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*Directorate-General for Internal Policies  
Committee on Employment and Social Affairs  
The Secretariat*

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## **Briefing note for the meeting of the EMPL Committee 5 October 2009 regarding the exchange of views on the Lisbon Strategy and the EU cooperation in the field of social inclusion**

This briefing note contains:

1. Overview of the history of the Lisbon strategy
2. Overview of the history of the open method of coordination regarding social inclusion
3. Information from the library regarding both topics

### **1. THE LISBON STRATEGY**

#### **OBJECTIVES**

Today, the overall ambition of the ‘Lisbon Agenda’ or ‘strategy’ is often quoted in European Union (EU) literature: ‘to become the most competitive and dynamic knowledge-based economy in the world, capable of sustainable economic growth with more and better jobs and greater social cohesion’ (Presidency conclusions, Lisbon European Council, 23 and 24 March 2000) ‘and a sustainable environment’. This last objective was added in the course of the Gothenburg summit in June 2001. The achievement is set for 2010.

#### **LISBON STRATEGY: phase I - 2000-2005**

At the extraordinary meeting of the European Council of 23 and 24 March 2000 in Lisbon, the heads of state and government of the 15 countries of the EU defined a new strategic objective in order to strengthen employment, economic reform and social cohesion. Faced with the dramatic changes resulting from globalisation and the challenges of a new knowledge-driven economy, the European Council put in place an overall strategy aimed at:

- preparing the transition to a knowledge-based economy and society by better policies for the information society and R&D, by stepping up the process of structural reform for competitiveness and innovation and by completing the internal market;
- modernising the European social model, investing in people and combating social exclusion sustaining the healthy economic outlook and favourable growth prospects by applying an appropriate macroeconomic policy mix.

The Lisbon European Council of 2000 considered that the overall aim of these measures should be, on the basis of the available statistics, to raise the employment rate from an average of 61 % at that time to as close as possible to 70 % by 2010 and to increase the number of women in employment from an average of 51 % at that time to more than 60 % by 2010. Given their different starting points, Member States had to consider setting national targets for an increased employment rate. This, by enlarging the labour force, would reinforce the sustainability of social protection systems.

The former Prime Minister of the Netherlands, Wim Kok, was appointed chairman of a group of experts charged with reviewing the Lisbon Strategy. The group's work proved decisive in drawing up the 2005 strategy. On 2 February 2005, the Commission proposed a new start for the Lisbon Strategy focusing the European Union's efforts on two principal tasks – delivering stronger, lasting growth, and more and better jobs. From that point on, the institutions of the European Union began to turn the new momentum for a relaunch into concrete action. The European Council of March, as well as the European Parliament and the European social partners, gave full support to the Commission's proposal to relaunch and refocus the Lisbon Strategy.

The new strategy focuses on:

- support for knowledge and innovation in Europe
- reform of state aid policy
- improvement and simplification of the regulatory framework in which business operates, and the completion of the internal market for services
- the removal of obstacles to free movement in the areas of transport, labour and education
- development of a common approach to economic migration
- support for efforts to cope with the social consequences of economic restructuring

At the European Council of March 2005, all the Member States made a commitment to draw up, by October 2005 and under their own responsibility, national reform programmes based on the integrated guidelines. The reform programmes take into account the diversity of situations and policy priorities at national level.

#### LISBON STRATEGY: phase II - 2005-2008

Particular attention needs to be paid to the delivery of the Lisbon agenda. In order to achieve the objectives of growth and employment, the Union must do more to mobilise all the resources at national and Community levels so that their synergies can be put to more effective use. To this end, the broad economic policy guidelines (BEPGs) reflect the new start for the Lisbon Strategy and concentrate on the contribution of economic policies to higher growth and more jobs. Section A of the BEPGs deals with the contribution that macroeconomic policies can make in this respect. Section B focuses on the measures and policies that the Member States should carry out in order to boost knowledge and innovation for growth and to make Europe a more attractive place to invest and work.

In line with the conclusions of the Brussels European Council (22 and 23 March 2005), the BEPGs, as a general instrument for coordinating economic policies, should continue to embrace the whole range of macroeconomic and microeconomic policies, as well as employment policy insofar as this interacts with those policies; the BEPGs will ensure general economic consistency between the three strands of the strategy. The existing multilateral surveillance arrangements for the BEPGs will continue to apply.

These guidelines are applicable to all Member States and to the Community. They should foster coherence of reform measures included in the national reform programmes established by Member States and will be complemented by the Lisbon Community Programme 2005 to 2008 covering all actions to be undertaken

at Community level in the interest of growth and employment. Implementation of all relevant aspects of these guidelines should take into account gender mainstreaming. The Brussels European Council (23 and 24 March 2006) confirmed that the integrated guidelines 2005-08 for jobs and growth remain valid.

#### EMPLOYMENT GUIDELINES WITHIN THE LISBON STRATEGY

Parliament has the Treaty based right<sup>1</sup> to be consulted on proposals for **Employment Guidelines** for the Member States' employment policies. Regarding the procedural aspects, Parliament complained on many occasions (most recently in its resolution of the Employment Guidelines for 2009) that its right for consultation is not respected because the calendar applied since 2003 does not render it possible to take into account the EP's opinion on the Employment Guidelines **in time** for the Spring European Council. On the contrary, the time for consultation has been shortened progressively over the intervening period, in particular since the streamlining of the Employment Guidelines with the macroeconomic and microeconomic aspects in a single document. Related to the policy content, Parliament<sup>2</sup> stressed that the Lisbon Strategy does not always deliver for all European citizens, as perhaps it may have delivered more but not always better jobs ('working poor'), while there has been an increase of poverty, in particular child poverty. In its view, the social dimension of the Lisbon Strategy and the quality of employment need to be strengthened. Parliament recommended integrating a balanced 'flexicurity' approach in the employment guidelines.

#### ROLE OF THE EUROPEAN PARLIAMENT

In July 2000, the European Parliament adopted a Resolution, after the Feira European Council meeting, welcoming the consensus on the policy mix set out by Council's conclusions but calling for an Inter-institutional Agreement. The following year, Parliament examined Council's preparatory work for the Spring Council and expressed doubts on Member States' ability to deliver the Lisbon commitments. Though Parliament saw an environmental dimension for the Lisbon Strategy, it warned against setting too many targets and underlined the need for more wide-spread consultation with interested parties, including applicant countries. In its May 2001 Resolution, Parliament again stressed its right to be involved in any follow-up to the Lisbon Strategy.

In reply to the conclusions of the Gothenburg European Council, Parliament supported the emphasis on sustainable development, but regretted that Council had only agreed on the general principle while failing to take concrete actions.

Following the 2003 Spring Council, Parliament analysed the overall Lisbon achievements and stressed the need for further progress in the four priority objectives set out by Council. The Commission was asked to prepare a roadmap, to achieve the Lisbon goals by 2010. Parliament reiterated its criticisms of the co-ordination method and called for effective mechanisms to bring about the required structural changes. In June 2003, Parliament asked for an Inter-institutional Agreement that would secure Parliament's role in defining objectives and indicators and guarantee the development of a "community method".

In a second resolution following the December 2003 European Council, Parliament reiterated its concerns about Member States' substantial failure to follow up the Lisbon Strategy and asked for better monitoring, underlining the need for structural reforms to restore Europe's competitiveness, generate growth and increase employment, taking into account the multiple aspects of the European social model.

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<sup>1</sup> (Article 128 (2) TEU stating that the Council shall draw up the guidelines on the basis of the 'conclusions' of the European Council and **after consulting the European Parliament**)

<sup>2</sup> EP resolution on Employment guidelines 2008-2010, 2008 (rapporteur Van Lancker)

In the wake of the 2004 Spring Council, Parliament emphasised that the full implementation of agreed commitments was crucial. It called for political action, rather than the setting up of high-level groups and for structural reforms to increase employment to the 70% employment rate necessary to cope with an ageing population. In December 2004, the Lisbon Strategy Coordination Group was set up to create a forum for discussion, action and inter-institutional dialogue. It was made up of 33 representatives from the different Political Groups representing the 10 Parliamentary Committees most concerned by the Lisbon Strategy and was chaired by Mr Joseph Daul, then President of the Conference of Committee Chairs.

Finally, Parliament presented its views on the findings of the Kok report by underlining the need to focus on both structural reforms and macroeconomic actions in order to stimulate growth and employment, and warned that the stability and sustainability of public finances should not be jeopardised. On 9 March 2005, the European Parliament adopted a Resolution on the 'Mid-term review of the Lisbon Strategy' (P6\_TA(2005)0069) supporting an effective re-focusing of the Lisbon Strategy, identifying key policy areas, such as innovation, reducing bureaucracy, and important proposals, such as REACH or the Services Directive and emphasising economic growth, the environment and social cohesion.

On 15 March 2006, the European Parliament adopted a Resolution on the 'Preparations for the European Council: the Lisbon Strategy (P6\_TA(2006)0092)', demanding the objective analysis of the national action plans, concrete proposals responding to future demographic challenges and addressing the strategic role of energy policies.

#### FUTURE CHALLENGES

The above highlight the importance for the European Parliament to articulate its **priorities for the Integrated Guidelines** early and to engage in dialogue not only with the other institutions, but also with other stakeholders, namely the social partners and social NGOs. The Parliament could take the opportunity to lead the debate on how the Lisbon Agenda could be linked to other major strategies at European level, including sustainable development, energy policy, coping with ageing and social policy. In order to strengthen the EP's consultation right on the Employment Guidelines, Parliament would have to reach a common understanding with the Council and Commission to be able to deliver its opinion in time. An Interinstitutional Agreement between the European Parliament, Commission and Council would be an appropriate instrument.

## **2. OPEN METHOD OF COODINATION (OMC) REGADING SOCIAL INCLUSION**

With the Amsterdam Treaty proper social protection and combating of exclusion were officially recognised among the common objectives of the Community and the Member States (Article 136 of the EC Treaty). Article 137 of the EC Treaty awards the Community the competence to support and complement the activities of the Member States, who remain however primarily responsible for achieving these new common goals.

During the Lisbon extraordinary meeting of the European Council in March 2000, the Heads of State and Government committed themselves to making a decisive impact on the eradication of poverty by 2010; they requested the Council to set suitable objectives by the end of the year and agreed that policies for fighting social exclusion should be based on an open method of coordination (OMC) combining national action plans (Inclusion NAPs), yearly reports drafted jointly by the EU Council and the Commission and a EU-funded programme managed by the Commission.

At the Nice Summit the European Council approved the proposed objectives and invited the Member States to submit by June 2001 their first Inclusion NAPs covering a two-year period and to define indicators and monitoring mechanisms to measure progress; no agreement could be found on the setting of common targets. Member States also agreed to exchange experiences on pensions and an OMC process was launched in this area at the Laeken Summit (December 2001). The first Joint report was prepared in 2002. New Inclusion NAPs were submitted in July 2003 for the period 2003-2005.

Between 2003 and 2005 steps were taken to streamline the two processes already going on in the social sector together with the recently initiated cooperation in healthcare and long-term care, in a comprehensive exercise covering both aspects common to the three areas and specific aspects. The timetable for reporting was subsequently adapted to the new structure and to the renewed Lisbon strategy: based on the Communication "Working together, working better: A new framework for the open coordination of social protection and inclusion policies in the European Union"<sup>3</sup>, the process was centred around three-year cycles, with preparation of national strategies and full reporting in the first year and the two intermediate years devoted to in-depth analysis and mutual learning on priority themes. Inclusion NAPs were incorporated into the new "National Reports on Strategies for Social Protection and Social Inclusion".

New common objectives were approved by the European Council in March 2006. The continued validity of these objectives was confirmed by the European Council in March 2008.

2007 was the first year without full reporting and allowed for an in-depth examination of a set of specific issues for each strand: the eradication of child poverty was chosen for the inclusion OMC. The subjects selected for deeper analysis in 2009 for the inclusion strand are housing and homelessness.

The process does not provide for any institutionalized role for the European Parliament. In the exercise of its political control functions, the European Parliament has nonetheless adopted several resolutions on relevant issues.

### **ACHIEVEMENTS OF THE EUROPEAN PARLIAMENT IN 2004 - 2009**

During the 6th legislature, Parliament performed several careful analyses of demographic and societal developments occurring in the European Union.

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<sup>3</sup> COM (2005) 706 final

The EP took the view that population ageing, despite a potentially critical impact on society, should not be treated as a threat, but rather as a challenge requiring appropriate and innovative answers<sup>4</sup>. It pointed out the need to consider infertility as a public health concern and to create favourable conditions for families to be able to realise their genuine personal and professional aspirations. The current demographic trends prevailing in the Member States endanger the sustainability of social security and health-care systems, which will only be guaranteed on the condition that positive growth rates and full employment are achieved. Although immigration cannot be considered as the only answer to demographic change, it might have a key impact and integration policies should be reinforced. The European Union should be able to support the Member States in coping with regional imbalances thanks to its regional policy.

Parliament insisted, moreover, that the intergenerational solidarity principle at the centre of the European social models should be preserved. It also noted that there is huge potential for improving labour market participation for women, people with disabilities and the elderly if the necessary adaptations and flexibility at the workplace are introduced and improved access to lifelong learning is guaranteed for all workers.

New ways for ensuring the balance between the sustainability of social security expenditure and the coverage of social risks would have to be identified to safeguard the core of the European social models. A report on "the future of social security systems and pensions"<sup>5</sup> suggested that, besides public pension systems (first pillar) offering a basic universal form of protection, other forms of pension schemes should be developed including occupational and individual supplementary pensions (second and third pillar), to be favoured by an appropriate legal framework; in addition, traditional pension systems should be redesigned to adjust to new career paths, guarantee equality between men and women in pensions; the burden for financing social security should be fairly shared by employees, consumers, businesses and capital. The report recalls the increasing evidence that the advantages of the privatization of health insurance systems in terms of cost containment, efficiency and quality are dubious and insists on the importance of preserving the values and principles underpinning all health care systems in the European Union, which comprise universal coverage and affordability for citizens with low income.

A 2004 report on modernising social protection and developing good quality healthcare<sup>6</sup> stressed the role of prevention and called for more cooperation between the Member States in this area; the personal choice of patients and quality transparency were highlighted as fundamental. Parliament pointed out that increasing demand for health-care services is creating additional jobs of high quality that require skilled personnel and called for more patients' and professionals' mobility to make health-care provision throughout the Community more efficient and of comparable quality. As a response to Parliament's reiterated request, a draft directive on patients' rights in cross-border health-care was presented by the European Commission on 2 July 2008 [COM(2008)414]. The directive, whose goals and working principles the EP supports<sup>7</sup>, should clarify the legal framework for reimbursement of cross-border

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<sup>4</sup> REPORT on demographic challenges and solidarity between generations (2005/2147 (INI) Rapporteur: Philip Bushill-Matthews

REPORT: on the demographic future of Europe (2007/2156(INI)) Rapporteur: Françoise Castex

<sup>5</sup> REPORT: on the future of social security systems and pensions: their financing and the trend towards individualisation (2007/2290(INI)) Rapporteur: Gabriele Stauner

<sup>6</sup> REPORT: on modernising social protection and developing good quality healthcare (2004/2189(INI))- Rapporteur: Milan Cabrnoch

<sup>7</sup> OPINION: of the Committee on Employment and Social Affairs for the Committee on the Environment, Public Health and Food Safety on the proposal for a directive of the European Parliament and of the Council on the application of patients' rights in cross-border healthcare (2008/0142(COD))

healthcare and sets basic standards for quality and safety of healthcare to be applied throughout the European Union. The procedure is currently ongoing.

The role of social services of general interest (SSGIs) in reinforcing social cohesion in the EU<sup>8</sup> was also often highlighted by the European Parliament in its works during the 6th term. The EP often expressed the belief that an ambiguity surrounding some basic concepts used to deal with services in Community legislation contributes to legal uncertainty as to the way the principle of general interest and the rules on competition and State aid should be reconciled at EU and national level and claimed it should be made clear that, when conflict arises, priority should be given to the general interest peculiar to SSGIs. Parliament regretted that the European Commission did not seem to be willing to give any clear indication as to the rules applicable to this category of essential services and suggested, after completing the consultation initiated by the Commission, considering the need and legitimacy of a sector-specific legislative proposal, although the primary competence of the Member States in defining what services should be considered as SSGIs in each national system could make it extremely hard to identify a proper way to guarantee common European values.

The consideration of the annual Joint Reports on social protection and social inclusion by the European Parliament was in most cases an occasion to reaffirm a wish to reinforce the social dimension of European integration<sup>9</sup>.

The report: on social protection and social inclusion<sup>10</sup> asked for an improvement of the "social OMC" process and a more prominent role for the social component of the Lisbon strategy as compared with the other areas. It called on the Council and the Commission to open negotiations with the European Parliament on an inter-institutional agreement setting out the rules for selecting the areas of policy to which the open method of coordination is applied and providing for the participation of Parliament.

The Reports on social reality stocktaking<sup>11</sup> and on promoting social inclusion and combating poverty, including child poverty, in the EU<sup>12</sup> stress the role of quality employment in preventing poverty and social exclusion. They underline however that in-work poverty is not unknown in European societies and that this equation is not valid for the most disadvantaged groups, who need targeted additional measures. The European Parliament takes the view that minimum income and minimum wages set at decent level are effective tools to protect people from deprivation and marginalisation and invited the Member States to exchange experiences on this subject with the support of the European Commission. For each individual to be given the opportunity to participate fully in society, access to goods and services, as well as to employment, should be guaranteed to all, without any form of discrimination.

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<sup>8</sup> REPORT: on social services of general interest in the European Union (2006/2134(INI)) - Rapporteur: Joel Hasse Ferreira

<sup>9</sup> See, for instance, the REPORT: on the social situation in the European Union (2004/2190(INI)) - Rapporteur: Ilda Figueiredo

<sup>10</sup> REPORT: on social protection and social inclusion (2005/2097(INI)) - Rapporteur: Edit Bauer

<sup>11</sup> REPORT: on social reality stocktaking (2007/2104(INI)) Rapporteur: Elizabeth Lynne

<sup>12</sup> REPORT: on promoting social inclusion and combating poverty, including child poverty, in the EU (2008/2034(INI)) Rapporteur: Gabriele Zimmer

While basically sharing this common approach, the Report on Active Inclusion of People excluded from the labour market<sup>13</sup> recalls that integration into the labour market is only one of the measures necessary to protect the rights of the most disadvantaged groups, whose needs are often multifaceted.

The additional difficulties experienced in some Member States or by especially vulnerable groups were also taken into consideration in *ad hoc* reports. One of these documents illustrated the difficult situation of the Roma<sup>14</sup>, Europe's largest ethnic minority, who suffer from disadvantages in education, access to training and employment, housing and health: the EP called on the European Commission and the Member States to cooperate with non-governmental organisations (NGOs) and Roma communities in order to develop a jointly acceptable plan for the social inclusion of Roma. Parliament urged the new Member States who had joined the EU in 2004<sup>15</sup> to improve their policies as to the low level of employment, shortcomings in the health-care and education systems and the social exclusion of minorities.

The main message the European Parliament aimed to convey through its debate on the Commission's proposal on a Renewed social agenda<sup>16</sup> in the context of the economic crisis was a firm EU commitment to preserve European social models and a strong social Europe; Parliament criticised the Agenda as insufficiently coherent to impact on the current levels of poverty and exclusion and claimed that it would not be the right time to reduce social expenditure. MEPs call on the Commission to develop an ambitious Social Policy Agenda for the period 2010-2015. The Report also analysed the role of immigration in mitigating some of the consequences of present demographic trends in the EU and warned of its possible negative effects on the countries of origin. Moreover, Parliament calls on the EU to make more on the international arena to promote ambitious social standards.

The Report on "decent work"<sup>17</sup> also dealt with the social dimension of globalisation. Parliament considered that decent work is a centrepiece of the fight against poverty and social exclusion and called on the European Union to make a significant contribution towards the promotion of the International Labour Organisation (ILO) agenda through both its internal and external policies and to make efforts, within the context of the Lisbon Agenda, to achieve one of the decent work objectives, namely that of creating "more and better jobs", placing special emphasis on the creation of quality jobs: labour market flexibility and employment security are not mutually exclusive objectives, but rather they should reinforce each other.

The link between social exclusion and discrimination is highlighted in several EP resolutions. In a report on the transposition of Directives 2000/43/EC and 2000/78/EC<sup>18</sup> Parliament expressed concern about the deficiencies in the implementation of Community anti-discrimination legislation and citizens' lack of information and poor awareness of their rights, called on the Member States to grant the victims of discrimination access to effective remedies and assistance in legal proceedings; it also recommended resourcing and empowering independent bodies promoting equality mainstreaming equal opportunities and non-discrimination at EU level in Lisbon strategy. The report also reiterated Parliament's request for a

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<sup>13</sup> REPORT on Active inclusion of people excluded from the labour market (2008/2335(INI)) - Rapporteur: Jean Lambert

<sup>14</sup> REPORT: on the social situation of the Roma and their improved access to the labour market in the EU (2008/2137(INI)) - Rapporteur: Magda Kosane Kovacs

<sup>15</sup> REPORT: on social inclusion in the new Member States (2004/2210(INI)) - Rapporteur: Csaba Öry

<sup>16</sup> REPORT: on the Renewed social agenda (2008/2330(INI)) - Rapporteur: José Albino Silva

<sup>17</sup> REPORT: on promoting decent work for all (2006/2240(INI)) - Rapporteur: Marie Panayotopoulos-Cassiotou

<sup>18</sup> Progress made in equal-opportunities and non-discrimination in the EU (2007/2202(INI)) - Rapporteur: Elizabeth Lynne



comprehensive horizontal directive covering all forms of discrimination, including multiple discrimination, on all grounds not currently covered by Community legislation in force and with a broad material scope. Parliament's request was fulfilled by the European Commission in July 2008, when a proposal for a directive on implementing the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation was put forward. The European Parliament welcomed the initiative<sup>19</sup>, but according to the status of the discussion in Council, it is not to be expected that the directive will be adopted soon.

The European Parliament confirmed its attachment to social values in deciding on the use of Community financial resources. It insisted on devoting additional funding to the Programme for Employment and Social Solidarity (PROGRESS)<sup>20</sup> for the period 2007 to 2013 (Decision 1672/2006/EC of the European Parliament and of the Council) and, although its requests were only partially met, the budget allocation for the programme was considerably increased from the original EUR 628 million proposed by the European Commission. Parliament also stressed the role of the European Social Fund in contributing to the social inclusion of the most vulnerable groups through employment and consistently amended the text of the relevant draft regulation to enlarge the ESF scope of assistance in this field<sup>21</sup>. The report on the proposal for a decision of the European Parliament and of the Council on the European Year for Combating Poverty and Social Exclusion (2010)<sup>22</sup> welcomes the Commission's proposal and confirms for the initiative the highest budget ever devoted to the celebration of a European Year.

#### FUTURE CHALLENGES

Inevitably the European Parliament will take an interest in discussions to come on the post-Lisbon agenda concerning the future of the social OMC. In this context, there seems to be common understanding between the EU Institutions that a better balance and integration of the economic, social and employment pillars will have to be fostered; the practical arrangements for achieving this goal will soon start to be discussed. Improving the effectiveness of the open method of coordination for social protection and social inclusion also appears among the reforms to be introduced at the next stage, as most stakeholders, including the European Parliament, generally consider the results achieved through this process as insufficient. As the EP made clear in its Report on the Renewed Social Agenda, it would be in favour of quantified national objectives on poverty reduction and social inclusion.

Even more crucial to Parliament's future capability to contribute fully to the process, discussions on the post-2010 Lisbon Strategy could open up an opportunity for a real involvement of the European Parliament in the social OMC.

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<sup>19</sup> OPINION of the Committee on Employment and Social Affairs for the Committee on Civil Liberties, Justice and Home Affairs on the proposal for a Council directive on implementing the principle of equal treatment between persons irrespective of religion or belief, disability, age or sexual orientation (2008/0140(CNS)) - Rapporteur: Elizabeth Lynne

<sup>20</sup> RECOMMENDATION FOR SECOND READING: on the Council common position for adopting a decision of the European Parliament and of the Council establishing a Community Programme for Employment and Social Solidarity - PROGRESS (2004/0158(COD)) Rapporteur: Karin Jöns

<sup>21</sup> Report on the European Social Fund (COD), Rapporteur: José Albino Silva Penada

<sup>22</sup> REPORT: on the proposal for a decision of the European Parliament and of the Council on the European Year for Combating Poverty and Social Exclusion (2010) (2007/0278(COD)) - Rapporteur: Marie Panayotopoulos-Cassiotou

### 3. INFORMATION FROM THE LIBRARY

Additional information on both topics can be found in the briefing package that was made available for the members of the EMPL Committee.

#### 1. Lisbon strategy

[La stratégie de Lisbonne et ses développements successifs](#) / Marta Latek, Briefing from the Library of the European Parliament, October 2008

[The Politics of the Lisbon Strategy: The Changing Role of the Commission](#) / Borras, Susana, published in: West European Politics, volume 32, number 1, 2009

*"This article examines the politics of the Lisbon strategy before and after its major watershed reform in 2005, with particular attention to the role of the European Commission. Operating in an ambiguous partial delegation of power, the Commission changed from performing a strong administrative role in the 2000-04 period to performing a political role after 2005. The institutional analysis of this article combines contextual factors and internal factors for explaining this variation. The findings reveal that although internal factors play an important part in explaining change, they are highly related to contextual factors. More precisely, the ability of the Commission to unfold actively its ideological and normative leverage and unfold specific forms of procedural leverage after 2005 is highly related to the member states' decision to clarify the formal division of tasks between them and the Commission. In other words, situations of procedural ambiguity are not necessarily to the advantage of the Commission, since it does not invariably have the ability to use this ambiguity in its favour."*

[Five Lisbon highlights the economic impact of reaching these targets](#) / George M.M. Gelauff and Arjan M. Lejour, CPB Netherlands Bureau for Economic Policy Analysis , 2006

*The Lisbon strategy could reinvigorate Europe's economy and boost employment. In 2000 the European leaders agreed to stimulate economic growth and employment and make Europe's economy the most competitive in the world. If Europe would really reach the goals they set, Europa's Gross Domestic Product could increase by 12 to 23% and employment by about 11%. This paper draws this conclusion after having analysed five of the most important Lisbon goals: the internal market for services, the reduction of administrative burdens, goals on improving human capital, the 3% target on research and development expenditures, and the 70% target on the employment rate. Using CPB's general equilibrium model for the world economy we have simulated the consequences for Europe of reaching the Lisbon targets in these fields.*

European Commission's documents and reports are available on the [Growth & jobs](#) website.

## 2. Social inclusion

**Building a stronger EU Social Inclusion Process: Analysis and recommendations of the EU Network of independent national experts on social inclusion** / Hugh Frazer and Eric Marlier, CEPS/INSTEAD, 30 May 2008

*"This short report is produced in the context of the European Union (EU) Social Protection and Social Inclusion Process, also referred to as the Social Open Method of Coordination (OMC). The Social OMC covers three main strands (social inclusion, pensions and healthcare and long-term care), and also addresses "making work pay" issues.1 Two important instruments which are used to support the social inclusion strand of the OMC are the peer reviews of good practices and the regular reports drafted by a Network of non-governmental experts. These reports are intended to support the Directorate-General for Employment, Social Affairs and Equal Opportunities of the European Commission in its task of assessing independently the implementation of the Social Inclusion Process.2 The Network consists of independent experts from each of the 27 Member States as well as from Croatia, FYROM and Turkey."*

**Joint Report on Social Protection and Social Inclusion 2009**, European Institutions, 13.03.2009

*"On 9 March 2009 the EPSCO (Employment, Social Policy, Health and Consumer Affairs) Council and the Commission jointly adopted the 2009 Joint Report on Social Protection and Social Inclusion (on the basis of the Commission proposal for Joint Report presented on 13th February 2009 (COM/2009/0058final), as adopted with a few changes at the 19th February meeting of the Social Protection Committee). This fifth Joint Report draws on the renewed National Reports on Strategies for Social Protection and Social Inclusion which the Member States presented in the autumn 2008, also taking into account the economic crisis which has largely developed after the strategies were prepared. The report has been submitted to the Spring European Council on 19-20 March 2009 to inform Heads of State and Government on progress and challenges in the area of social protection and social inclusion. The aim is for the key messages emerging from the report to drive policy efforts in the areas of social protection and social inclusion over the next couple of years in EU-27)."*

**The Ambiguity of Social Europe in the Open Method of Coordination** / Mark Dawson, published in: European Law Review, Vol. 34, No. 1, 2009 (the article is available in the EP Library upon request)

*The development of the open method of co-ordination from the extraordinary Lisbon European Council in 2000 has been considered by many academic and institutional commentators as a break-through for Social Europe. Yet what kind of breakthrough is it? While many "OMC optimists" have seen its development as providing a new space for social policy outside a restrictive Treaty structure, others have pointed to the integration of the OMC within the Lisbon Strategy as evidencing a new set of economic constraints on the welfare state's development. This paper will argue that there is a deep ambiguity within the OMC's social role; while on the one hand, it can be seen as "colonising" - entering national social institutions ever further into an EU framework dominated by market actors - on the other hand, it can be posited as "reflexive", as encouraging both competing social and economic discourses, and inter-dependent national polities, to reflect upon the objectives of each other.*

**A renewed commitment to social Europe: Reinforcing the Open Method of Coordination for Social Protection and Social Inclusion**, European Commission, COM/2008/0418 from 02/07/2008

(more similar documents available on European Commission's webpage [The process: the Open Method of Coordination](#))

### **3. Social inclusion and Lisbon strategy**

**The Open Method of Co-ordination and the Governance of the Lisbon Strategy** / Jonathan Zeitlin, published in: Journal of Common Market Studies, volume 46, number 2, p. 436, 2008

**Assessment of the extent of synergies between growth and jobs policies and social inclusion policies across the EU as evidenced by the 2008-2010 National Reform Programmes: Key lessons** / Hugh Frazer and Eric Marlier, CEPS/INSTEAD, 24 March 2009

*"In 2005-2006, the concepts of feeding in and feeding out were developed in the context of the refocusing of the Lisbon Strategy on growth and jobs and the revision of the objectives of the EU Open Method of Coordination for Social Protection and Social Inclusion (hereafter "OMC"). Early in 2005, "Growth and Jobs" was put centre stage in the refocused Lisbon Strategy, with a view to improving delivery on the ground of policies expected to have the greatest impact. At the same time, it was emphasised that "making growth and jobs the immediate target goes hand in hand with promoting social or environmental objectives."1 At their 2005 Spring European Council, EU Heads of State and Governments clarified the hierarchy of objectives by stressing that strengthening growth and employment was "making for social cohesion"."*

**"Feeding in" and "feeding out": The extent of synergies between growth and jobs policies and social inclusion policies across the EU** / Hugh Frazer and Eric Marlier, CEPS/INSTEAD, 25 February 2008

*"The concepts of feeding in and feeding out were developed in the context of the refocusing of the Lisbon process on growth and jobs and the revision of the EU Social Protection and Social Inclusion Process's objectives in 2005. Early in 2005 "Growth and Jobs" was put centre stage in the refocused Lisbon Strategy, with a view to improving delivery on the ground of policies expected to have the greatest impact. At the same time it was emphasised that "making growth and jobs the immediate target goes hand in hand with promoting social or environmental objectives."1 At their 2005 Spring European Council, EU Heads of State and Governments clarified the hierarchy of objectives by stressing that strengthening growth and employment was "making for social cohesion"."*

**Benchmarking working Europe 2009** / European Trade Union Institute, 2008

*This year's report provides an assessment of the different facets of Lisbon Strategy. It asks whether the EU is really moving in the direction of knowledge-based growth, examines whether the EU has witnessed the creation of more and better quality jobs and considers whether the Union is succeeding in attaining greater social cohesion.*

**The Social Situation in the European Union 2008, New Insights into Social Inclusion**, European Commission, May 2009

*"This Social Situation Report 2008 — published annually since 2000 — presents key indicators in 17 statistical portraits that address a range of social policy concerns for the European Union: population; education and training; labour market; social protection; income, social inclusion and living conditions; gender equality and health and safety. Sixteen of the chosen twenty-five key indicators presented in the portraits are among the Structural Indicators which are used in order to monitor the progress towards the agreed targets based on the Lisbon Strategy for growth and jobs. This report is available in printed format in English with French and German summaries."*

[The Lisbon scorecard IX : How to emerge from the wreckage](#) / Simon Tilford and Philip Whyte, CER, February 2009 (see chapter 3.D: Employment and social inclusion; p. 71-93)

*"The Lisbon scorecard IX argues that the financial crisis should not be used as an excuse to go slow on economic reform. The European Commission needs to resist what is likely to be ferocious lobbying for a dilution of competition policy and state aid rules. A retreat from the liberalising agenda of recent years would cause as much damage to the European economy in the long term as the financial crisis is doing in the short term."*

[EU Social Policy after Lisbon](#) / Mary Daly, published in: Journal of Common Market Studies, volume 44, number 3, 2006

*"This article focuses on the Lisbon strategy, the latest 'moment' in EU social policy. Following developments up to the end of 2005, it seeks to assess the significance of the poverty/social inclusion open method of co-ordination in terms of what it indicates about the EU's engagement with social policy. The article proceeds by interrogating a series of arguments for and against significance. It considers in turn different interpretations of: the functions and rationale of the EU policy process on poverty and social inclusion; the application and unfolding of the method of open co-ordination in this particular policy domain; and the politics underlying it. In elaborating the sui generis aspects of EU social policy especially as associated with Lisbon, the analysis discusses the possibility that social policy is developing its own dynamic at EU level. However, although significant elements can be identified, the relative fragility of poverty and social exclusion within the EU policy portfolio is highlighted. It is there but lacks firm foundation."*

[Reinforcing the social dimension of the growth and jobs strategy – new report](#), European Commission, 29/09/2009 See "related documents" section on the right side of the website