

EUROPE 2020

A European strategy for Smart, Sustainable and Inclusive Growth

Europe faces a moment of transformation. The crisis, which has no precedent in our generation, has wiped out years of economic and social progress and exposed structural weaknesses in Europe's economy. Two years of crisis have erased twenty years of fiscal consolidation. Moving out of the crisis is the immediate challenge, but the biggest challenge is to escape the reflex to try to return to pre-crisis situation. Europe can face up collectively to the immediate challenge of the recovery and to the long-term challenges, so as to make up for recent losses, regain competitiveness, boost productivity and put the EU on an upward path of prosperity. Europe has many strengths: we can count on the talent and creativity of its people; on its strong values, democratic institutions, consideration for social and territorial cohesion and solidarity, cultural diversity, etc.

But the best chance for Europe to succeed is if it acts collectively – as a Union. Thus, a strategy is needed to come out stronger from the crisis and to turn the EU into a smart, sustainable and inclusive economy. The European Commission, on 3.3.2010, has published the *2020 Strategy*, which has three priorities, five measurable targets and seven flagship initiatives to show how Europe can make a decisive contribution.

3 PRIORITIES:

Europe 2020 sets out a vision of Europe's social market economy for the 21st century. What is needed is a strategy to turn the EU into a smart, sustainable and inclusive economy delivering high levels of employment, productivity and social cohesion. Thus, it puts forward 3 mutually reinforcing priorities. These priorities are at the heart of Europe 2020, and are an agenda for all Member States.

- **Smart Growth:** developing an economy based on knowledge and innovation.
- **Sustainable Growth:** promoting a more resource efficient, greener and more competitive economy.
- **Inclusive Growth:** fostering a high-employment economy delivering social and territorial cohesion.

5 TARGETS FOR 2020:

The EU needs to define where it wants to be by 2020. To this end, the Commission proposes 5 headline targets. The targets are representative of the 3 priorities; they have been set on the basis of being measurable, capable of reflecting the diversity of Member States situations and based on reliable data. Meeting the 7 target will be critical to Europe success by 2020:

- **Employment rate:** the employment rate of the population aged 20-64 should increase from the current 69% to at least 75%;
- **Research and Development investments:** 3% of EU's GDP should be invested in R&D
- **Energy/Climate change:** reduce greenhouse gas emissions by at least 20%; increase the share of renewable energy sources to 20%; and a 20% increase in energy efficiency;

- **Education:** Share of early school leavers should be under 10% and at least 40% of younger generation should have completed tertiary education;
- **Reducing poverty:** the number of Europeans living below the national poverty lines should be reduced by 25%, lifting over 20 million people out of poverty.

7 FLAGSHIP INITIATIVES:

The Commission is putting forward 7 Flagship Initiatives to catalyse progress under each priority theme. These seven flagship initiatives will commit both the EU and the Member States. The European Parliament will be a driving force to mobilize citizens and act as co-legislator in key initiatives.

1. **Innovation Union:** It seeks to improve access to finance for research and innovation to ensure innovative ideas can be turned into products and services which create growth and jobs. The aim is to refocus R&D and innovation policy on the challenges facing our society (e.g. climate change, energy and resource efficiency, health and demographic change).
 - At EU level, the Commission will work to:
 - Complete European Research Area, develop a strategic research agenda focused on challenges facing our society.
 - Improve framework conditions for businesses to innovate (e.g. create single EU patent).
 - Launch 'European Innovation Partnerships' between the EU and national levels to speed up the development and deployment of technologies needed to meet challenges identified.
 - Strengthen and further develop the role of EU instruments to support innovation (e.g. structural funds, rural development funds, R&D framework programme).
 - Promote knowledge partnerships and strengthen links between education, business, research and innovation.
 - **Member States will need to:**
 - Reform national and regional R&D and innovation systems to foster excellence and specialisation, reinforce cooperation between universities, research and business.
 - Ensure a sufficient supply of science, maths and engineering graduates and focus school curricula on creativity, innovation and entrepreneurship.
 - Prioritise knowledge expenditure.

2. **Youth on the Move:** It aims to enhance the performance and international attractiveness of Europe's higher education institutions and raise the overall quality of all levels of education and training in the EU, by promoting student mobility and trainees' mobility and improve the employment situation of young people.
 - At EU level, the Commission will work to:
 - Integrate and enhance EU's mobility, university and researchers' programmes (e.g. Erasmus).

- Step up the modernisation agenda of higher education.
- Explore ways of promoting entrepreneurship through mobility programmes for young professionals.
- Promote the recognition of non-formal and informal learning.
- Launch a Youth employment framework, outlining policies aimed at reducing youth unemployment rates.
- **Member States will need to;**
 - Ensure efficient investment in education and training systems at all levels.
 - Improve educational outcomes, addressing each segment within an integrated approach, aimed at reducing early school leaving.
 - Enhance the openness and relevance of education systems by building national qualification frameworks and better gearing learning outcomes towards labour market needs.
 - Improve young people's entry into the labour market through integrated action covering guidance, counselling and apprenticeships.

3. A Digital Agenda for Europe: It aims to deliver sustainable economic and social benefits from a Digital Single Market based on fast internet, with broadband access for all by 2013.

- At EU level, the Commission will work to:
 - Provide a stable legal framework that stimulates investments in an open and competitive high speed internet infrastructure.
 - Develop an efficient spectrum policy.
 - Facilitate the use of the EU's structural funds in pursuit of this agenda.
 - Create a true single market for online content and services.
 - Reform the research and innovation funds and increase support in the field of ICT to reinforce Europe's technology strength.
 - Promote internet access and take up by all EU citizens.
- **Member States will need to:**
 - Draw up operational high speed internet strategies, and target public funding on areas not fully served by private investments.
 - Establish a legal framework for co-ordinating public works to reduce costs of network rollout.
 - Promote deployment and use of modern accessible online services.

4. Resource Efficient Europe: It aims to support the shift toward a resource efficient and low-carbon economy which is efficient in the way it uses its resources. It also aims to decouple economic growth from resource and energy use, enhance competitiveness and promote greater energy security.

- At EU level, the Commission will work to:
 - Mobilise EU financial instruments to pull together public and private funding.
 - Enhance a framework for the use of market-based instruments (emissions, trading, state-aid framework).

- Present proposals to modernise and decarbonise the transport sector thereby contributing to increased competitiveness.
- Accelerate the implementation of strategic projects with high European added value to address critical bottlenecks.
- Complete the internal energy market and implement the strategic energy technologies plan, prioritising the promotion of renewable source of energy in the single market.
- Present an initiative to upgrade Europe's networks.
- Adopt and implement a revised Energy Efficiency Action Plan.
- Establish a vision of structural and technological changes required to move to a low carbon, resource efficient and climate resilient economy by 2050.
- **Member States will need to:**
 - Phase out environmentally harmful subsidies, limiting exceptions to people with social needs.
 - Deploy market-based instruments such as fiscal incentives and procurement to adapt production and consumption methods.
 - Develop smart, upgraded and fully interconnected transport and energy infrastructure and make full use of ICT.
 - Ensure a coordinated implementation of infrastructure projects that critically contribute to the effectiveness of the overall EU transport system.
 - Focus on the urban dimension of transport where much of the congestion and emission are generated.
 - Use regulation, building performance standard and market-based instruments to reduce energy and resource use and use structural funds to invest in energy efficiency in public buildings and in more efficient recycling.
 - Incentivise energy saving instruments.

5. An Industrial Policy for the Globalisation Era: Improve business environment, support development of strong and sustainable industrial base.

- At EU level, the Commission will work to:
 - Establish industrial policy creating the best environment to maintain and develop a strong, competitive and diversified industrial base in Europe.
 - Develop a horizontal approach to industrial policy combining different policy instruments (e.g. "smart" regulation, modernised public procurement, competition rules and standard setting);
 - Improve the business environment, especially for SMEs, including through reducing the transaction costs of doing business in Europe, the promotion of clusters and improving affordable access to finance.
 - Promote the restructuring of sectors in difficulty towards future orientated activities.
 - Promote technologies and production methods to reduce natural resources use.
 - Ensure that transport and logistics networks enable industry throughout the Union to have effective access to the Single Market and beyond.
 - Enhance the competitiveness of the European Tourism sector.

- Review regulations to support the transition of service and manufacturing sectors to greater resource efficiency, including more effective recycling; to improve the way in which European standard setting works to leverage European and international standards for the long-term competitiveness of European industry.
 - Renew the EU strategy to promote Corporate Social Responsibility as a key element in ensuring long term employee and consumer trust.
- **Member States will need to:**
 - Improve the business environment to support innovation incentives.
 - Improve the conditions for enforcing intellectual property.
 - Reduce administrative burden on companies and improve the quality of business legislation.
 - Work closely with stakeholders in different sectors (business, trade unions, academics, NGOs) to identify bottlenecks and develop a shared analysis on how to maintain a strong industrial and knowledge base and put the EU in a position to lead global sustainable development.

6. An Agenda for New Skills and Jobs: The aim is to create conditions for modernising labour markets with a view to raising employment levels and ensuring the sustainability of our social models. Empowering people through acquisition of new skills to enable current and future workforce to adapt to new conditions and potential career shifts, reduce unemployment and raise labour productivity.

- At EU level, the Commission will work to:
 - Define and implement ways to better manage economic transactions and to fight unemployment and raise activity rates.
 - Adapt legislative framework to evolving work patterns and new risks for health and safety at work.
 - Facilitate and promote intra-EU labour mobility and better match labour supply with demand with appropriate financial funds and to promote a forward-looking and comprehensive labour migration policy which would respond in a flexible way to the priorities and needs of labour markets.
 - Strengthen capacity of social partners and make full use of the problem solving potential of social dialogue at all levels and to promote strengthened cooperation between labour market institutions.
 - Give a strong impetus to the strategic framework for cooperation in education and training involving all stakeholders. Implementation of lifelong learning principles including through flexible learning pathways between different education and training sectors and levels and by reinforcing the attractiveness of vocational education and training. Social partners at EU level; should be consulted in view of developing an initiative of their own in this area.
 - Ensure that the competences required to engage in further learning and the labour market are acquired and recognised throughout general, vocational,

higher and adult education and to develop a common language and operational tool for education/training and work.

- **Member States will need to:**
 - Implement national pathways to reduce labour market segmentation and facilitate transitions as well as facilitating the reconciliation of work and family life.
 - Review and regularly monitor the efficiency of tax and benefit systems so to make work pay with a particular focus on the low skilled, whilst removing measures that discourage self-employment.
 - Promote new forms of work-life balance and active aging policies and to increase gender equality.
 - Promote and monitor the effective implementation of social dialogue outcomes.
 - Give a strong impetus to the European Qualifications Framework, through the establishment of national qualification frameworks.
 - Ensure that the competences required to engage in further learning and the labour market are acquired and recognised throughout general, vocation, higher and adult education, including non formal and informal learning.
 - Develop partnerships between the worlds of education/training and work, in particular by involving social partners in the planning of education and training provision.

7. European Platform against Poverty: The aim is to ensure economic, social and territorial cohesion, combating poverty and social exclusion so as to raise awareness and recognise the fundamental rights of people experiencing poverty and social exclusion, enabling them to live in dignity and take an active part in society.

- At EU level, the Commission will work to:
 - Transform the open method of coordination on social exclusion and social protection into a platform for cooperation, peer-review and exchange of good practice, and into an instrument to foster commitment by public and private sector to reduce social exclusion, and take concrete action, including through targeted support from structural funds, notably the ESF.
 - Design and implement programmes to promote social innovation for the most vulnerable, in particular by providing innovative education, training and employment opportunities for deprived communities, to fight discrimination, and to develop a new agenda for migrants' integration to enable them to take full advantage of their potential.
 - Undertake an assessment of the adequacy and sustainability of social protection and pension systems, and identify ways to ensure better access to health care systems.
- **Member States will need to:**
 - Promote shared collective and individual responsibility in combating poverty and social exclusion.

- Define and implement measures addressing the specific circumstances of groups at particular risk (e.g. one parent families, elderly, women, minorities, Roma, disabled and homeless).
- Fully deploy their social security and pension systems to ensure adequate income support and access to health care.

There is no doubt that the equality agenda has an important dimension and deserves special attention in the overarching priorities of *Europe 2020*. As part of BEMIS' strategy to raise awareness, we wish to circulate this document among all relevant stakeholders in Scotland; we encourage voluntary organizations and equality groups to take on board – within their strategic plan for the years to come – *Europe 2020*'s main priorities and areas of concern; NGOs play a key role in fostering and facilitating the *Europe 2020* priorities. It is vital that the Third Sector in Scotland embraces the 3 priorities, the 5 targets and the 7 flagship initiatives of the Strategy.

BEMIS

Please Note: This document is a summary of the [Europe 2020 – A European strategy for smart, sustainable and inclusive growth](#), published by the European Commission on 03.03.2010.