SEECP Participating Countries to address Demographic Challenges

Specific measures for regional cooperation to address demographic challenges are outlined in the Joint Declaration of the Ministries of Labour and Social Policy of SEECP participating countries adopted at the international conference on addressing demographic challenges in the countries participating in the South East European Cooperation Process held in May 2016 in the city of Sofia.

The negotiated commitments of the SEECP participating countries include supporting measures to develop strategic approach to demographic change management and administrative

capacity building which are needed to address demographic challenges in terms of joint coordination, promoting exchange of experience and good practices, and transfer of knowledge and know-how to meet demographic challenges.

The Joint Declaration outlines key measures for regional cooperation such as: creation of inter-state regional mechanism to monitor migration processes, labour mobility, sustainable development of the regions and cities and reducing inter-regional disparities; development and participation in transnational projects and project activities funded under sustainable initiatives, programmes, funds and other financial instruments of the European Union, UN, UN Population Fund and other structures and organisations; developing cooperation with international agencies in the relevant areas, such as International Labour Organisation and other organisations.

We, being researchers and analysts in the area of demography, pay particular attention to the measures further specified in the Declaration aimed at building transnational network of experts in various areas to exchange experience and knowledge in demographic change management. Opportunities for long-term cooperation of the experts are provided at joint meetings in the form of training seminars and workshops where good practices are shared and knowledge and skills are built on. An example of such a meeting is the modular training programme Demographic Change Management and Development scheduled by the specialised Centre for Human Resource Development and Regional Initiatives of the Republic of Bulgaria at the MLSP with the participation of reputable speakers and practitioners from various countries.

The research on collecting and analysing data on the social and demographic development of the SEECp participating countries confirmed the lack of sufficient, reliable, and time-consistent information on individual indicators, and the lack of information on other important indicators. To overcome these information deficits, database on the state and movement of the population in the region, state and mobility of the in the region, intensity and direction of migratory flows in the region and on other important areas, such as education, healthcare and social protection, needs to be built and maintained. Another emergency measure is aimed at synchronising and improving the statistical demographic and social information in order to track and compare the output data and to develop evidence-based policies to address the demographic challenges in the region.

The need to promote regional cooperation in different areas as a manner to ensure security, prosperity and stability in South East Europe by improving the attractiveness of the

region to other global investors appears to be common priority. Taking into account the SEECP role as a leading political format of regional cooperation in South East Europe and the resulting readiness to adhere to the principles of regional engagement and inclusiveness, the cooperation in the area of demographic policies can become one of the elements of good-neighbourly relations, with a view to achieving continuous and coherent regional cooperation. Such dialogue will make significant contribution to strengthening the European perspective of the region as a whole.

Appendix 1

VOCABULARY

Agglomeration

This is a process during which the relative share of the population living in different localities is changed. It is expressed through the changes which occur in the structure of total population, in particular in the size of the locality where the person lives permanently.

Unemployment

In line with the recommendations of International Labour Organisation and European Union legislation. The definition of unemployment is based on the European Commission Regulation (EC) No 1897/2000: unemployed persons are those aged 15 - 74 who do not work during the monitored period; who actively seek work over a four week period, including during the monitored week, or who have already found work which they expect to start within three months after the end of the monitored period; who have the opportunity to start work within two weeks after the end of the monitored period.

Gross Domestic Product

Gross Domestic Product (GDP) is a method of measuring the quantity of goods and services produced in a given territory for a certain period of time. GDP per capita is the most commonly used indicator to compare the well-being in various countries, and its change - to measure the improvement or deterioration of the economy.

GDP can be measured in nominal and real terms,

	with real GDP taking into account the inflation rates.
Gender	A concept which refers to the perceptions of social differences between women and men which vary over time and vary widely in and between the various cultures (social differences between women and men).
Gender mainstreaming	Taking into account the aspects of equality between women and men in every policy area and in public life.
Natural increase	This is the difference between number of born and dead people.
Morbidity	It is calculated by dividing the number of new cases of a given disease over certain period of time by the number of people among whom these cases occurred.
Human Development Index	United Nations indicator for evaluation of social and economic development of the countries. Development is measured in three main areas: life expectancy at birth, average number of years in school and expected years at school, and gross domestic product per capita. HDI allows to monitor the changes in the development of the countries and to compare the development in the different countries.
Ginny coefficient	Gini coefficient is among the main indicators for measuring income inequality. The coefficient measures the extent to which redistribution of income or consumption expenditure in the economy deviates from the perfect (equal) distribution. The coefficient value ranges from 0 to 1 (100%). If the coefficient is equal to 1 (100%), this means that a person receives 100%

	of the income (maximum inequality). If the coefficient is equal to 0, this means that everyone in the economy receives equal income (perfect equality).
Crude birth rate	It indicates the number of live births per 1,000 people of the population. Crude birth rate is calculated by dividing the number of live births during the year by the average annual population in the same year.
Age specific fertility rate	It indicates the number of live births per 1,000 women in childbearing age (15-49). Age specific fertility rate is calculated by dividing the number of live births during the year by the average annual number of women in childbearing age (15-49) in the same year.
Total fertility rate	The sum of the age specific fertility rates during the respective year. It indicates the average number of children who would have been born by a woman throughout her periparturient period according to the fertility rate during the reporting year.
Crude death rate	It indicates the number of dead children per 1,000 people of the population. Mortality rate is calculated by dividing the number of deaths during the year by the average annual population in the same year.
Infant mortality rate	It indicates the number of dead children up to the age of 1 per 1,000 live births. It is calculated by dividing the number of dead children up to the age of 1 by the number of live births in the same year.
Life expectancy at birth	It characterises the average life expectancy of newborns in case that mortality rate remains the

	same as it is at present. Basic line of the mortality rate table.
Healthy life expectancy at birth	Number of years of full health which a life-born child may be expected to live, taking into account the current mortality and poor health ratios.
Old-age dependency ratio	It shows the number of people in "dependent ages" (0-14 and 65+) per 100 persons of the population in the "independent ages" (15-64).
Maternal mortality	Indicator of female mortality during pregnancy, delivery and 42 days after pregnancy. The indicator is calculated per 100,000 live births.
Government expenditure on health, (% of GDP)	Healthcare expenditure as a percentage of GDP obtained from public funds - state, regional and municipal funds.
Government expenditure on education, (% of GDP)	Public expenditure on education - government expenditure allocated to education as a percentage of GDP. Government expenditure includes also international government transfers related to education.
Labour force	The current economically active population which includes persons above 15 years of age who are employed in the economy (who work) or who are unemployed (who offer work). The labour force is used in the calculation of activity and unemployment rates.
Gender equality	The term means provision of opportunity for all people, regardless of their gender, to have equal rights to develop.
Synergism	Single action
Adult mortality	An indicator showing the likelihood of dying of the persons aged 15 before they reach the age of 60. It is calculated per 1,000 people and is based

	on a synthetic cohort: the mortality tables are applied to the current cohort of 15-year old people assuming that there are no changes in the mortality rate.
Social cohesion	Social cohesion, cohesion, unity, interdependence.
Urbanisation	Growth (concentration) of population in the cities. It measures the relation between the number of urban population and total population.
Vulnerable employment	This indicator shows the level of social protection of workers in case of any risk of losing their job, unemployment, sickness, or other risk. Vulnerable employment is defined as the sum of the employment status of family workers and self-employed workers.
Adolescence fertility	Indicator measuring the number of born children per 1,000 women aged 15-19. The indicator shows the level of health culture, in particular the sexual culture and education of young people, social standards, including standards relating to gender relations, gender equality, family values and stereotypes.

Appendix 2

BASIC MONITORING INDICATORS OF 2006 - 2020 NATIONAL DEMOGRAPHIC DEVELOPMENT STRATEGY

1. Education indicators

- Relative share of illiterate persons (%);
- Relative share of pupils reaching 5th grade (%);
- Gross enrolment rate in secondary education (%);
- Relative share of secondary education graduates aged 19-24 (%);
- Relative share of dropouts - primary, secondary school (%);
- Relative share of persons with higher education (%).

2. Health status indicators

- Relative share of births in the presence of qualified medical staff;
- Number of abortions per 1,000 live births;
- Annual number of dead children under the age of 5;
- Maternal mortality;
- Healthy life expectancy at birth;
- Number of persons admitted to inpatient facilities of hospitals per 100 people;
- Incidence of tuberculosis - newly discovered diseases per 100,000 people;
- Number of people living with HIV / AIDS.

3. Indicators of urbanisation and agglomeration

- Population density;
- Relative share of urban population per 1,000 people;
- Communications;
- Access to basic services.

4. Demographic indicators

- Rate of natural increase per 1,000 people;

- Crude birth rate per 1,000 people;
- Total fertility rate - number of children;
- Total mortality rate per 1,000 people;
- Child mortality rate per 1,000 livebirths;
- Maternal mortality;
- Life expectancy at birth - in years (male / female population);
- Number of abortions per 1,000 live births;
- Net number of migrants (immigrants - emigrants);
- Old age dependency ratio (%).

Appendix 3

TABLES

1. Key demographic indicators for the SEECP Participating Countries

Table 1

Total population of the SEECP participating countries 2007 - 2016

Country	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bulgaria	7572673	7518002	7467119	7421766	7369431	7327224	7284552	7245677	7202198	7153784
Greece	11036008	11060937	11094745	11119289	11123392	11086406	11003615	10926807	10858018	10783748
Croatia	4313530	4311967	4309796	4302847	4289857	4275984	4262140	4246809	4225316	4190669
Romania	21130503	20635460	20440290	20294683	20199059	20095996	20020074	19947311	19870647	19760314
Slovenia	2010377	2010269	2032362	2046976	2050189	2055496	2058821	2061085	2062874	2064188
Montenegro	614624	615543	617157	619001	619850	620308	620893	621521	622099	622218
FYROM	2041941	2045177	2048619	2052722	2057284	2059794	2062294	2065769	2069172	2071278
Albania	3152625	3170050	3184701	2902000	2831741	2881000	2898782	2895947	2892302	2886026
Serbia	7397651	7365507	7334937	7306677	7251549	7216649	7181505	7146759	7114393	7076372
Bosnia and Herzegovina	3844017	3843846	3843998	3844046	3843183	3839265	3835645	3830911	3810000	3802000
Kosovo	2126708	2153139	2180686	2208107	1794180	1798645	1815605	1820631	1804944	1771604
Moldova	3581110	3572703	3567512	3563695	3560430	3559541	3559497	3557634	3555159	3553056
Turkey	69729967	70586256	71517100	72561312	73722988	74724269	75627384	76667864	77695904	78741053
TOTAL	138551734	138888856	139639022	140243121	140713133	141540577	142230807	143034725	143783026	144476310

Table 2

Main age groups of the population of the SEECP participating countries in the period 2007 - 2016 (excluding Kosovo)

Year	Age group		
	0-14	15-64	65 +
2007	30428	92588	15331
2008	30302	93087	15454
2009	30216	93600	15602
2010	30156	94158	15805
2011	30201	94756	16055
2012	30264	95397	16349
2013	30333	96062	16682

2014	30380	96631	17059
(2015)	30370	97089	17463
(2016)	30276	97411	17903

Table 3

Total fertility rate for the SEECP participating countries in the period 2000-2015

Country	Period			
	2000 - 2005	2005 - 2010	2010 - 2015	2015 - 2020
Albania	1.95	1.60	1.78	1.78
Bosnia and Herzegovina	1.22	1.28	1.28	1.23
Bulgaria	1.24	1.50	1.52	1.60
Greece	1.28	1.46	1.34	1.30
Kosovo	2.58	2.35	2.21	2.12
FYROM	1.64	1.46	1.51	1.55
Moldova	1.24	1.27	1.27	1.23
Romania	1.32	1.45	1.48	1.53
Slovenia	1.21	1.38	1.58	1.65
Serbia	1.71	1.56	1.56	1.59
Turkey	2.35	2.18	2.10	2.01
Croatia	1.41	1.52	1.52	1.48
Montenegro	1.85	1.82	1.71	1.65

Table 4

Population replacement rate (rate between the population aged 15-19 and population aged 60-64) in the SEECP participating countries in the period 2007 - 2016 (excluding Kosovo)

Country	Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Turkey	3.06	2.96	2.86	2.75	2.66	2.57	2.48	2.40	2.32	2.25
Bulgaria	0.99	0.89	0.81	0.75	0.70	0.67	0.64	0.62	0.61	0.60
Moldova	2.65	2.52	2.31	2.06	1.81	1.51	1.25	1.04	0.91	0.83
Romania	1.51	1.31	1.15	1.03	0.95	0.89	0.85	0.82	0.80	0.78

Albania	2.52	2.43	2.32	2.23	2.10	1.98	1.86	1.74	1.61	1.49
Bosnia and Herzegovina	1.75	1.55	1.39	1.28	1.19	1.13	1.08	1.04	0.99	0.94
Croatia	1.18	1.06	0.96	0.89	0.86	0.85	0.84	0.84	0.82	0.79
Greece	1.09	1.02	0.96	0.93	0.90	0.89	0.88	0.88	0.86	0.85
Montenegro	1.73	1.67	1.55	1.45	1.33	1.23	1.16	1.08	1.02	1.00
Serbia	1.40	1.25	1.12	1.02	0.95	0.90	0.86	0.83	0.82	0.82
Slovenia	1.09	1.06	0.99	0.92	0.85	0.79	0.73	0.68	0.65	0.63
FYROM	1.81	1.76	1.68	1.59	1.46	1.34	1.22	1.11	1.04	1.00

Table 5

Mean age of the population of the SEECP participating countries in the period 2005-2020

Country	Year			
	(2005)	(2010)	(2015)	(2020)
Turkey	2005	2010	2015	2020
Bulgaria	26.4	28.2	29.8	31.6
Moldova	41.1	42.4	43.5	44.7
Romania	32.4	34.2	35.6	37.6
Albania	37.0	39.9	42.1	44.1
Bosnia and Herzegovina	29.3	33.1	34.3	35.2
Croatia	37.9	39.7	41.5	43.3
Greece	40.5	41.7	42.8	44.0
Montenegro	39.7	41.3	43.6	45.4
Serbia	35.0	36.3	37.6	38.9
Slovenia	37.0	39.3	40.6	41.7
FYROM	40.0	41.5	43.1	44.6
Kosovo	34.0	35.8	37.5	39.2

(2) Urbanisation

Table 6.

Urban population (% in total) in the SEECP participating countries, 1990-2015

Country		1990	2000	2007	2008	2009	2010	2011	2012	2013	2014	2015
Albania	ALB	36.4	41.7	48.9	50.0	51.1	52.2	53.2	54.3	55.4	56.4	57.4
Bosnia and Herzegovina	BIH	39.2	39.3	39.2	39.2	39.2	39.2	39.3	39.4	39.5	39.6	39.8
Bulgaria	BGR	66.4	68.9	71.3	71.6	72.0	72.3	72.6	73.0	73.3	73.6	73.9
Croatia	HRV	54.0	55.6	56.8	57.0	57.3	57.5	57.8	58.1	58.4	58.7	59.0
Greece	GRC	71.5	72.7	75.2	75.6	75.9	76.3	76.6	77.0	77.3	77.7	78.0
Kosovo	XKX											
FYROM	MKD	57.8	58.5	57.2	57.1	57.0	57.0	57.0	57.0	57.0	57.0	57.1
Moldova	MDA	46.8	45.8	45.1	45.0	44.9	44.9	44.9	44.9	44.9	44.9	45.0
Montenegro	MNE	48.0	58.5	62.6	62.7	62.9	63.1	63.3	63.5	63.6	63.8	64.0
Romania	ROU	53.2	53.0	53.4	53.6	53.7	53.8	54.0	54.1	54.2	54.4	54.6
Serbia	SRB	50.4	53.2	55.1	55.1	55.2	55.2	55.3	55.3	55.4	55.5	55.6
Slovenia	SVN	50.4	50.8	50.3	50.2	50.1	50.0	49.9	49.9	49.8	49.7	49.7
Turkey	TUR	59.2	64.7	69.0	69.6	70.1	70.7	71.3	71.8	72.4	72.9	73.4

Source: World Bank, <http://data.worldbank.org/>

Table 7.

Population in the largest city (% of urban population) of a SEECP participating country, 2015

Country		1990	2000	2007	2008	2009	2010	2011	2012	2013	2014	2015
Albania	ALB	20.7	26.0	26.7	26.8	27.0	27.1	27.1	27.1	27.2	27.2	27.3
Bosnia and Herzegovina	BIH	23.0	25.2	23.1	22.9	22.6	22.4	22.1	21.8	21.5	21.3	21.0
Bulgaria	BGR	20.6	20.0	22.0	22.2	22.3	22.4	22.6	22.7	22.8	23.0	23.1
Croatia	HRV	27.2	28.2	27.4	27.2	27.1	27.1	27.8	27.7	27.7	27.6	27.7
Greece	GRC	42.1	40.5	37.6	37.2	36.8	36.5	36.3	36.2	36.2	36.2	36.2
Kosovo	XKX											
FYROM	MKD	38.6	39.1	40.9	41.2	41.4	41.6	41.8	42.0	42.2	42.4	42.4
Moldova	MDA	37.9	36.5	38.7	39.6	40.6	41.5	42.4	43.3	44.2	45.1	45.4
Montenegro	MNE											
Romania	ROU	16.5	16.4	17.0	17.3	17.3	17.3	17.3	17.3	17.3	17.3	17.3
Serbia	SRB	29.6	28.1	28.2	28.4	28.6	28.8	29.2	29.4	29.6	29.9	30.0

Slovenia	SVN											
Turkey	TUR	20.5	21.4	23.7	24.1	24.5	24.8	25.0	25.0	24.8	24.7	24.5

Source: World Bank, <http://data.worldbank.org>

2. Economic development and labour market

Table 8.

GDP per capita (current US \$) in the SEECP participating countries, 2000 - 2015

Country		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Albania	ALB	1175.80	1327	1453.6	1890.7	2416.6	2709.1	3005	3603	4370.5	4114.1	4094.4	4437.8	4247.8	4412.3	4568.6	3945.2
Bosnia and Herzegovina	BIH	1451.70	1513	1746.5	2192.6	2619.8	2928.3	3352	4108	4974.7	4586.2	4475.1	4860.8	4494.6	4748	4852.3	4249.3
Bulgaria	BGR	1609.30	1764.9	2087.5	2710.5	3381.5	3893.7	4513.1	5932.9	7296.1	6956	6843.3	7813.8	7378	7674.9	7853.3	6993.5
Croatia	HRV	4919.60	5245.4	6053.7	7805.9	9365.7	10224.2	11363.4	13546.7	15893.9	14157.1	13509.2	14542.2	13236	13575	13480.7	11592.9
Greece	GRC	12043.00	12538.2	14110.3	18477.6	21955.1	22551.7	24801.2	28827.3	31997.3	29711	26919.4	25914.7	22242.7	21874.8	21673.8	18007
Kosovo	XKX	1087.80	1490.4	1587.5	1969.6	2135.3	2190.6	2371.7	2788.5	3254.9	3209.7	3283.2	3736.8	3600.9	3877.5	4053.6	3552.4
FYROM	MKD	1875.10	1835	1980.8	2431.8	2787.8	3063.6	3351.3	4063.7	4821.5	4566.3	4561.2	5080	4709.5	5219.5	5453.3	4852.7
Moldova	MDA	354.00	407.7	458.7	548.3	720.9	831.2	950.6	1230.4	1696	1525.5	1631.5	1970.6	2046.5	2244	2244.8	1848.1
Montenegro	MNE	1627.00	1909.6	2106.3	2789.1	3380.2	3674.5	4383.6	5956.8	7326	6697.7	6681.9	7319.1	6586.8	7186.8	7378	6408.4
Romania	ROU	1668.20	1839.7	2124.9	2775	3552.9	4676.3	5828.7	8214.2	10136.5	8220.1	8297.5	9200.3	8558.4	9585.3	10020.3	8980.7
Serbia	SRB	870.1	1634.9	2149.9	2832.5	3331.2	3528.1	4129.8	5458.1	6701.8	5821.3	5411.9	6423.3	5659.4	6353.8	6200.2	5237.3
Slovenia	SVN	10227.70	10479.3	11814.1	14880.5	17260.9	18169.2	19726.1	23841.3	27501.8	24633.8	23438.9	24983.7	22486.5	23150.3	24020.7	20728.9
Turkey	TUR	4215.20	3053.9	3570.5	4586.8	5855.5	7117.2	7727.3	9309.3	10382.1	8624.2	10111.2	10538.7	10539.4	10800.5	10303.7	9125.7

Source: World Bank, <http://data.worldbank.org/>

Table 9.

GDP per capita, PPP (current international \$) in the SEECP participating countries, 2000 - 2015

Country		1990	2000	2007	2008	2009	2010	2011	2012	2013	2014	2015
Albania	ALB	2721.6	4026.5	7289.6	8228.3	8823.9	9646.6	10209.2	10526.9	10578.8	11307.5	11479.1
Bosnia and Herzegovina	BIH		4494.6	8018.7	8822.6	8793.4	9042.1	9523.1	9691.7	10202.8	10472.7	10851.7
Bulgaria	BGR	5187.8	6370.6	12897.9	14395.6	14133.1	14962.9	15676.1	16208.3	16646.8	17406.1	18248.8
Croatia	HRV		10746.6	18770.8	20246.9	19470.7	19205.4	20704.4	21133.1	21681.2	22002.5	22514.4
Greece	GRC	13290.2	19503.9	29280.4	30856.0	30396.4	28202.8	26141.3	25284.5	26121.5	26453.9	26379.3
Kosovo	XKX		3674.1	6981.7	7248.4	7487.2	7766.8	8222.6	8541.3	8884.8	9165.7	9733.9
FYROM	MKD	5255.6	6191.6	9302.4	10479.1	10979.4	11341.0	11648.3	11868.4	12686.6	13477.0	14076.5
Moldova	MDA		1839.7	3381.1	3723.4	3531.0	3831.7	4179.2	4227.0	4700.2	5017.1	5049.0
Montenegro	MNE		5998.0	12402.4	13737.7	12981.9	13661.3	14472.4	13863.9	14883.7	15410.1	16050.2
Romania	ROU	5259.0	5873.5	13442.6	16301.9	16013.3	17180.5	18095.0	18983.4	19877.5	20797.0	22124.3
Serbia	SRB		5721.7	10472.1	11921.8	11841.8	12098.7	12967.9	13108.0	13772.5	13806.0	14111.9
Slovenia	SVN		18036.5	27594.8	29624.2	27504.1	27793.0	28804.7	28841.9	29558.6	31022.2	31990.5
Turkey	TUR	6132.8	9351.5	14228.5	15355.9	14794.5	16542.0	18269.8	18560.2	19228.7	19653.6	20008.9

Source: World Bank, <http://data.worldbank.org/>

Table 10.

GDP growth rate (annual %) of the SEECP participating countries, 2000 - 2015

Country		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Albania	ALB	6.7	7.9	4.2	5.8	5.7	5.7	5.4	5.9	7.5	3.4	3.7	2.6	1.4	1.1	1.8	2.8
Bosnia and Herzegovina	BIH	5.5	4.4	5.3	4.0	6.1	8.8	5.4	5.7	5.5	-2.9	0.8	0.9	-0.9	2.4	1.1	3.0
Bulgaria	BGR	5.0	4.2	6.0	5.1	6.6	7.2	6.8	7.7	5.6	-4.2	0.1	1.9	0.0	0.9	1.3	3.6
Croatia	HRV	3.8	3.4	5.2	5.6	4.1	4.2	4.8	5.2	2.1	-7.4	-1.7	-0.3	-2.2	-1.1	-0.4	1.6
Greece	GRC	3.9	4.1	3.9	5.8	5.1	0.6	5.7	3.3	-0.3	-4.3	-5.5	-9.1	-7.3	-3.2	0.4	-0.2
Kosovo	XKX			-0.7	6.0	2.6	6.0	4.5	7.3	2.6	3.3	3.3	4.6	2.8	3.4	1.2	3.9
FYROM	MKD	4.5	-3.1	1.5	2.2	4.7	4.7	5.1	6.5	5.5	-0.4	3.4	2.3	-0.5	2.9	3.5	3.7
Moldova	MDA	2.1	6.1	7.8	6.6	7.4	7.5	4.8	3.0	7.8	-6.0	7.1	6.8	-0.7	9.4	4.8	-0.5
Montenegro	MNE	3.1	1.1	1.9	2.5	4.4	4.2	8.6	10.7	6.9	-5.7	2.5	3.2	-2.7	3.5	1.8	3.2
Romania	ROU	2.4	5.6	5.2	5.5	8.4	4.2	8.1	6.9	8.5	-7.1	-0.8	1.1	0.6	3.5	3.1	3.7
Serbia	SRB	1.2	3.3	4.5	5.4	5.3	6.8	8.5	10.8	5.6	-5.4	5.0	2.8	1.7	1.5	2.6	3.8
Slovenia	SVN	7.8	5.0	7.1	4.4	9.0	5.5	4.9	5.9	5.4	-3.1	0.6	1.4	-1.0	2.6	-1.8	0.8
Turkey	TUR	6.8	-5.7	6.2	5.3	9.4	8.4	6.9	4.7	0.7	-4.8	9.2	8.8	2.1	4.2	3.0	4.0

Source: World Bank, <http://data.worldbank.org/>

Table 11

Gini coefficient for the SEECP participating countries

Country	2000	2007	2008	2009	2010	2011	2012	2013	2014	2000
Albania			29.98				28.96			
Bosnia and Herzegovina		33.06				33.83				
Bulgaria		28.14	33.57	33.82	35.65	34.28	36.01			
Croatia	31.33		33.71	33.18	27.35	32.32	32.51			31.33
Greece		34.61	34.22	33.82	34.48	35.69	36.68			
Kosovo				31.78	33.25	27.83	29.4	26.71		
FYROM	34.26		44.05							34.26
Moldova	36.43	34.42	34.69	32.91	32.05	30.63	29.16	28.53	26.83	36.43
Montenegro		31.45	30.49	31.01	28.89	30.82	32.18	32.33	31.93	
Romania	29.32	30.21	36.93	35.24	35.3	35.33	34.88	27.45		29.32
Serbia		29.43	28.18	28.67	29.65			29.06		
Slovenia		24.37	23.72	24.83	24.94	24.87	25.59			
Turkey		38.44	39.02	38.97	38.79	40.04	40.17	40.18		

Source: World Bank, <http://data.worldbank.org/>

Table 12

Labour force (total) in the SEECP participating countries, 1990-2016

Country		1990	2000	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Albania	ALB	1418741	1348218	1262659	1250998	1239984	1232918	1222067	1210281	1196634	1181804	1183869	1189227
Bosnia and Herzegovina	BIH	1527620	1389616	1488083	1518971	1514271	1536247	1523109	1541156	1530218	1524277	1519725	1514252
Bulgaria	BGR	4083178	3432540	3509756	3573979	3498069	3410136	3331637	3342224	3369029	3363457	3337799	3309019
Croatia	HRV	2190293	1963708	1988455	1984528	1972251	1948233	1869256	1855882	1838450	1889260	1870544	1862041
Greece	GRC	4204800	4817636	5006315	5021544	5076392	5098336	5022403	4961433	4890872	4818946	4776561	4770478
Kosovo	XXK												
FYROM	MKD	811799	839415	909641	925668	937632	946615	948023	944772	957481	961268	964436	965565
Moldova	MDA	1789826	1665619	1328876	1320401	1269753	1242635	1262422	1216887	1241237	1246232	1258378	1265363
Montenegro	MNE	241668	245359	255166	258217	255665	251892	243413	249810	247508	247074	247365	247818
Romania	ROU	10466009	11748994	9790992	9584943	9449523	9396799	9253734	9292043	9261842	9422027	9354065	9278282
Serbia	SRB	3196506	3275205	3248782	3239847	3133236	3052491	3032390	3045118	3087148	3066870	3055638	3045429
Slovenia	SVN	851699	960905	1039965	1036479	1044232	1044660	1024413	1018937	1013552	1016974	1010862	1005029
Turkey	TUR	19547781	21381340	23001152	23730811	24683238	25643539	26689673	27248817	28021200	28872781	29401432	29875461

Source: World Bank, <http://data.worldbank.org/>

Table 13

Labour force participation rate, male (% of male population ages 15+), 1990-2016 (%)

Country		1990	2000	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Albania	ALB	74.7	73.6	66.2	65.2	64.2	63.6	62.8	62.1	61.4	60.6	60.7	60.8
Bosnia and Herzegovina	BIH	57.9	58.7	59.9	60.5	59.7	59.6	58.6	59.4	58.6	58.2	58.0	57.8
Bulgaria	BGR	62.8	55.9	59.8	61.9	61.0	59.5	58.3	58.7	59.6	60.0	60.1	60.1
Croatia	HRV	68.6	63.0	61.1	60.7	59.8	59.2	59.3	58.6	57.8	58.9	58.7	58.5
Greece	GRC	66.8	65.3	64.2	64.2	64.0	63.7	62.5	61.5	61.0	60.1	60.0	60.1
Kosovo	XKX												
FYROM	MKD	67.2	66.2	66.9	68.4	69.2	69.3	68.2	67.8	67.6	68.2	68.1	68.0
Moldova	MDA	74.2	63.8	48.0	47.6	46.5	45.3	45.8	43.8	44.7	45.0	45.6	46.1
Montenegro	MNE	62.7	60.4	60.1	61.1	60.1	58.9	55.9	57.3	56.6	56.2	56.1	56.0
Romania	ROU	67.1	71.1	63.5	63.7	63.6	63.6	62.6	63.4	63.5	65.1	64.9	64.7
Serbia	SRB	67.3	65.5	62.7	62.4	60.3	59.1	59.2	59.6	60.4	60.2	60.1	60.0
Slovenia	SVN	60.3	63.9	66.4	65.6	65.6	65.5	64.0	63.4	63.3	63.3	63.0	62.6
Turkey	TUR	80.8	72.7	69.5	70.0	70.5	70.7	71.5	70.8	70.6	71.5	71.4	71.4

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

Table 14

Labour force participation rate, female (% of female population ages 15+), 1990-2016 (%)

Country		1990	2000	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Albania	ALB	53.2	51.5	46.1	45.4	44.7	44.1	43.2	42.2	41.3	40.4	40.3	40.3
Bosnia and Herzegovina	BIH	31.5	32.2	31.7	32.9	33.4	34.6	34.7	34.8	34.7	34.5	34.4	34.4
Bulgaria	BGR	54.9	44.2	47.9	48.7	48.0	47.5	47.2	47.8	48.5	48.6	48.6	48.6
Croatia	HRV	46.6	45.2	45.6	45.9	46.3	45.8	44.7	44.9	44.7	46.5	46.4	46.3
Greece	GRC	35.9	40.3	42.5	42.6	43.6	44.2	43.9	44.2	44.0	44.0	43.9	44.0
Kosovo	XKX												
FYROM	MKD	43.0	41.7	43.4	43.0	42.8	43.1	43.7	43.1	44.4	43.9	43.9	43.9

Moldova	MDA	61.1	56.2	42.3	41.9	39.4	38.6	39.2	38.0	38.5	38.5	38.8	38.9
Montenegro	MNE	44.5	43.3	44.0	44.0	43.6	42.9	42.1	42.9	42.2	42.0	42.0	41.9
Romania	ROU	51.6	57.9	48.1	47.5	47.2	47.3	47.2	47.3	47.1	47.7	47.6	47.4
Serbia	SRB	43.9	45.1	45.3	45.4	44.0	42.6	42.4	42.7	43.6	43.4	43.4	43.4
Slovenia	SVN	47.8	51.2	53.5	53.6	53.5	53.2	52.3	52.3	51.8	52.4	52.2	52.0
Turkey	TUR	34.1	26.3	23.6	24.5	26.1	27.6	28.8	29.4	30.2	30.3	30.4	30.4

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

Table 15

Ratio of female to male labour force participation rate (%) in the SEECP participating countries, 1990-2016

Country		1990	2000	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Albania	ALB	71.2	70.0	69.6	69.6	69.6	69.4	68.7	68.0	67.3	66.7	66.5	66.2
Bosnia and Herzegovina	BIH	54.4	54.9	53.0	54.3	55.9	58.1	59.2	58.5	59.2	59.2	59.3	59.5
Bulgaria	BGR	87.5	79.0	80.1	78.8	78.6	79.9	81.0	81.4	81.4	81.0	80.8	80.8
Croatia	HRV	67.9	71.7	74.7	75.5	77.3	77.3	75.4	76.6	77.3	79.0	79.0	79.2
Greece	GRC	53.7	61.7	66.3	66.3	68.2	69.4	70.3	71.8	72.0	73.3	73.3	73.3
Kosovo	XKX												
FYROM	MKD	64.0	62.9	64.8	62.9	61.9	62.3	64.1	63.6	65.7	64.4	64.4	64.6
Moldova	MDA	82.3	88.1	88.2	88.0	84.7	85.3	85.5	86.8	86.0	85.5	84.9	84.5
Montenegro	MNE	70.9	71.8	73.3	72.1	72.7	72.8	75.4	74.8	74.6	74.7	74.8	74.8
Romania	ROU	77.0	81.4	75.8	74.6	74.3	74.3	75.4	74.5	74.1	73.3	73.3	73.3
Serbia	SRB	65.2	68.8	72.3	72.7	73.1	72.1	71.5	71.6	72.2	72.1	72.2	72.3
Slovenia	SVN	79.2	80.2	80.6	81.7	81.6	81.1	81.8	82.6	81.8	82.7	82.9	83.1
Turkey	TUR	42.2	36.2	34.0	35.0	37.0	39.1	40.3	41.6	42.8	42.5	42.5	42.5

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

Table 16

Unemployment, total (% of total labour force) in the SEECP participating countries, 2000-2015

Country		2000	2007	2008	2009	2010	2011	2012	2013	2014	2015
Albania	ALB	16.8	13.5	13.05	13.76	14.2	13.98	13.44	15.64	17.49	17.1
Bosnia and Herzegovina	BIH		28.93	23.3	24.03	27.2	27.6	28.05	27.45	27.52	26.3
Bulgaria	BGR	16.22	6.88	5.61	6.82	10.28	11.26	12.27	12.94	11.42	9.1
Croatia	HRV	16.06	9.91	8.53	9.2	11.62	13.68	15.93	17.25	17.29	16.3
Greece	GRC	11.25	8.4	7.76	9.62	12.71	17.86	24.44	27.47	26.49	24.9
Kosovo	XKX		46.3		45.4			30.95		35.15	32.8
FYROM	MKD	32.2	34.93	33.76	32.18	32.02	31.38	31.02	29	28.03	26.1
Moldova	MDA	8.47	5.07	3.98	6.4	7.45	6.68	5.58	5.1	3.86	4.9
Montenegro	MNE			17.15	19.09	19.68	19.71	19.73	19.5	18	17.5
Romania	ROU	6.97	6.41	5.79	6.86	6.96	7.18	6.79	7.1	6.8	6.8
Serbia	SRB		18.06	13.63	16.1	19.18	22.95	23.93	22.12	18.87	17.7
Slovenia	SVN	6.92	4.82	4.37	5.86	7.24	8.17	8.84	10.1	9.67	9.0
Turkey	TUR	6.51	8.87	9.71	12.55	10.66	8.8	8.15	8.73	9.88	10.2

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

Table 17

Unemployment, male (% of male labour force) in the SEECP participating countries, 2000-2016

Country		2000	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Albania	ALB	14.4	12.7	13.9	15.8	17.0	14.6	12.1	13.2	15.2	17.3	16.1
Bosnia and Herzegovina	BIH	22.5	33.1	27.0	25.9	30.0	30.2	30.9	29.2	31.2	21.5	22.3
Bulgaria	BGR	15.8	7.3	5.7	6.6	9.6	10.1	10.8	11.8	10.4	8.4	7.5
Croatia	HRV	16.6	11.3	10.4	10.7	12.2	13.7	16.0	16.8	18.3	17.0	14.2
Greece	GRC	17.0	12.9	11.5	13.3	16.3	21.5	28.2	31.3	30.1	28.8	28.5
Kosovo	XKX											
FYROM	MKD	34.8	35.6	34.2	32.8	32.2	30.9	30.3	29.0	28.6	25.1	26.0
Moldova	MDA	7.2	3.9	3.4	4.9	5.8	5.6	4.3	4.2	3.1	3.7	3.8
Montenegro	MNE	19.8	20.9	18.0	20.5	20.7	20.0	20.5	20.0	18.5	16.7	17.1

Romania	ROU	6.3	5.4	4.6	5.8	6.2	6.5	6.1	6.3	6.1	5.8	5.5
Serbia	SRB	14.3	21.1	15.8	18.3	21.7	25.9	26.9	23.8	19.7	18.8	17.9
Slovenia	SVN	7.1	5.8	4.8	5.8	7.1	8.2	9.4	10.9	10.6	10.1	9.6
Turkey	TUR	6.1	9.0	9.9	12.5	11.2	10.0	9.3	10.4	11.7	12.5	12.1

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

Table 18

Unemployment, female (% of female labour force) in the SEECP participating countries, 2000-2016

Country		2000	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Albania	ALB	14.4	12.7	13.9	15.8	17.0	14.6	12.1	13.2	15.2	17.3	16.1
Bosnia and Herzegovina	BIH	22.5	33.1	27.0	25.9	30.0	30.2	30.9	29.2	31.2	21.5	22.3
Bulgaria	BGR	15.8	7.3	5.7	6.6	9.6	10.1	10.8	11.8	10.4	8.4	7.5
Croatia	HRV	16.6	11.3	10.4	10.7	12.2	13.7	16.0	16.8	18.3	17.0	14.2
Greece	GRC	17.0	12.9	11.5	13.3	16.3	21.5	28.2	31.3	30.1	28.8	28.5
Kocobo	XKX											
Kosovo	MKD	34.8	35.6	34.2	32.8	32.2	30.9	30.3	29.0	28.6	25.1	26.0
FYROM	MDA	7.2	3.9	3.4	4.9	5.8	5.6	4.3	4.2	3.1	3.7	3.8
Montenegro	MNE	19.8	20.9	18.0	20.5	20.7	20.0	20.5	20.0	18.5	16.7	17.1
Romania	ROU	6.3	5.4	4.6	5.8	6.2	6.5	6.1	6.3	6.1	5.8	5.5
Serbia	SRB	14.3	21.1	15.8	18.3	21.7	25.9	26.9	23.8	19.7	18.8	17.9
Slovenia	SVN	7.1	5.8	4.8	5.8	7.1	8.2	9.4	10.9	10.6	10.1	9.6
Turkey	TUR	6.1	9.0	9.9	12.5	11.2	10.0	9.3	10.4	11.7	12.5	12.1

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

Table 19

Male and female unemployment rate (%), 2016

Country		Men	Women	Difference between
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				men and women
Albania	ALB	16.5	16.1	0.3
Bosnia and Herzegovina	BIH	27.9	22.3	5.6
Bulgaria	BGR	8.4	7.5	1.0
Croatia	HRV	12.8	14.2	-1.4
Greece	GRC	20.4	28.5	-8.1
Kosovo	XKX			0.0
FYROM	MKD	27.2	26.0	1.2
Moldova	MDA	6.1	3.8	2.3
Montenegro	MNE	17.8	17.1	0.6
Romania	ROU	7.1	5.5	1.6
Serbia	SRB	15.5	17.9	-2.4
Slovenia	SVN	7.9	9.6	-1.6
Turkey	TUR	9.5	12.1	-2.6

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

Table 20

Unemployment, youth total (% of total labour force ages 15-24) in the SEECP participating countries, 2000-2016

Country		2000	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Albania	ALB	26.9	22.0	26.2	27.5	25.5	24.4	27.5	28.9	36.9	37.8	36.4
Bosnia and Herzegovina	BIH	49.0	58.9	48.2	49.6	58.6	58.8	64.7	60.2	64.4	70.6	67.6
Bulgaria	BGR	33.3	15.0	12.7	16.1	21.9	25.1	28.2	28.5	23.8	21.7	19.0
Croatia	HRV	38.5	25.1	23.8	25.4	32.6	36.9	42.3	50.2	45.7	43.1	35.0
Greece	GRC	28.6	22.3	21.6	25.4	32.5	44.2	54.9	57.9	52.0	49.2	48.2
Kosovo	XKX											
FYROM	MKD	59.7	57.9	56.5	55.3	53.9	55.5	53.9	52.0	53.2	47.4	49.5
Moldova	MDA	15.7	14.4	11.2	15.4	17.8	14.9	13.1	12.2	9.8	12.8	12.9
Montenegro	MNE	37.9	38.4	30.7	35.7	46.0	37.2	41.4	41.5	36.8	38.4	37.7

Romania	ROU	17.6	20.4	18.9	21.2	22.2	24.1	22.9	24.1	24.5	22.4	21.5
Serbia	SRB	28.2	43.0	34.6	38.1	45.8	54.0	55.7	48.9	46.2	42.6	40.7
Slovenia	SVN	16.4	10.1	10.5	13.7	14.7	15.8	20.7	21.8	20.3	16.4	17.0
Turkey	TUR	13.1	17.2	18.5	22.8	19.7	16.7	15.7	16.9	17.8	18.5	18.9

Source: International Labour Organisation,

<http://www.ilo.org/global/statistics-and-databases/lang--en/index.htm>

Table 21

Government expenditure on education, total (% of GDP) in the SEECP participating countries, 2000-2013

Country		2000	2007	2008	2009	2010	2011	2012	2013
Albania	ALB	3.29	3.27						3.54
Bosnia and Herzegovina	BIH								
Bulgaria	BGR		3.65	4.20	4.29	3.92	3.59	3.52	4.07
Croatia	HRV		3.97	4.27	4.39	4.25	4.16	4.37	4.59
Greece	GRC	3.23							
Kosovo	XKX								
FYROM	MKD								
Moldova	MDA	4.49	8.29	8.24	9.51	9.11	8.56	8.35	
Montenegro	MNE								
Romania	ROU	2.85	4.22		4.16	3.46	3.03	2.95	
Serbia	SRB		4.51	4.71	4.75	4.59	4.49	4.43	
Slovenia	SVN		5.11	5.11	5.57	5.56	5.57	5.66	5.49
Turkey	TUR	2.59						4.07	4.77

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

Table 22

Government expenditure on education, total (% of government expenditure) in the SEECP participating countries of all public spending, 2000-2013

Country		2000	2007	2008	2009	2010	2011	2012	2013
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Albania	ALB	10.1	11.2						12.1
Bosnia and Herzegovina	BIH								
Bulgaria	BGR		11.1	12.6	12.7	11.2	11.1	10.7	11.4
Croatia	HRV		8.8	9.5	9.2	9.0	8.5	9.1	9.6
Greece	GRC	6.9							
Kosovo	XKX								
FYROM	MKD								
Moldova	MDA	12.9	19.4	19.9	21.0	22.3	21.9	20.7	
Montenegro	MNE								
Romania	ROU	8.2	12.0		11.0	9.1	8.3	8.4	
Serbia	SRB		10.4	10.8	10.9	10.5	10.6	9.6	
Slovenia	SVN		12.9	12.5	12.3	12.1	12.1	12.6	10.0
Turkey	TUR	7.1						11.1	12.4

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

Table 23

Literacy rate, adult male and female (% of males and females ages 15 and above) in the SEECF participating countries, 2015

Country		Total	Men	Women	Difference between men and women
Albania	ALB	97.6	98.4	96.8	1.6
Bosnia and Herzegovina	BIH	98.5	99.6	97.4	2.1
Bulgaria	BGR	98.4	98.7	98.1	0.7
Croatia	HRV	99.3	99.7	98.9	0.7
Greece	GRC	95.3	97.0	93.7	3.4
Kosovo	XKX				0.0
FYROM	MKD	97.8	98.8	96.9	2.0
Moldova	MDA	99.2	99.4	99.1	0.3

Montenegro	MNE	98.7	99.4	98.0	1.4
Romania	ROU	98.8	99.1	98.5	0.6
Serbia	SRB	98.0	99.1	97.0	2.1
Slovenia	SVN	99.7	99.7	99.7	0.0
Turkey	TUR	95.7	98.6	92.9	5.7

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

Table 24

Children out of school (% of primary school age) in the SEECP participating countries, 2000-2015

Country		2000	2007	2008	2009	2010	2011	2012	2013	2014	2015
Albania	ALB	4.1		9.7	10.6	9.0	6.8	3.9	4.1	4.1	
Bosnia and Herzegovina	BIH										
Bulgaria	BGR	2.1	4.4	2.3	0.9	0.7	1.4	3.0	3.4	3.6	5.1
Croatia	HRV	6.1	1.2	2.9	8.6	5.4	3.2	1.6		1.6	
Greece	GRC	1.9	2.6			1.5	2.0	2.1	2.8	3.7	
Kosovo	XKX										
FYROM	MKD	2.6	9.6	11.1	10.1	6.6		11.7	12.6	11.7	
Moldova	MDA	7.4	10.0	9.5	10.0	9.9	9.4	9.5	9.4	10.0	10.1
Montenegro	MNE		4.7	5.9			8.1	5.8			6.3
Romania	ROU	7.7	4.8	5.4	5.7	6.4	7.3	8.5			9.9
Serbia	SRB		1.7	2.0	3.9	5.5	2.9	3.8	3.7	1.4	0.8
Slovenia	SVN	4.5	2.1	2.1	2.3	2.7	2.8	2.3	2.5	2.2	
Turkey	TUR	4.2	1.4	2.0	4.4	3.7	4.6	6.2	6.8		

Source: United Nations Educational, Scientific, and Cultural Organisation (UNESCO) Institute for Statistics, <http://uis.unesco.org/>

Appendix 4

Sources of Information:

UNDP: <http://hdr.undp.org/en/data>

United Nations Educational, Scientific, and Cultural Organization (UNESCO) Institute for Statistics: <http://uis.unesco.org/>

Eurostat <http://ec.europa.eu/eurostat/data/database>

International Monetary Fund: <http://www.imf.org/en/data>

International Labour Organisation: <http://ilo.org/global/statistics-and-databases/lang--en/index.htm>

World Bank: <http://data.worldbank.org/indicator>

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Digital Publication

ISBN: 978-619-90996-0-5