

## **P7\_TA(2011)0068**

### **Europe 2020**

#### **European Parliament resolution of 17 February 2011 on Europe 2020**

*The European Parliament,*

- having regard to the Commission communication entitled ‘EU 2020: a strategy for smart, sustainable and inclusive growth’,
  - having regard to the Commission communication entitled ‘Annual Growth Survey: advancing the EU's comprehensive response to the crisis’,
  - having regard to the Presidency conclusions following the European Council meeting of 17-18 June 2010,
  - having regard to the Presidency conclusions following the European Council meetings held in March 2000, 2001, 2005, 2006 and 2007, and December 2009,
  - having regard to its resolution of 16 June 2010 on economic governance<sup>1</sup>,
  - having regard to its resolution of 20 October 2010 on the financial, economic and social crisis: recommendations concerning measures and initiatives to be taken (mid-term report)<sup>2</sup>,
  - having regard to its resolution of 16 December 2010 on establishing a permanent crisis mechanism to safeguard the financial stability of the euro area<sup>3</sup>,
  - having regard to Article 3 of the Treaty on the Functioning of the European Union,
  - having regard to the Council recommendation on the Broad Economic Policy Guidelines of the Member States and of the Union, adopted on 7 July 2010,
  - having regard to the Council decision on guidelines for the employment policies of the Member States,
  - having regard to Rule 110(4) of its Rules of Procedure,
- A. whereas the Europe 2020 strategy should help Europe recover from the crisis and come out stronger, through job creation and smart, sustainable and inclusive growth based on five EU headline targets as regards promoting employment, improving the conditions for innovation, research and development, meeting our climate change and energy objectives, improving education levels and promoting social inclusion, in particular through the reduction of poverty,

***Governance of the Europe 2020 Strategy should be strengthened***

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<sup>1</sup> Texts adopted, P7\_TA(2010)0224.

<sup>2</sup> Texts adopted, P7\_TA(2010)0376.

<sup>3</sup> Texts adopted, P7\_TA(2010)0491.

1. Underlines that the Europe 2020 actions are of crucial importance to the future prospects of all European citizens, delivering sustainable jobs, long-term economic growth, and social progress; fears that the Europe 2020 strategy will not be able to deliver on its promises due to its weak governance structure, and strongly urges the Council, therefore, to strengthen the Community method; reiterates the importance of integrating the EU 2020 goals into the economic governance framework and calls for the European Semester to be part of the legislative governance package, while including national parliaments and social partners at an early stage in order to foster democratic accountability, ownership and legitimacy; stresses that the achievement of Europe 2020 is essential and not optional;
2. Considers the Annual Growth Survey and the framework of the European Semester as crucial tools for an enhanced coordination of economic policies; stresses, however, that they should not replace nor diminish the importance of the existing tools provided by the Treaty, in particular the broad economic policy guidelines and employment guidelines of Member States, in which Parliament is strongly involved and consulted; underlines the need for consistency with the achievement of the five headline targets for the Europe 2020 strategy agreed by the European Council and Commission with a view to ensuring its success;

*EU budget and national budgets should better reflect the ambitions of the Europe 2020 strategy*

3. Stresses that the Europe 2020 strategy must close the gap between its declared ambitions, the resources available and the methodology used; calls for the next Multiannual Financial Framework (MFF) to reflect the ambitions of the Europe 2020 strategy; calls on the Commission to clarify the budgetary dimension of the Flagship Initiatives as these priority action plans cut across all policies funded through the EU budget; strongly urges the Commission to make proposals on the establishment of new own resources so as to provide the Union with real and autonomous financial resources;
4. Emphasises that Europe 2020 requires reforms and very substantial and early public and private investments in a wide range of projects; notes that these require the mobilisation of both existing and new innovative instruments and revenues;
5. Demands that the Commission and Member States produce a credible funding framework and that the European Council consider the funding needs as part of its economic governance review; considers that funding Europe 2020 demands a concerted set of policy initiatives, engaging European institutions, such as the EIB and the ERBD; emphasises, in addition, that private sector funding will be indispensable and requires legal frameworks that will address the long-term risks involved;
6. Is convinced that, with the right policy framework and adequate budgetary resources, agriculture and forestry can play an important role in an overall European strategy designed to secure economic recovery, while at the same time contributing to EU and global food security, preserving the rural landscape which accounts for 90% of the EU's territory, securing environmental benefits and making an important contribution to the search for alternative energy sources;
7. Considers that a strong and well-financed cohesion policy embracing all European regions must be a key complementary element of the Europe 2020 strategy; takes the view that this policy, with its horizontal approach, is a pre-condition for a successful delivery of the Europe 2020 goals, as well as for achieving social, economic and territorial cohesion;

### *A bold Single Market and Small Business Act to create jobs*

8. Considers that Member States should be encouraged to give the highest priority to tackling unemployment and preventing long-term exclusion from the labour market in their National Reform Programmes; believes that this should be combined with measures to ensure more job creation, better jobs and high levels of high quality employment in the medium and longer term;
9. Stresses the vital role of a holistic approach to the re-launch of the Single Market to ensure better economic performance and a strengthened social dimension while restoring confidence by putting citizens at the heart of the Single Market; believes that comprehensive guidance from the highest political level and buy-in from the European Council is crucial for success the re-launch of the Single Market;
10. Draws attention to the role that Smart Regulation can play in improving the regulatory framework in which businesses operate; believes that the proposals contained therein can help deliver a strong business environment conducive to growth and innovation, but notes that all partners in the legislative process must take responsibility for producing more effective and less burdensome regulations;
11. Expresses its disappointment that two years after the adoption of the Small Business Act the Commission is lacking in concrete actions and initiatives; urges the Commission and the Council to promote a more SME-friendly environment; calls on the Commission and Member States to promote transparent use of pre-commercial public procurement for innovative and green technologies;
12. Welcomes the Commission proposal for enhanced cooperation regarding the establishment of a European patent and calls for quick adoption by Parliament and the Council;
13. Insists that gender equality is a key target to achieve the EU 2020 ambition ; calls therefore on the full participation of women in the labour market and the full inclusion of female workers into vocational training; calls also for an agenda to eradicate the existing pay gap between women and men;

### *Flagship initiatives*

#### *General remarks*

14. Stresses that the current content of the Europe 2020 strategy, such as the headline targets, flagship proposals, bottlenecks and indicators remain of a very general nature; underlines that this set of initiatives could only be achieved through concrete commitments from Member States in their National Reform Programmes and concrete and consistent legislative proposals;

#### *Flagship 'Innovation Union'*

15. Welcomes the flagship initiative on 'Innovation Union' as a key driver to achieve Europe 2020 objectives, which addresses the major societal challenges like energy and food security, climate change, health and an ageing population; recalls that the 3% target is composed of a 2 % (private expenditure) share and a 1 % (public expenditure) share; notes that there are still particular shortcomings in the field of private research spending which

can only be overcome by adapting the regulatory environment for companies, including SMEs; welcomes, therefore, the Commission's intention to improve framework conditions for business to innovate, in particular with respect to intellectual property rights;

16. Stresses the need to enhance, stimulate and secure the financing of research, innovation and development in the EU via a significant increase in relevant expenditure post 2013; points to the importance of access of SMEs to the FP and CIP; calls for a revised Financial Regulation to facilitate SME applications; highlights the lack of funding for crucial instruments for research, innovation and deployment that have already been adopted, such as the Strategic Energy Technology Plan (SET-Plan); emphasises the important contribution which the Research Framework Programme makes in fighting climate change; points to the important contribution which structural funds are making in stimulating research, development and innovation at national and regional level; stresses the need to create synergies between structural funding and FP funding;
17. Believes that it is not subsidies that innovative European companies need, but more freedom and better access to venture capital; considers that the European Union should accommodate this need by expanding the permanent risk-sharing products offered by the European Investment Bank via the Risk Sharing Finance Facility (RSFF); considers that there is significant untapped potential for promoting innovation via public procurement;

#### *Flagship 'Youth on the Move'*

18. Welcomes the initiative of the flagship 'Youth on the Move'; insists that quality of and access to relevant education is a constant prerequisite for a sustainable social market economy; underlines, consequently, that, if Member States aim to achieve the common targets of economic development and those set for education, proper investment will be crucial in their educational and training systems, including in vocational education and training; regrets, however, that the flagship leaves core subjects, such as participation in society or youth poverty, unaddressed; calls for stronger proposals on inclusion;
19. Calls on the Commission to continue to adequately fund existing mobility and youth programmes such as Lifelong Learning (Erasmus, Leonardo, Comenius, Grundtwig), Youth in Action and Marie Curie; believes that this would make an important contribution to the fight against youth unemployment and towards reach a 75% employment rate;
20. Underlines that Youth on the Move cannot alone tackle the alarming youth unemployment all over Europe; calls for all Member States to set up, as part of their National Reform Programmes, a national strategy to tackle youth unemployment and secure young people access to education and training; underlines that youth policies must be seen in connection with policies on education, employment and social inclusion; strongly supports the proposal for a Council Recommendation on a European Youth Guarantee and urges the Council to adopt it as soon as possible;

#### *Flagship 'A digital agenda for Europe'*

21. Welcomes the ambitious proposals on the 'Digital Agenda', but urges the Commission to speed up the adoption of proposals related to the digital single market, such as e-commerce, intellectual property, trust & security online, roaming and e-authentication; calls on all parties to make the first radio spectrum policy a reality; emphasises the need to develop the free circulation of content and knowledge, the 'fifth freedom';

22. Stresses that pluralist and independent media are a pillar of European democracy; urges the Commission to safeguard media pluralism; believes that protection of privacy constitutes a core value and calls for the adaptation of the Data Protection Directive to the current digital environment to make sure that all citizens have control of their personal data;

*Flagship 'Resource-efficient Europe'*

23. Welcomes the Europe 2020 flagship initiative on a resource-efficient Europe and urges the Commission to continue its work on formulating concrete policies to ensure a switch to a resource-efficient and renewable-based economy; calls on the Commission to develop concrete benchmarks and to ensure that agreed targets are met and that they can be monitored within the framework of the Europe 2020 European Semester of policy coordination; underlines the urgent need to modernise and upgrade the European energy infrastructure, to develop smart grids and build interconnections, which are necessary for realising the internal energy market, enhancing security of supply, and to meet our energy and climate targets and speed up authorisation procedures;
24. Recalls that energy efficiency is the most cost-effective way to reduce emissions, improve energy security and competitiveness and reduce consumers' energy bills, as well as create employment; stresses that Member States are not showing enough efforts to reach the 20 % energy efficiency target; calls on Member States, therefore, to step up measures and live up to this vital target to which they committed themselves in 2007; asks the Commission together with Member States to work out measures to ensure that the target is met as demanded by Parliament in its resolutions on the 'Revision of the Energy Efficiency Action Plan' (Bendtsen report) and 'Towards a new Energy Strategy for Europe 2011-2020' (Kolarska Bobinska report);
25. Regrets that this flagship communication does not attribute enough importance to resource efficiency as an overarching EU policy priority; insists that the EU needs to start moving towards a recycling economy, ensuring reduction in waste production, and the value of reusing resources; stresses that environmental sustainability depends on a reduction in resource use; calls on the Commission to come up with a set of indicators so that they can be monitored in the National Reform Programmes;

*Flagship 'An industrial policy for the globalisation era'*

26. Calls for a holistic, balanced and forward-looking approach to EU industrial policy, aimed at developing a strong, competitive, coherent, efficient and diversified industrial base and where innovation, research, competition, Single Market, trade and environmental policies are coordinated; considers that key objectives should be to promote job creation and the international competitiveness of European enterprise, intelligent restructuring and dialogue with employees, a sustainable economy and free choice in technology options and mobility of researchers; calls for immediate application of smart regulation principles in independent impact assessments, including 'competitiveness proofing' for new legislation, an SME test to ensure a more friendly regulatory environment for small business and reduced administrative burdens, sustainability proofing in line with EU climate, energy, resource efficiency and recycling objectives, and ex-post 'fitness checks' for existing legislation;
27. Stresses that EU transport and energy policies covering infrastructure and services are key to achieving Europe 2020 objectives; stresses that the transport sector will ensure that the EU market keeps its position as a highly qualified production area, through the

decarbonisation of all transport modes, the implementation of the Single European Railway Area and the completion of the Single European Sky; calls for an effective European Raw Materials Strategy to improve accessibility, energy and resource use efficiency while securing critical materials through the development of FTAs and strategic partnerships; calls for significantly improved access to finance in innovation and infrastructures, notably for smart grids, green technologies, e-health, the Trans-European Networks (TEN) and projects with proven added value which cannot be financed by the market; calls, in this respect, for steps to be taken to explore the opportunities offered by Project Bonds;

*Flagship 'An agenda for new skills and jobs'*

28. Highlights the fact that strong social protection systems prevent long-term exclusion; insists that investment in active labour market policies, education and training opportunities for all to acquire new skills are essential to reduce unemployment; stresses the importance of SMEs and the relaunch of the Single Market in this respect; supports, in particular, the implementation of the European qualifications framework and the planned legislative initiative reforming the professional qualifications to ensure mutual recognition of professional qualifications;
29. Welcomes the 'Agenda for New Skills and Jobs'; notes that flexicurity has been successfully implemented in certain countries, but warns that flexicurity concepts cannot deploy their potential in Member States with low possibilities of strengthening social protection systems due to budget restrictions and macroeconomic imbalances, and considers that reducing labour market segmentation must be achieved by providing adequate security for workers under all forms of contracts, especially vulnerable groups; reminds the Commission not to neglect the need to ensure a socially just transition to a more sustainable labour market and the huge potential of sustainable jobs; stresses that any labour market reforms can only be successfully introduced by reaching a high degree of social consensus through agreements with the social partners;

*Flagship 'European platform against poverty and social exclusion'*

30. Recalls that the Europe 2020 strategy includes a target to lift at least 20 million people who are in, or at risk of, poverty and social exclusion out of this state; urges the Commission and the Council to ensure full compliance with the Charter of Fundamental Rights and the Horizontal Social Clause (Article 9 TFEU) in order to ensure that all policies contribute to rather than undermine that poverty-reduction goal;
31. Calls on Member States to be committed to tackling child poverty through appropriate measures so that children are not restricted in their personal development and are not underprivileged when entering professional life;
32. Welcomes the proposals for a European Platform against Poverty and Social Exclusion, but calls for more concrete actions to deliver social inclusion, in particular by strengthening the Social Open Method of Coordination, as an integrated strategy involving national and local stakeholders, including people who experience poverty and social exclusion; reiterates its call for a broader agenda to promote decent work, ensure workers' rights throughout Europe and improve working conditions, tackle inequality and discrimination, and combat in-work poverty;

33. Instructs its President to forward this resolution to the European Council and the Commission.