

Procedure file

Basic information			
RSP - Resolutions on topical subjects	2010/2591(RSP)	Procedure completed	
Resolution on EU 2020			
Subject 4 Economic, social and territorial cohesion 5.05 Economic growth 8 State and evolution of the Union			
Key players			
European Parliament			
Council of the European Union		Council configuration Economic and Financial Affairs ECOFIN <u>3020</u> Employment, Social Policy, Health and Consumer Affairs <u>3019</u> Competitiveness (Internal Market, Industry, Research and Space) <u>3016</u> General Affairs <u>3010</u> Employment, Social Policy, Health and Consumer Affairs <u>3000</u> Competitiveness (Internal Market, Industry, Research and Space) <u>2999</u>	Meeting 08/06/2010 07/06/2010 25/05/2010 26/04/2010 08/03/2010 01/03/2010
European Commission		Commission DG Secretariat-General	Commissioner BARROSO José Manuel
Key events			
01/03/2010	Debate in Council	<u>2999</u>	
08/03/2010	Debate in Council	<u>3000</u>	
26/04/2010	Debate in Council	<u>3010</u>	Summary
05/05/2010	Debate in Parliament		Summary
19/05/2010	Debate in Parliament		
25/05/2010	Amended budget adopted by Council		Summary
07/06/2010	Debate in Council	<u>3019</u>	Summary
08/06/2010	Resolution/conclusions adopted by Council		Summary
16/06/2010	Results of vote in Parliament		
16/06/2010	Debate in Parliament		

16/06/2010	Decision by Parliament	T7-0223/2010	Summary
16/06/2010	End of procedure in Parliament		

Technical information

Procedure reference	2010/2591(RSP)
Procedure type	RSP - Resolutions on topical subjects
Procedure subtype	Resolution on statement
Legal basis	Rules of Procedure EP 132-p2
Stage reached in procedure	Procedure completed

Documentation gateway

Motion for a resolution	B7-0348/2010	16/06/2010	EP	
Motion for a resolution	B7-0351/2010	16/06/2010	EP	
Motion for a resolution	B7-0353/2010	16/06/2010	EP	
Text adopted by Parliament, single reading	T7-0223/2010	16/06/2010	EP	Summary
Joint motion for resolution	RC-B7-0348/2010	16/06/2010		
Commission response to text adopted in plenary	SP(2010)6508/2	27/10/2010	EC	

Resolution on EU 2020

The Council took stock of the follow-up to be given to the spring meeting of the European Council as regards the EU's new strategy for jobs and growth.

At its spring meeting (25 and 26 March 2010), the European Council established a general framework for the new strategy, and set out further work to be carried out so as to enable it to adopt the strategy at its next scheduled meeting, on 17 and 18 June 2010.

The EU's existing strategy for jobs and growth, launched in Lisbon in March 2000 and renewed in 2005, was instrumental in setting the agenda for growth-oriented structural reforms in Europe but it fell short however on delivery. In view of the economic crisis that has developed meanwhile, and the challenges posed by ageing populations, increased inequalities and climate change, a new approach is now considered necessary.

The new strategy will be aimed in particular at:

- ensuring sustainable public finances whilst preserving investment and social welfare;
- establishing inclusive and efficient labour markets;
- promoting a sustainable economy;
- further strengthening the EU's internal market;
- fully exploiting the reciprocal benefits of foreign trade and openness.

Work will be taken forward within the various configurations of the Council in the run-up to the June 2010 European Council.

Resolution on EU 2020

The House held a debate, following on the Council and Commission statements, on [Europe 2020, a new European Strategy for Jobs and Growth](#). See also [COM\(2010\) 2020](#).

A motion for a resolution closing this debate was due to be put to the vote at the next part-session.

Resolution on EU 2020

The Council held an exchange of views on the new EU strategy for the creation of growth and jobs, on the basis of the results of the dialogue between the Commission and the Member States regarding national targets for investment in research and development (R&D).

Delegations agreed with the Commission on that ambitious and realistic national targets should be set for investment in R&D.

They also welcomed the Commission intention to go on working on the design of appropriate indicators for monitoring the impact of research into economic growth. In this context, some ministers referred to the need to increase resources for innovation whilst using existing research instruments more efficiently. Some delegations highlighted the need to suggest means to encourage the private sector to invest in research and innovation.

Other participants emphasized the importance of education, the conditions for attracting scientists and the promotion of a culture of innovation among European citizens.

Lastly, some delegations proposed monitoring progress towards achieving the 2020 objectives, by conducting a mid-term review in 2015.

At the last spring summit, the European Council agreed on several of the main elements of the Europe 2020 strategy together with headline targets. In the area of knowledge and innovation, the objective is to bring combined public and private research investment levels up to 3% of gross domestic product.

With a view to the next EU summit on 17 June, the European Council called for Member States to set their national targets taking due account of their relative starting positions, national circumstances and potential for increasing research expenditure, and to check consistency with the EU headline targets through dialogue with the Commission.

Resolution on EU 2020

With a view to preparing the European Council of 17 June 2010 the ministers held a policy debate on [Europe 2020 - A new Strategy for Jobs and Growth](#) and agreed on an EU target on social inclusion/poverty reduction and appropriate indicators.

Based on a presidency note and a contribution by the Social Protection Committee (SPC) ([doc. 9964/10](#)), the Council agreed to propose to the European Council:

- that the quantified target of the Europe 2020 Strategy to promote social inclusion, in particular through the reduction of poverty, be formulated in such a way that it would aim at lifting at least 20 million people from the risk of poverty and exclusion by 2020;
- to accept the three set up indicators established by the Social Protection Committee.

Likewise, the Council agreed that in the fight against poverty and exclusion it is necessary to boost inclusion in the labour market as well as in society. During the process of implementation of the EU 2020 Strategy, there will be scope for strengthening the current instruments for measuring progress in the reduction of poverty and deprivation and for understanding the phenomenon of exclusion from the labour market. The relationships between labour market exclusion and the situation of poverty at individual level will have to be better taken into account.

Member States are free to set their national targets on the basis of the most appropriate indicators taking into account their national circumstances and priorities. In this process they will take into consideration that their national targets should contribute to the achievement of the target at EU level.

The Council also considers that the mid-term review of the EU headline target in 2015, as suggested by the Social Protection Committee, would also include a review of the indicators, while fully respecting Member States' role. This review could further allow taking into account economic developments and improved measurement instruments.

The Commission informed the Council of the outcome of the bilateral meetings it held with Member States on the national targets.

The Council also agreed a general approach on guidelines for Member States' employment policies ([doc. 10380/10 + doc. 10380/10 COR 1](#)) as part of the integrated guidelines, pending the receipt of the opinions from the European Parliament and the Committee of Regions. After receiving the outstanding opinions the Council will formally adopt the decision, most likely in October 2010.

Resolution on EU 2020

In preparation for the European Council in June, the Council adopted conclusions on Europe 2020 strategy for smart, sustainable and inclusive growth and jobs. It recalls that Europe 2020 is a central element in Europe's response to the world's worst economic crisis since the 1930s which has threatened macroeconomic and financial stability.

Europe 2020 seeks to:

- address the immediate and longer-term needs of macroeconomic and financial stabilisation: the strategy provides the right framework for implementing strategies for exiting from short-term crisis support by combining the timely withdrawal of fiscal stimulus, real economy measures, and support to the financial sector with the phasing in of growth-enhancing structural reforms over the medium- and long term;
- tackle the challenges associated with demographic ageing, globalisation, and climate change, competitiveness concerns and macroeconomic imbalances, which pre-dated the economic crisis.

At the core of the new strategy is a framework for enhanced co-ordination of Member States' economic policies building on widened country surveillance which covers all relevant macroeconomic and structural policy areas in an integrated fashion. This strengthened framework should facilitate the immediate launch of exit strategies and address the urgent need for fiscal consolidation both in the short term and over the medium term, through growth-friendly budgetary consolidation strategies focused on expenditure restraint, and be combined with the implementation of long-term policies to tackle bottlenecks to growth.

Main bottlenecks to sustainable growth: the Council reaffirms the importance of identifying the most important national macro-structural bottlenecks to growth and welcomes the work undertaken in this regard by the Commission with Member States and the Economic Policy Committee (EPC) and the Economic and Financial Committee (EFC). It endorses the EFC and EPC report on identifying national macrostructural bottlenecks to growth and invites Member States to take these suggestions into account when setting out the bottlenecks in their National Reform Programmes.

In order eliminate the bottlenecks, it is necessary to: (i) create the right framework conditions over the medium- to long term at macro level to rectify budgetary and macro-financial problems as well as external imbalances; (ii) implement policies to unlock growth drivers with an impact at macroeconomic level, such as labour- and product market policies, as well as innovation, R&D, climate change and education policies.

Targets: the Council takes note of the progress made in determining the reference values for the European objectives of education and on developing indicators in the area of social inclusion. Headline targets should be part of the Integrated Guidelines. It also notes the progress achieved by Member States in identifying their national targets and it encourages the Commission to continue the work with national authorities leading to the setting of national targets in the next National Reform Programmes, which are consistent with identified macro-structural bottlenecks to growth.

The Council proposes that the national headline targets should be in line with the following principles:

- national targets should at the same time be ambitious and realistic;
- Member States have full ownership of their national targets without engaging in burden-sharing. However, the aim should also be broad coherence and consistency among the targets for each Member State but also at EU-level;
- all Member States should aim at making progress, but those with larger gaps should generally contribute more towards meeting the aggregate target, while being consistent with the need for fiscal consolidation;
- due account should be given to the interlinkages between targets, given that reaching one target may be helpful in reaching others;
- progress towards the headline targets should be reviewed regularly, and if necessary a midterm review should be conducted.

The Council underlines that priority should be given to policies at EU and national level that strengthen incentive systems for reaching targets and should be consistent with the fiscal consolidation commitments undertaken in the context of the Stability and Growth Pact. This is particularly important with regard to the R&D expenditure rate target (where principally private sector expenditure should increase), the social inclusion/poverty target (where increases in employment, for example for groups that are currently socially excluded, should contribute the lion's share of progress) and the energy efficiency target.

Enhanced economic policy coordination and timing: the Council welcomes the [Commission's Communication on reinforcing economic policy co-ordination for the EU as a whole](#) and for the euro area in particular. It welcomes the work of the Task Force established by the President of the European Council and looks forwards to its proposals, including for enhanced policy coordination and a strengthening of the Stability and Growth Pact.

The Council considers that surveillance under the Europe 2020 strategy and the Stability and Growth Pact should be organised in the following manner:

- the reporting in Stability and Convergence Programmes and in the National Reform Programmes should be better aligned and take into account guidance provided by the European Council. All these policy areas should be analysed in an integrated fashion;
- surveillance should be broader, deeper and more effective, with greater focus on substance and taking better account of the euro area dimension;
- surveillance should feed into policy making at national level and ensure overall coherence from the perspective of the EU and the euro area as a whole;
- the timing of reporting and policy guidance should consider the need for adequate preparation at national level and provide the best possible moment for assessing national fiscal policies, while respecting the role of national parliaments;
- interactions and complementarities between EU- and national-level policies should be fully exploited;
- any duplication of processes should be avoided and the reporting burden on Member States should be minimised.

Measures to strengthen financial regulation and exit strategies : the Council approved:

a report to the European Council on progress made in strengthening financial regulation in response to the crisis in global financial markets;

a report to the European Council on progress made in the development of an exit strategy for the unwinding of budgetary stimulus measures introduced in response to the economic crisis ([doc. 10251/10](#)).

Resolution on EU 2020

The European Parliament adopted by 562 votes to 57, with 24 abstentions, a resolution on the EU 2020 Strategy.

The resolution was tabled by the EPP, S&D, ALDE, Greens/ALE and ECR groups.

Parliament expresses its disappointment at the main elements of the new EU 2020 strategy agreed by the European Council on 26 March 2010. It calls for the EU 2020 strategy to pursue a broad political concept for the future of the EU as a competitive, social and sustainable Union putting people and the protection of the environment at the centre of policy making.

The Council is urged to endorse the key elements of the EU 2020 strategy at its June 2010 meeting but Members insist that it should not adopt final decisions on the key instruments, targets and indicators of the EU 2020 strategy without having properly consulted Parliament as soon as possible. In the same spirit, they take the view that national parliaments, regions, municipalities, the social partners and NGOs should be actively involved in defining and implementing the strategy.

Parliament notes the five headline targets agreed by the European Council on: (i) employment rate; (ii) research and development; (iii) greenhouse gas emissions; (iv) education levels; (v) social inclusion. It stresses that these headline targets should be formulated in the framework of a consistent and coherent sustainable development strategy combining the economic, social and environmental policy agendas.

Relaunching the single market: Members emphasise that the single market is one of the main drivers of European growth and that it still needs to be fully completed. They emphasise that it is important to keep free trade and access to the global market at the core of policy making and to eschew any movement towards protectionism, as innovative entrepreneurs and companies can thrive in a free and global market.

The resolution stresses that bolder initiatives are needed to complete the single market and to win greater public acceptance for it.

The Commission must produce a clear set of political priorities through the adoption of a ?Single Market Act?, which should cover both legislative and non-legislative initiatives designed to create a highly competitive social market economy.

SMEs in a social market economy: Members emphasise that the EU should stimulate and encourage SMEs and entrepreneurship, which are crucial to job conservation and creation, that it should reduce administrative and regulatory burdens and simplify rules. They highlight the fact that SMEs are the backbone of the social market economy, creators of jobs and essential players in reinvigorating sustainable economic growth, and that priority should therefore be given to further efforts in the area of reform, such as SME-friendly legislation, creating a vibrant environment for start-ups, encouraging entrepreneurship and improving access to finance. They also consider that the EU 2020 strategy should include targets and initiatives to encourage increased average levels of equity and venture capital in companies.

The resolution points out that micro-businesses can often help in combating unemployment, and setting up a business is often a way to succeed despite social inertia, that the first pre-condition for the development of SMEs is their ability to raise adequate funds for their activities, and that maintaining guarantee mechanisms for SMEs, dynamic second markets and a banking sector that promotes economic activity in Europe are prerequisites for the development of SMEs.

Employment target: Parliament reiterates that high-quality employment should be a key priority in a 2020 strategy and that a stronger focus on properly functioning labour markets and on social conditions is vital to improve employment performance. It calls, therefore, for a new agenda to promote decent work, ensure workers' rights throughout Europe and improve working conditions.

Research target: Parliament urges the Commission and the Member States to retain the overall target of 3% of GDP for R&D. It calls on the Member States to make better use of the potential for synergy between cohesion-policy funding and R&D funding and to ensure that these instruments translate into innovation that delivers real benefits to society.

The resolution emphasises that major R&D projects, key energy infrastructure investments and the new EU competence on space policy, as well as EU innovation policy, require solid, credible and sustainable EU financial support if the Union's key 2020 objectives are to be met. In order to make European research more efficient, Members take the view that it is crucial that existing structures are better streamlined and that a more research-friendly and innovation-friendly investment climate is created in both the public and the private sector. They call on the Commission to put forward practical measures to improve access to financing, and especially the availability of risk capital.

Climate/energy targets: Parliament deplores the fact that the European Council's headline targets on climate change greenhouse lack ambition and, in this respect, are not geared towards leadership in a world which is facing climate change. It calls therefore for the immediate and simultaneous adoption of the following binding targets for the EU:

- a domestic greenhouse gas reduction target of 30% for 2020 and substantial further reduction in the long run provided that other countries are also ready to commit themselves to taking adequate action;
- a resource-efficiency improvement target;
- a 20% reduction target for energy consumption and an increase in the share of renewable energies to at least 20% by 2020, while removing technical and non-technical barriers to the further development of sustainable renewable energies, as a first step towards creating, by 2050, a non-CO₂-emitting, highly efficient economy mostly based on renewable energies;
- measurable targets geared towards halting the loss of biodiversity and ecosystem services and restoring them where possible by 2020.

Education target: noting the headline target on improving education, Parliament deplores the absence of numerical targets and urges the European Council to set a 100% target for secondary education, as well as clear qualitative targets and indicators for primary and secondary education. It asks Member States to adopt the ambitious targets set out in the [Commission's communication on EU 2020](#) so that, by 2020, school drop-out rates should be below 10% of the age cohort and at least 40% of the population should have completed tertiary or equivalent education.

Members stress the need for robust lifelong-learning policies and to maintain the number of active people on the labour market and to strengthen social inclusion.

Poverty target: Parliament insists that the EU 2020 strategy should include a target for reducing poverty in the EU by half, and points out that a majority of Europeans currently living in poverty, or at risk of poverty, are women, in particular older women, migrant women, single mothers and carers. It calls for an ambitious long-term strategy against poverty, with far-reaching targets for poverty reduction.

Gender equality: Parliament calls for a programme for gender equality to eradicate the existing pay gap between men and women and to ensure full participation by women in the labour market and in politics, while promoting women's career opportunities and to improve conditions with a view to reconciling work and family life.

Cohesion policy: Parliament considers that a strong and well-financed cohesion policy, embracing all European regions, should be fully in line with the EU 2020 strategy. It considers that the global crisis should be used as an opportunity to re-found our European social market economy as a model of society based on sustainability, solidarity, knowledge, a decisive decrease in poverty and the creation of jobs, and that the EU 2020 strategy should develop the employment potential of the transition towards a sustainable economy.

Common Agricultural Policy: Members point out that CAP reform by 2013 and a sustainable forestry strategy should be considered within the framework of the EU 2020 strategy.

External action by the European Union: Parliament urges the Commission to take a broader and more comprehensive approach in its external action, in line with the EU concept of policy coherence for development and to use its trade strategy for EU 2020 to promote the Union's core values, such as the promotion of human rights, democracy, the rule of law and fundamental freedoms and the defence of the environment.