

AGING WELL IN ASIA

ASIAN DEVELOPMENT POLICY REPORT 2024

ADB



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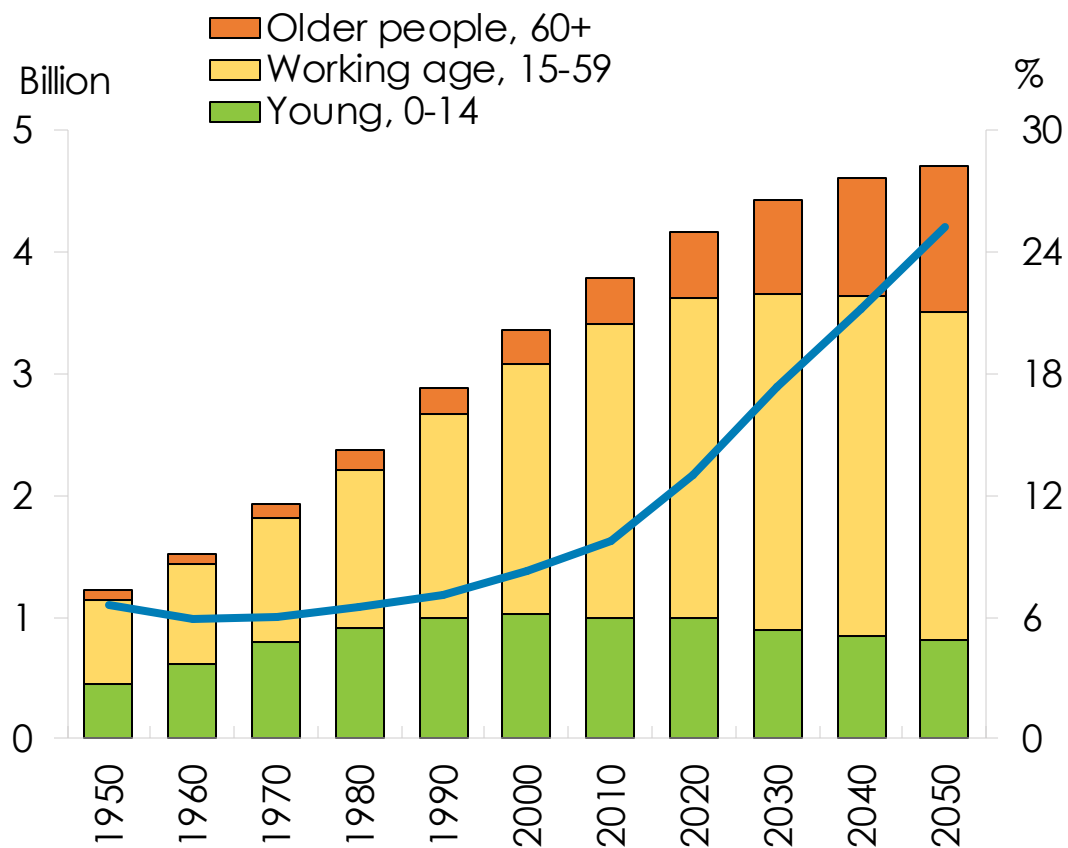
Key Messages

- **Developing Asia is aging rapidly, reflecting development success, but the region remains unprepared.** Older Asians are vulnerable to persistent burden of lifestyle disease, lack of decent jobs, constrained access to essential services such as health and long-term care, low pension coverage, and growing incidence of loneliness and social isolation.
- **A key policy agenda across the region is to ensure the well-being of older Asians.** Various factors shape the well-being of people in general, but for older people four inter-connected dimensions are especially important: health, productive work, economic security, and family and social engagement.
- **Wide inequality separates older people across all four dimensions of well-being.** A significant gap exists between men and women, workers in formal versus informal jobs, and urban versus rural residents.
- **Healthy aging is central to well-being in old age.** Good health drives the productivity and economic security of older people while promoting their active social engagement and reducing their long-term care needs. Health in old age depends on the choices individuals make over a lifetime, not just in old age.
- **Aging Asia must urgently step up its efforts to help Asians age well through a lifelong, life-cycle approach for the whole population.** Comprehensive aging policies will foster healthy and productive cohorts of older people to maximize their contributions to economy and society.



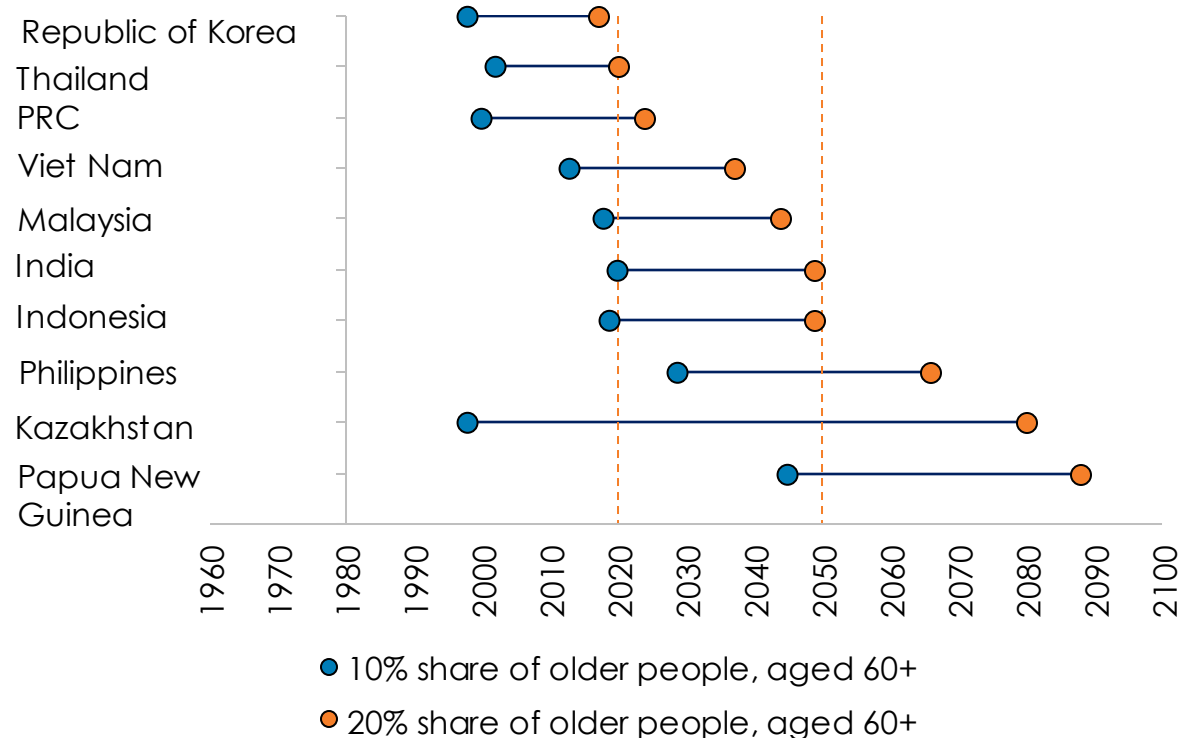
Developing Asia is aging rapidly, but the pace of demographic change varies across countries

1.1 Population Shares by Age Group, Developing Asia



Source: ADB estimates using data from UN DESA Population Division. World Population Prospects 2022.

1.2 Expanding Shares of Older People in Developing Asia



PRC = People's Republic of China.

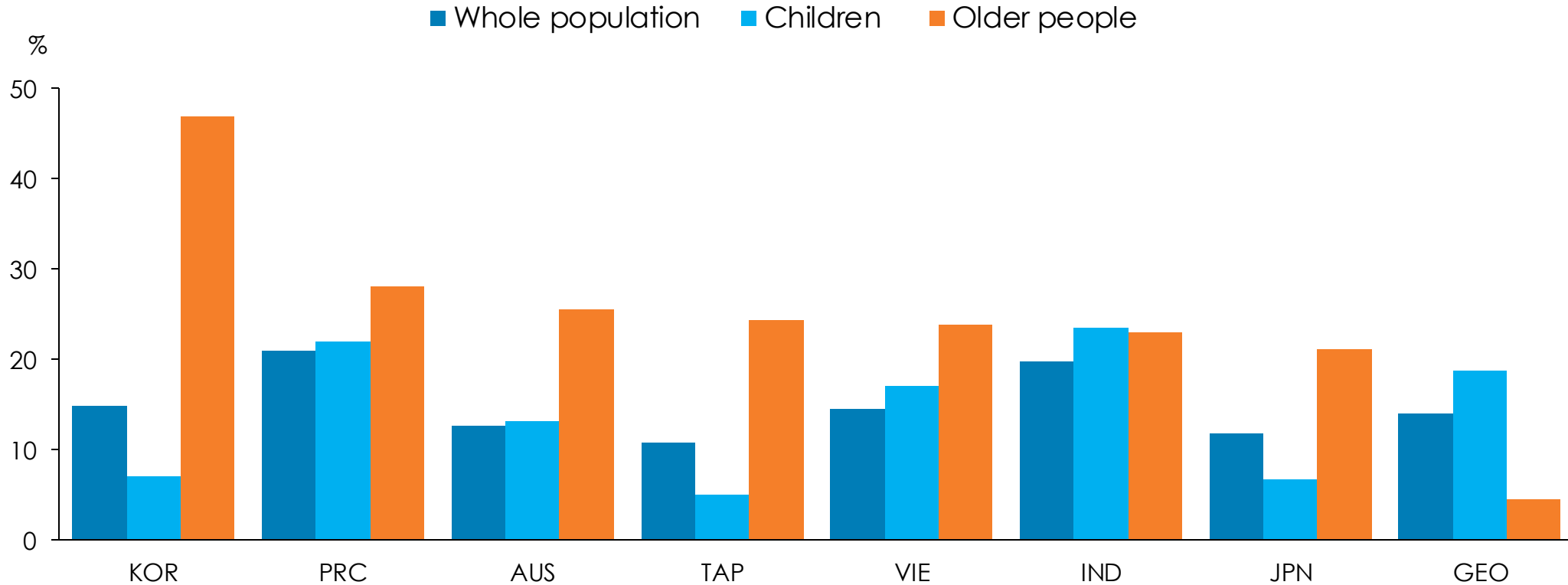
Note: Developing Asia reached the threshold of 10% elders aged 60+ in 2013 or 2014, which coincided with it becoming an "aging society" defined as one with 7%–14% of the population aged 65+ (UNESCAP 2022).

Source: ADB estimates using data from UN DESA Population Division. World Population Prospects 2022.



Relative poverty is high among older Asians

1.12 Relative Poverty Rates in Some Asian Economies, Latest Available



AUS = Australia; GEO = Georgia; IND = India; JPN = Japan; KOR = Republic of Korea; PRC = People's Republic of China; TAP = Taipei, China; VIE = Viet Nam.
Note: The relative poverty rate is the share of the group living on less than half of the median disposable income in the economy.
Source: LIS Inequality and Poverty Key Figures.



Four Key Dimensions of Well-Being for Older People

Figure 1.13 Four Key Dimensions of Well-Being for Older People

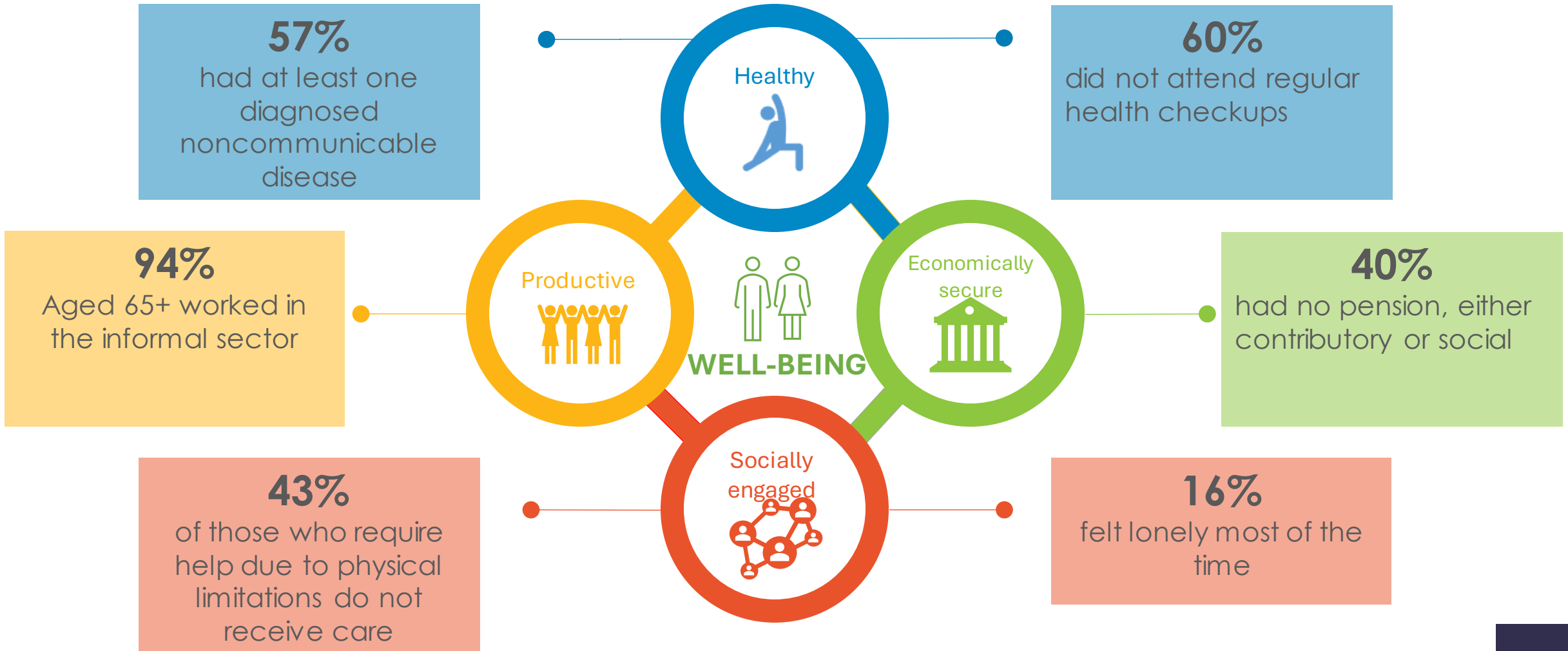


Source: ADB.



The well-being of older Asians is at risk

Regional Indicators of Well-Being in Older Persons Aged 60+

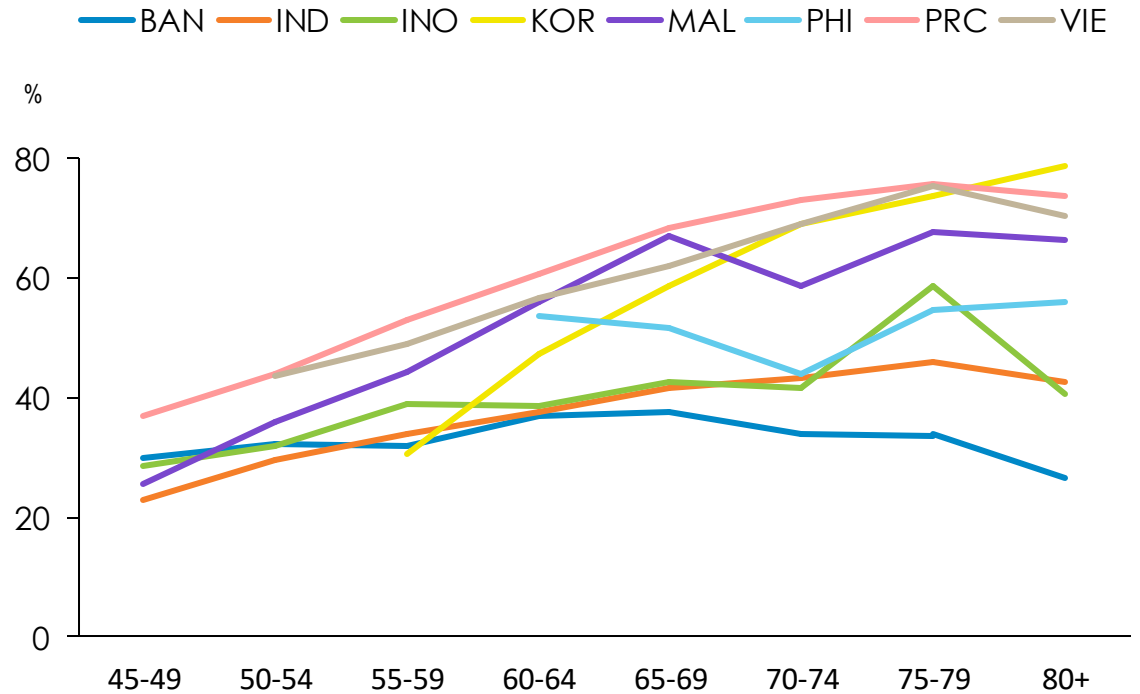
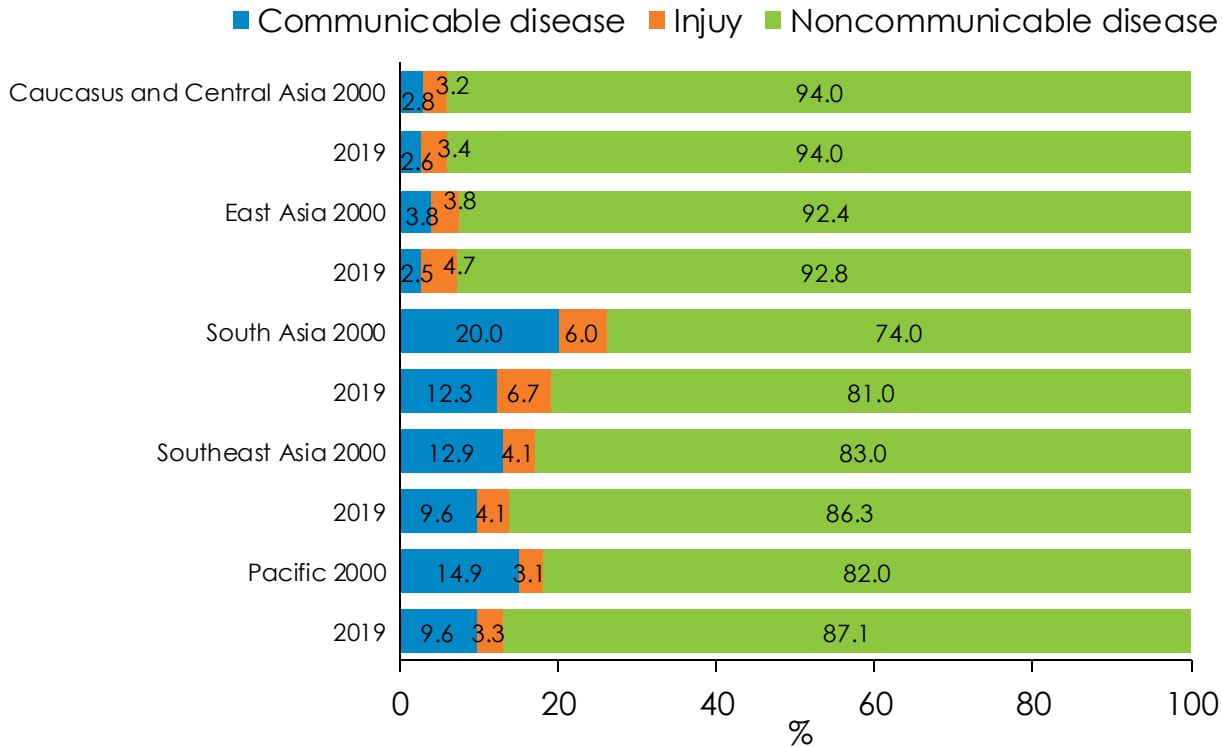




Older people may live longer, but they continue to suffer from noncommunicable diseases

2.3 Disease Burden of Older People in Developing Asia by Type of Disease

2.4 Share of Older People with at Least One Diagnosed NCD



NCD = non-communicable disease.

Note: The share of the NCD burden is expressed as the percentage of disability-adjusted life years for people aged 60+ that are attributed to NCDs.

Source: World Health Organization. 2020. *Global Health Estimates 2019: Disease Burden by Cause, Age, Sex, by Country and by Region, 2000–2019*.

BAN = Bangladesh, IND = India, INO = Indonesia, KOR = Republic of Korea, MAL = Malaysia, NCD = non-communicable disease, PHI = Philippines, PRC = People's Republic of China, VIE = Viet Nam.

Note: NCDs include hypertension, diabetes, respiratory disease, heart diseases(problem) stroke, and cancer.

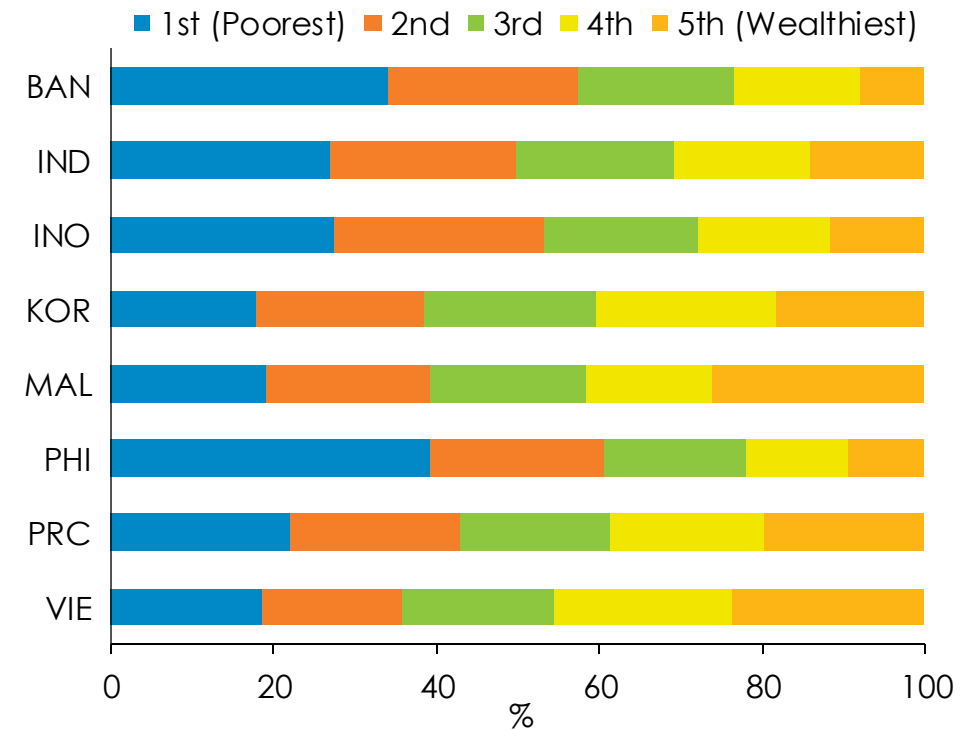
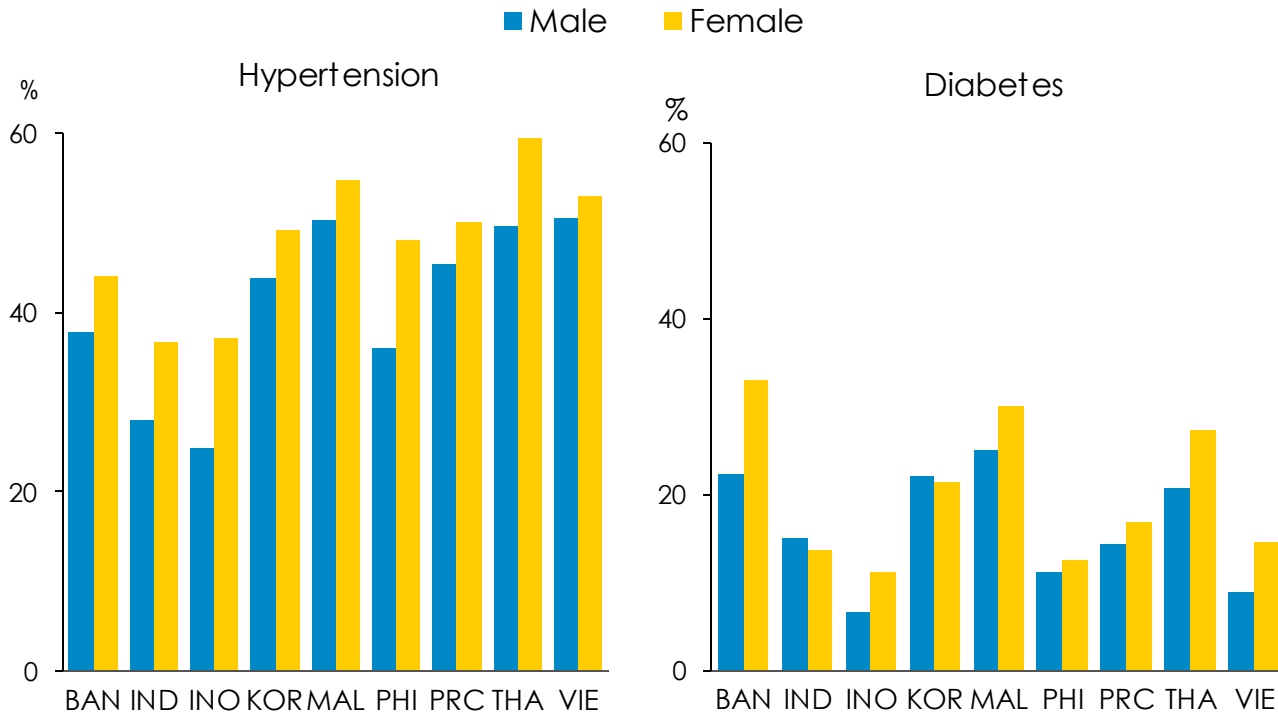
Source: ADPR 2024. Box. 1.1



Health risks are higher for women and the poor

2.5 Gender Differences in Diagnosed Noncommunicable Disease Prevalence in Older People

2.15 Distribution by Wealth Quintile of Older People with No Health-Care Use

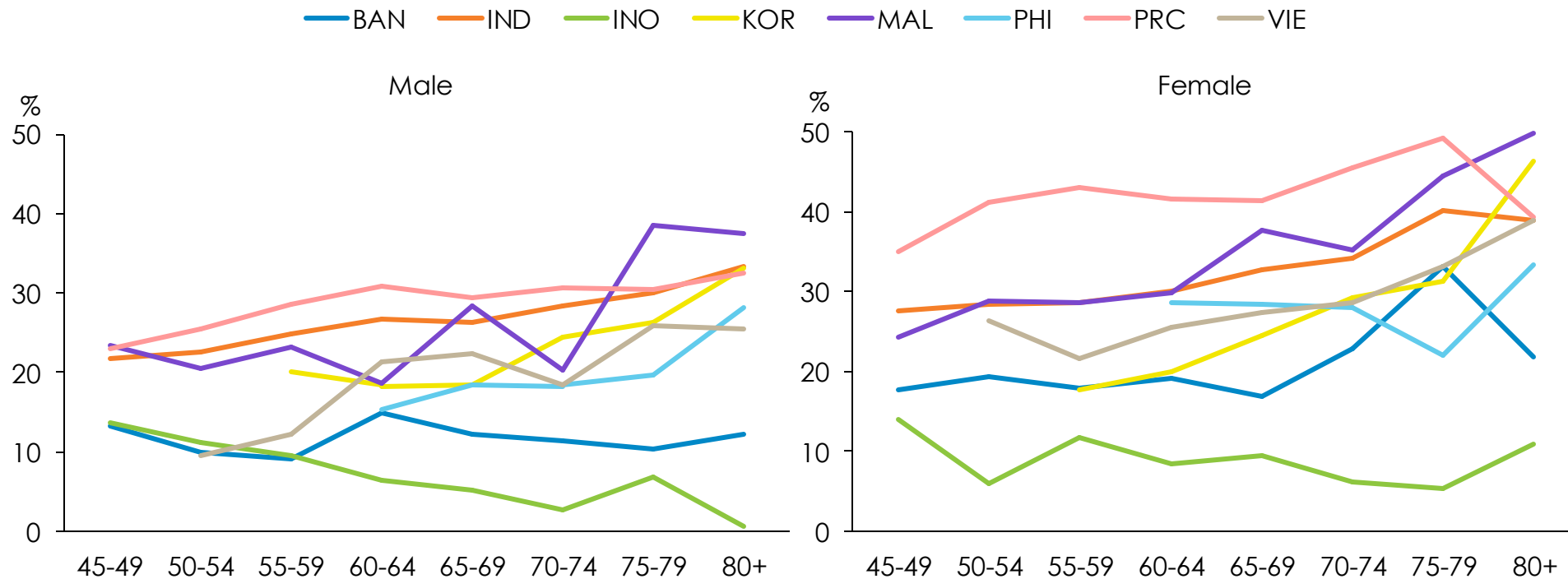


BAN = Bangladesh, IND = India, INO = Indonesia, KOR = Republic of Korea, MAL = Malaysia, PHI = Philippines, PRC = People's Republic of China, THA = Thailand, VIE = Viet Nam.
 Note: Older people are aged 60 and above. Quintiles are numbered from poorest (1st) to wealthiest (5th).
 Source: ADPR 2024. Box 1.1.



The mental health of older people demands urgent policy attention

2.9 Elevated Depressive Symptoms in Older People by Age Group and Economy



BAN = Bangladesh, IND = India, INO = Indonesia, KOR = Republic of Korea, MAL = Malaysia, PHI = Philippines, PRC = People's Republic of China, THA = Thailand, VIE = Viet Nam.

Note: Older people are aged 60 and above.

Source: ADPR 2024. Box. 1.1.



Healthy aging requires effective universal health coverage and active health promotion

Meeting the diverse health-care needs of older people requires

- steadfast progress toward universal health coverage
- cost-effective and pro-poor noncommunicable disease (NCD) treatment and management along with a range of mental health support services; and
- the adoption of technology-driven solutions

Promoting healthy aging through life-cycle approach means

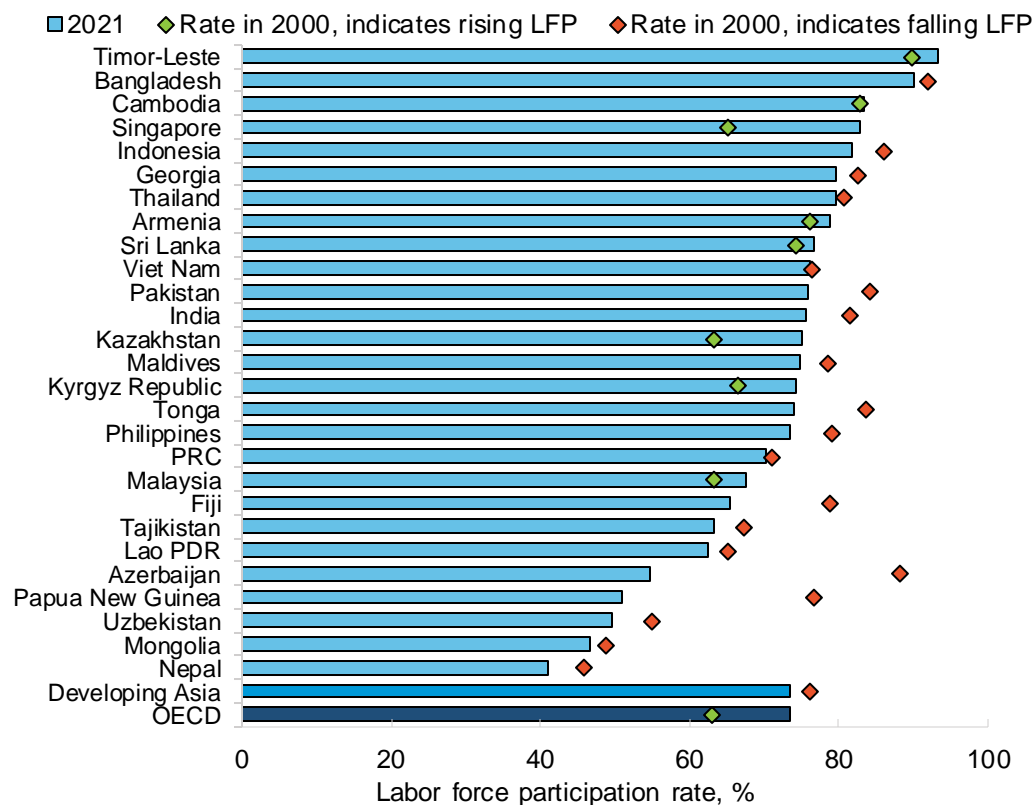
- free annual health checkups and lifestyle evaluations, along with comprehensive health awareness campaigns to address the risk of NCDs and dementia;
- behavioral nudge to promote healthy lifestyle and diet; and
- policies, including sin taxes on tobacco and unhealthy food products, that discourage unhealthy consumption



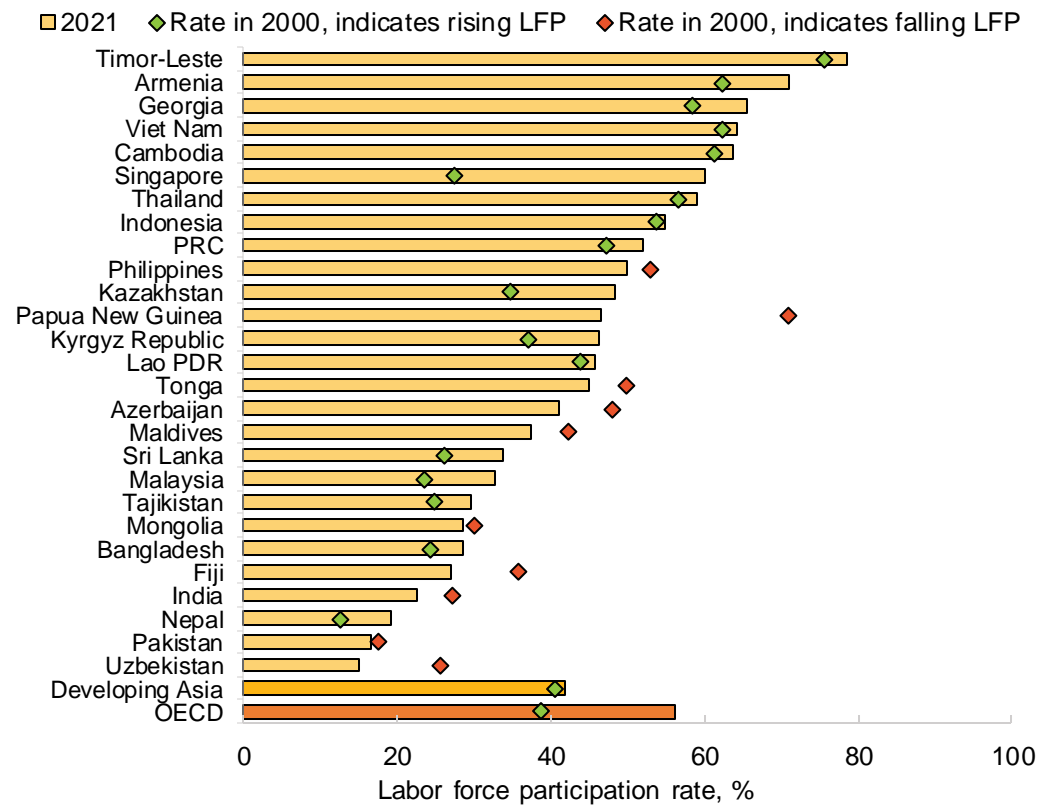
The work and retirement patterns of mature workers vary by economy and gender

3.1 Labor Force Participation by Older People Aged 55–64, by Gender, 2021 versus 2000

A. Male



B. Female



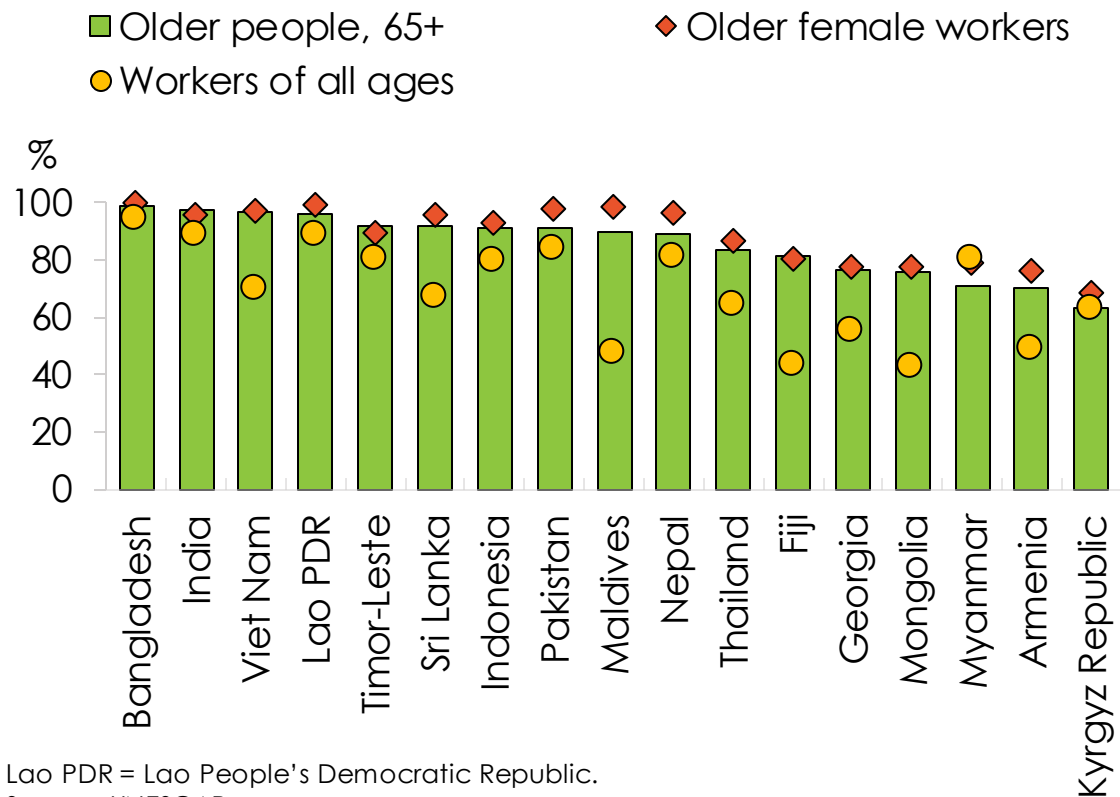
Lao PDR = Lao People's Democratic Republic, LFP = labor force participation, OECD = Organisation for Economic Co-operation and Development, PRC = People's Republic of China.

Source: ADB calculation using data from International Labour Organization. ILOSTAT.



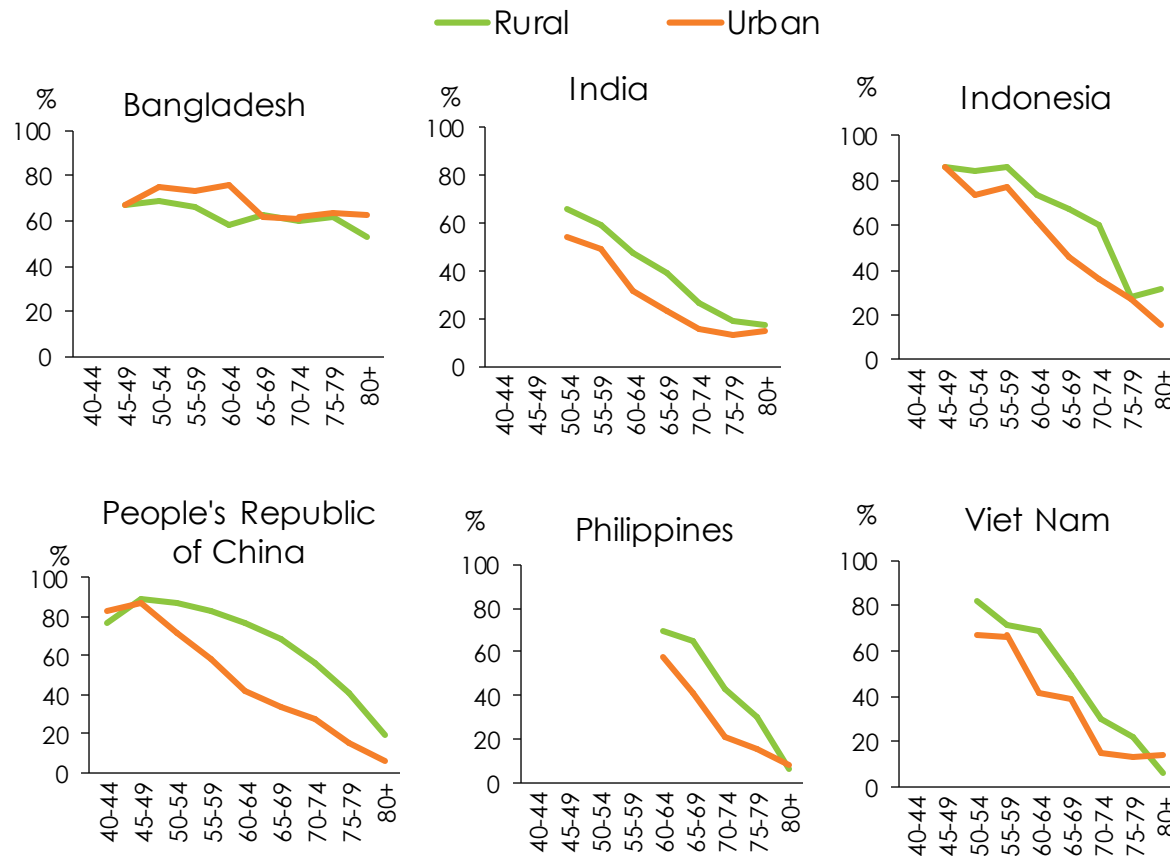
Older workers skew toward the informal economy and often work well into old age

3.11 Share of Workers in Informal Economy, 2021



Lao PDR = Lao People's Democratic Republic.
 Source: UNESCAP.

3.10 Employment Rate by Residence and Age



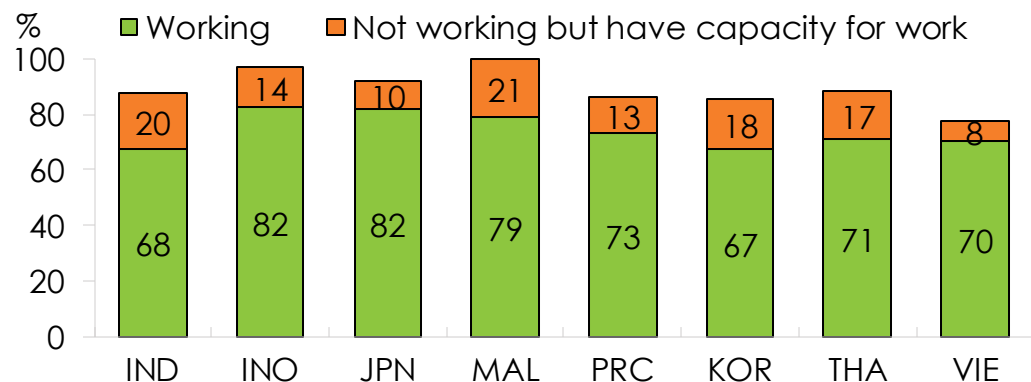
Source: ADPR 2024. Box 1.1.



Older workers' capacity to work is an untapped resource

3.12 Untapped Work Capacity by Age Group and Gender

A. Male aged 60–64 years



C. Male aged 65–69 years



IND = India, INO = Indonesia, JPN = Japan, KOR = Republic of Korea, MAL = Malaysia, PRC = People's Republic of China, THA = Thailand, VIE = Viet Nam.

Note: Older people are aged 60 and above.

Sources: ADB estimates using Chen and Parrk (2024); Giang, Kikkawa, and Park (2024); LASI (2019); Lee et al. (2024); Mansor, Awang, and Park (2024); Oshio, Shimizutani, and Kikkawa (2024); Suriastini, Wijayanti, and Oktarina (2024); and Zhao et al. (2024).

Box 3.1 Silver Dividend: The Value of Untapped Work Capacity in People aged 60–69

| Economy | Increase in GDP if Untapped Work Capacity Is Utilized, % |
|-------------------|--|
| India | 1.5 |
| Indonesia | 0.3 |
| Japan | 1.4 |
| Republic of Korea | 1.5 |
| Malaysia | 0.2 |
| PRC | 0.4 |
| Thailand | 0.9 |
| Viet Nam | 1.1 |
| Average | 0.9 |

GDP = gross domestic product, PRC = People's Republic of China.

Note: Older people are aged 60 and above.

Sources: ADB estimates using Chen and Parrk (2024); Giang, Kikkawa, and Park (2024); ILOSTAT. Wages and Working Time Statistics Database. <https://ilostat.ilo.org/topic/wages>; Lee et al. (2024); Mansor, Awang, and Park (2024); Oshio, Shimizutani, and Kikkawa (2024); Suriastini, Wijayanti, and Oktarina (2024); and Zhao et al. (2024).



Age-friendly jobs and flexible work-to-retirement paths are keys to a longer working life

Make informal work less strenuous and more protected by

- safeguarding labor rights and enabling pension access for informal workers and
- easing the strain of agricultural labor through training and credit access that enables mechanization.

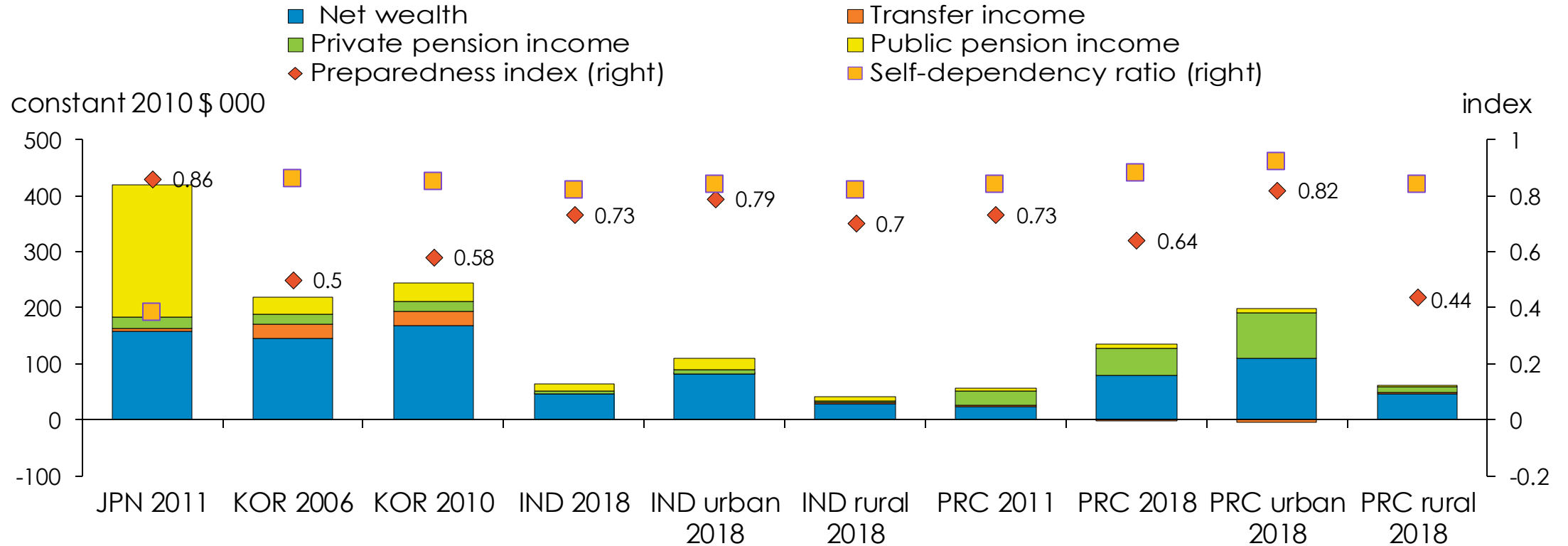
Encourage longer working lives in better jobs by

- adjusting the retirement age in line with healthy longevity and offering flexible retirement pathways;
- enhancing employability through life-long learning and skills development;
- dropping seniority practices and thus incentivizing employers to retain and hire older workers;
- making jobs more age-friendly with flexible work arrangement; and
- conduct awareness campaigns to combat ageism.



Ample scope exists for Asians to prepare better financially for retirement

4.7 Household Resources Available for Retirement by Source



IND = India, JPN = Japan, KOR = Republic of Korea, PRC = People's Republic of China.

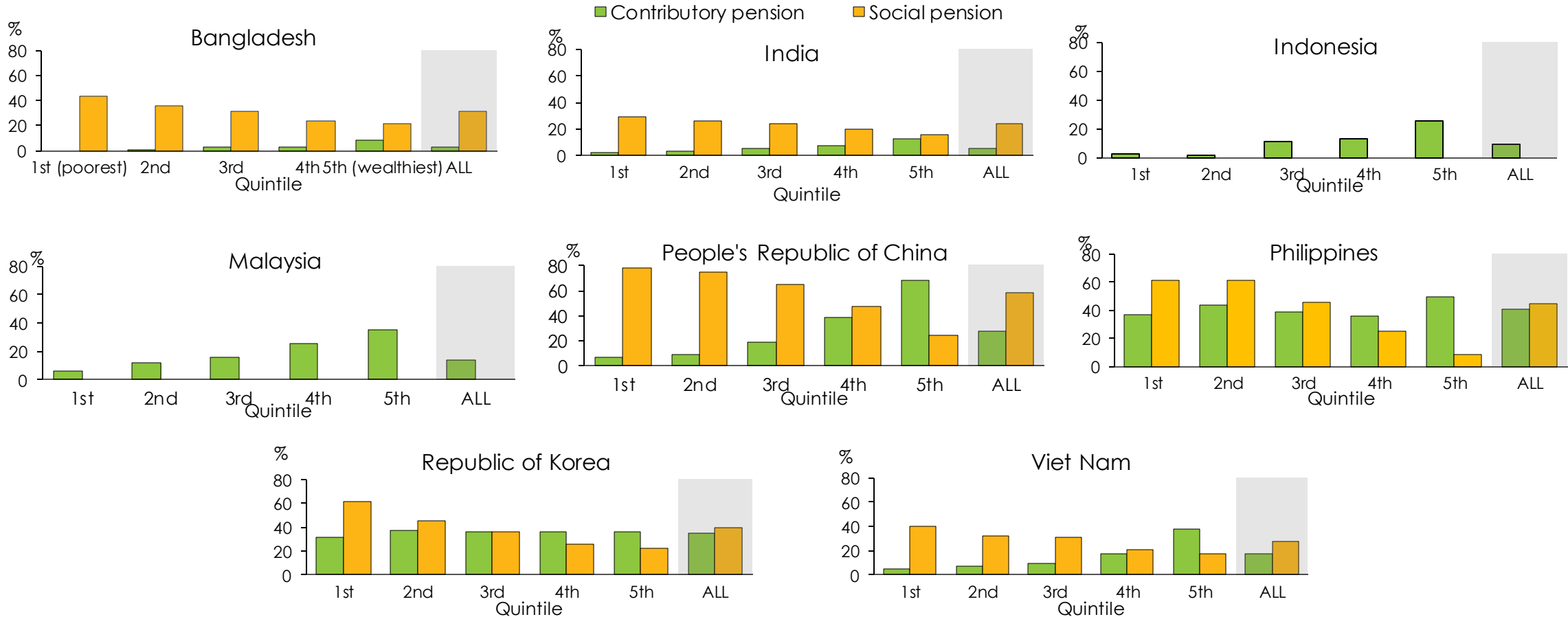
Note: Retirement resources are shown in net present value using 2010 as the base year and exchange rates adjusted for purchasing power parity.

Source: Ehrlich and Liu (2024).



Coverage of pension programs is generally low

4.4 Share of Older People Receiving Contributory and Social Pensions by Wealth Quintile, (%)



Notes:

i. Data report on people aged 60+. Contributory pensions include both private and public occupational pensions and national provident funds. Years are the latest available: 2017–2019, 2021, and 2023.

ii. Quintiles are based on expenditure except in the Philippines, where asset data are used. Quintiles are numbered from poorest (1st) to wealthiest (5th).

Source: ADPR 2024. Chapter 1, Box 1.1.



Economic security in old age requires stronger pension systems and financial preparedness

Expand coverage of social and contributory pensions through

- achieving higher social pension coverage of poorer older Asians;
- better and more inclusive targeting of social pensions;
- establishing contributory pensions schemes for informal workers, including women, and raising benefits for poorer contributors; and
- Adopting innovative pension designs and administrative tools and leveraging technology

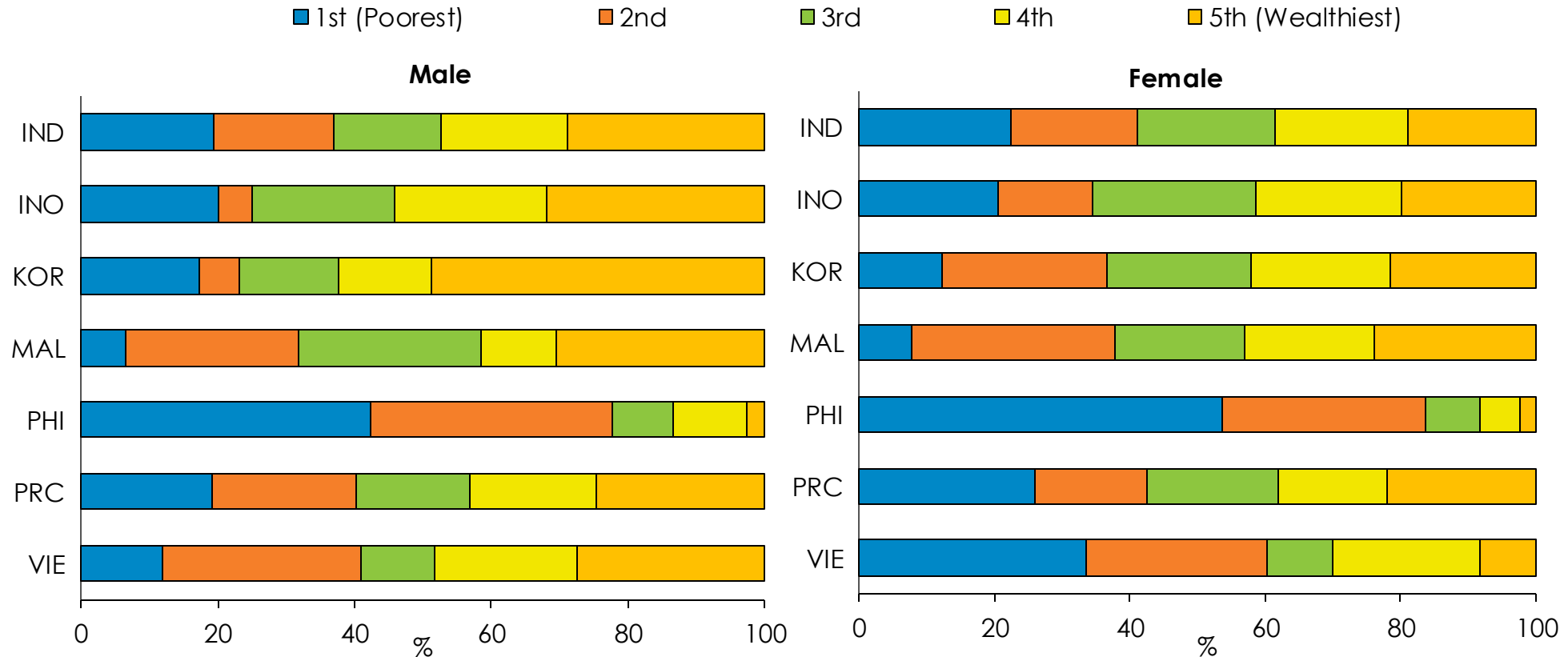
Strengthen financial literacy, inclusion, and preparedness through

- awareness campaigns that raise financial literacy and behavioral insights that nudge Asians to save for old age;
- information dissemination to help workers of all ages set realistic expectations about retirement needs; and
- Financial market development to augment savings and provide better financial products for retirement.



One-person households, particularly those headed by women, may be vulnerable

5.3 Share of One-Person Households in Different Expenditure Quintiles by Gender and Economy



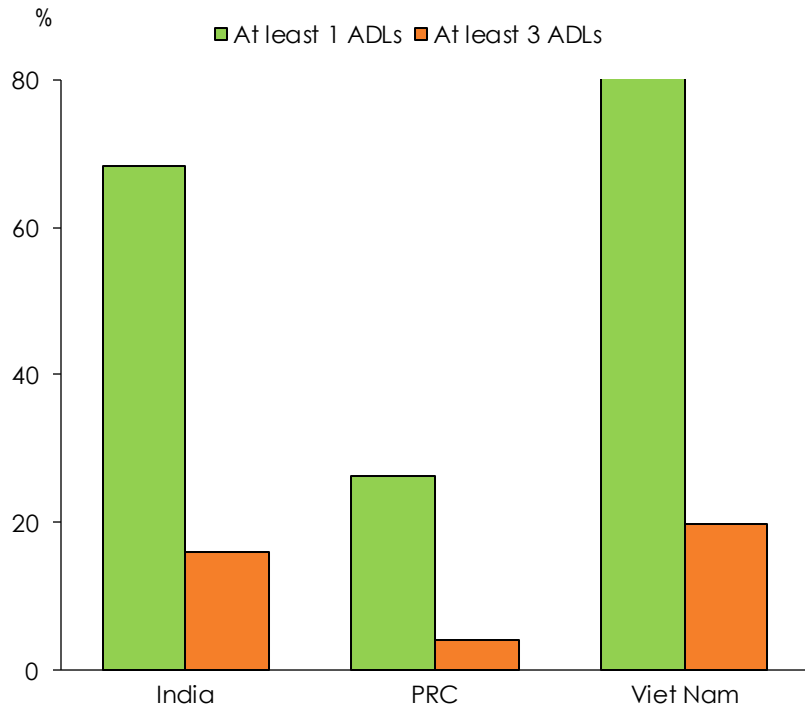
IND = India, INO = Indonesia, KOR = Republic of Korea, MAL – Malaysia, PHI = Philippines, PRC = People’s Republic of China, VIE = Viet Nam.
 Note: Quintiles are numbered from poorest (1st) to wealthiest (5th).
 Source: ADPR 2024. Chapter 1, Box 1.1.



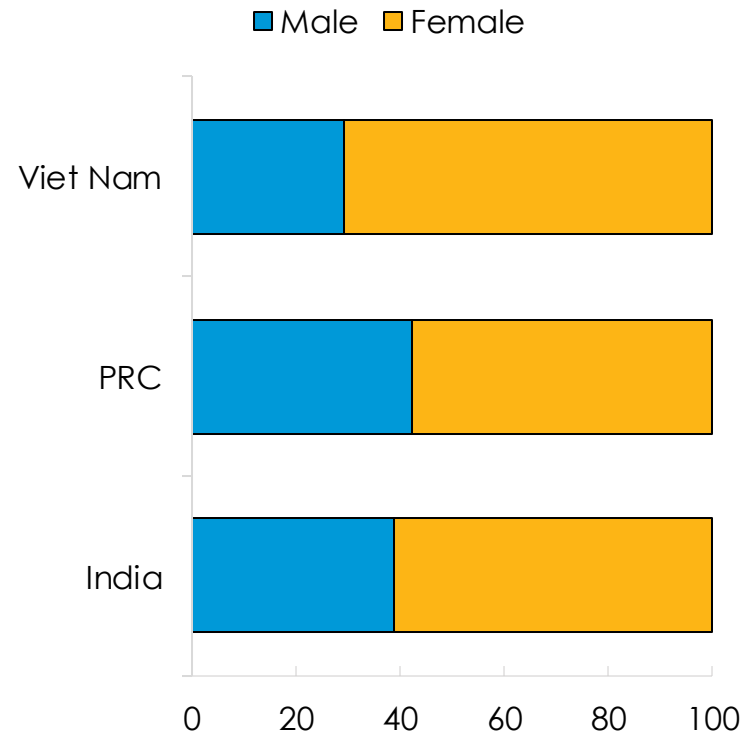
Unmet needs for long-term care is extensive, especially for women and the poor

5.6 Share of Older People with Unmet Long-Term Care Needs

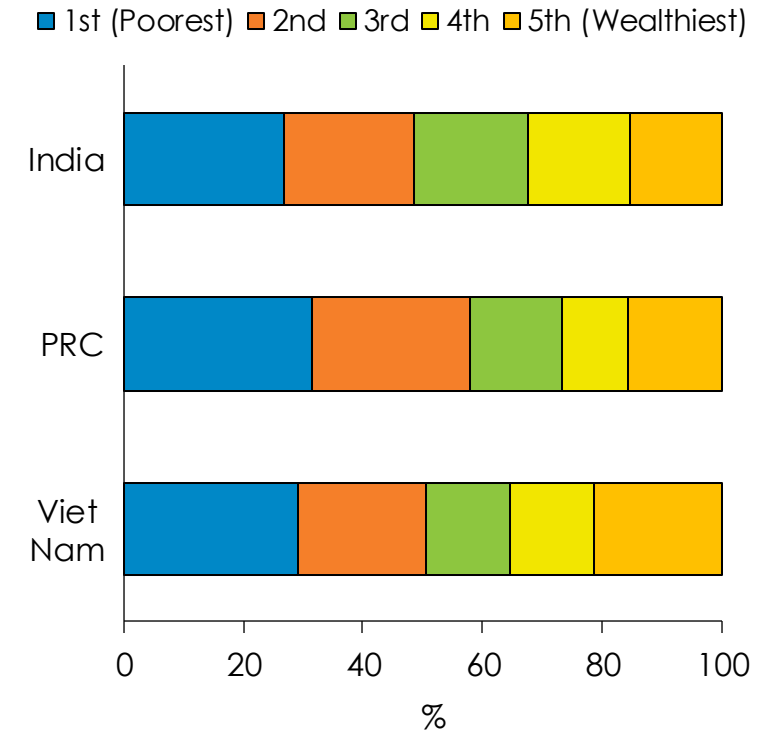
A. Care gaps by number of physical limitations



B. Care gaps by gender



C. Care gaps by wealth



ADL = activity of daily living, PRC = People's Republic of China.

Notes: Panel A shows percentages of people aged 60+ who reported receiving no care in the past month despite impairment affecting at least one ADL or at least three ADLs. Panels B and C consider people aged 60+ who received no care despite impairment affecting at least three ADLs. Quintiles are numbered from poorest (1st) to wealthiest (5th). Survey years are 2017–2019.

Source: ADPR 2024. Chapter 1, Box 1.1.



Old-age well-being depends on robust care systems and social engagement

Prepare for a market-driven care economy while upholding the value of family care by

- scaling up community interventions to provide informal caregivers training and respite care;
- formalizing family caregivers, fostering care economy and creating more providers of private care service under clear policy guidance; and
- crafting a comprehensive long-term care strategy that coordinates among various stakeholders and secures financial resources.

Combatting isolation among older people by

- establishing early warning systems with healthcare, social, and community workers;
- socially engaging older people through community initiatives; and
- tackling the digital divide that excludes older adults and removing transportation and urban physical barriers to enhance social connectivity.

Policy Priorities for Aging Well

- **Universal health coverage achievement**
- Government-led health insurance reform
- Primary health-care system strengthened

- Digital solutions and behavioral insights to promote healthy lifestyles and diet

- **Basic labor protection** coverage for informal workers
- **Extended and flexible retirement age**
- Support for firms to **make jobs more age-friendly**
- Lifelong learning

- **Wider social pension coverage of the poorer old**
- **Voluntary contributory pension programs** for women and other informal workers
- Innovative pension designs and use of technology
- **Financial literacy training**
- Retirement-focused financial products

- Fiscal space for a transition to **market-based long-term care systems**
- **Care workforce** significantly increased

- **Community-based social activities**
- Age-friendly cities
- **Digital skills training** for older adults

Early investment is the key to harnessing region's silver dividend.

Healthy



Economically

Socially engaged



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Thank you



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