Brussels, 28 February 2011

EUROPE 2020 STRATEGY

CIVIL SOCIETY INVOLVEMENT IN THE NATIONAL REFORM PROGRAMMES

Summary report based on contributions from the national Economic and Social Councils and similar organisations in Member States
INDEX

Executive Summary ................................................................. 2
Letter from Mr Nilsson, President of the EESC, and Mr van Iersel, 5
President of the Europe 2020 Steering Committee, to national
ESCs .....................................................................................

National contributions (protocol order) ..................................... 8

Belgium ..................................................................................... 9
Bulgaria ................................................................................... 18
Denmark* (Group I, Group II, Group III) .................................. 27
Germany* ................................................................................ 32
Estonia .................................................................................... 36
Ireland ...................................................................................... 37
Greece ....................................................................................... 43
Spain ......................................................................................... 48
France ...................................................................................... 54
Italy .......................................................................................... 59
Cyprus* ................................................................................... 65
Latvia ....................................................................................... 67
Luxembourg ............................................................................... 69
Malta ......................................................................................... 72
Netherlands ............................................................................... 78
Austria ....................................................................................... 79
Poland ....................................................................................... 83
Portugal ..................................................................................... 86
Slovenia ..................................................................................... 89
Sweden* (Group I, Group II, Group III) .................................... 91
United Kingdom* (Group III) .................................................... 100

Acknowledgements .................................................................. 103

* Contributions prepared by EESC members.
EXECUTIVE SUMMARY
EXECUTIVE SUMMARY

The President of the European Commission, Mr Jose Manuel Barroso, and Vice-President Maroš Šefčovič have stressed that civil society organisations have a key role to play in the practical implementation of the reforms to be carried out in the framework of the Europe 2020 Strategy.

Following this request the EESC has sent a letter\(^1\) to the national Economic and Social Councils (ESCs) and similar organisations with four questions. The EESC has received altogether 21 contributions presenting some national experiences with the ongoing elaboration of the National Reform Programmes (NRPs) and making concrete proposals with a view to the new European Semester for economic policy coordination.

Some key points contained in the contributions are the following:

In most Member States the Europe 2020 Strategy has a high profile for the civil society organisations. However, the levels of civil society involvement in the preparations of the NRPs differ greatly from one Member State to another. In some Member States no provisions have been made for the role that the ESCs and civil society organisations could play in achieving the Europe 2020 targets. In others governments clearly foresee an active role for them: consultation mechanisms have been created; joint debates and public hearings with government and civil society organisations are being organised or planned during the spring. In some cases special working groups, composed of the social partners and civil society organisations have been created and these are contributing to finalising the NRPs. In one case\(^2\) social partners intend to deliver a contribution to the government in the form of annexes to the NRP. The seven flagship initiatives are taken very seriously and some of them are to some extent integrated into the work programmes of the ESCs.

Member States indicate that they will organise dialogues with the social partners at key times during the rotating six-month EU presidencies and the national calendar. However, as mentioned in some comments, the public authorities are often still at square one as regards concrete steps taken in this direction.

The ESCs underline also the need for pro-activeness on the part of civil society organisations themselves. It is mentioned that the Europe 2020 Strategy will depend largely on how effectively it is taken up across society. Implementation of a coherent combination of national and European policies is needed.

In one particular case\(^3\) a legal basis has been created that stipulates a new form of consultation between the ESC and the representatives of legislative and executive powers on strategic and social problems. In another case a special task force\(^4\) is being set up.

Some ESCs notice that the prospects for the funding of broad national objectives, which are similar or identical to certain targets identified by the flagship initiatives already exist in their

---

1. See page 5
2. The Netherlands
3. Bulgaria
4. Poland

.../...
Member State. The European Semester should enable them to draw budgetary conclusions from the analyses and guidelines issued by the European Commission.

Furthermore, concerning the Structural Funds and Cohesion Policy, many ESCs point out the need for a close link between the Europe 2020 Strategy and EU Cohesion Policy. Europe 2020 is a policy that needs to operate at all levels: there is a need to cooperate between the European, national and regional levels.

Concerns are expressed by some that the CAP may contradict the objectives of the Europe 2020 Strategy. In this respect there are calls for modification of the CAP objectives in favour of allocating more financial resources for research, development and innovation. All EU budget instruments including Cohesion Policy should contribute to the achievement of the Europe 2020 Strategy targets.

There are calls for an increase in the EU budget that is crucial in terms of turning the new impetus provided by the Europe 2020 Strategy into reality. Therefore, the objectives and the implementation of the Europe 2020 Strategy should be carefully considered in the framework of the next EU Multiannual Financial Framework.

The Commission Communication on the Europe 2020 Strategy needs to be fully explained in Member States at all levels. Civil society could be a key partner in this.

Finally, the ESCs and similar organisations should be key partners in the Europe 2020 reform process at all levels.
LETTER FROM M. NILSSON, PRESIDENT OF THE EESC, AND M VAN IERSEL, PRESIDENT OF THE EUROPE 2020 STEERING COMMITTEE, TO NATIONAL ESCs
Brussels,

Dear Mr/Ms,

In order to further deepen our excellent cooperation with the network of national Economic and Social Councils (ESCs) and similar organisations the EESC decided in July 2010 to establish a new horizontal "Europe 2020 Steering Committee". The Steering Committee will enhance the work done in the framework of the Lisbon Strategy Observatory which will allow the various political bodies of the EESC to interact more effectively with national stakeholders with a view to identifying and promoting particular initiatives and best practices in the ongoing reform process in the Member States.

The Commission President Mr Barroso and Vice-President Mr Šefčovič have very clearly indicated that civil society organisations have a key role to play in the practical implementation of the reforms to be carried out in the framework of Europe 2020. At the EESC plenary session on 20 October 2010 Mr Šefčovič requested to receive concrete information from our network about how civil society evaluates the elaboration of National Reform Programmes (NRP) and its own involvement in that process.

Considering the Commission's high interest in the work done by the national ESCs and similar organisations and in order to feed into the Spring Council in a timely manner I would propose a more direct and effective co-operation between you and the EESC concerning the Europe 2020 related national reforms. This should lead to more rapid information exchange regarding the involvement of national stakeholders in the establishment, implementation and review of the NRPs.

In response to Mr. Šefčovič's request, we could present to the Commission our experiences with the ongoing elaboration of the NRPs and make concrete proposals with a view to the new European Semester of policy coordination. We would propose to structure our joint contribution around the following questions:

1. How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?
2. In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?
3. Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?
4. How would you foresee improving the use of common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds - for supporting the Europe 2020 Strategy?

We would be grateful if you could give some indication in reply to the questions that are most relevant to the work of your organisation by 10 December and send them to us by email. We are fully aware that this is very short notice but in order to be able to feed into the Commission's first report on Europe 2020 we will need to send a draft before the end of the year.

We look forward to seeing you at the Steering Committee meeting in early 2011. For more information on our preparatory work please do not hesitate to contact the EESC Steering Committee Secretariat, Mr Jüri Soosaar, email juri.soosaar@eesc.europa.eu, tel+32(0)25469628.

Yours sincerely,

Signed

Staffan NILSSON
President of the EESC

Joost VAN IERSEL
Incoming President of the Steering Committee

Signed

.../...
NATIONAL CONTRIBUTIONS (PROTOCOL ORDER)
DEAR MR NILSSON,
DEAR MR VAN IERSEL,

FURTHER TO YOUR LETTER OF 11 NOVEMBER 2010, WE ARE PLEASED TO SEND YOU THE JOINT CONTRIBUTION OF THE SECRETARIATS OF THE NATIONAL LABOUR COUNCIL (CNT) AND THE CENTRAL ECONOMIC COUNCIL (CCE) TO THE PLANNED REPORT OF THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE ON THE EUROPE 2020 STRATEGY.

AS YOU KNOW, THE BELGIAN FEDERAL GOVERNMENT IS ONLY HANDLING "CURRENT AFFAIRS" AT PRESENT. THE NATIONAL REFORM PLAN (NRP) IS NORMALLY A POLITICAL DOCUMENT FOR WHICH THE FEDERAL, COMMUNITY AND REGIONAL GOVERNMENTS ARE RESPONSIBLE. BELGIUM HAS FORMALLY SUBMITTED ITS DRAFT NRP TO THE EU AUTHORITIES WITHIN THE TIME LIMITS BUT IN A "DILUTED" FORM AS REGARDS THE CONTRIBUTION OF THE FEDERAL GOVERNMENT. WE HAVE TAKEN NOTE OF THIS.


AFTER THIS MEETING, THE SECRETARIATS OF THE TWO COUNCILS FORMALLY SENT IN THEIR CONTRIBUTIONS TO ACHIEVING THE OBJECTIVES OF THE EUROPE 2020 STRATEGY AND OUR COUNTRY'S NRP. THIS DOCUMENT IS APPENDED TO THIS LETTER.

THE TWO COUNCILS ARE FULLY AWARE OF THE PRESENT POLITICAL DIFFICULTIES BUT CALL ON THE POLITICAL AUTHORITIES TO CONTINUE THEIR EFFORTS TO ENABLE BELGIUM TO KEEP ABRASE OF EUROPEAN DEVELOPMENTS AND HONOUR ITS COMMITMENTS TO INVOLVE THE SOCIAL PARTNERS EFFECTIVELY AND IN A RELEVANT MANNER IN ISSUES WITHIN THEIR TERMS OF REFERENCE IN THE GUIDELINES LAID DOWN BY ECONOMIC AND SOCIAL POLICY AND IN THE DRAFTING OF THE NRP TO BE SUBMITTED IN SPRING 2011.

WITHIN THE SPHERE OF AUTONOMY OF THE SOCIAL PARTNERS IN BELGIUM, THIS INVOLVEMENT, PARTICULARLY THROUGH THE WORK CARRIED OUT WITHIN THE CENTRAL ECONOMIC COUNCIL AND NATIONAL LABOUR COUNCIL, REACHES ITS PEAK EVERY TWO YEARS DURING THE NEGOTIATIONS BETWEEN THE ORGANISATIONS REPRESENTING EMPLOYERS AND WORKERS AT THE HIGHEST LEVEL WITH A VIEW TO CONCLUDING AN INTER-OCCUPATIONAL AGREEMENT IN WHICH THE MAIN LINES OF THE ECONOMIC AND SOCIAL PLAN FOR THE COUNTRY ARE LAID DOWN IN ACCORDANCE WITH EUROPEAN COMMITMENTS. THESE NEGOTIATIONS ARE CURRENTLY TAKING PLACE AND WE CANNOT AT THE MOMENT GIVE ANY INDICATION OF THE MAIN GUIDELINES THAT WILL RESULT FROM THIS WORK.

BELGIUM
Your letter also concerns future collaboration between the EESC and the various national ESCs. Here, the two Councils are pleased with the momentum resulting from the creation and the work of the EESC's Lisbon Strategy Observatory. We look forward to the implementation of the guidelines set out in the declaration of the presidents and secretaries-general of the economic and social councils of the Member States and the EESC meeting in Brussels on 16 September 2010, which concerned "the involvement of the social partners and other organisations representing civil society in the framework of the new Europe 2020 Strategy".

To complement the social and macro-economic dialogues which are key factors in the balanced pursuit of European objectives, we think that it is necessary to continue to set up machinery for the exchange of information and good practice between national ESCs and the EESC in accordance with the Europe 2020 Strategy. The contributions of the national ESCs, in which they give a brief account of the difficulties encountered in implementing the Europe 2020 Strategy, their good practices and their proposals for moving closer together, have been a positive experience and an important source of information.

Yours sincerely,

J-P. DELCROIX,  
Secretary of the CNT

L. DENAYER,  
Secretary of the CCE

*  
*   *
Contribution of the Central Economic Council and the National Labour Council to the national reform plan of Belgium within the framework of the 2020 Strategy

Preliminary considerations

1. In the Europe 2020 Strategy, the European Union set out the advances that it wanted to make in 2020. They were gathered together in a small number of integrated guidelines:
   - 75% of the population aged from 20 to 64 should have a job;
   - 3% of the EU's GDP should be invested in R&D;
   - the "20/20/20" objectives for climate and energy should be achieved (including a 30% reduction in emissions if the proper conditions were fulfilled);
   - the school drop-out rate should be brought back to less than 10% and at least 40% of young people should obtain a higher education qualification;
   - the number of people threatened by poverty should be cut by 20 million.

2. Economic policies should be coordinated more so that the "stability" and reform programmes are brought more into line with each other. The 2020 Strategy, and its incorporation into NRPs are two essential aspects of governance:
   - macro-economic surveillance that aims at a better assessment of the imbalances in public finances, developments in competitiveness and thus enable early detection of unsustainable trends. This new tool, which strengthens the preventive aspect, will make it easier to compare the economic policies of different countries;
   - defining and following up structural reforms to improve the potential for growth

3. With the progressive implementation of the new Europe 2020 Strategy, the Central Economic Council (CCE) and the National Labour Council (CNT) have the opportunity to re-affirm the importance of the role of the social partners in achieving the objectives of the Europe 2020 Strategy and ensuring its success. This presupposes that dialogues with the social partners will be organised at key times during the European six-month presidency and the national calendar. The architecture for social dialogue will make it possible for this requirement of European level involvement to be given a more concrete form. The seminar organised by the two councils and the European Economic and Social Committee, with the support of the Belgian presidency, on 17 September 2010 on the involvement of the social partners and other organisations representing civil society enabled paths to be explored for making more use of tools such as the tripartite social summit, the social dialogue committee or macro-economic dialogue. This involvement requirement must be taken fully into account in future decisions on governance when defining, implementing and following up the Europe 2020 Strategy.

4. Belgium has a social model with a long tradition of moving closer together in the field of social consultation on European issues. For many years, within the CCE and the CNT, the social partners have examined a series of key issues of the growth and jobs strategy. The most recent agreements concluded between them (AIP) also deal with issues that to a large extent dovetail with each other or are in phase with the objectives of the European strategy.
5. Following on in this tradition, the social partners represented within the Councils expressed the wish to be closely involved in drawing up the national reform programme and, more generally, in defining, implementing and following up the Europe 2020 Strategy. A good point to be noted here is that the social partners were received by the prime minister's private office at such an early stage in the preparations of the draft NRP. The same applies to the government's undertaking to do everything possible to consult the social partners on the first draft of the NRP before it was submitted to the European Commission on 12 November next. There should also be a consultation before the NRP is submitted in April 2011, so as to allow the social partners to incorporate the measures that will be taken under the future inter-occupational agreement and that are linked to the Europe 2020 Strategy.

Work of the Central Economic Council and the National Labour Council:

6. The Law of 1996 on the promotion of employment and the preventive safeguarding of competitiveness, which enabled the Belgian franc to be actually tied to the German mark and the accession of Belgium to the European Economic Union, is now an anchoring point for implementing the objectives that will be laid down in the National Reform Programme. In view of the objectives sought by the 2020 Strategy, this law of 1996 already makes it possible in Belgium to ensure a macro-economic framework for wage developments and for monitoring competitiveness factors that have a macro-economic dimension.

7. In concrete terms, the law of 26 July 1996 also consists of two pillars that serve one objective: growth and employment. The first pillar aims to ensure macro-economic control of wage costs in relation to three countries: France, Germany and The Netherlands. The second pillar of this law concerns the structural aspects of competitiveness (innovation, training,…) and employment. These different elements are incorporated into an overall strategy designed to improve employment and the well-being of all.

Employment

8. Employment is at the heart of Belgian and European economic policy. In this connection, the last two technical reports for 2009 and 2010 point out that boosting the employment rate with quality jobs has been identified as the best strategy to follow for ensuring strong social cohesion, whether it be by reducing the risk of poverty or by allowing the resources of the public authorities to grow and thereby ensure the viability of the social model with regard to population ageing.

9. In the inter-occupational agreement (IOA) of 22 December 2008 the social partners agreed to a simplification of recruitment plans, consisting of limiting the number of reductions of social security contributions for target groups and redeploying them partly in the form of a structural reduction of charges, particularly concerning the low-paid, and partly in the form of an activation of allowances. These provisions in the IOA were the subject of two opinions from the CNT: opinion no. 1676 of 20 February 2009 and
opinion no. 1705 of 7 October 2009. The proposals put forward by the social partners for activating unemployment allowances targeted the most vulnerable groups on the employment market such as the long-term unemployed, unskilled young people, people whose ability to work was reduced, and older job-seekers.

10. As regards the employment rate among older people, it should be pointed out that the CNT adopted recommendation no. 20 and opinion no. 1651 in order to implement points 49 and 50 of the Intergenerational Solidarity Pact. Recommendation no. 20, implementing point 49 in the pact, calls on sectors and businesses to give preference to keeping older people in a job by developing a proactive staff management policy that takes age into account. To do this, the Council encourages sectors and businesses, through this instrument, to look at the possibility of moving to lighter work within the firm. In opinion no. 1651, which was adopted unanimously and implements point 50 in the pact, the Council asks that a financial contribution from the Professional Experience Fund be granted to encourage older workers who so wish to move to lighter work within the firm and offset any loss of income resulting from such a move.

11. As regards handling the recession, the social partners play an important role on the ground when crisis measures are applied that allow working hours and the volume of jobs to be adapted temporarily in firms in difficulty because of the recession. The temporary measures to reduce working hours or suspend the application of a labour contract are actually enacted by collective labour agreements concluded at sector - or, failing this, company - level. The CNT is closely involved in the extension of these measures: in its opinion no. 1739 of 15 September 2010, the Council agreed to a three-month extension of the crisis measures on the same terms and in accordance with the same procedures as those defined and applied up to now. The members of the Council had already stated its position on an initial extension of some crisis measures in opinion no. 1719 of 15 December 2009.

12. As regards flexibility, the CNT issued opinion no. 1584 of 6 December 2006, which set out the framework for the "plus minus account" scheme introducing certain exemptions concerning working hours in the car industry. This scheme is intended as a response to the increased need for flexibility in the car industry and was negotiated at inter-occupational, sector and company level. Following the unanimous opinion of the CNT the scheme has been introduced by a large carmaker and the CNT is being asked more and more regularly to authorise its introduction for sub-contractors.

13. Discussions are still in progress at the CNT on how to improve the rights of temporary workers while at the same time doing everything possible to encourage the spread of this type of work on the labour market. The impact of the new European directive is also being examined.

14. As regards combining working and family life, the CNT is currently re-examining the various holiday and leave schemes.

Boosting the potential for growth
15. The law of 1996 actually provided for an evaluation - possibly followed by recommendations - of the functioning of the labour market, innovation processes, structures for financing the economy, the factors that determined productivity, structures for training and education, and modifications in the organisation and development of companies. The results of this work can be found in the technical report on the maximum margins available for pay increases, which every two years are used as a basis for inter-occupational negotiations.

16. In Belgium, the momentum of the social dialogue has enabled the introduction of new areas for negotiation, in addition to pay structures and employment policies. Thus, the theme of lifelong training appears in the inter-occupational agreements for 1999-2000 and that of innovation and the objective of 3% for R&D in those for 2005-2006. These themes and analyses now crop up regularly in the work of the two Councils.

Innovation

17. Following on from the European guidelines regarding innovation, the inter-occupational agreement of 2007-2008 states that if Belgium wants to make a success of the transition that is needed towards a creative and efficiently-performing economy, it must boost its efforts at innovation. This means having a culture geared to innovation, both within companies and the public authorities and in society as a whole. This agreement gives the CCE a mandate to analyse the issue further. A lot of work has been or is being done in collaboration with the Federal Service for Scientific Policy, the Federal Planning Bureau and a number of academics within a network involving various federal and regional players. The outcome of this work has been a diagnosis of the national system of innovation in Belgium in the form of an opinion addressed to the government.

18. This network of institutions and personalities is part of a whole series of working groups set up to study in detail the problems identified in the opinion/diagnosis on R&D and innovation. The working group responsible for patents finished its work at the end of 2007, which led to the opinion "Working towards a Community patent and a stronger patents culture in Belgium". The working group dealing with the transfer of knowledge between science and industry finished its work in 2009, which led to the "Opinion on reinforcing exchanges of knowledge between the research world and businesses". The working group on tax incentives for R&D and the policy mix is still pursuing its activities. In order to help the assessment of tax incentives and regional subsidies in this area, it has been decided to set up a data bank with the participation of federal bodies (Federal Planning Bureau, the SPF for Finance, the SPF for Federal scientific Policy, the SPF for the Economy and the ONSS) and regional bodies (IWT, the Walloon Region and the IWOIB).

Continuous vocational training

19. Since the formal inter-occupational agreement of 1998, the social partners have paid particular attention to continuous vocational training, setting an objective of 1.9% of the
wage bill to be spent on training. Since then a chapter in the CCE's technical report has been devoted to assessing training efforts. As part of the work carried out jointly by the CNT and the CCE the social partners have developed a tool for measuring such efforts (scoreboards covering not only funding but also the percentage of wage-earners attending formal and informal training schemes). For them, continuous vocational training must be a central theme in sectoral negotiations. They encourage negotiators on both the employers' and trade union sides to take appropriate initiatives so that Belgium can make up lost ground in this area. A whole series of documentary memos from the secretariats have provided topics for discussions between the social partners. They concern such matters as continuous vocational training: efforts in branches and sectors (2009); the assessment of continuous vocational training schemes to help high-risk groups and workers in the private sector (2007); continuous vocational training in Belgium: advantages, organisation and issues (2007). Sectoral training schemes are currently being assessed within the two Councils. The Councils are also engaged in drawing up a proposal to harmonise the status of young people undergoing training (sandwich courses).

Unemployment traps

20. As part of the technical report and the joint bi-annual opinion of the CCE and the CNT on the amount and deployment of financial resources set aside for increasing welfare allowances in the light of prosperity trends, a number of studies have sought to clarify certain questions raised during the social dialogue in Belgium. They cover such things as financial incentives to help the unemployed and beneficiaries of the integration allowance in Belgium to return to work (2009); the effects of tax and tax-related changes on trends in net wages (2007, 2010); and the geographic mobility of the labour force (2009).

Effects of tax and tax-related changes on trends in net wages

21. Two documentary memos from the CCE secretariat assess the effects of tax and tax-related changes on trends in net wages (2007, 2010).

Regional inequality as regards jobs – mobility of the labour force

22. The documentary memo from the CCE secretariat on this subject ("The geographic mobility of the labour force" 2009), reveals that such mobility is influenced by a large number of factors, so their role with respect to this issue should not be overlooked.

Efficiency of resources

23. The CCE's work on energy in recent years has been mainly concerned with international and European issues linked to climate objectives, the security of energy supplies, energy efficiency, etc. In this context, the Council has issued an opinion on European burden-sharing, on the European Commission's Green Paper on energy, and an opinion on Belgium's energy challenges between now and 2030.
24. The CCE has also discussed studies and reports concerning the impact of the European Commission's climate and energy package on the Belgian economy and energy system, the ideal Belgian energy mix or the outlook for electricity supplies 2008-2017.

25. Concerns other than those guided by European policies have also captured the attention of the social partners in the CCE, such as those of a more social nature which have been covered in an opinion on social policies adopted with regard to energy in Belgium.

26. In addition, each year the chapter in the technical report of the CCE secretariat devoted to the macro-economic background of the Belgian economy analyses trends in gas and electricity prices in Belgium and the neighbouring countries. What is more, an analysis produced by the CCE secretariat concerns the study of the structure of production costs in the economy (2010). In particular, it looks at energy's contribution to production costs in manufacturing industry and in the economy as a whole.

27. In July 2009, the CCE and the CNT issued an initial unanimous opinion concerning the subject of "green jobs", which sketched out the state of affairs regarding such jobs at world, European and Belgian national level and their decline (quite apart from purely environmental concerns) in social terms (the number and quality of jobs) and in economic terms (the economic importance and significance of activities linked to the transition to a low-CO2 economy). In March 2010, the Councils issued a second unanimous opinion on the matter, which, highlighted important factors (in their eyes) in facilitating and making a success of the transition to a low-CO2 economy and the emergence of quality green jobs.

28. Here are some examples of opinions to illustrate how economic, social and environmental currents are brought together when pursuing the objectives of the social partners in certain sectors: the opinion on housing policy in Belgium: how to make the right to housing a reality (2008); the opinion on the geographic mobility of the labour force (2009); the opinion on the evaluation of the federal diagnosis concerning journeys between home and work (2008); the opinion on energy efficiency in the transport sector (2008); the opinion on the final report of the study comparing social policies in the field of energy (2007); and the opinion on energy efficiency in the housing sector (2006).

Social inclusion

29. The Solidarity Pact between the generations provides for a joint bi-annual opinion from the CCE and the CNT on the amount and deployment of financial resources set aside for increasing welfare allowances in the light of prosperity trends. The adaptation to prosperity trends may take the form of a modification to the calculation ceiling, an allowance and/or a minimum allowance. In February 2009, the Councils adopted a position on the adaptations for 2009 and 2010. They took account of the trend in the employment rate and the need for a sustainable balance in social security, and then turned to economic growth, the cost of population ageing, the ratio between the number of people on benefits and the working population, and on any traps caused through having a

.../...
job. Discussions are currently in progress within the Councils on defining the actual procedures of this indexing machinery for 2011-2012.

30. As an echo of the European framework agreement of 25 March 2010 on inclusive labour markets, the CNT organised a colloquium on 22 October 2010 on the theme "Inclusive labour markets: from theory to practice" as part of a bigger project by the European Think Tank 'Pour la Solidarité' (PLS) with the aim of making the public aware of the role played by the European Union in social inclusion thanks to the open method of coordination and its use in practice at national level, in particular through the National Action Plan for Social Inclusion.
BULGARIA

1. **How are the Europe 2020 objectives in general, and more specifically the seven flagship initiatives, being translated into the work programme of your organisation?**

The objectives and the main targets of the Europe 2020 Strategy are a major concern for the activity of the Economic and Social Council (ESC) of the Republic of Bulgaria. In its work so far the ESC has also paid special attention to the goals of the Lisbon Strategy and their implementation on the national level. The accumulated experience and the results achieved in this area are important prerequisites for the activity of ESC concerning the Europe 2020 Strategy. ESC performs its activities through different forms of consultation and dialogue with civil society and public institutions. A number of opinions, analyses and resolutions are developed in relation to the Europe 2020 Strategy as a whole and also with respect to several of its main objectives and priorities. Concerning the Lisbon Strategy ESC has developed and approved two main opinions on the National Reform Programme as well as seven opinions and analyses on major problems presented by the Strategy. All opinions and analyses are developed on the basis of extensive dialogue with the stakeholders and the participation of leading Bulgarian experts.

The opinions, analyses and resolutions are forwarded to the parliament, government, and the President of the Republic, as well as to all stakeholders – institutions and organizations. ESC periodically analyses its proposals that have found a place in the legislation or in particular actions on part of the government or other stakeholders.

With a view to further development and improvement of the efficiency of civil dialogue the Economic and Social Council Act stipulates a new form of consultation between ESC and representatives of the legislative and executive powers on strategic economic and social problems. Such consultations are organised on the initiative of ESC, the National Assembly, the government or the President of the Republic. The initiating party should propose a previously drafted document or concrete problem on the basis of which the participants in the consultation will advance arguments, present different opinions, and try to reach consensus on the most important issues involved. In case the consultation is initiated by ESC its approved opinion is presented for public scrutiny.

The established mechanism of consultation between ESC, the executive, legislative powers, and civil society is applied in Bulgaria with respect to the Europe 2020 Strategy. As early as 2009 ESC issued several opinions in which it formulated questions and proposed concrete solutions concerning the future strategic vision of Bulgaria as well as necessary reforms and policies. In 2009 ESC approved seven opinions in which it presented a number of ideas and concrete proposals for the development of policies and reforms in the following areas: economy, labour market, educational system, improvement of business environment, social protection, social inclusion, and overcoming poverty in Bulgaria. Some of these proposals were implemented in concrete measures undertaken by the Bulgarian government in 2010.
In 2010 alongside the problems related to the economic crisis, ESC focused its activity on the challenges and new opportunities for Bulgaria in light of the Europe 2020 Strategy. By approving simultaneously three opinions ("Challenges Facing the Bulgarian Economy", "Current Policies and Problems on the Labour Market", and "Social Insurance and Social protection") ESC proposed to the Bulgarian government a wide range of ideas, measures and instruments for economic and social policy in line with the objectives and priorities of the Europe 2020 Strategy. At the same time, in September 2010 ESC developed and approved a separate opinion "Strategic Priorities of the Bulgarian Economy in the Context of the Europe 2020 Strategy". On the initiative of the President of the Republic in October 2010 an extensive consultation on ESC's opinion was held with the participation of all stakeholders.

In 2011 ESC plans to develop on its own initiative an opinion on the National Reform Programme project implementing the objectives of the Europe 2020 Strategy. Moreover, in 2011 ESC plans to continue its work on the major priorities and objectives of the Bulgaria 2020 Strategy and the National Reform Programme.

Another highlight in ESC's plans for 2011 is its cooperation with leading Bulgarian universities and including their students in the process of preparation and implementation of the Bulgaria 2020 Strategy.

Concrete activities of the Economic and Social Council on the flagship initiatives of the Europe 2020 Strategy

**Innovation**

*Flagship initiative "Innovation Union"*

In its opinions, "The Bulgarian Economy under the Global Financial and Economic Crisis – Problems, Challenges and Opportunities" and "Challenges Facing the Bulgarian Economy", ESC identified the major problems in the area of Research & Development and innovations, and made its proposals for the elaboration of national policy and concrete measures.

In its opinion "Strategic Priorities of the Bulgarian Economy in the Context of the Europe 2020 Strategy" ESC proposes as a national target to envision the investment of 1.4-2% of the country's GDP in R&D. At the moment the investment in R&D in Bulgaria amounts to 0.49% of the GDP. Concrete directions are also proposed for the realisation of this target.

**Education**

*Flagship Initiative "Youth on the Move"*

The problems of education and professional training have been of major concern to ESC ever since its creation. The major problems and proposals for the improvement of the educational system in Bulgaria are considered in two special opinions – "The Problems of Professional Education and Training in Bulgaria" and "Bulgarian Educational System –..."
Problems and Necessary Reforms". As one of the major priorities of the Europe 2020 Strategy they are considered in close detail in the opinion "Strategic Priorities of the Bulgarian Economy in the Context of the Europe 2020 Strategy".

As one of the highlight of its 2011 activity ESC plans to continue its work on this priority by developing opinions and initiating national discussions with the participation of the Student Councils of leading universities.

In its opinion "Strategic Priorities of the Bulgarian Economy in the Context of the Europe 2020 Strategy" ESC proconcrete national targets concerning two of the major objectives of the Europe 2020 Strategy – at least 40% of 30-34-year-olds completing higher education and reducing school drop-out rates by 10%.

For next year ESC plans to bring up to date the proposals that it has already made for attaining national goals in the context of the Europe 2020 Strategy and elaborate proposals for new policies in this area.

Climate, Energy and Mobility
Flagship Initiative "Resource Efficient Europe"

The problems of effective utilization of resources in Bulgaria and the country's energy policy are reviewed by ESC in its opinions "The Bulgarian Economy under the Global Financial and Economic Crisis – Problems, Challenges and Opportunities" and "Challenges Facing the Bulgarian Economy". There ESC proposes a set of measures focusing on reconsideration of the National Energy Strategy and changes in the national energy policy towards liberalisation and demonopolisation of the energy sector, development and increase in the share of RES in ultimate consumption of energy, improving the energy efficiency, speeding up the sale of emission rights under the Kyoto Protocol (AAU), etc.

ESC initiated and organised in cooperation with the Council of Bulgarian Agrarian Organisations a forum on the package of long-term measures in the area climate and energy immediately after their adoption by the European Parliament in December 2008.

Taking into consideration existing branch and structural deformations related to the high energy intensity of Bulgarian economy and the existing monopolisation of the energy market, in its opinion "Strategic Priorities of the Bulgarian Economy in the Context of the Europe 2020 Strategy" ESC proposes national quantitative objectives for the reduction of total greenhouse gas emissions, and improving the energy intensity by determining the percentage of RES in the total ultimate consumption and improving energy efficiency.

Competitiveness
Flagship Initiative "An Industrial Policy for the Globalisation Era"

The problems of the competitiveness of Bulgarian economy and existing deformations, as well as their specific manifestation in the context of global financial and economic crisis,
are addressed by ESC in its opinions on "The Bulgarian Economy under the Global Financial and Economic Crisis – Problems, Challenges and Opportunities" and "Challenges Facing the Bulgarian Economy". In its opinion "Opportunities for Reducing Administrative Obstacles and Improving Business Environment in Bulgaria" ESC draws special attention to the opportunities for improving the business environment. The majority of the observations and proposals in it found their place in the Programme for better regulation (2010-2013) of the government of the Republic of Bulgaria.

The achievement of long-term competitiveness of the Bulgarian economy is identified as one of the main national objectives in ESC opinion "Strategic Priorities of the Bulgarian Economy in the Context of the Europe 2020 Strategy", because for the time being Bulgarian economy has a low global competitiveness index.

As a major priority of Bulgarian economic policy and economic restructuring during the period following the crisis, and in relation to the topics envisioned for discussion in 2011, the problems of Bulgarian economy and its competitiveness will remain at the centre of the attention of ESC during the following year.

**Combating Poverty**

*Flagship Initiative "European Platform Against Poverty"*

ESC draws special attention to these problems in its opinion "National Report of the Republic of Bulgaria on Strategies for Social Protection and Social Inclusion 2008-2010" as well as in the analysis "Tackling Poverty in Bulgaria".

Poverty and the policies for its tackling in Bulgaria are among the main emphases in ESC opinions "Current Problems and Policies on the Labour Market" and "Social Insurance and Social Protection". Analyses of these problems and proposals for their overcoming are contained in the package of opinions for anti-crisis measures elaborated by ESC during 2009 and 2010.

In its opinion "Strategic Priorities of the Bulgarian Economy in the Context of the Europe 2020 Strategy" (approved in September 2010) ESC proposes a 20% reduction of poor people by 2020. In the context of another group priority measures and policies ESC proposes that policies in this area should complement the effect of other reforms in the achievement of a steady increase in employment, social inclusion, wages, social payments and a reduction of poverty. The increase in employment, mainly following 2012-2013, should be supported by adequate reforms, use of stimuli, sanctions, budget support, and private investment.

ESC emphasises the initiative of combating with poverty and social exclusion because of its utmost importance both in the present moment and in the long run. ESC believes that the concrete policies that need to be undertaken include the provision of equal and effective access to services of common social interest, such as education, healthcare, communal services. It is necessary to curb hereditary poverty by policies aimed at reducing poverty on parents.
One of the recommendations made by ESC is the development of an urgent package of measures targeted at reducing poverty and social exclusion and promoting social justice by investing in people.

In its opinions ESC draws attention to the necessity for developing concrete proposals for social and sustainable response to the current crisis based on the commitment to reduce poverty.

In 2010 ESC organised a conference on the topic: "Combating Poverty and Social Exclusion – Social Consensus for New Effective Policy". The main purpose was to initiate an extensive public discussion and formulate a long-term vision for combating poverty and social exclusion by sharing the responsibility between public institutions, social partners and NGOs. It was attended by over 100 representatives of different public institutions and civic organisations, representatives of academic circles, experts, as well as the Vice President of the European Economic and Social Committee (EESC) Ms Irini Pari and the Resident Representative of the World Bank in Bulgaria Mr Florian Fichtl.

**Employment and Skills**

*Flagship Initiative "An Agenda for New Skills and Jobs"*

The labour market is among the main priorities of ESC. The Council has developed a number of acts – opinions and analyses – which focus on the problems, measures and policies for regulation of the national labour market in the context of the experience of other Member States.

In its opinion on "National Report of Republic of Bulgaria on Strategies for Social Protection and Social Inclusion - 2008 - 2010", ESC expresses its view that the representatives of inequality groups on the labour market most often are persons with inadequate education or professional qualification characteristics as compared to those required by the employers. With respect to this ESC thinks that stimulating people to participate in continuous learning and professional qualification is necessary.

In its opinions "The Labour Market under a Financial and Economic Crisis – Challenges and Possible Solutions" and "Current Problems and Policies on the Labour Market" ESC insists on the elaboration and adoption of a National Programme analogous to the EU Programme New Skills for New Jobs.

The three key priorities of the Communication "Shared Responsibility for Employment" are the highlight of the adopted "Analysis of the Programmes, Projects and Measures for Active Labour Market Policy in the National Plan for Employment Actions". The main proposals there call for increasing the efficiency of active policies for the labour market.

In its analysis "Anti-Crisis Measures on the Labour Market – EU Member States' Experience" ESC recommends improving qualification skills as a precondition for increasing the productivity of labour and competitiveness. ESC points out the need for...
measures for improving working conditions for young people and the development of an educational system and system for professional qualification that correspond to the requirements of the market.

In its opinion "Current Problems and Policies on the Labour Market" ESC stresses the need for education that can help sustain quality and high-productivity jobs and help encourage employment in high technology sectors, low-carbon economy and green enterprises. ESC proposes to prioritise on financial support for the education of young people below 29 years of age, so as to prevent such people from joining the group of the long-term unemployed.

2. **In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**


In the concept for programming the development of the Republic of Bulgaria adopted by the Committee on Development at the Council of Ministers concerning the development of a National Development Programme "Bulgaria 2020", ESC is identified as the main structure to be consulted.

A representative of ESC as well as representatives of the social partners, the NGO sector, and academic circles, is included in the Consultative Group at the Functional Group of the National Development Programme "Bulgaria 2020".

The members of ESC take part in the Public Consultancy Council at the National Assembly which reviews the NDP "Bulgaria 2020". The priorities of the Programme were discussed by the Council and some of the proposals made during this debate were incorporated in the final draft.

3. **Have the NRP targets (objectives, flagships) been directly linked to specific national budget resources?**

The National Reform Programme of the Republic of Bulgaria for the period 2010-2013 addresses priority issues by rendering an account of current immediate needs and challenges to the country's small and open economy. The following priority areas for the Bulgarian economic policy have been identified: improving the infrastructure and business environment to attract investment, increasing the competitiveness of young people, restoring people's trust in public institutions. In line with the European Council Conclusions of June 2010 the economic policy measures proposed in the current NRP project are directed toward the achievement by 2020 of the national targets under the Europe 2020 Strategy. These economic policy measures focus on overcoming existing impediments to economic growth and are as follows:
- Improving the efficiency of public spending and allocating public funds to activities that increase the economy's growth potential;

- Providing for a functional and efficient financial sector as a necessary condition for the sustainable development of the economy;

- Guaranteeing the better and more effective utilization of the economy's labour potential;

- Addressing weaknesses in the business environment and improving administrative effectiveness;

- Increasing the quality and effectiveness of the educational and training systems.

The targets set down in the National Reform Programme are directly linked to the priorities of the national budget. In accordance with the latest developments in the EU regarding a more integrated surveillance and coordination of economic policies as part of the European Semester, the processes and instruments of the Stability and Growth Pact and the Europe 2020 Strategy are synchronized with a view to achieve a greater interconnectedness between fiscal and structural policies. The strategy for reinforcing economic policy coordination comprises three basic elements – macroeconomic surveillance, surveillance of growth encouraging reforms with a special focus on structural reforms, and fiscal surveillance in compliance with the Stability and Growth Pact.

The strategy for reinforcing economic policy coordination will require Member States to provide preliminary information regarding their budgetary development during the current year and expected budget plans for the following year. On the basis of this preliminary review the Commission will make proposals, approved in turn by Sector Councils and the European Council, which Member States will have to integrate in their national budgets, National Reform Programmes (NRP), Europe 2020 Strategy Frameworks, Stability and Convergence Programmes (SCP) in accordance with the Stability and Growth Pact.

The preparation and simultaneous submission to the Commission of both NRP and SCP will guarantee greater interconnectedness of the instruments and the implementation of the strategy for reinforcing economic policy coordination.

Resources allocated from the national budget should be complemented by European funds and subsidies from international financial institutions.
4. How would you foresee improving the use of common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds – for supporting Europe 2020 Strategy?

Bulgaria needs a number of adjustments in its strategic planning. In order to increase added value the country plans to achieve a close cooperation between the Europe 2020 Strategy and the EU Cohesion Policy. This cooperation will be based on the understanding that the Europe 2020 Strategy is a policy that operates at all levels and all can cooperate with the European, national and regional level.

The Bulgarian position is that greater involvement of local and regional authorities in the process of managing Structural and Cohesion Funds can be achieved by means of formulating and assigning clearly their responsibilities, sanctions and competences when defining respective policies at the regional level and also during the subsequent processes of monitoring and implementation of the programmes. The capacity of the regional and local level to prepare regional development plans, investment programmes, sector-specific management plans, design and implement projects, should be supported and preserved. Strong and well-functioning regional and local institutions capable of identifying development potential and deploy complex investment programmes are an important prerequisite for the success and long-term effect of the cohesion policy. Therefore, they will continue to receive special attention including capacity development, exchange of know-how and good practices, elaboration of strategies and professional networks.

In future the Common Agricultural Policy (CAP) will feature a "greener" and more justly allocated first pillar and a second pillar that is more focused on the competitiveness and innovations, climate change and preservation of the environment, which aims at developing production potential, especially in new Member States. Thus, CAP will contribute to the achievement of Europe 2020 objectives. Targeting aid exclusively toward active farmers as a reward for the collective services they provide to society would increase the efficiency and effectiveness of EU support and contribute to the acknowledgement of the necessity of CAP.

Although as a new Member State Bulgaria is not required to define in its national programme documents for the period 2007-2013 concrete sums, which should be used alongside EU Structural Instruments to achieve the objectives of the Lisbon Strategy and the new Europe 2020 Strategy, over 60% of the financial resource under operational programmes – BGN 7.982 billion has been allocated to such areas. These measures concern five of the operational programmes: "Transport", "Developments of the competitiveness of Bulgarian economy", "Development of human resources", "Regional development" and "Administrative capacity".

The contracts concluded so far for projects contributing to the achievement of Europe 2020 objectives amount to the total of BGN 1930.506 million. This is 28.91% of the funds allocated for these projects under the respective operational programmes and 42.54% of the total amount of European funding under all contracts concluded to date.
Improving absorption of EU Structural and Cohesion Funds, which at the moment is relatively low for Bulgaria (8.02%), as well as increasing the efficiency and effectiveness of funded projects, will definitely contribute to the better and faster achievement of the objectives of the Europe 2020 Strategy, especially in the context of current fiscal limitations.

Representatives of ESC participate actively in Supervisory Committees as well as in the monitoring of Bulgarian absorption of EU finances from the Structure and Cohesion Funds.

In many of its opinions prepared since 2008 ESC has evaluated this process and has made its recommendations for optimizing procedures and improving the efficiency of the Managing Bodies in order to achieve better results in utilizing the funds and reach the priorities and goals set by the National Strategic Reference Framework for the period 2007-2013. Many of the proposals made by ESC were taken into consideration and the government undertook concrete measures with respect to administrative capacity and simplifying the procedures for application for gratis aid by beneficiaries.

ESC prepared an opinion on "Strategic Priorities of the Bulgarian Economy in the Context of the Europe 2020 Strategy (approved in September 2010)" in which it proposes its vision for improving the process for absorption of Structural Funds. ESC hopes that Bulgarian government will incorporate its proposals, formulated in this as well as in other opinions concerning sector policies, in the Bulgaria 2020 Strategy before its final approval in 2011.
DENMARK (GROUP I)

1.1 Contribution from Confederation of Danish Employers to consultation on the future EU2020 strategy COM(2009)647

The Confederation of Danish Employers, DA represents 12 employers’ organisations in Denmark with a membership of more than 28,000 Danish private companies in manufacturing, retail, transport, services and construction. DA is registered in the Commission’s Register for interest Representatives.

DA agrees with the 3 thematic key drivers proposed by the Commission, but wants to see much more focus on the labour supply issue and the need for modernizing labour markets in order to be able to create new jobs in the future.

EU should agree on one clear strategic goal for the next 10 years, which is to create growth.

1.1.1 More focus on labour supply and demographic changes

First of all, the EU2020 strategy should be focused on the growth potential and reforms that create sustainable growth, but also the growth constraints Europe will face because of the demographic changes.

When the Commission in its consultation paper on the second page is analysing constraints and new challenges, it should do so in a much more open and direct way. In order to prepare for future demographic constraints on the private labour markets as well as the public financing of the social obligations, EU needs to be ambitious and agree on a clear growth path.

Green jobs and green growth entails new opportunities for companies, but only if there is a skilled labour force supply in the future. It is important that a new strategy recognizes that companies play a key role in creating growth and employment in Europe.

The EU 2020 strategy should have as a key priority increasing labour supply of skilled people and labour market participation in general.

That Europeans live longer is positive and constitute new opportunities for higher employment. It should be emphasized that it is possible both to increase employment participation for young people and keep senior citizens longer in employment. In this respect the new strategy should also aim at ensuring a well-functioning public sector.

1.1.2 Flexible labour markets – implement flexicurity

According to the Commission the aim is to make Europe a “first mover” and show global leadership. DA agrees with the Commission, but warns that global leadership depends on well-functioning labour markets and qualified workers in the EU.
To protect old jobs is a dangerous path when companies need to restructure and adapt to a greener economy. Focus for the EU 2020 must be on companies and workers adaptability and ways to create new jobs or enhance work mobility. The EU2020 strategy should set the framework for creating growth through flexible labour markets and an adaptable workforce and not through protecting rights, this will only lead to a segmentation of the labour markets. Flexicurity is about ensuring employment security and not job security. The EU 2020 strategy should have the implementation of the flexicurity principles as one of the key drivers for growth.

1.1.3 Better skills matching and competitiveness

It is positive that the Commission puts knowledge, skills and innovation as a top priority and as part the first key driver. Upgrading of skills and education and training should be perceived as much more than just an issue social inclusion and fighting poverty by the Commission. Education and training policies are also about delivering the future labour supply in order to stay competitive. If companies don’t find the labour supply in Europe they will simply relocate to other regions of the world. But a shrinking labour force combined with company needs for new qualifications implies that European policy makers should focus much more on dynamic vocational education and training systems and adult learning. Companies will both on short-term and long-term basis need people with high-quality, specialized manual/vocational skills in order to stay competitive. Active labour market policy is also about training and upgrading people in employment. A key element in the EU2020 strategy must be to set clear targets for improving young people employability and avoid that young people drop out of school without any qualifications or are excluded from entering the labour markets because of un-flexible labour market regulations.

1.1.4 Success depends on a clear vision and the will-power to act

DA agrees with the Commission proposal about interdependence between different players, policies etc. but finds that the Commission still lacks a clear vision for the EU 2020. DA can support the proposal that Member States can set national objectives corresponding to national needs. However, it is also important to have common, clear defined European objectives. Concerning governance, the European Council should be responsible for setting the objectives and implementing the strategy. In order to be competitive companies need the commitment from the highest level, and the political will-power to drive and carry through the needed structural reforms in each Member State. Therefore, the EU 2020 should have a limited number of objectives and be easy to monitor and benchmark on European level. It is also important to monitor each country’s effective ability to reach the agreed objectives. An annually system of monitoring with thematic focus progressing might be a good idea the first 5 years to ensure full recovery after the crisis. However, a yearly monitoring process must not imply new burdensome reporting systems and could be limited to certain specific areas.
DENMARK (GROUP II)

1. The seven flagships are taken seriously in the LO – the biggest confederation of trade unions with 950,000 members mostly blue colour workers and FTF with 360,000 members, the second biggest confederation. Six of the flagships are in some extent integrated in the political work. Youth on the move, an agenda for new skills and jobs and a platform against poverty have high priority. The social fund will have a role to play and be central for the debates. Only a digital agenda for Europe has so far not been in focus.

2. Since the start of the Lisbon process a special committee has worked with the agenda. The work continues in relation with Europe 2020 in a new committee. LO has a seat in the committee where the agenda is discussed, the Danish political proposals and the proposals from the social partners. There should have been 6-8 meeting in 2010. In the discussions it is important that also countries that may even have reached the targets have high ambitions when they decide their national targets.

3. There should be no directly link to the Europe 2020 in the national budget. And from the unions point of view it is regrettable that you cannot find more money especially to education and training – on the contrary there will be fewer money in the future. Generally the Pisa report seems to be more discussed than the Europe 2020 strategy.

4. The Danish unions have always regretted that it is impossible to change the common agricultural policy and the lower the payments and give more money to research, development and innovation. It has always been a Danish priority that cohesion is not only a question of sending more money to projects in the less developed countries, but also give general support to general projects that create innovation, growth and jobs in other areas. The structural funds must be used to support the Europe 2020 strategy – and the common agricultural policy must be changed in a way that development in the areas has high priority. The Lisbon strategy has been criticized – the Europe 2020 strategy will not do better if the structural funds are not seen in relation to the strategy. How it will be handled is another question.
DENMARK (GROUP III)

On behalf of The Women’s Council in Denmark I am very pleased to provide you with information on the Danish civil society contribution to the European 2020 strategy.

In 2001, as a follow up to the Lisbon Strategy, the government sat down a committee with members from relevant ministries, labour market organisations and a couple of NGOs. However, this committee does not include members from women’s organisations, and hence The Women’s Council has not been informed directly about the work of the committee.

We hope that the government will invite women’s organisations to be part of the committee, which will enable us to contribute to the gender mainstreaming of the national reform programme.

It is extremely important to analyze the 2020 targets from a gender perspective. Just to mention a few examples: Poverty is not equally distributed between women and men and accordingly the strategy to combat poverty needs to be gender sensitive. Women hold very few seats in private company boards and there are few women in top management positions, which is a waste of women’s resources and talents. The gender segregated labour market, unequal pay and unequal distribution of parental leave are other matters that play a critical role in the context of equality on the labour market.

1. The Women’s Council in Denmark pays special attention to equality between women and men on the labour market and reconciliation of working life and private life/family life. On our agenda for the period 2010-2012 are also following issues: Promotion of women’s equal access to top positions within research and private companies, protection and development of the Danish welfare system, improvement of gender equality institutions and gender mainstreaming.

The Women’s Council is participating in an anti-discrimination NGO network focusing on inclusion. In 2011 this network will prioritize civil society strategies.

2. According to the draft National Reform Programme (chapter 4), the government is considering change in the composition of the committee referred to above. We do not yet know what the government has in mind. While recognizing the great value of a broad labour market representation, we urge the government to include more NGOs in the existing committee, among them NGOs representing a gender perspective.

3. We have no valid information.
4. We would like to see the Structural Funds seriously integrate the gender mainstreaming perspective in their work.

Yours sincerely,

Mette Kindberg

1st vice-president of Women’s Council in Denmark
1. **How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?**

For some of the associations the strategy plays a very important role.

For example:

a) "In the planning period, the BAGFW (*Bundesarbeitsgemeinschaft der Freien Wohlfahrtspflege e.V.*, Federal Association of Voluntary Welfare Work) was intensively involved in reorienting the post-Lisbon strategy for after 2010, and stated its expectations. The BAGFW also participated in the 2009 consultation. The BAGFW and its constituent associations focused on individual themes in the guidelines, including combating social exclusion and poverty, employee education and training, high-quality employment and the situation of young people.

The link between EU2020 objectives and cohesion and structural policies is a particular focus."

b) According to its mission statement, the Helmholtz Community (1) studies major social challenges through strategic research programmes; (2) constructs and operates large-scale and often unique research infrastructure, and places it at the disposal of the international research community, and (3) delivers added value for business and society in general on the basis of research findings developed by Helmholtz scientists.

Given that most of these objectives tie in with the objectives of the Europe 2020 strategy (smart, sustainable and inclusive growth) the Helmholtz Community is willing to commit itself to their implementation.

The Helmholtz-Community handles socially relevant subjects in six major research areas: energy (renewable energies, rational energy conversion and use, nuclear fusion, nuclear safety); the Earth and the environment (geo-system, maritime, coastal and polar systems; health (widespread diseases); key technologies (materials research, nanosciences and nanotechnology, super-computing); materials structure (particle physics, astroparticle physics, hadron physics, photonics); traffic, transport and space. In view of this, the guidelines on "Innovation Union", "Digital agenda", Resource-efficient Europe", and "An industrial policy for the globalisation era" are of particular relevance to the research activities of the Helmholtz-Community.

For other associations the strategy is more of "an early warning system".
For example:

a) "For us the strategy gives us an idea of what is likely to come out of Brussels in future. Of course, we adjust our plans accordingly. However, the ideas on Europe 2020 which we put forward to the Commission during the planning period were not taken up. For example we suggested developing instruments to increase the risk-bearing capacity of society as a whole, given that the changes which EU2020 aims to achieve will not only create great opportunities but also expose us to risks. Unless these risks are manageable, we will not have the necessary willingness to change."

2. **In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**

None of the associations which replied mentioned civil society involvement in Germany.

a) "The preliminary draft of the NRP does not mention civil society involvement, nor was there any official involvement of civil society organisations at the planning stage." (BAGFW)

b) "We can't comment on this." (Helmholtz Community).

c) "No idea, at least not in connection with insurance". (GDV, Gesamtverband der Deutschen Versicherungswirtschaft, German Insurance Federation)

d) No civil society involvement so far (DGB, Deutscher Gewerkschaftsbund, Confederation of German Trade Unions)

3. **Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?**

Only one association replied:
"I'd be very surprised…." (GDV)
Apart from this the only response we got was "no comment".

4. **How would you foresee improving the use of the common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds - for supporting the Europe 2020 Strategy?**

We got the following responses to this question:

a) We must take care to focus not only on employment but also on combating poverty and promoting social inclusion.
From the perspective of German voluntary welfare work associations, consistent long-term partnership significantly enhances the success of cohesion policy and helps to achieve the goals of inclusive growth policies.
It was also pointed out that at a time of growing scepticism about Europe and the EU, and after the experience with Greece and Ireland, it may be necessary to explain that European integration can only succeed if monetary union is backed up by European economic, fiscal and social policies (BAGFW).

b) The Helmholtz Community would very much appreciate if the objectives and resources of the Common Agricultural Policy and the Structural Funds were even more closely coordinated with the objectives of EU 2020 and European research and innovation policy. For example, agricultural subsidy funding could be used for research of agricultural relevance (e.g. bio-economy, climate change, second-generation biofuels, earth system monitoring), helping us to meet key social challenges such as energy and food security and the impact of climate change.

More Structural Funds resources could be used to develop major research infrastructure of European or international importance in order to take pressure off Member States research budgets.

In European research programmes scientific and technological excellence should continue to be the decisive criterion in selecting and promoting research projects, given that the excellence of European research and scientific systems is of key importance in ensuring EU competitiveness in the global economy. It is also of great importance to help integrate the new and smaller states and support them in developing their scientific infrastructure. However this objective should mainly be achieved through other measures. "The EU research framework programmes must be made more efficient and attractive. To that end, it is essential to simplify how they are implemented. As well as simplifying financial rules and procedures it is equally important to streamline scientific and thematic application, evaluation and monitoring procedures."

I would also like to refer to a passage from opinion INT/513 (Point 1.8):
"The EESC emphasises the need for a sound balance between applied research and research into science fundamentals. Basic research efforts show the seeds from which long-term and sustainable innovations and new key enabling technologies can grow."

c) "At present the CAP clearly contradicts the objectives of the EU2020 Strategy given its one-sided focus on making just a few farms capable of meeting fierce global competition. At the same time, a deliberate decision has been taken to accept not just job losses in farming and rural areas but also environmental destruction in Europe and elsewhere. Not only that, tax payers have to pay 58 billion euros for this from the EU budget. The CAP needs new objectives; back in 1992 agricultural Commissioner MacSharry already put forward a suggestion (see attached text): these objectives could include encouraging farmers to stay in agriculture, and preserving the environment. Resources should be allocated accordingly as acknowledged by Ciolo (to a large extent)"(Euronatur).
d) "In my opinion the EU must think very carefully if it wants to transfer the enormous resources in these areas to a single envelope for financing EU2020, as funding might no longer be spent on what beneficiaries consider important (subsidarity). The attractiveness of such EU support would then quickly be lost ("golden reins"), given that beneficiaries still need to find funding of their own for co-financing" (GDV).

e) "Sustainable, high-quality growth and innovation must be supported (R&D: 3% of GDP); from the perspective of the DGB quality aspects must be taken into account here. In addition, R&D must not be limited to technological innovation. Among other things, this means ensuring high-quality teaching and research. Moreover, employees must have an opportunity to participate in the application and implementation of new scientific ideas, and they must be listened to as experts in their fields of employment, thus involving them in innovation processes (a broader interpretation of innovation, involvement of people as knowledge holders)" (DGB).
ESTONIA

Dear Mr Nilsson and Mr Van Iersel

Thank you for the opportunity to contribute into the process of the elaboration of the National Reform Programmes (NRP).

The Ministry of Social Affairs of Estonia values highly the establishment and implementation, but also the reviews of the NRP-s. The challenges and targets presented in the draft NRP “Estonia 2020” are fully in-line with Europe 2020. At the same time they also determine the country’s main accentuations in policy making during the coming years.

The cooperation with civil society organisations in Estonia has been very effective and intense. Here the central outcomes of the analysis that preceded the formulation of the draft NRP “Estonia 2020” were discussed with the main partner organisations. Also the partner organisations were consulted with in order to set the main goals and challenges of the NRP. Based on the positive experience, we see the civil society organisations playing the key-role in the process of achieving the targets set.

From the part of Structural Funds, we consider it very important to create stronger integration in order to allow the Structural Funds to support the Europe 2020 Strategy. In addition to this we support the principle that Structural Funds need to be directly targeted to combat the strategic challenges.

I hope the feedback given accentuates the importance of involving civil society organisations in the process of fulfilling the European Union as well as the country specific challenges and targets.

Yours sincerely,

Egle Käärats
Deputy Secretary General on Labour Policy
IRELAND

1. How are the Europe 2020 objectives in general, and more specifically the 7 Flagship Initiatives, being translated into the work programme of NESC?

A New Work Programme Is Being Formulated

The NESC has just finished its three year term. Government is now appointing a new Council to sit from 2011-2013. The new Council will set its own work programme. In framing the work programme, the Secretariat will strive to ensure that the objectives of the Europe 2020 Strategy and the 7 Flagship Initiatives are appropriately reflected in the work of the Council. Indeed, as discussed below, consideration will be given to the possible involvement of the Council somewhere in the cycle of NRP planning, monitoring and review.

Ongoing NESC Studies of Relevance to Europe 2020

A number of current NESC projects will be carried over to the new Council. All three of these are relevant to the goals of the Europe 2020 Strategy:

- A project entitled ‘Unemployment and Active Labour Market Policies 2010-2020’ is well advanced. It reviews developments in Ireland’s system of unemployment payments and activation policies and will make recommendations aimed at enhancing the activation dimension of the welfare system. It is relevant to Headline targets Nos. 1 and 5, Integrated Guidelines Nos. 7, 8, 9 and 10 and Flagship Initiatives Nos. 2, 6 and 7;

- A project entitled ‘Standards and accountability in Human Services’ is in progress. It will review the systems for quality assurance, tailored services and continuous improvement in a range of service areas—education, health, disability, eldercare, housing and justice—and assess how effective they have become. It will explore ways in which systems of standard setting and review can maximise service quality in a context of reduced budgets. It is relevant to Headline targets Nos. 1, 4 and 5, Integrated Guidelines Nos. 7, 8, 9 and 10 and Flagship Initiatives Nos. 2, 6 and 7;

- A project on ‘Enterprise Policy’ is also well advanced. It is relevant to Headline target Nos. 2, Integrated Guidelines Nos. 4, 5, 6, 8 and 9 and Flagship Initiatives Nos. 1, 3 and 5.

Recent NESC Study on Ireland in the European Union

In December 2010, NESC published a report entitled Re-finding Success in Europe: The Challenge for Irish Institutions and Policy. It reviews Ireland’s experience and changing engagement in the EU. In order to do this, it includes an analysis of the evolution, successes and failures of both the EU and Ireland over the past decade.

.../...
In many areas where the EU has explicit competence, policy making has become less centralised, hierarchical and uniform; in others where Member States have primacy, policy making and implementation increasingly take place in an EU framework. EU policy often mandates framework goals through formal laws, such as achieving good water status, whilst encouraging Member States to explore how these objectives can be attained and progress assessed. Thus in a wide range of policy spheres, but not all, the EU has developed an effective system of joint goal setting, implementation within Member States, information sharing about progress, and the revision of policy frameworks based on knowledge gained from practice.

Ireland’s changing engagement with the EU is identified by examining the most important policy areas: the single market, agriculture, economic and monetary union, social policy, environmental policy, enlargement, and external relations and justice and home affairs. This confirms the positive role of EU membership and policy in facilitating Ireland’s remarkable economic and social progress between 1987 and 2000. In some of these areas, Ireland’s policy system has been attuned to effective processes at EU level and organizations have reconfigured themselves to adopt a similar problem-solving approach at domestic level. Examples include large parts of the internal market, the creation of agencies and networks for environmental monitoring, licensing and enforcement, food safety and many others.

Ireland has had less success, where it has not grasped the new range of EU methods and possibilities, or where the EU itself has been ineffective. This has been the case where national policy actors have seen EU involvement as an intrusion on sovereignty (as on the fiscal stance) and, conversely, where government has seen the task as mere conformity with a fixed EU regime, without a sufficiently clear view of the specific national policy challenge (as in the initial approach to telecoms and energy). Progress has also been limited where government and others have not seen EU goal setting and data monitoring as an opportunity for in-depth review and policy learning, or have not had the capacity to undertake this (as the area of public finance, banking supervision, and parts of employment and social inclusion strategies). In public finance and banking supervision the lack of sufficient real benchmarking and diagnostic monitoring, at either EU or national level, eventually had disastrous consequences for the Irish economy.

This analysis suggests that both the EU and Ireland are at the end of an ‘unfulfilled decade.’ At national level, a period of enhanced business performance, participation, educational attainment and social spending gave way to a property-led boom funded by excessive private-sector lending and borrowing, ending in a severe five-part crisis. At EU level, the monitoring and coordination of Member States’ economies was ineffective and there was partial success in enhancing productivity and social inclusion and in maximising Europe’s influence in the world.

The report concludes by considering the main policy challenges at EU and national level. Two particularly stand out and are of greatest relevance to Ireland. First, the EU and the Member States must continue to take action to protect the euro, implement the stronger system of economic coordination agreed at the European Council, address the deficit and...
.../...
debt problems, support macroeconomic recovery and respond to the further risk of financial sector turbulence. Second, the EU and the Member States must strengthen the processes of reform and peer review to make a success of the, recently adopted, *Europe 2020 Strategy for Smart, Sustainable and Inclusive Growth*.

Ireland has a strong interest in the success of EU initiatives on both these fronts. Despite the urgency of fiscal and financial issues, it is necessary, at both national and EU level, to proceed simultaneously with the *Europe 2020 Strategy*. While the dominant challenges for Ireland are undoubtedly fiscal correction, bank resolution, structural deficits and economic growth, addressing these will require consideration of innovation, participation, service reconfiguration, social inclusion, tax reform and sustainability. It does not seem possible to achieve the necessary fiscal adjustment without in-depth knowledge of how well different programmes work, how the welfare system can be made more developmental, and which taxes are most supportive of economic growth, employment and sustainability—including awareness of international best practice on these issues.

In previous reports on the EU, NESC had stressed that the quality of national policy and implementation is the main determinant of Ireland’s success or failure within the EU. This is still the case. But whereas previously national policy needed to be developed and articulated in the light of agreed approaches at EU level, now it is much more the case that national policy is formed in tandem with EU policy and that of other Member States.

Success in the 21st century EU requires a national policy system with greater ability to record, compare, analyse and discuss its own policy and service systems (in a wide range of policy areas) at agency, departmental, political and EU level. Consequently, a minimal condition for successful Irish participation in a range of EU processes is implementation of the Government’s reform agenda set out in *Transforming Public Services* (2008). In particular, it will be necessary to move from reliance on input control to greater local autonomy and outcome monitoring. In many policy spheres the design and implementation of *national* policy must be undertaken in—and can be greatly enhanced by—a process of European goal setting, benchmarking and improvement. Only states that can do this will succeed in the new Europe.

2. **In the NRP what role does your Government concretely foresee for organised civil society in reaching the Europe 2020 targets?**

In June 2010 discussions took place between officials from the key Government Departments involved in the preparation of the National Reform Programme and the members of the Irish Parliamentary Committee on European Affairs. It is anticipated that further contacts will take place in advance of finalisation of the National Reform Programme in 2011.

Engagement has also taken place with representatives of regional and local authorities, and continuing efforts will take place to ensure that the views of all of these stakeholders will be incorporated into the NRP, where possible.
The Irish Government views engagement with the Social Partners as part of a process of social dialogue as being both desirable and worthwhile. Initial contacts with the Social Partners in relation to the Europe 2020 process began in May 2010, in advance of the finalisation of the overall approach at EU level. These meetings were an opportunity for the Social Partners to express their views of their sector on the Strategy as it was emerging at that time.

More recently the Social Partners were invited to present initial observations on the National Reform Programme Process. Some initial observations were received at that time and further consultation is anticipated in early 2011 before the NRP is finalised.

In addition, consultation at sectoral level has also taken place. For example a national ‘social inclusion forum’ takes place annually to review progress on policies to tackle poverty and promote social inclusion. Almost 200 delegates attended in 2010, including community and voluntary groups, social partners and senior government officials. This is in addition to the ongoing consultation through a technical advisory group on the data and poverty indicators for the national poverty target. This group consists of technical experts from the social partners, academia, the national statistical office and government departments and agencies. In addition, a national seminar on the national and EU poverty targets was attended by 74 people. It featured presentations by representatives of the French and Irish governments, academic experts, and the social partners.

3. **Have the NRP targets (objective/flagships) been directly linked to specific national budget resources?**

Ireland’s severe crisis means that a very large fiscal adjustment is necessary. This inevitably means that it is difficult to reflect the Europe 2020/NRP headline targets in increased budgetary resources. Nevertheless, as summarised below, in the budget of 7 December 2010 (and the earlier fiscal adjustments in 2008 and 2009) the Irish Government has sought to protect the resources allocated to the goal of smart, sustainable and inclusive growth. Not surprisingly, opinion among civil society organisations differs strongly on whether and how well the Government has reflected the Europe 2020 goals in its budgetary allocations.

**Target 1: Employment**

In response to the crisis Ireland increased the volume of activation training and education places. In addition, Ireland is currently undertaking a major restructuring and reform of its active labour market policies (see *National Recovery Plan 2011-2014* and *EU/IMF Programme of Financial Support for Ireland*). In the context of a re-organisation of departmental and agency responsibilities it is a complex task to track the overall allocation of budgetary resources to the first target of the Europe 2020 Strategy. As the NRP unfolds it will proved a clearer picture. In the December 2010 budget there was a large increase (of 200 per cent) in the Department of Education and Skills’ budget for ‘training and integration supports’, while the budget for training of people in employment was reduced by 17 per cent. The NESC study on unemployment and active labour
market policies will provide detailed account of recent and ongoing policy and institutional development.

**Target 2: R&D**
Despite the severe overall budgetary adjustment, the resources for R&D have been increased in the budget of 7 December 2010. The allocation for the ‘Science and Technology Development Programme’ was increased by 9 per cent, while the ‘Programme for Research in Third Level Institutions’ received a 35 per cent increase. The budget of the Industrial Development Agency—where almost half of the investments are in research, development and innovation—was not reduced. Nevertheless, the overall budgetary situation means that Ireland will not be able to make huge strides towards the 3 percent target in the Europe 2020 Strategy.

**Target 3: Climate Change**
Over recent years, Ireland has allocated increased resources to the climate change goal, through expenditure on renewable energy, grid development programmes, a national retrofit programme and the Large Industry Support Programme (LIEN). This is the context in which a reduction in sustainable development programmes in the December 2010 budget should be seen. Indeed, in that budget the Sustainable Energy Authority (SEA) received a 15 per cent increase in its budget and there was a 58 per cent increase in energy research programmes.

**Target 4: Education**
Overall, the target on education has been reflected in Irish budgetary decisions over the past decade. The effectiveness of the increased resources allocated between 2000 and 2008 is doubted by some. Not surprisingly the effect of budgetary adjustments of the past two years on education is the subject of considerable debate. In the budget of December 2010, special education initiatives and the funding for special needs assistants were reduced, but by smaller proportionate amounts than many other areas of expenditure.

**Target 5: Poverty**
A very wide range of public expenditures influence the extent and depth of poverty. Further information on the effects of the budgetary adjustment of 2008 to 2010 on poverty can be provided as the work NESC and other ESCs progresses in the coming year. In the budget of December 2010, the main weekly rates of unemployment benefit and assistance we reduced from €196 to €188, and the One Parent family Payment was reduced from €225 to 217. The State Pension for an individual was maintained at €219 per week.
4. How would you foresee improving the use of CAP, cohesion policy, and R&D policy—Structural Funds—for supporting the Europe 2020 Strategy?

Since its accession to the EEC in 1973, Ireland received approximately €19 billion in Structural and Cohesion Funding. Ireland concentrated its Structural Funds on programmes designed to strengthen competitiveness. It focused on three broad areas, namely, Infrastructure, Human Capital and the Productive Sector, including manufacturing, tourism and agriculture.

The level of EU Structural Funding for Ireland reduced substantially for the 2007-2013 period. Over the period 2007-2013, Ireland has been allocated in total €901m in Structural Funding with €750 million assigned to the Regional Competitiveness and Employment Objective.

The National Strategic Reference Framework (NSRF), as required by Article 27 of Council Regulation 1083/2006, sets out the policy context within which the funding available to Ireland under the Regional Competitiveness and Employment Objective for the 2007-2013 period operates. The regional breakdown of this sum is €458m for the Border, Midlands and Western region and €292m for the Southern and Eastern region. As was the case in the previous round, 50 per cent of the funding is to be allocated to labour market activity funded by the European Social Fund (ESF) and 50 per cent to the European Regional Development Fund (ERDF). The balance of €151m is for smaller Territorial Cooperation programmes, including the PEACE and Interreg programmes.

Ireland’s ERDF and ESF allocation for the 2007-2013 funding period are implemented through two regional Operational Programmes i.e. the Border, Midlands and Western Operational Programme and the Southern and Eastern Operational Programme (both ERDF co-funded) and the Human Capital Investment Operational Programme (ESF co-funded). Cohesion Policy for 2007-2013 is explicitly linked to the National Reform Programme and Lisbon Agenda and, to this end, the current forecast is that 90 per cent of expenditure over the period is to be on actions that support competitiveness and sustainable development.

The strategic direction for the future policy looks very likely to be framed by the Europe 2020 Strategy and the EU Budget review. The Irish Government agrees with the consensus arising, i.e. concentration of policy on Europe 2020 Strategy, focus on performance and results, high level political debate, increased co-ordination with national and EU policies to create synergies and more simple and efficient administration systems. The Fifth Report on Economic, Social and Territorial Cohesion is an important step in the development of the policy. Irish policymakers are committed to ensuring that all spending in the next round of funding will be closely aligned to the targets of the Europe 2020 Strategy. The work of the NESC, in its new term 2010 to 2013, may provide further ideas on ways in which EU funds could be further used to support the Europe 2020 Strategy.
GREECE

The 2008-2009 international economic crisis exposed the long-standing structural weaknesses and enhanced the fiscal imbalances of the Greek economy. The Greek government sought official financial assistance from the euro area Member States. As a result, on May 2010 the European Commission, ECB and the IMF agreed on a comprehensive policy package for the period 2010-13 which will be financed by a total amount of 110 billion €. Moreover an ambitious Economic Adjustment Programme has been adopted, focusing on a frontloaded fiscal consolidation effort, on securing financial sector stability and on implementing across the board structural reforms aiming at boosting productivity growth and competitiveness.

The Greek National Reform Programme (NRP) 2010-2013 under the Europe 2020 Strategy is drafted in coherence with the abovementioned “Economic Adjustment Programme” that the Greek government is already implementing. However it should be mentioned that the NRP encompass not only the policies of the Economic Adjustment Programme, but all the policies and actions of the development strategy which are being implemented in order to strengthen the Greek Economy and improve its potential growth.

Macroeconomic surveillance

The most important macro-structural obstacles to growth that the Greek government is facing are:

a) Implementing the agreed frontloaded fiscal consolidation and thereafter sustaining a large primary surplus to reduce debt level and improving long-term sustainability of public finances. Until now the Greek government is implementing a strict fiscal adjustment programme which contains mainly frontloading measures.

b) Strengthening the efficiency and effectiveness of the public administration, achieving a better control of public finances and improving the quality of public finances.

c) Ensuring a well functioning and stable financial sector including the safeguarding of banks’ balance sheets.

d) Ensuring wage and price adjustments to regain and sustain competitiveness, through wage moderation and productivity- and competition-enhancing reforms. The structural nature of external imbalances in Greece implies that, in the medium-to-long term, restoring and sustaining competitiveness is a major challenge within the euro area.

In this frame the social partners have also recently concluded a collective bargaining agreement with a 3-year horizon, which foresees a wage freeze for 2010 and an average annual wage increase below 1% per year over the 2010-2012 period.

e) Reducing the size of the informal economy by facilitating the full participation of all groups in the formal labour markets. This is an important challenge that will require the implementation of a wide range of actions foreseen in the Economic Adjustment Programme.

f) Overhauling the educational system in order to improve the quality of the country’s human capital.

g) Improving the business environment that could make significant contribution to Greece's trend productivity and growth.
Targets in the frame of the Greek National Reform Programme

1. Employment
   To improve the employment rates and enhance productivity growth targeted policies must be implemented until the end of 2011.
   The employment rate target is that 70% of the population aged 20-64 should be employed. This is an ambitious yet realistic target which takes into account the implementation of the Economic Adjustment Programme for the period 2010-2013.
   Special focus is set on women and youth, by setting specific targets for these groups. Based on available data for the upcoming decade, further improvement in female employment rates are expected to contribute significantly to the overall employment rate. As labour market performance of Greek youth has been weak, special importance is attributed to promoting youth employment, through tailored measures and policies. Finally we must say that in Greece, there have been identified four bottlenecks in the labour market that are:
   a) demand side barriers to the labour market,
   b) existence of barriers in the labour market integration/ reintegration/ stay, particularly for specific groups (young persons, women, older workers).
   c) skill mismatches.
   d) high percentage of undeclared work.

2. R&D
   The aim is to strengthen research, develop innovation and support the full use of ICT. The main tools for the achievement of this goal are: the qualitative improvement of the functioning of research institutions, their linking with entrepreneurship and digital society, the development of international collaboration projects and the attraction of investment from the private sector. Research must focus, among others, to: energy saving projects, the development of ecological tools, to climate change projects, and the application of digital technology in selected areas. The target is that the 2% of the GDP should be invested in R&D. According to a study conducted by the General Secretarial for Research and Technology (GSRT) in order to achieve this target by 2020, gross domestic expenditure on R & D (GERD) will have to increase from 1.3 million € in 2007 to 4.9 million € (current prices) by 2020.
   The National Action Plan for the support of Research, Technological Development and Innovation is currently under public consultation.

3. Environment
   The triple targets of the 20-20-20 package play a key role in ensuring energy security, reducing national greenhouse gas emissions, boosting the competitiveness of the economy and attracting investment capital and technical knowhow. It is also estimated that they will assist in the economic improvement of conditions in rural areas and in boosting eco-industry that utilizes comparative advantages of local agricultural production and food industry. The environmental target is: contribution of the energy produced from Renewable Energy Sources (RES) to the gross final energy consumption by a share of 20%. Reduction of energy consumption by 15% of the foreseen 2020 levels
through improvements in energy efficiency. Reduction of greenhouse gas emissions by 4% (based on 2005 levels).

In order to meet the targets set within the RES roadmap until 2020 it is necessary to elaborate policies and measures, which aim at the simultaneous fulfilment of the “20-20-20” obligations and to accelerate the Greek economy and particularly the private investments through “green” development.

4. Education

The educational target is the share of early school leavers to be under 10% and at least 32% of the younger generation to have a tertiary degree.

Regarding the 10% drop-out target, it is foreseen that this objective will be achieved by 2020 and possibly improve even further.

As for the second target referring to the younger generation with a tertiary degree, according to estimates of the Ministry of Education, the 32% target will also be achieved by 2020.

The aim of all educational policies must be the modernization, the internationalization and the upgrade of quality and the credibility of higher education institutions.

5. Poverty

Severely affected by the economic crisis, the Greek government must build a social net against poverty and social exclusion, particularly for the next few years. The abrupt increase of the unemployment rate, the impact of the necessary austerity measures in order to tackle the excessive fiscal deficit, as well as the projected decrease of the GDP for the next two years create a challenging setting regarding social protection and the fight against poverty and social exclusion.

At first period, it is necessary to construct a social safety net, with a number of targeted measures to the people at risk of poverty so as to limit the impact of the crisis. In parallel, reform measures are needed on streamlining the social protection policies so that they can be adequate, effective and sustainable.

Greece sets a target of reducing the number of people at risk of poverty and/or social exclusion by 450,000 by 2020. This is translated into a reduction of the at-risk-of poverty and/or exclusion rate from 28% in 2008 to 24% in 2020. According to the statistical data of 2008, poverty threatens 23% of children from the age of 0-17, and 22% of the elderly over 65 years of age. Also, the poverty rate of employed people in Greece is one of the highest in the EU (14%). It is noteworthy that approximately 90% of poor children live in such households; therefore, tailoring policies aimed at this focus group is instrumental in combating child poverty.

Social partners and other stakeholders involvement

The involvement of social partners and other stakeholders has proven extremely valuable as means of increasing the ownership of the NRP. It is important to mobilize the majority of the civil society in order to ensure the successful achievement of the goals. Currently, it should be noted that during the preparation of the NRP the government communicated all developments to the social partners and members of the civil society.
Subsequently, the involvement of social partners will be even greater for the formulation of the final NRP.

With respect to the previous experience, i.e. the implementation and the monitoring of the Lisbon Agenda, the dialogue and the exchange of views lead to the establishment of an Observatory, under the auspices of the Economic and Social Council of Greece.

**Connection between EU2020 and the NSRF**

In order to present the connection and/or relation among the Strategy EU2020, the Integrated Guidelines and the current National Strategic Reference Framework (NSRF) 2007 – 2013 a table has been developed. From the comparative table it can be seen that the guidelines 4-10 are addressed to a great extent (about 70%) by almost all the current NSRF actions, namely, all seven Sectoral Operational Programmes, by the total five Regional Operational Programmes and by two Territorial Cooperation Programmes. Guidelines 1 - 3 have no direct connection to the current NSRF.

<table>
<thead>
<tr>
<th>GUIDELINES</th>
<th>FLAGSHIP INITIATIVES</th>
<th>NSRF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guideline 2: Addressing macroeconomic imbalances</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guideline 1: Ensuring the quality and the sustainability of public finances</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guideline 3: Reducing imbalances in the euro area</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guideline 4: Optimising support for R&amp;D and innovation, strengthening the knowledge triangle and unleashing the potential of the digital economy</td>
<td>Innovation Union and A digital agenda for Europe</td>
<td>O.P.s: Digital Convergence and Reinforcement of Public Administration Efficiency</td>
</tr>
<tr>
<td>Guideline 5: Improving resource efficiency and reducing greenhouse gases emissions</td>
<td>Resource efficient Europe</td>
<td>O.P.s: Competitiveness and Entrepreneurship - Digital Convergence - Regional Operational Programmes - Accessibility Improvement - Reinforcement of Public Administration Efficiency</td>
</tr>
</tbody>
</table>

.../...
| Guideline 6: Improving the business and consumer environment and modernising the industrial base | An industrial policy for the globalisation era | O.P.s: Competitiveness and Entrepreneurship - Regional Operational Programmes - Reinforcement of Public Administration Efficiency |
| Guideline 8: Developing a skilled workforce responding to labour market needs, promoting job quality and lifelong learning | Youth on the move | O.P.: Education and Life-long Learning and Regional Operational Programme |
| Guideline 10: Promoting social inclusion and combating poverty | | |

**Flagship Initiatives and NSRF 2007-2013:**
All Flagship Initiatives are addressed by the NSRF 2007-2013.

In particular, the Regional Operational Programmes as well as the sectoral OP “Competitiveness and Entrepreneurship” and “Accessibility Improvement” serve the Flagship Initiatives: “Resource efficient Europe”, “An Industrial policy for the globalisation era”, “Innovation Union”, and “A digital agenda for Europe”.

Flagship Initiatives: “Innovation Union”, and “A digital agenda for Europe” are also served by the OP “Digital Convergence”, and Flagship Initiative: “Innovation Union” is additionally served by the OP “Environment – Sustainable development”, and two European Territorial Cooperation programmes, namely: Greece-Cyprus and Greece – Italy.

The Flagship Initiatives: “An Industrial policy for the globalisation era” and “European Platform against poverty” are both supported by the OP “Public Administration Efficiency”.

Finally, the OP “Development of Human Resources” is contributing to the Flagship Initiatives: “An agenda for new skills and jobs” and “European Platform against poverty and the OP “Education and lifelong learning” is instrumental to the Flagship Initiative: “Youth on the move”.

.../...
1. **How does your organization incorporate the general objectives of the Europe 2020 strategy, specifically the 7 flagship initiatives, in its agenda?**

Spain’s Economic and Social Council is an advisory body, as established under Act 21/91, 17 June 1991. As such, its mission is to issue opinions and reports on economic and social issues affecting the interests of the organizations comprising the Council, either at the request of the government or by its own initiative. Spain’s ESC publishes on a yearly basis its national social and economic report, that contains in depth analysis of European issues affecting national policy developments. The ESC is in any case a part of the mechanisms in place to facilitate social dialogue and participation in economic and social decision making, that will be mentioned later.

The ESC does not have the mission to inform directly the National Reform Programmes that include measures to reach the five general objectives of the Europe 2020 and to develop the new flagship initiatives. However, consultation with the social partners is guaranteed via other mechanisms, within the bodies, working schemes and structures in place to ensure the participation of social partners and civil society in Spain, which are mentioned in response to question No 2.

On more than one occasion Spain’s Economic and Social Council has expressed its views on issues involved in the new Europe 2020 Strategy, such as: employment, R+D investment, environmental protection, energy efficiency, education and training, poverty, and on EU initiatives such as innovation, youth and mobility, or effective use of resources in Europe. Our ESC has expressed its views through opinions on laws passed regarding these issues, and through reports.

Just to mention the most recent documents, Spain’s ESC has issued opinions on qualifications and higher education, (12/2010), on the rights of disabled persons (10/2010), on the social economy (5/2010), on the representation of professional associations of self employed workers, (3/2010), on the Sustainable Economy Law (1/2010), and on the freedom of provision of services (2/2009 and 2/2008). It has further published reports on health and social cohesion (1/2010) and on Vocational Training as a factor in competitiveness and the creation of employment (2/2010), on the European internal market (2/2009) on the educational system and human capital (1/2009), and on poverty and social inclusion (3/2008).
Currently, at the request of the Spanish government, the ESC prepares a report on the new model for growth, cohesion, employment and productivity that echoes the new European growth strategy.

In its latest annual report on Spain’s socio-economic and labour situation, in addition to the numerous mentions made of the European framework on the various policies analyzed, a full chapter is devoted to the renewed Lisbon Strategy and the new focus of the Europe 2020 Strategy.

It is important to insist upon the fact that all documents approved by the Council have a very significant meaning, that comes from both the crosscutting approach that is the special trend of consultation of social partners at the seat of the ESC and from its constant effort to seek consensus to arrive to shared diagnosis. These are the distinctive trends of the institution and its added value. This transversal perspective leads in particular to underline the importance of coordination between different policies and coordination among the different actors that implement them, both in the internal scene, among different Administrations, and in the external sphere, in the framework of the EU.

This kind of approach is connected with criteria and objectives reflected in the 2020 Strategy, such as the reinforcement of the coordination of economic policies, the inter-relatedness and mutual strengthening of the policy objectives, the European Strategy support of common agriculture and cohesion policies, the need for periodical evaluation of the progress achieved, and the general involvement and participation of social partners to increase their ownership of the European Strategy.

Another item on the agenda of Spain’s Economic and Social Council is to promote greater understanding of the European growth strategy and encourage debate among the social partners, specifically as regards Europe 2020. This is done through publications such as its socio-economic journal CAUCES, and also by organizing open seminars, like the European ESC Seminar it held in April 20010, during the EU Trio-Presidency.

On an international level, Spain’s ESC participates along with its fellow national ESCs in the European ESC Lisbon Strategy Observatory and in the new Europe 2020 Steering Committee. In the context of Euro-Mediterranean collaboration, it recently agreed to lead the drafting of a report by several European ECS members.

from the southern Mediterranean on integrated industrial policies, in tune with the “Industrial Policy for the Globalisation Era” Flagship Initiative.

− To round out the vision of Spain’s social partners regarding Europe 2020, we offer a summary of the positions expressed in documents issued by the different organizations, taking into account however that these statements are not taken from reports or opinions of the ESC.

Spanish business organizations have expressed a positive view of the 2020 Strategy. They see it as an opportunity to achieve the targets not met under the Lisbon Strategy, due primarily to the lack of ‘ownership’ assumed by governments of the Lisbon Strategy. The Europe 2020 initiative should thus help set concrete targets and priorities, and also establish a true framework for coordination among the EU and governments.

For Spanish Business Organizations, Europe 2020 should also serve to define a new set of reforms, and for this to occur, the National Reform Plans must not only demonstrate the effectiveness of the measures implemented by each Member State, but also be subject to analysis and evaluation to identify barriers that hold back economic growth. The business organisations underline the importance of reviewing the protocol of consultation of NRP, so that the work undertaken for evaluating them will be more clearly reflected in the documents sent by the Government before the Spring Councils.

For Spanish Trade Union Organizations, the premises of the 2020 Strategy are insufficient to bringing employment back up, due primarily to the fact that the EU priority of deficit reduction, coupled with public spending cutbacks, will make it hard to pull out of the recession and create new jobs. Trade unions believe that new financing sources for economic recovery are needed, particularly for measures to build up a broad and healthy industrial base, underlining the role of R&D&D. In their view, the guideline objectives are weak. On another hand, the trade unions consider that the interpretations of flexicurity are restrictive, since it is focused primarily on reforming Labour laws downwards.

The general feeling of Spanish Trade Unions is that the Europe 2020 Strategy is seriously lacking well defined quantifiable objectives, and that this will have a negative impact on getting sufficient Member States commitment.

2. **What role does your government assign to civil society organizations within the NRP toward achievement of the Europe 2020 goals?**

The participation of the most representative economic and social partners, achieved through a variety of mechanisms, was amply demonstrated during implementation of the Lisbon Strategy through the National Reform Plans and the Open Coordination Method. The most significant of these was the consultation Protocol of the social partners and participation in the ongoing development of the
NRP approved in 2006. In addition to this, the norms or programmes related to the implementation of the NRP are subject to standard systems of consultation and participation.

In the 2010 Preliminary Report issued by the Spanish government on the National Reform Programme, announces that dialogue with social partners will be maintained in the same way, and that the 2006 Protocol will be revised to adapt it to the new parameters of the Europe 2020 Strategy, as a means of ensuring close cooperation in the design and implementation of the NRP. In this regard, Spanish social partners agree to criticize the lack of effective influence in the configuration of the NRPs.

Organizations representing economic and social interests in Spain take part in decision making not by a single way, but through a variety of consultation and participation schemes such as those mentioned above: the ESC, application of the 2006 Protocol and through further consultation on specific norms and programmes.

Pursuant to the objectives of the Europe 2020 Strategy, they also participate in a variety of consultative collegial bodies. Since most of these bodies deal with specific public policies, the organisations that make part of them differ from one body to another, according to their representativeness in that field. To name a few: Social Security Reserve Fund Steering Committee; Board of the National Social Security Institute; National Board of Public Employees; National Advisory Board for the Council on Science and Technology, National Board of Education, Advisory Board of the National Council for Scientific Research (CSIC); University Social Affairs Councils; Electricity Advisory Board; Hydrocarbons Advisory Board; Telecommunications and Information Society Advisory Board; Telecommunications and Information Society Observatory; Advisory Board to the National Council on Environmental Affairs; National Council on Climate Affairs; National Water Council; Tri-partite Foundation for Employment Based Training; and the Council for the Promotion of Social Economy.

Finally, it must be reminded that Spain has a highly developed system of autonomous regional governments, due to which there are other consultative systems in place to enable social partner participation on those respective decision making levels. The Autonomous Communities have their own Economic and Social Councils, which are working bodies promoting institutional social dialogue within their respective scopes of competency.

3. **Does the national budget earmark specific funding for the goals of the NRP (objectives/initiatives)?**

The following table reflects the major spending policies for 2009-2011 affecting the National Reform Plans.

.../...
MAJOR SPENDING POLICIES AFFECTING NRPs 2009 – 2011
(figures in € million)

<table>
<thead>
<tr>
<th>Spending Policies</th>
<th>Budget 2009</th>
<th>Budget 2010</th>
<th>Budg. forecast 2011</th>
<th>% Variation 09-10</th>
<th>% Variation 10-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pensions</td>
<td>106,098.58</td>
<td>108,282.71</td>
<td>112,215.76</td>
<td>2.06</td>
<td>3.63</td>
</tr>
<tr>
<td>Social Services and Programmes</td>
<td>2,508.62</td>
<td>2,737.04</td>
<td>2,515.58</td>
<td>9.11</td>
<td>-8.09</td>
</tr>
<tr>
<td>Employment Programmes</td>
<td>7,584.16</td>
<td>7,750.67</td>
<td>7,322.80</td>
<td>2.20</td>
<td>-5.52</td>
</tr>
<tr>
<td>Unemployment</td>
<td>19,675.95</td>
<td>30,974.84</td>
<td>30,474.06</td>
<td>57.91</td>
<td>-1.62</td>
</tr>
<tr>
<td>Access to housing &amp; building promotions</td>
<td>1,615.93</td>
<td>1,498.06</td>
<td>1,209.66</td>
<td>-7.29</td>
<td>-19.25</td>
</tr>
<tr>
<td>Health</td>
<td>2,987.58</td>
<td>3,092.09</td>
<td>2,840.58</td>
<td>3.50</td>
<td>-8.13</td>
</tr>
<tr>
<td>Education</td>
<td>8,861.09</td>
<td>8,959.12</td>
<td>8,577.93</td>
<td>1.11</td>
<td>-4.25</td>
</tr>
<tr>
<td>Agriculture, fisheries and food</td>
<td>2,874.54</td>
<td>3,229.34</td>
<td>2,792.56</td>
<td>12.34</td>
<td>-3.53</td>
</tr>
<tr>
<td>Industry and Energy</td>
<td>8,203.27</td>
<td>8,087.98</td>
<td>7,518.49</td>
<td>-1.41</td>
<td>-7.04</td>
</tr>
<tr>
<td>Civilian R+D and Innovation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>164,972.64</td>
<td>179,246.45</td>
<td>179,721.91</td>
<td>8.65 %</td>
<td>0.27 %</td>
</tr>
</tbody>
</table>

4. How could Structural Funds like the Common Agricultural Policy, the cohesion policy and the research and innovation policy be better used to support the Europe 2020 Strategy?

The opinion of Spain’s ESC on how European policies can better support the 2020 Strategy must be understood in the framework of the criteria expressed above regarding the need to strengthen policy coherence and cooperation among Administrations, and in the framework of the ESC’s ideas on the EU economic policy. The EU response to the latest crisis, which the ESC considered that arrived late in time and was insufficient, has highlighted the limitations of the economic policy developed by the EU institutions. There are problems of macroeconomic policy coordination, and in general, a problem of weak economic governance due to the lack of a common EU macroeconomic policy.

Regarding other policies, such as the cohesion policy or the common agricultural policy, the ESC believes that legislation should be simplified, as should the management, monitoring and control mechanisms. These steps should be accompanied by a clearer articulation of how the various administrations involved exercise their competences.

As for the cohesion policy, eligibility requirements should take into account, along with national income, other aspects affecting territorial development, such as employment, education, social inclusion and the environment. Inter-policy coherence is also needed among the European policies themselves. One example is between the cohesion policy and the new CAP. These policies must work in tandem to address the profound changes occurring in the territorial balance of
rural areas, and to give the special attention required to the employment creation objectives.

Finally, transitory funding periods should be established for those regions that statistically fall outside convergence targets, so as to avoid the onset of critical financial instability.
FRANCE

1. How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?

Having been closely involved in the implementation of the Lisbon Strategy since 2003, the Economic, Social and Environmental Council of France (CESE) was fully aware of the issues at stake before the launch of the Europe 2020 Strategy. It participated both in the preparation of European Councils (see Contribution of the Economic and Social Council to the preparation of the 2007 spring summit of 26 September 2006) and in the monitoring of the situation in France in terms of the Lisbon indicators (Monitoring of the situation in France in terms of the Lisbon indicators, 13 February 2007). Furthermore, the CESE is consulted by the Secretariat-General for European Affairs (SGAE), which draws up the draft French NRP and its follow-up reports on behalf of the Prime Minister (see for the NRP 2008-2010, the communications entitled Implementing the Lisbon Strategy: contribution of the Economic and Social Council to the preparation of the National Reform Programme 2008-2010 presented on 8 July 2008, and Contribution of the Economic, Social and Environmental Council to the preparation of the 2009 follow-up report on the French National Reform Programme 2008-2010 of 22 September 2009).

This close involvement inevitably led our assembly to participate at a very early stage in the discussions prior to the launch of the European strategy intended to succeed the Lisbon process. It thus issued a response to the public consultation launched by the Commission (Contribution of the Economic, Social and Environmental Council of France to the European public consultation on the future "EU 2020" Strategy, of 12 January 2010). It had previously contributed, together with the national ESCs of the other Member States, to the integrated report published by the European Economic and Social Committee on The post-2010 (Lisbon) Strategy: Proposals from organised civil society.

The CESE naturally intends to continue and consolidate this investment over the coming years. Under the leadership of its new president, Mr Delevoye, who was elected on 16 November 2010, it intends to be as proactive as possible, and this will be reflected in its agenda and working methods. In order to contribute fully to the debate, and promote the implementation of coherent national and European strategies – particularly in the fields covered by the 7 flagship initiatives of the EU 2020 Strategy – it will undergo a reorganisation – including the creation of an education, culture and communication section as well as an environment section, and the creation of a delegation for forecasting and assessing public policies – and its membership will be renewed, strengthening the environmental pillar and creating room for youth movements.
1. **In the NRP, what role does your government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**

Laying out its position on the EU 2020 Strategy in January 2010, the French government stressed the need to continue and enhance the involvement of all interested parties, both public and private, in the discussions.

In France, the CESE, the regional authorities (via local authority associations), the Committee for Social Dialogue on European and International Issues (CDSEI) and various specialised committees are consulted on the draft NRP and its follow-up report.

With regard to the social partners in particular, the 2008-2010 NRP, after noting the changes made in France following the adoption of the law of 31 January 2007 on the modernisation of social dialogue, reiterated the government's desire to encourage their involvement in the forthcoming reforms, expressly mentioning the issues of professional training, occupational healthcare and improvements in working conditions.

On several occasions, our assembly has expressed its belief that the success of the EU 2020 Strategy will very largely depend on how effectively it is taken up in the 27 Member States. Through the various abovementioned initiatives, the CESE has sought to contribute to achieving that objective in France. Its role is furthermore recognised, as demonstrated by the fact that a conference was organised on its premises at the request of the Commission to present the EU 2020 Strategy during the French Presidency of the European Union. The CESE will of course continue to play a leading role in the future, as an assembly of representatives of organised civil society, in the systematic monitoring and assessment of the implementation of the NRP.

The CESE wanted its involvement in the preparation of the French 2011-2013 NRP to go beyond a purely advisory opinion. Prior to being consulted, it presented a communication to the government on 28 September 2010 bringing together the main proposals emerging from its recent work based on the four axes of the EU 2020 Strategy (innovation, sustainable development, employment and social cohesion) (CESE communication entitled *The EU 2020 Strategy: contribution of the Economic, Social and Environmental Council to the preparation of the national reform programme* of 28 September 2010). Through this contribution, it wished to enable the government to take account of the proposals of civil society in a more practical sense.

3. **Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?**

While it is difficult to say that all flagship initiatives are, as such, "directly linked to specific budget resources", the principle of harnessing the national budget is being applied.

The government has on several occasions stated its intention to integrate the EU 2020 Strategy into the national budgetary procedure by means of national reform programmes,
recognising the key role they play in the implementation of a coherent combination of national and European policies. The establishment of the "European Semester" should enable it, during the year in question, to draw budgetary conclusions from the analyses and guidelines issued by the Commission.

Furthermore, the CESE notes that the "key elements of the 2011-2013 national reform programme" submitted by France to the European Commission, mention various financial commitments which contribute directly to achieving the EU's objectives.

With regard to R&D for example (the "Innovation Union" flagship initiative), the key elements indicate the efforts made to kick-start investment, in particular the reform of research tax credit, which makes France the top OECD country in terms of fiscal aid and overall public aid for private research, or the "Investment in the future" initiative, which should enable EUR 21.9 billion to be earmarked for higher education and research.

With regard to the performance of education systems (the "Youth on the move" flagship initiative), the key elements indicate that the priority measures which had been included in the "emergency youth employment plan" (support for day-release schemes, apprenticeship and training) for the period April 2009 to June 2010 are maintained and that the financial resources allotted to the "Action for young people" plan have been increased by means of an envelope of an additional EUR 120 million.

Finally, there are several provisions in France requiring the government to present the prospects for funding of the broad national objectives, which are in fact similar or identical to certain targets identified by the flagship initiatives.

The move to a low-carbon economy, which relates to the flagship initiative "Resource-efficient Europe", is subject to funding in France which is systematically identified, since financing legislation requires a horizontal policy document on "combating climate change" to be presented, indicating the funding (budgetary expenditure and fiscal expenditure) allotted by the State to this policy for the next year (the draft finance law), the current year (the initial finance law) and the previous year (execution).

A similar mechanism is in place in relation to the national objective for reducing poverty. Article 1 of Law No 2008-1249 of 1 December 2008, which has reformed inclusion policies and rolled out the revenu de solidarité active [working solidarity benefit], requires the government to set a quantified objective, per 5-year period, for reducing poverty. The current target is a 1/3 reduction, which seems consistent with the European target. The government is required by law to present a report each year on the conditions for achieving this objective and on the measures and financial resources implemented in order to achieve it.
4. **How would you foresee improving the use of common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds – for supporting the Europe 2020 Strategy?**

Our assembly believes that a competitiveness strategy structured according to the three pillars – economic, social and environmental – and based on education, professional training, investment, innovation and research, is the best means of making firm progress towards sustainable development. The CESE believes that EU policies as well as structural fund action and European cohesion programmes must take this approach. However, the CESE is aware that, with resources restricted to 1% of its GDP, the EU has limited room for manoeuvre: its opinions have consistently called for increased Community resources, which it believes are crucial in terms of turning the new impetus provided by the Europe 2020 Strategy into reality.

The "education-research-innovation" triangle must be a clear priority. Efforts must be geared towards the framework research and development programme (FRDP), which should be given greater resources. The CESE would like to see investments in research lead to programmes relating to promising technologies, such as Galileo, new energies, CO₂ capture and storage and biotechnologies, particularly biomedicines.

Beyond the FRDP, the CESE recommends that the EU draw up a small, but carefully chosen, number of strategic programmes, in the field of information and communication technologies (ITC), semi-conductors and nanotechnologies, for example. In these areas, it is crucial to make use of the synergies which the European Union can provide.

The CESE is also convinced that the European Union is the appropriate level for action at social level. In this period of crisis, it believes that increased aid from the EU budget for the development of the States which have joined the Union since 2004, as well as strengthening the European Social Fund (ESF), are the best way of meeting the need to preserve and expand social rights, which have an undeniable role to play in alleviating the effects of the crisis. The dynamic of the Lisbon Strategy, which has led to higher employment rates amongst women and older people, must be maintained by prioritising the quality-related aspects of employment and social cohesion, including, in particular, safeguarding career paths.

With regard to agriculture, we note that the CAP's initial objectives and implementation methods have gradually been called into question (the withdrawal of intervention schemes, the planned end of milk quotas and planting rights, the decoupling of aid etc.). We believe that an agricultural policy must be drawn up which ensures sufficient price levels to ensure the survival of farms in the Union's Member States.

The CESE believes that the environmental dimension must be incorporated into all structural fund action and that it should be integrated systematically into EU policies. We believe that the idea of a carbon tax at the Union's borders should be explored if a sufficient and credible worldwide agreement is not reached quickly in the field of clean development. We also believe that the environmental challenges require significant
investments, which in addition can, in the short term, create activities and jobs which cannot easily be relocated.

Finally, we believe that speeding up the funding and implementation of certain priority infrastructure projects planned in the framework of the trans-European transport network could be a way to invest in the sustainable growth and cohesion of the Union.
ITALY

1. **In general, how are the goals and, in particular, the seven flagship initiatives of Europe 2020 converted into work programmes in your organisations?**

It should be pointed out first of all that, at the start of the new term, the CNEL (Italian National Economic and Labour council) is drawing up its work programme, defining medium-term priorities and the priorities which will be part of the 2011 programme. At the same time, it has already defined the new composition of the commissions and other bodies (committees and councils) which carry out the practical work resulting in OPINIONS, COMMENTS and PROPOSALS, REPORTS, etc., through which the CNEL exercises its role of advising the government and the parliamentary chambers and thus "participation" in economic and labour matters.

There are six commissions, and their respective remits are as follows:

- **COMMISSION I:** Economic policy and production system competitiveness
- **COMMISSION II:** Employment and production sector policy
- **COMMISSION III:** Information
- **COMMISSION IV:** Infrastructure networks, transport, energy policy, the environment
- **COMMISSION V:** Social policy
- **COMMISSION VI:** European and international policy

Commission VI (European and international policy) is responsible for coordination, work and initiatives relating to European policy in respect of Europe 2020. It will work in close synergy with each of the other commissions responsible for work in their respective remits and drawing up acts relating to the Europe 2020 flagship initiatives (and other matters).

The draft NRP (National Reform Programme) is currently being discussed in Commission VI and Commission I, where the social partners will be able to have a proper say.

The possibility of drawing up a brief report on Europe 2020 each year can be envisaged.

2. **In the National Reform Programme, what specific role does the government give civil society organisations to achieve the Europe 2020 goals?**

2.a In the National Reform Programme – adopted by the Council of Ministers on 5 November 2010 as a "draft" and submitted to the parliamentary chambers – no explicit provision is made for the role that the social partners and civil society organisations could or should play in achieving the Europe 2020 goals.
2.b On 11 November 2010 the Chamber of Deputies' Budget Committee (V) held hearings to consult the social partners (employers and trade unions) on the NRP drawn up by the government.

The CNEL was also consulted in the hearings and submitted the comments and proposals it had drawn up on the future of the Lisbon Strategy after 2010.

2.c The Chamber of Deputies' Committee V adopted a resolution on the draft National Reform Programme, committing the government, to, inter alia:

a) sending it in due time, with a view to drawing up an opinion on the matter, the draft National Reform Programme to be submitted annually to the relevant EU bodies in April;

b) specifying more precisely in the final version of the National Reform Programme the arrangements for involving the various levels of government and categories of stakeholders in drawing up and implementing the reforms laid down in the Programme.

2.d This is without prejudice to the responsibilities conferred on the CNEL by law 936/1986 and law 11/2005 in terms of its role in the field of the economy and employment with regard to European Union and Community policy issues (see APPENDIX).

3. **Are the NRP's goals and flagship initiatives directly linked to specific resources from the national budget?**

The draft NRP is rather vague and incomplete on this point, possibly because it was drawn up before the budget and the stability law for 2011-2013 were adopted. In any case, the way Italian documents are classified makes it difficult to link them to EU models.

The information provided in the NRP reveals that:

- there is great focus on R&D and innovation. Of particular note in this regard are: a) the research resource and other measures to support technology transfer such as the innovation fund, intended to provide SMEs with venture capital; b) the continuation of industrial innovation projects; c) the technological innovation contracts concluded between businesses, banks and the state with the aid of a Cassa depositi e prestiti rotating fund. In regional policy there is great focus on this question;

- with a view to enhancing the quality and appeal of higher education institutes, the university education reform is in the process of being adopted. The necessary data is not available at this stage. However, the emphasis is less on resources than on promoting a wider evaluation culture.

The NRP points out that total investment for education amounts to EUR 4.3 million, of which EUR 1.6 million is earmarked for national programmes and EUR 2.7 million for regional programmes;
there are many references in the NRP draft to energy efficiency policies. It should, in particular, be pointed out that: (a) the Kyoto Protocol implementation rotating fund (EUR 600 million) and (b) the sustainable mobility fund (EUR 270 million) are in the process of refinancing; (c) the fund for promotion of renewable energy sources (EUR 20 million per year) and (d) the action plan for environmentally sustainable consumption in the public administration are operational for the period 2011-13; (e) the action plan for energy efficiency based on tax relief has been refinanced with respect to the housing sector;

In the NRP the strategy for new skills and new jobs is based on revising training methods and content (emphasis on the role of the business, the importance of audits and evaluation, and reintroduction of apprenticeships and traineeships). The draft does not give details of the measures or the amount of resources.

On this point an evaluation already exists, issued by the social partners during a parliamentary hearing, which calls for more extensive content and proposals. Greater endeavours could be made to enhance the Italian system.

4. **How do you plan to improve use of the common agricultural policy, cohesion policy and research and innovation policy and the Structural Funds to support the Europe 2020 Strategy?**

The CNEL has made Europe 2020 Strategy for sustainable growth and the policies (flagship initiatives) for achieving its goals the priority of its multiannual work programme.

In this sense, the CNEL is working on drawing up its contribution to the NRP, the final version of which the government is to submit (15 April 2011) to the European Commission, along with the stability programme.

To this end, the CNEL will make use of the direct contribution from the social partners (whom it will consult with ad hoc initiatives), who developed a long time ago an intense social dialogue on social and territorial cohesion and growth.

On 27 October 2010 this social dialogue produced four agreements, on:

- social shock absorbers and facilitating decentralised bargaining;
- cutting red tape in the public administration;
- Southern Italy;
- research and innovation.

Dialogue between the social partners is in progress on other matters which are relevant to measures/reforms to support growth. These concern:
- the social partners' endeavour to boost investment and productivity;
- federalism and reducing inappropriate political costs;
- tax reform.

The Italian social partners are therefore making a joint endeavour to produce complete, common, consensual proposals and to promote dialogue with the government and achieve a social agreement for jobs and growth.

The CNEL's role and task will be to support the social partners' endeavour with specific in-depth analysis of the various issues, such as those relating to the CAP, cohesion policy and the Structural Funds.

It should be pointed out that the CNEL has tackled the question of the common agricultural policy, adopting an opinion on the CAP last June. The CNEL has also addressed issues related to cohesion, including Southern Italy, which for Italy combines all the urgent situations relating to social and territorial cohesion.

The CNEL has confirmed that its priorities include the issue of Southern Italy and an ad hoc body – the Consulta per il Mezzogiorno (Council for Southern Italy) – which is open to direct participation from the social partners.

Moreover, it is equally important to launch an in-depth analysis on the Structural Funds and all resources (however large or small) the use of which – despite an improvement – is still subject to delays and obstacles. The CNEL proposes to identify the causes of these delays and make appropriate, targeted recommendations and proposals to solve the problems.

* *
* *

N.B.: Appendix overleaf.

APPENDIX

The legislative texts which give the CNEL a key, explicit role in matters relating to Europe and European policy.

Law No. 936 of 30 December 1986

Article 10 – Remit.

1. In line with the provisions of Article 99, second and third subparagraphs, of the Constitution, the CNEL:
a) shall make, at the request of the government, evaluations and proposals on the principal documents and acts of a political nature and relating to economic and social programming, including with reference to Community policies;

(...)

e) shall examine, on the basis of government reports, Community policies and their implementation and, to this end, liaise with the equivalent bodies of the European Communities and the other Member States;

(...)

g) may draw up comments and proposals on its own initiative on the issues referred to in the above points, subject to prior consideration by the Assembly and according to the same procedures as those laid down for its legislative initiatives;

h) shall carry out studies and surveys on its own initiative on the issues referred to in the above points.

Article 12 – Contribution to drafting of legislation.

(...)

2. In the matters referred to in Article 10, the CNEL may send the parliamentary chambers and the government contributions which it deems to be appropriate, including relating to the activity of the European Communities and international bodies of which Italy is part.

Law No. 11 of 4 February 2005

(General rules on Italy's participation in the European Union legislative process and on the procedures for implementing Community obligations)

Article 7 – Participation of the social partners and production sectors in decisions on drafting of Community acts.

1. The President of the Council of Ministers or the Minister for Community Policy shall send the National Economic and Labour Council (CNEL) the drafts and acts referred to in Article 3, subparagraph 1 on matters of particular economic and social interest.

The CNEL may send the parliamentary chambers and the government the evaluations and contributions it deems to be appropriate, under Articles 10 and 12 of Law No. 936 of 30 December 1986.

To this end, the CNEL may establish, under the provisions of its rules of procedure, one or more committees to examine Community acts.

.../...
2. In order to ensure wider involvement of production sectors and the social partners, the President of the Council of Ministers or the Minister for Community Policy shall organise, in cooperation with the CNEL, specific study sessions, to which national associations of municipalities, provinces and upland communities and any other interested parties may also be invited.
The trade and professional organisations of Cyprus, particularly those organisations represented at the European Economic and Social Committee, belong to the corresponding European occupational associations and play an active part on a series of committees assisting with framing socio-economic policy and other policies at European level.

It is important to stress that "Europe 2020" must not simply be a defensive strategy that would not generate prospects for development, as this is the starting point for reducing unemployment and improving living standards and quality of life for European citizens.

The new strategy should reflect and anchor the fundamental principles and values of the Treaty, such as the European Charter of Fundamental Rights, the recognition and strengthening of the role of the social partners, and social dialogue, at both European and national levels. It must aim to create the conditions for full employment, develop the social market economy model, and support the welfare state.

The strategy failed to attain basic targets in areas such as education, training, life-long learning, or entrepreneurship, etc. Naturally, to a certain extent the international financial crisis had a negative effect on the achievement of those objectives.

The new strategy must provide solutions and focus on the social dimension.

The emphasis must be placed on fighting rising unemployment and shoring up the welfare state, while also making more of the role of the social partners and of social dialogue. Proper efforts must be made to solve the problems created by the economic recession and to build up Europe's social dimension.

A national productivity programme (2007-2013) was prepared in the context of the Lisbon strategy, and it is up and running.

Whereas in the private sector some things have started to move in the right direction, the public sector is still at square one. Improving/increasing productivity helps with competitiveness and with enabling the economy to come out of the crisis; no sector can under any circumstances afford to remain inactive.

Cyprus has the conditions for full employment. The fall out from the international financial crisis changed matters, and this, in combination with a failure to take timely measures, has meant that in a little less than two years unemployment has increased by more than 100% and is still rising.

Illegal employment, which in certain sectors, such as tourism and construction, accounts for more than 25% of workers, and undeclared work have a negative effect both on unemployment and on the viability of social welfare funds.
At the same time as taking measures to limit the above phenomenon, training and life-long learning programmes must be bolstered, and development measures implemented to improve access to work.

Ways of supporting public finances that have been affected by the crisis must not be limited to new forms of taxation, public sector pay cuts and reduced social benefits, all of which inevitably affect demand and living standards; emphasis should rather be placed on stamping down on tax avoidance and evasion, collecting late tax payments and avoiding waste.

Bolstering entrepreneurship and maintaining the purchasing power of incomes must be among the guiding principles of Europe 2020.

Whereas the Lisbon strategy set great store by securing the sustainability of social welfare and of medical care, in Cyprus, with the exception of the social welfare fund, whose viability has been secured in agreement with the social partners, not one measure has been taken to protect pension funds in the broader public sector (public sector – local government – associations of general interest), and this has a negative impact both on the public sector economy and on the wider economy. Unfortunately, when it comes to medical care, we continue to be the only one of the 27 Member States not to have a general health care plan; and despite the passing of a law in 2002 on the introduction of such a plan, no progress has been made and no-one knows how long it will be before it is implemented.

With the exception of the broader public sector, which has free medical cover, all other salaried and self-employed workers have to pay a very high price for health care, out of their own incomes.

The government has not taken any measures to provide unemployed people with economic support. Unemployment benefit remains limited to six months with one quarter of unemployed people receiving no income. Unemployment is hitting young people and scientists. Over 30% of unemployed people are university graduates under the age of 30.

A better link is needed between degree courses and the labour market, more accurate careers guidance and greater emphasis on the development of courses to aid the transition from academic studies to the labour market.

Training programmes and skill development courses must be promoted and, as part of a coordinated approach to organising working time and with the necessary controlled flexibility, the conditions created for employment in terms of first-time and renewed access to the labour market.

Priority must be given to entrepreneurship, research and new forms of activity that are environmentally friendly, and aimed at quantity and quality of employment, both among young people and women, and also among people who have lost their jobs.
LATVIA

1. **How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?**

There are no particular results yet.

2. **In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**

The Government foresees active role of different social partner and non-governmental organizations in reaching the Europe 2020 targets. In order to increase the ownership of such organizations in reaching the targets of Latvia’s NRP, the Ministry of Economics of the Republic of Latvia (responsible for Latvia’s NRP coordination and monitoring) has established a special working group, which will finalize Latvia’s NRP by April 2011. It will involve all responsible ministries, social partners (Employers’ Confederation of Latvia and the Free Trade Union Confederation of Latvia) and non-governmental institutions (Latvian Chamber of Commerce and Industry and the Latvian Association of Local and Regional Governments).

3. **Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?**

Yes, the planned measures which are aimed at achievement of Latvia’s NRP targets will be financed from the national budget resources and EU funds.

4. **How would you foresee improving the use of the common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds - for supporting the Europe 2020 Strategy?**

We think, that all EU budget instruments, including Cohesion policy should contribute to the achievement of the Europe 2020 strategy targets. The idea of the 5th Cohesion Report, which has been published recently by the European Commission, might help in improving the use of Cohesion policy for supporting Europe 2020 strategy. We support the idea to link Cohesion policy financing to the limited number of thematic priorities and to allow choosing 3-5 of them, but we do not support setting the obligatory priorities for the EU Member States, as every EU member state has its own needs and should freely choose those thematic priorities which correspond to its specific needs. That is why it would not be reasonable to determine any obligatory priorities.

Speaking about the use of structural funds, we think that their role is crucial in fostering economic development, restructuring and growth of the EU Member States, especially those, which are lagging behind significantly from the EU average level. The importance of EU structural funds is especially high in the current conditions of the global economic and financial crisis, because EU structural funds are the only financial source for stimulating the economy, bearing in mind the fact, that almost all EU Member States
currently implement budget consolidation and the national budget resources are rather limited. The decrease of bureaucratic requirements and administrative burden may help to increase the absorption capacity and the efficiency of EU structural funds.
LUXEMBOURG

1. **How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?**

Moves to refocus the BEPG on the Lisbon objectives and their incorporation, together with the employment guidelines (EGs), into the Integrated Guidelines (IGs) for Growth and Jobs, has meant that the ESC has been monitoring the new integrated guidelines at national level through its opinions; this it did for the first time in its opinion on the IGs, dated 15 May 2005.

Following publication of its opinion on the Integrated Guidelines for Growth and Jobs (2005-2008) on 3 October 2007, two public hearings were held in the lower house in 2008 with representatives from civil society organisations. The ESC took part in the debates aimed at taking stock of the recently completed first phase and outlining Luxemburg's next National Reform Programme (NRP) for growth and employment.

At the plenary assembly on 30 April 2008, the ESC felt that its role and its membership meant that it should also be more closely involved in devising the National Reform Programme which was to be finalised in autumn 2008.

In its capacity as permanent body for dialogue and consensus between the social partners, the ESC can make a valuable contribution to measures reconciling competitiveness, the environment and social cohesion. The ESC had announced its readiness to issue its opinion in good time so as to communicate the social partners' views in time for the second phase of the Lisbon Strategy.

This request was addressed to Mr Jean-Claude Juncker, Prime Minister and Minister of State, on 7 May 2008. In a letter dated 3 July 2008, the ESC was asked for a contribution to the preparation of the national programme as part of the new three-year phase of the Lisbon Strategy (2008-2010).

In this way, the ESC continues to make contributions to the overall objectives and flagship initiatives of the new Europe 2020 Strategy through its opinions on the integrated guidelines, covering all the subjects broached.

2. **In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**

Article 2 (4) of the law founding the ESC on 15 June 2004 stipulates that:

"As part of coordination of EU Member States' economic policies, the Council shall, in its opinions, monitor the various stages of the EU Council's drafting of the broad economic policy guidelines".
In its opinion of 3 October 2007 on the integrated guidelines for growth and employment (2005-2008), the ESC noted that:

"At national level, it is important that, as in the past, the national plan for innovation and full employment flowing from the integrated guidelines adopted in Brussels should be the outcome of discussions between parliamentary bodies, the social partners and the general public, so that all players are able to support and identify with it."

The ESC was involved in the preparations for the national programme as part of the new three-year phase of the Lisbon Strategy (2008-2010). In its opinion on this subject, dated 1 October 2008, the ESC called for an approach entailing coordination and consistency throughout the policies on the Lisbon strategy and sustainable development.

Here, the ESC suggested inter alia that a debate be launched prior to finalisation of the national action programme, involving public authorities and social and civil dialogue platforms. The definitive programme should be drawn up by the Government Council in cooperation with the social partners, before being submitted to the lower house for approval.

The Government Council broached the matter of this strategy on several occasions in 2010. A public session was held in the lower house in June 2010. In the first quarter of 2010 and in the autumn of that year, several meetings were held between the government and the social partners to discuss the crisis and the tools available to offset the deterioration in the economic situation, all the while making sure that Luxemburg was prepared for the end of the crisis.

During the European Commission's Europe 2020 mission to Luxemburg in October 2010, the social partners were consulted via the economic and social Council.

With a view to involving local players more in the Europe 2020 strategy, Luxemburg is participating, through the government and the Pro-Sud Association, in a cooperation project entitled "EU2020 Going Local", together with 12 other European regions headed up by the Sörmland region in Sweden, to exchange good practice on implementation and communication measures at local and regional level. The priority issues for this project are transport and energy. Together with the main towns and urban regions, the government has set up an urban policy information unit (CIPU) as a platform for information and discussion for urban players. Over and above its role of raising local players' awareness, CIPU is involved in preparing those aspects of the NRP relating to urban policy and regional and local contributions to the Europe 2020 Strategy.

The November 2010 NRP project only represents an initial outline of the new "Luxemburg 2020" NRP. The lower house still has to be consulted, as do the social partners, before the definitive NRP is submitted in the first "European semester", in April 2011; this version will be more detailed, particularly on the implementation of national goals and priority measures.
Moreover, several communication tools are being put to good use, including high profile public events covered by the media such as "En route vers Lisbonne" (On the way to Lisbon) which has been held three times since 2004. A fourth event was held in the framework of Europe 2020 in December 2010. So as to centralise the mass of information on structural policy, a website was set up by the Competitiveness Observatory in 2005.

3. **Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?**

At present, the report available to the ESC is just an initial outline (draft) of the Luxemburg NRP and does not yet include details about specific budgets relating to the Europe 2020 strategy objectives. As provided for in the framework of the new phase of EU economic governance, these specific budgets will be set out in the definitive version, which is to be published in April 2011 during the first "European semester".

4. **How would you foresee improving the use of common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds – for supporting the Europe 2020 Strategy?**

Coordination between the NRP and the Structural Funds is necessary since the Europe 2020 Strategy also includes a Community action programme. Projects developed and supported through Community funding in the framework of the Structural Funds are required to contribute to the Europe 2020 Strategy goals.

It seems necessary to simplify the provisions of the programmes adopted through formal adjustments in order to speed up implementation mechanisms. There is a very clear need for such simplification, and not just for national mechanisms. There is certainly potential for this in relation to deadlines, checks and reporting; this nevertheless implies flexibility in Community practices and rules, in particular through application of the proportionality principle introduced by Article 13 of general regulation 1083/2006.

The possibility of reducing the length of the restricted procedure, warranted in respect of the financial crisis and applying to all major public projects for the years 2009 and 2010, has not yet been used by project promoters as part of operational programmes.
MALTA

1. How are Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?

Europe 2020 strategy outlines five challenges to be met in ten years time. First, 75% of all workers aged 20-64 should be employed. Second, 3% of the European Union’s GDP has to be invested in research and development. The third target is related to environment whereby the 20/20/20 challenge should be met. Fourth, the proportion of school dropouts has to be at a rate below 10% while 40% of the population should have at least a degree or diploma. Finally, people below the poverty line have to decrease by at least 20 million.

Reaching these targets is not an easy task. The EU proposed seven flagship initiatives. A brief overview of these initiatives is outlined hereunder.

1. Innovation Union: this involves bringing closer science and markets through R&D.

2. Youth on the move: enhancing access to qualifications among EU countries by promoting labour mobility among young workers together with mobility of students.

3. A digital agenda for Europe: maximising the benefits from a Digital Single Market in order to enhance social and economic sustainable development. This can be mainly achieved through high speed internet.

4. Resource-Efficient Europe: promoting the use of resources in an efficient manner by saving as much energy as possible while enhancing competitiveness.

5. An industrial policy for the globalisation era: enhancing the business environment, creation of new jobs and making Europe’s industry more competitive.

6. An agenda for new skills and jobs: this entails the modernisation of labour markets and help individuals develop their skills to match labour demand and supply and increase labour mobility.

7. European platform against poverty: supporting economic, social and territorial cohesion in order to help the poor and socially excluded play a role in the society.

Europe 2020 strategy allows Member States to modify their national targets according to their current economic situation. National targets for Malta are listed hereunder.

---

6 Malta’s National Reform Programme, Europe 2020 Strategy. Presentation by Martin Spiteri, Director of the ministry of Finance, the Economy and Investment.
- Increase the employment rate to 62.9%;
- R&D expenditure must reach 0.67% of GDP;
- Tertiary education or equivalent shall increase to 33% while school dropouts should decline to 29%;
- Poverty targets are yet to be determined;
- With regards to energy, targets include:
  - a maximum increase of Malta’s greenhouse gas emissions of 5% by 2020, compared to 2005 levels. This is applicable for non-ETS sectors such as building, road transport and farming;
  - achieve 10% gross final energy consumption from renewable sources;
  - achieve 10% energy savings in end use and 22% energy savings in primary energy savings.

It is also important to note that there is a connection between the Vision 2015 document for Malta and Europe’s 2020 Strategy. The Vision 2015 document identifies seven economic sectors which have potential for further development with the aim to enhance the comparative advantage and make Malta a centre of excellence in all seven sectors. The economic areas that have been identified involve the financial, ICT, Tourism, Manufacturing and related industries, health and education sectors together with Gozo.

The financial industry is currently one of the most prominent economic sectors in Malta. The aim of the Government is that Malta becomes an important financial services centre by attracting the most important financial services companies and by creating a highly educated labour force to cater for such services. Development in ICT has also been growing at a fast rate in the past few years. SmartCity was one of the reasons behind this growth. The Government’s target with respect to the ICT is to attract FDI and reduce social inequalities through ICT advancements and attain a world class information society together.

Tourism is one of the most important sectors for the Maltese Islands. This industry is facing various challenges which are tackled through the Vision 2015. The aim is to enhance the sector’s sustainability, making Malta a special and unique destination within the Mediterranean. Together with the tourism sector, the manufacturing industry needs further investment. The Government points towards attracting high quality manufacturing industries such as pharmaceuticals, biotechnology and other advanced technology together with services associated with manufacturing. Incentives for investment in R&D have also been recognised as crucial for the manufacturing industry. Moreover, being an island, enhancing air and sea connections would help us attract further investment.

Sustainable development also requires investment in health and education for a better quality of life. These two sectors have also been analysed in the Vision 2015 document. With regards to the health sector the aim is to improve its quality while developing a healthcare industry and medical tourism in Malta. Better educational system entails further investment in schools, colleges, the university, training and life-long learning. The Government also intends to focus on Malta’s comparative advantage in areas like maritime.
The last economic area outlined in the Vision 2015 report is Gozo. Further economic and social development needs to take place. This shall be achieved through investment in agritourism and the general environment. Priority will be given to rural areas, crafts museums, heritage sites, investment in fishing-ports, cruise-liners facilities and sport-based tourism. The ultimate aims to make Gozo a model for sustainable development.

Both Vision 2015 and Europe 2020 Strategy documents stress on the importance of setting up a knowledge based economy. Sustainable growth should take place according to the two documents. This will help us identify and overcome the current and future challenges, and when possible turn those challenges into opportunities.

Within the context of these developments, and taking into consideration the priorities for social dialogue in Malta, the Malta Council for Economic and Social Development (MCESD) is currently leading three working groups, which involve Malta’s most influential social partners. The first working group tackles Malta’s economic and social foresight, including suggestions in relation to demographic developments, targets for employment and productivity, income distribution and education.

The second working group was focusing on ‘Energy and Water Provision and Cost’. The topics for discussion take into account the present situation and possible future oil prices, the different models of cost recovery, distribution of energy costs and future plans for energy production.

The third working group consists of discussions in relation to industrial relations. This working group includes four important matters including the rationale and effects of the Cost of Living Adjustment mechanism, review of the labour legislation, introduction of family-friendly measures, and enhancing work flexibility and work time.

2. In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?

Civil society organisations are deemed to be essential in order to achieve the Europe 2020 goals. Although there is no direct reference to undertakings with respect to civil society organisations in the NRP, Operational Programme 2, which is based on the NRP and NSRF, specifically refers to the important contribution made by civil society organisation in connection with the successful design and implementation of policies promoting the socio economic development. Such contribution is expected to expand within or outside MCESD so as to have a more efficient and effective social dialogue system. Effectiveness can also be enhanced if civil dialogue were to be organised according to the various economic sectors. Moreover, the Operational Programme also states that the government intends to establish entities whose role is to support and facilitate the participation of the civil society in decision making processes. It is however to be noted that the input of civil society organisations into social dialogue in Malta remains to be strengthened, through their further involvement in social and civil
debate in the country, and the further consolidation of their effective participation in policy-making.

3. **Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?**

Two NRP documents have been drafted since Malta joined the EU in 2004. Malta’s first NRP 2005-2008 focused on sustainability of public finances, competitiveness, employment, education and training, and environment. The 54 measures undertaken for the first programme addressed the objective of the Lisbon strategy – ‘to make Europe the most dynamic and competitive knowledge-based economy in the world’. The outcome was deemed successful, leading to a better fiscal position, the adoption of the Euro, decline in unemployment, new pension reform measures, taxation measures, advancement in ICT and tourism industries, and enhanced FDI.

The second NRP was drafted for a three-year period, 2008-2010. This document addressed the national at the time with the aim of enhancing Malta’s competitiveness, in line with the Commission’s general and country-specific proposals. NRP 2008-2010 was aimed at unblocking business potential, investing in knowledge and innovation, addressing energy and climate change issues, and updating labour markets through human capital investment. The remaining part of this section outlines how the major NRP 2008-2010 measures and targets and the government’s proposals and/or implementation procedures in this regard.

A better employment outlook requires the increase of both quality and quantity of jobs. The employment situation in Malta has been improved through a number of measures outlined in the NRP, most of which have already been endorsed by the government through the national budget. The NRP proposed the establishment of a Youth Strategy which essentially involves a Youth Employment Programme together with the Employment Aid Programme, Employability Programme and Training Aid Framework with the aim of helping the unemployed, particularly the youth unemployed to find the best job possible in line with their skills.

Employment levels are also enhanced through measures that incentivize women to enter the labour market such as increased paid maternity leave and other family-friendly measures such as child-care centres and voluntary after-school programmes. Apart from women, elderly workers are also encouraged to remain in the labour force as they are eligible for a full pension even when working on a fulltime basis after retirement. Elderly workers may also attain information from workshops and seminars that help them overcome problems encountered when it comes to entering the labour market at a relatively old age. Moreover, the unemployed are encouraged to enter the labour force through job search seminars that provided for the newly unemployed. Another measure which enhances job quality is the provision of € 25 per week that is granted to minimum wage workers who join a training programme which will ultimately improve their wage.
Increased investment in R&D is another important national priority. A new National Research and Innovation Strategy will be set up for the period 2011-2020. Moreover, the Government has allocated €1.1 m for the Research and Innovation (R&I) Programme 2011 which is administer by the Malta Council for Science and Technology (MCST). MCST will provide state financing by funding projects which promote R&D together with innovation in science and technology. An additional €20m have been provided by the government, mainly through EU grants, for the establishment of a Life Sciences Centre by 2013. This will enhance R&D while help in translating research into business opportunities. R&D is also promoted through the grants provided to PhD students. Malta has also joined the Eurostars programme with the aim of helping EU SMEs participate in joint research projects by easing access to grants provided by the EU and participating countries.

Education is another important component in the pursuit of sustainable growth. One important step for educational progress is the currently on-going curriculum review. The undergoing investment in the educational sector is particularly intended to make education more responsive to new areas of education. The appointed committee is reviewing the aims of education, updating the guiding principles and values, deciding on the range of learning areas and processes, and suggesting methods of assessment and evaluation. In pursuit of increased educational opportunities, the Government is continuously allocating funds to improve the infrastructure on schools, universities and colleges and will introduce further opportunities for lifelong learning and for vocational training. There have also been various proposals for a National System for Accreditation and Licensing of further and higher education programmes and providers together with recognition of non-formal and informal prior leaning.

A better quality of life entails the promotion of social inclusion and measures aimed at combating poverty. These targets are being promoted through various measures including a pension reform, restructuring of public entities, control of public sector employment, control of tax evasion, and reduction of abuse of government expenditure. With regards to disabled persons, employers are being offered incentives to help persons with disability enter the labour force. In addition, the government ensures that wage increases take place to compensate for increases in inflation.

Other measures proposed in the Budget 2011 involve a rise in investment expenditure by 0.6% in 2011, the set-up of a national strategy for the creative economy, support of additional private investment and other investment that helps the tourism sector develop their product and the set-up of the Malta Authority for Competition and Consumer Affairs. Product quality is expected to improve through the implementation of the Quality Improvement Programme with a 150% tax reduction, capped at €10,000 to those who actually manage to improve the quality of their product.

In addition, increased competitiveness will take place through the ‘Gateway to Export’ Programme. The programme will be implemented in order to help Maltese companies familiarise themselves with international trade while identifying the best export markets, procedures and practices.
The implementation of all the above mentioned investment is expected to enhance competitiveness, address weaknesses and challenges faced by the local economy and lead to a more sustainable future.

4. **How would you foresee improving the use of CAP, cohesion policy and research and innovation policy – Structural Funds – for supporting the Europe 2020 Strategy?**

Structural Funds should be set in ways that are in line with the changes made within the EU’s vision for 2020. While funding should promote growth, it should be more focused on job creation, enhanced competitiveness and environmental responsibility. Economic policies endorsed within every structural programme should promote reforms that enhance growth potential. Structural Funds should be reviewed and amended in a way to promote long-term sustainability for future growth to be smarter, more inclusive and greener. Such growth should help EU countries to overcome the current economic turmoil by reducing their deficits and reach fiscal sustainability.

It is likewise augured that cohesion policy takes into stronger account the specific needs of small and peripheral regions within the EU, as well as the specific needs which arise from relatively high population densities. These issues span economic, environmental and social domains, and can be increasingly looked at from the perspective of involving spatial planning issues within resource allocation decisions.

The use of CAP is not of direct interest to the MCESD as it has no partners representing the agricultural sector. The long term survival of the agricultural sector in Malta remains a matter of concern, and requires redoubled efforts to effectively utilise the multidimensionality of the sector in terms of its contribution to tourism and the environment, and the exploitation of the sector’s potential for niche products.
NETHERLANDS

The Dutch government was unable to incorporate the EU-2020 goals / the seven flagships in its coalition agreement. So the concept-NRP only formulates national EU-2020 goals where these happen to overlap with the coalition agreement. The still absent national EU-2020 goals will be formulated in the NRP that will be produced in April 2011.

Against this background the four questions can be answered in the following way.

1. **How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organization?**

   Our committee for international social and economic affaires (ISEA) has already spent a meeting on the European Commission initiatives concerning the follow up of the EU 2020-strategy. The SER would like to produce a formal advisory report in the course of 2011.

2. **In the NRP what role does your Government foresee for organized civil society organizations in reaching the Europe 2020 targets?**

   In the Netherlands government is responsible for formulating and reaching the national EU 2020 targets. Both local governments and social partners have been consulted. But they are not responsible for the Dutch NRP. Instead, both local governments and social partners will produce there own annexes to the NRP.

3. **Have the NRP targets (objectives/ flagships) been directly linked to specific national budget resources?**

   The concept-NRP is based on the coalition agreement. The coalition agreement has formulated national objectives for CO2 emissions, sustainable energy and preventing drop out at school. Since there is a link between the coalition agreement and the 2011 budget, it must be assumed that the specific national EU-2020 objectives are linked to budget resources.

4. **How would you foresee improving the use of common agricultural policy, cohesion policy and research and innovation policy – Structural Funds – for supporting the Europe 2020 Strategy?**

   In our advisory report on the EU-2020 strategy we observed that the Community budget should be more instrumental for reaching the EU-2020 goals. We also advised a reform of the Community budget so as to make more room for financing the EU-2020 strategy. In our follow-up advisory report on the implementation of the EU-2020 strategy we will come back on this issue.
AUSTRIA

1. How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?

The social partners agree in principle that the EU 2020 strategy is an important and necessary initiative of the European Union. Within the framework of a joint position paper entitled, "The Lisbon Strategy after 2010 – position paper of the Austrian social partners" and a jointly organised event, attended by Commissioner Hahn among others, the social partners, as early as April 2009, expressed the importance of the Lisbon Strategy and the need to continue it, coming up with a number of concrete suggestions.

Furthermore, in recent years the social partners have drawn up a series of joint position papers in accordance with the core objectives and flagship initiatives of the Europe 2020 strategy. However, only some of these have been acted upon by the federal government and are still relevant. These include, in particular:

- The future of competition policy in Austria
- Social partner agreement on the national equality action plan
- Challenges in energy policy
- The Lisbon Strategy after 2010
- Action plan for older female workers
- The building blocks of a long-term climate policy
- Creating opportunity
- Labour market – future 2010
- Agreement of the Austria social partners on tackling wage and social dumping and creating a criteria-led model of immigration (red-white-red card)

In 2011 there will also be a series of joint social partner activities, which can be seen as a contribution to the flagship initiatives (e.g. relating to increasing the participation of older women in the labour market, eliminating skills deficits among young people).

As the platform of the Austrian social partners, the annual "Bad Ischler Dialog" is likewise dedicated to the challenges of economic and social policy, which also play a role in the Europe 2020 strategy.
With this the social partners not only demonstrate their intention to promote these important issues at national level, they also demonstrate a joint problem-solving capacity, which is of key importance in view of the challenges ahead.

Furthermore, Europe 2020 is incorporated in a variety of ways in the respective work programmes of the organisations represented on the advisory council.

2. **In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**

First of all, we would like to say that although in principle we welcome the national targets based on key EU targets which are incorporated in the NRP, they are viewed differently by the individual social partners. Employers criticise in detail the EU's conditional offer of a 30% reduction in emissions stipulated in the climate change targets, which would of course have an impact on national objectives and be at the expense of economic predictability in particular.

Employees would have expected ambitious poverty and education objectives at national level as well as specific targets for reducing gender-specific income differences and increasing child care rates.

Both employers and employees have spoken out in favour of additional sub-targets in the area of employment, for example employment rates for women and older female workers.

In the run-up to the establishment of the NRP, the social partners were invited to inter-ministerial meetings of the Austrian Federal Chancellery and to take part in a discussion on obstacles to growth on the basis of a WIFO study, they were kept informed about the process of setting national targets while being partly involved in this process, and were invited to issue opinions on the draft national reform programme, even though the timeframe provided was short.

The NRP provides only a broad outline of the key aspects of reform, since concrete details must first be finalised in the course of the budget negotiations. The social partners believe that it will then be a question of fleshing out the final reform programme to be submitted by April 2011. As part of this process, the role of organised civil society in meeting targets must be spelt out. The current NRP programme contains only a general reference to their involvement: "Throughout the implementation process, it must be ensured that regions, municipalities and stakeholders are fully involved."
3. **Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?**

Although the 2011 budget has not yet been passed, it has largely been set. The federal government agreed to a consolidation package which should bring down the budget deficit to below the European quota of 3% of GDP by as early as 2012. The need for consolidation in 2011 will be offset by bold measures in the area of education, research and energy efficiency in buildings.

It goes without saying that there are many factors connecting the budget and the NRP. A detailed account will be included in the final national reform programme to be submitted by April 2011. For the time being, it should be pointed out that the social partners attach importance to different aspects in their assessment of the 2011 budget plan.

4. **How would you foresee improving the use of common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds - for supporting the Europe 2020 Strategy?**

In order to support the Europe 2020 strategy more effectively, what remains is to put in place from 2014 onwards a common strategic framework decided by the Commission, setting out the objectives and intentions of Europe 2020 in terms of investment priorities. As proposed in the fifth cohesion report, what remains is to draw up a common strategy for the Cohesion Fund, the European Regional Development Fund, the European Social Fund, the European Fisheries Fund and the European Agricultural Fund for Rural Development. Even the Member States should be required to develop comprehensive individual strategy plans within the framework of the Europe 2020 goals, which not only are geared towards individual policy areas but also pursue a distinct territorial approach, giving priority to social and economic aspects.

The Austrian Chamber of Agriculture maintains that the Rural Development Programme is part of the Common Agricultural Policy and supplements market organisation instruments by adding performance-related direct payments with environmental targets and measures to boost the competitiveness of agriculture and forestry. Furthermore, the Rural Development Programme has a bridging function, in which specific measures are taken for rural areas having a direct and indirect impact on agriculture and forestry. This makes clear the interrelationship between agriculture and a working rural area within the framework of a common strategic focus.
In a broad sense, the rural policy goes well beyond the action framework of the rural development programme and should encompass all rural stakeholders. Even if the performance and potential of many rural areas continue to rely on the existence of a competitive and dynamic agricultural sector, more and more rural areas are increasingly dependent on factors outside of agriculture as a result of their socio-economic structure becoming more diverse. The rural policy should therefore promote more integration between agricultural and other economic activities in rural areas and be geared more towards jobs.

Since spending has been largely decided for the current financial framework, the social partners believe that the future financial framework (2014+) should be closely linked to the Europe 2020 strategy. This means that the targets should be reflected in the funds, including the Rural Development Fund. The social partners propose, among other things:

- That in the coming years spending should be consistently geared more towards the Lisbon targets, such as active labour market policy, preventing poverty and creating both new and high-quality jobs, research and competiveness, environment and climate, technology and research, infrastructure and the economy, and
- That the status of the European Social Fund (ESF) be enhanced. The fund should not, as has hitherto been the case, be mainly targeted at economically weaker regions, but should support all regions as they tackle labour market problems.
1. **How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?**

The Tripartite Commission on Social and Economic Affairs is the organisational heart of tripartite social dialogue in Poland and its most important forum. It seeks to reconcile the interests of employees, employers and the public good. Its main aim is to achieve and maintain social harmony.

The Commission's key competences include:

- Conducting social dialogue on wages and social security as well as other social and economic matters
- Examining issues of major social or economic importance put forward for discussion by one of the parties to the Commission if that party considers that solving the issue is important for maintaining social harmony
- Participation in work on the draft budget law, with the Commission's social partners having the option of giving their opinion on selected macroeconomic data, forming the basis for the draft national budget and subsequently next year's national draft budget and budgetary guidelines
- Carrying out tasks set out in laws.

With a view to carrying out statutory tasks and in connection with the Commission's competences, it is legitimate for matters linked to the implementation of the goals of the Europe 2020 strategy to also be included in its work programme.

The presence of Polish social partners represented in the Tripartite Commission in forums for dialogue at European level, such as the European Economic and Social Committee, the Social Dialogue Committee, Sectoral Dialogue Committees, European social partner organisations as well as in sectoral organisations, ensures a more rapid transfer of information between national social dialogue organisations, besides making it possible to coordinate activities more closely and to influence EU decisions.
2. **In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**

Effectively coordinating the implementation of the NRP is essential at all levels, from national level, through regional level to local level; it is also necessary with a view to ensuring communication between individual levels of public authority.

The (planned) Interdepartmental Group on the Europe 2020 Strategy will play a significant role in the coordination process. One of its tasks will be to put in place the conditions for better communication and dialogue between the government, socio-economic partners, regions and other stakeholders in the strategy's implementation in Poland. The group will issue opinions on the implementation of indicators and monitor their implementation, taking account of their consistency.

The opinions of regions, non-governmental organisations, employer and employee organisations, the research community as well as other citizens should be given greater prominence. A bigger role for parliament and a broader debate on the subject of structural reforms will facilitate implementation of social and economic reforms and enable the general public to be properly informed about the positive outcomes of the reforms' implementation. This will allow society to play an active role in the economic life of the country.

It is also worth making use of the potential of existing cooperation fora. At national level, these include the coordinating committee on the 2007-2013 national strategic framework, the tripartite commission on economic and social matters, tripartite sectoral groups, the planned national territorial forum and other cooperation networks.

A key element at regional level is appropriate coordination under the current development policy. This is also the reason why much greater use should be made of the potential of the committees monitoring the regional operational programmes and the voivodship commissions on social dialogue, which could be a forum for dialogue on key matters linked to NRP at sub-national level.

In order to boost public participation in formulating and implementing the reforms proposed in the NRP, it is essential to carry out consultations with a view to initiating a substantive discussion on key reforms, including pension reform. Measures taken in this area are especially important for the long-term stability of the public finance system, and since these are publicly sensitive issues, further work on finding appropriate solutions should be carried out immediately.
3. **Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?**

Information on dates, timetable, budget and the departments responsible for implementing all the initiatives will be included in the final version of the NRP.

4. **How would you foresee improving the use of common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds - for supporting the Europe 2020 Strategy?**

The cohesion policy is playing a special role in implementing the Europe 2020 strategy. Not only is it helping to mitigate the negative effects of the crisis, it is also ensuring stability in the implementation of long-term development goals and is stimulating structural changes. Europe 2020 and the cohesion policy should be implemented jointly by strengthening the territorial dimension of the Europe 2020 strategy, coordinating EU policies and boosting the participation of regions and cities as well as the social partners in the strategy's implementation. Development and partnerships in connection with investments, greater thematic concentration of funds and a system of determinants should be the key mechanisms, which will form the link between policies and the management levels.
1. **How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?**

In Portugal, at government level, Europe 2020 and the EU flagship initiatives are considered to be extremely relevant to Portugal, which is why the policies have been adapted and tailored to national circumstances. The National Reform Programme (NRP) is currently being drawn up, in line with the Stability and Growth Pact and sectoral policies. The idea is to focus on overall goals for competitiveness and employment, especially as regards national qualifications and skills, R&D and innovation, climate and energy, and reducing inequalities and the risk of poverty. The Europe 2020 objectives and the application at national level of the flagship initiatives, will make up a key part of the Portuguese government's action plan and are in line with budget policy.

The process of applying these EU objectives is therefore still ongoing. The NRP takes into account the need to ensure the continuity of structural programmes whose results/impact need to be consolidated – as is the case for the process of changing the way the economy works by strengthening innovation and internationalisation. At the same time, the idea is also to ensure that lessons can be learnt from the current economic crisis, and bring in the significant changes that are required for the development process to be intelligent, green and inclusive, as set out in the Europe 2020 strategy.

Under its consultative competence, the Portuguese Economic and Social Council has included an own-initiative opinion on the economic, social and organisational impact of the ageing population in its work programme for 2011. This own-initiative opinion will focus on the potential for creating new businesses to meet the needs of this section of the population in particular (Employment target and flagship initiative 6, Agenda for new skills and jobs) by ensuring available resources are organised better and used more efficiently (flagship initiative 4, Resource-efficient Europe). The opinion would also consider the need to fight poverty and social exclusion for elderly people (target - Poverty and social exclusion) and flagship initiative 7, Platform against poverty). The ESC has another own-initiative opinion planned on the competitiveness of cities, social cohesion and town planning. This opinion would focus on employment (target 1), energy efficiency (target 2) and urban poverty and social exclusion (target 5).

It should be noted that the Portuguese ESC facilitates social dialogue and provides logistical and administrative support to this permanent committee where the social...
PARTNERS REGULARLY DISCUSS ISSUES COVERED BY THE FIVE EUROPE 2020 STRATEGY TARGETS, PARTICULARLY AS REGARDS THE OBJECTIVE ON EMPLOYMENT AND POVERTY/SOCIAL EXCLUSION.

2. **In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**

The government has just approved the guiding principles for the National Reform Programme (the document was submitted to the EU on 12 November as planned). The social partners and other players from civil society will then be asked for their contributions, so that the programme can be finalised for April 2011.

Before the guiding principles were drafted, meetings were held at the ESC and at the national parliament (Committee for European Affairs) involving the body coordinating the Europe 2020 Strategy in Portugal, the secretary of state for energy and innovation (who is responsible for coordinating the Europe 2020 strategy through the network of focal points involving representatives of all government ministers), and the state secretary for European affairs.

The idea is that the National Reform Programme should include not only public policies but also contributions from civil society – as was the case for the drafting and implementation of the technology plan. This plan applied a significant part of the Lisbon Strategy in Portugal from 2005 onwards, and targeted the development of knowledge, technology and innovation as drivers for growth and jobs. The plan will continue in the context of the new Europe 2020 strategy, yet will be modified accordingly.

Meetings will be held on the issue between January and March 2011, involving the autonomous regions of the Azores and Madeira, regional stakeholders in mainland Portugal, national specialists and guest speakers from abroad.

In addition to these overall national initiatives, certain flagship initiatives are being developed. The economic and social players who are directly involved in the issues under discussion – such as the Portuguese digital agenda for example (which has already been approved) and the innovation agenda which is being developed – will be the key participants in the process, using a participative approach initiated by civil society.

The Portuguese government fully understands that national reforms are the issue here, including the implementation of the reforms which are already in progress – e.g. the reforms on qualifications in Portugal, innovation, and a new energy strategy – and that these reforms cannot be achieved without the involvement of civil society.
3. **Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?**

The guiding principles took into account the need for budgetary restraint and balancing government accounts. The aim was to keep 2020 and ambitious objectives in mind, while at the same time being realistic and ensuring that short- and medium-term measures were compatible with structural reforms to deal with the problems that have been identified. However, it will be in the implementation of the NRP reforms that resources and the national budget will be linked up effectively. The idea is to have a roadmap for each reform measure, setting out how each measure will be implemented as well as funding requirements and sources of funding, and also considering the role of the structural funds (analysis in progress). For each measure, the required resources and sources of funding will be examined, including the role of the structural funds. The potential impact of each measure in terms of reducing costs and managing resources more efficiently will also be analysed.

The current challenge is to ensure that public policies and their respective action plans are implemented more efficiently by improving monitoring processes and increasing synergies between the people implementing the policies and the relevant institutions.

4. **How would you foresee improving the use of common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds - for supporting the Europe 2020 Strategy?**

Europe 2020 is seen as a development strategy which informs and is informed by European policies such as the CAP and cohesion policy, and R&D and innovation policy in particular. The structural funds have made an essential contribution to the implementation of the National Reform Programme in connection with the Lisbon Strategy. This is clear from looking at how the funds have been allocated, and it is essential that the structural funds continue to make this contribution. An evaluation of how the funds were allocated is currently in progress, and will be included in the new National Reform Programme.
1. **How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?**

In Slovenia we have identified our national targets considering the current situation and especially our budget plan, which is adopted for 2 years and initially for 4 years. We have also considered the adopted Exit Strategy in structural reforms. On that basis we have determined the priorities, measures and policies that will be carried out and will contribute to the EU2020 targets. All Ministers of the Government of Slovenia at a joined meeting agreed on the targets which in our view are ambitious but realistic. The 7 flagship initiatives have also been discussed at the joint meeting of Ministers (the last initiative has not yet been adopted on EU level) where the adoption of concrete measures for their implementation has been discussed.

2. **In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**

Draft NRP in Slovenia has been prepared by Government Office for Development and European Affairs in cooperation with other relevant Ministries and has been sent to the public debate. The draft has been published on the web page of the Government Office and all relevant civil societies have been invited to comment the draft. Early in 2011 a joint session with the Government representatives and civil society organisations together with Economic and Social Council will be organised where all comments to the NRP will be discussed. Based on that debate the final NRP will be drafted and sent to European Commission in April 2011.

3. **Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?**

As written above, the national targets have been set on the basis of the current macroeconomic situation and especially our budget plan, which is adopted for 2 years and initially for 4 years. We have also considered the adopted Exit Strategy in structural reforms. On that basis we have determined the priorities, measures and policies that will be carried out and will contribute to the EU2020 targets. Therefore all the measures written in the draft NRP have been identified on the basis of the adopted budget where concrete measures with financial recourses are already determined.

4. **How would you foresee improving the use of common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds - for supporting the Europe 2020 Strategy?**

Cohesion policy clearly has a role to play in the EU 2020 strategy. A strong alignment of EU 2020 with cohesion policy will create more support for the EU 2020 strategy and encourage ownership of the strategy at all levels of governance. In the past, lack of
ownership and lack of understanding on how to implement such a strategy on the ground hindered the Lisbon strategy to be successful. National goals and targets should also be the priorities of the regions and vice versa.

As regards the Common Agricultural Policy (CAP), Slovenia acknowledges the role played by CAP as the major component in the European integration processes and European agricultural development. In recent years, CAP reforms contributed to a greater market orientation, shifts towards sustainable development and a re-orientation towards the provision of public goods and services. Endeavours for further adjustments of CAP must be directed towards the creation of comparable and long-term stable economic conditions for all producers in the EU common market. In this sense it would indirectly contribute also to the common goals of EU 2020, even though in our opinion it is not directly linked to it.
The Confederation of Swedish Enterprise on behalf of Group I, reflections the current National Reform Programmes (NRP)

On behalf of Group I, the Confederation of Swedish Enterprise will answer the questions regarding the EU2020 strategy and the National Reform Programmes put forward by M Staffan Nilsson and M. Van Iersel. Please note that due to short notice of the request we have not been able to elaborate fully on all questions.

1. **How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?**

   The Confederation of Swedish Enterprise, Svenskt Näringsliv, is Sweden’s largest and most influential business federation representing 50 member organizations and 60,000 member companies with over 1.6 million employees. The role of the Confederation is to protect, support and promote the interests of businesses as well as creating broad popular support and understanding for the value and importance of enterprises in the society. One of our key position is fact that businesses are crucial for the existence of a prosperous society and that the creation of a world-class business environment in EU is essential to create growth and enable enterprises to create more new jobs. The Confederation of Swedish Enterprise supports the goal of EU2020 of making Europe the most competitive and dynamic economy in the world.

   The Confederation of Swedish Enterprise recognizes that EU is lagging behind other continents in competitiveness and we really see the need for and support the creation of an EU strategy for growth. However, we wish that the strategy would have been more focused on growth as the one overall goal.

   In many of EU’s Member States signs of trouble ahead have been clear enough for years: budget deficits, wage inflation, overregulation and mediocre growth. The Lisbon agenda for competitiveness and growth, intended to promote growth, created instead a delusion of progress that seems to have made it easier to ignore these warning signals.

   Europe thus faces not only the immense task of staving off its acute predicament. It must also meet he greater challenge of agreeing on a Europe-wide growth initiative that is not simply a veil behind which poor, and even detrimental, policies linger on or worse, proliferate. The political answer so far is the EU2020 strategy for ‘smart, sustainable and inclusive growth’. Like its predecessor, the late Lisbon agenda, it is a strategy for all, and nothing. And this therefore risks repeating history as another well-intentioned, but ultimately failed attempt to fire up the engines of European growth. This will not do. Europe will not return to high growth rates by accident or default. An agenda for real reform and growth must be put in place that emphasizes future competitiveness, and that
safeguards historic achievements like the single market, the single currency, and the
dynamics of enlargement.

A promising alternative approach embraces performance-orientation as a guiding
principle for EU policies. This simply means channeling funds to policies that improve
performance rather than those that fail. Small steps in this direction already figure in the
discussion on fiscal responsibility. Current proposals include that EU countries that
overspend lose eligibility for cohesion funds.

Similar principles can be applied more widely and systematically. Performance-
orientation requires institutions that can assess performance as objectively as possible.
These institutions must have a degree of autonomy from member governments. The
current economic turmoil shows with painful clarity that Europe needs better structures
for its economic policy. Yet, not even the grandest plan can engineer improved policy
and outcomes unless it starts by putting honesty and integrity at the centre of governance.
Policies need to be examined, and their progress assessed by independent bodies.

Finally, the agenda must acknowledge that private sector growth is the only sustainable
way forward.

The revival of long-term investment in private enterprise is key to Europe’s future
prosperity. Only through free trade, open markets and a favorable business climate that
facilitates and promotes free movement across borders, will it be possible to create the
growth and jobs that are necessary for continued peaceful coexistence, stability, and
prosperity on our continent.

Regarding the many of objectives in EU2020 they are included in our work programme,
either issue by issue or included in our overall monitoring of EU2020. Based on the
remarks mentioned above we have also published an alternative reform agenda: Reform
to perform: A real European growth agenda for the 21st century.
http://www.svensktnaringsliv.se/material/rapporter/reform-to-perform-a-real-european-
growth-agenda-for-the-21st-cent_120063.html

2. **In the NRP what role does your Government concretely foresee for organised
civil society organisations in reaching the Europe 2020 targets?**

Our confederation has together with other stakeholders proposed to the Swedish
government that they create a reference group for the EU 2020 Strategy in general and
more specifically the development of the NRP. Unfortunately there has been very little
response to this proposal and no meeting has taken place.

3. **Have the NRP targets (objectives/flagships) been directly linked to specific
national budget resources?**

It is our understanding that the goals in EU2020 have been introduced and included in the
government’s action plan and by that also linked to national budget resources.

.../...
4. **How would you foresee improving the use of the common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds - for supporting the Europe 2020 Strategy?**

EU budget spending has not responded to Europe’s changing needs, globalisation and the challenges that lie ahead of us. For instance, the need to adapt to a more service-oriented society, the need to boost mobility, competitiveness and innovation, the need to meet changing demographic challenges and migratory pressures and the need to tackle environmental concerns and climate change. The EU budget seems to have lived a life of its own on the sidelines, reflecting the politics and objectives of the past, lacking both political will and legal flexibility to adapt. This situation must change.

Few people within the European business community can support how EU’s budget is currently being spent. Of the annual EUR 130 billion budget, over 40% is devoted to EU’s Common Agriculture Policy, CAP. In fact, the EU spent the same amount on the tobacco-growing sector as it did on research programmes for information and communication technology, and more than what it spent on healthcare research. This is not acceptable.

Instead, the priority should be to invest in our common future. This means investing in the research and development that will create knowledge and skills to address tomorrow’s challenges and opportunities. This means investing in innovation that uses our knowledge and skills to secure future European competitiveness, wealth and stability.

One of the primary responsibilities of the European Union’s political leadership is to ensure that the next Financial Perspective 2014-2020 can contribute much more effectively towards future competitiveness and well-being. This includes more and better-focused investment in the principal knowledge and innovation ‘gaps’ faced by European societies.
SWEDEN (GROUP II)

LO (The Swedish Trade Union Confederation), TCO (The Swedish Confederation for Professional Employees), SACO (The Swedish Confederation of Professional Associations), the Confederation Swedish Enterprise and SKL (Swedish Association of Local Authorities and Regions) have since June 2010 been in contact with the government to obtain a reference group for the EU 2020 Strategy in general and more specifically for the development of the NRP.

No such group has not yet been created and the government sent a first draft of the reform programme to the European Commission without consulting the stakeholders. This was very unfortunate and we see room for improvement by the Swedish government when it comes to this collaboration.

The reason behind the government’s lack of action might be the parliamentary elections that took place in the autumn and the government reshuffle that has made the political responsibilities unclear. The Government should urgently convene an initial meeting with a reference group, that is set up in line with our proposal, in order to get a proper consultation on the national reform programme before it is transmitted to the European Commission in April.

1. **How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?**

Not in any way other than that it is a political agenda that we must relate to and try to influence as much as possible. The EU is a priority work area for the LO in 2011 and we will try to influence the implementation of the EU 2020 Strategy in Sweden and the set-up of the initiatives announced in the seven flagships.

2. **In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**

In the government's draft proposal for the NRP the “social partners” are mentioned only once. "The government has in 2010 begun talks with the social partners on how the government and the parties together can improve opportunities for persons with a disability, and reduced work capacity, to enter the job market and where keep a job."

A part from that phrase, it is very unclear, and we hope that a clarification will be given in the beginning of this year.
3. **Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?**

The government connects the Swedish NRP to the budget. As it is the budget that sets the framework for policies, it seems logical.

4. **How would you foresee improving the use of the common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds - for supporting the Europe 2020 Strategy?**

Unclear. We will consult our experts on the structural funds at our next coordination committee meeting.
SWEDEN (GROUP III)

Forum for voluntary social work/Famna’s (member group III) reflections on the current National Reform Programmes (NRP)

In response to M. Staffan Nilsson and M. Van Iersel’s request on the Member State experiences to date on NRPs and to make concrete proposals regarding the new European Semester of policy coordination, the Swedish group III member, Forum for voluntary social work/Famna would like to put forward the points below. Please note that due to the lack of a national ESC in Sweden and with the short notice of this request, all four members of group III were unable to contribute to this report. We are however in process to form a structure for the future requests of this nature during 2011.

1. **How are the Europe 2020 objectives in general, and more specifically the 7 flagship initiatives, being translated into the work programme of your organisation?**

As a first and general remark, most of the activities and projects that we are engaged in are very relevant to the objectives and initiatives in the Europe 2020 strategy. It is however, at least in this stage, somewhat difficult to clarify the exact mechanisms in which our activities can be translated into support of the Europe 2020 targets. Despite this, the summary below tries to outline some of the most relevant connections to our work.

A key point that initially needs to be mentioned is that external political goals and activities, be it EU or Swedish, are not automatically translated into our own set of strategic objectives and activities. Our work programme is determined through a democratic process within our organisation involving our members. But as far as we can see, as said above, there is a definite congruence between the Europe 2020 targets and our organisation’s independently set objectives. In addition keeping in mind that civil society at large and specifically our members in the social and health care field are both providers of services and in fact employers but also innovators and actors for building a more inclusive and cohesive society thus making us one key stakeholder in the many facets in the Europe 2020 strategy.

**Digital agenda:** with regard to this flagship initiative, enhancing the use to new technologies is very relevant to our aims and work. The activities targeted at both increasing efficiency by introducing new tools, but also in the perspective of building a more inclusive and cohesive society which are very much in line with our main focuses. Here we are looking at ensuring that all people regardless of social situation have equal access to these services as well as using them in improving our own working methods. From the perspective of our internal workings there is a constant process of making use of digital instruments to make our work more effective and far reaching. Our web-based instrument for matching volunteers and organisations is one example. We are currently developing similar instruments in relation to our work on social enterprises. We are avid...
users of the various forms of social media in for instance our ongoing political discussions. We are also frequently using electronic polls as an evaluation tool when determining the success or failure of projects or activities. Our use of video-conferencing allows us to cooperate over time and geographic distances, resulting in bridging the gaps between people and systems. As an example we engage in these forms of e-communication tools when working with our Brussels based colleague (both audio and visual) and the Swedish secretariat either on a daily or on a weekly basis which has given us an opportunity to connect the national agenda much more closely to the EU-level politics.

**Innovation union:** social innovation is a key factor in the work of our members be it as non-profit social and healthcare providers or promoters of various forms of social entrepreneurship or rights. Civil society has and still is a key driver for innovation by quickly adapting to and filling changing needs. Judging from the various initiatives to diversify service provision coupled with the increased complexity of the services themselves, our work in this respect on behalf of our members and civil society at large is crucial to develop and implement the innovation union initiative. Our work is very much focused on broadening the concept of innovation, as well as the concept entrepreneur since both these concepts are often related to industry only. They are often seen as phenomena that are relevant for business alone. This despite the fact, that a significant portion of innovation and entrepreneurship stems for civil society activities which benefit the whole society. The commercial gains from this kind of “social” innovation still needs to be defined (see below for a discussion on establishing a quadhelixmodel for learning and innovation). Another focus is our work towards developing the appropriate structures to allow for innovation to take place and flourish (such as alternatives to public procurement, various forms of grants etc.).

**Youth on the move:** our work with youth organisations aim at increasing opportunities for young people to get access to the labour market and to stay involved in civil society as they grow older. The overarching challenge in this work is to change the attitude from one of seeing young people as objects or clients instead of subjects in their lives.

**Resource efficient Europe:** civil society is engaged both in driving political change on the issue of our total carbon footprint, but also practically focused on life style changes. The project “Transition Sweden” is one relevant example aiming at this. This project which is based on cooperation between civil society working together with local government, aims to stimulate people and structures to change from non-sustainability to sustainability. In addition sustainability is a key factor in delivering services providing not only alternatives to other actors but also continuity of services.

**An industrial policy for the globalisation era:** as actors providing non-profit social and health care services in the Swedish system primarily based on public service provision, we work towards ensuring civil society sector as actors are taken into account. We work continuously with the mission to improve the conditions for our members to be able to do their work better on their own terms. This requires developing and improving the specific
conditions built on the specificities of the complex services we provide but also on the fact that non-profit and civil society actors are neither commercial nor public actors.

**An agenda for new skills and jobs:** Our members and civil society at large has always been closely involved in giving people an opportunity to enhance their knowledge about society, themselves or acquire a specific skill to support people to find a way in to or back to employment. These activities focused on inclusion and cohesion are essential tools to build self-esteem and empowerment and are central to our member's work.

**European platform against poverty:** The work done by civil society and our members in this field is extensive and entirely essential. Without this work the social welfare systems would fail. Here such as the development and work regarding self help initiatives are central, through for instance social enterprises and many other initiatives.

2. **In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**

The first reflection to be mentioned is the fact that despite several contacts with the Swedish government they refused to share the Swedish draft NRP report openly. The Swedish report has, to our knowledge, not included any form of consultation with stakeholders outside the political sphere. This despite the Member States obligation to do so in reference to the relevant steering documents.

Instead we have managed to access the Swedish government draft NRP through other contacts. As far as we can judge from the Swedish draft report, there is no reference to civil society at all, with one exception - one sentence mentions social enterprises. This is very discouraging since civil society definitely is a key actor in both delivering services of general interest, reaching and mobilising citizens as well as ensuring the democratic rights of citizens. In addition we take the Europe 2020 objectives seriously as per above since they are central to our work. With the only very small mention of civil society in the Swedish draft NRP report to as “social enterprises” it appears the Swedish government fails to see or understand the crucial role civil society organisations will play in reaching the Europe 2020 targets. This is equally surprising when looking at the various flagship initiatives by the European Commission such as innovation union where civil society is specifically mentioned as a key driver for social innovation.

The only possible conclusion we can draw from this is that the Swedish government does not foresee any role for civil society organisations to play in reaching the Europe 2020 targets. This we find alarming to say the least. What this means is that the structural funds focused on reaching the Europe 2020 targets, would not include a role for civil society organisations in the ESF funded projects to come. In addition the fact that our members provide services, support individuals back to employment and are employers seems to not be accounted for.

We would therefore strongly argue that there is need for a general revision of the Swedish NRP, where the role of civil society or social economy as it is sometimes...
labelled (as in the EU-Commission proposal “Towards a Single Market Act - For a highly competitive social market economy”) is elaborated, analysed and fully integrated.

3. **Have the NRP targets (objectives/flagships) been directly linked to specific national budget resources?**

There are definite links regarding the labour market policy, education policy and economic policy in general. But there are no processes or specific initiatives which would make it possible for civil society organisations to contribute. This is probably due to civil society perspective missing in the Swedish draft NRP.

4. **How would you foresee improving the use of the common agricultural policy, cohesion policy, and research and innovation policy – Structural Funds - for supporting the Europe 2020 Strategy?**

The first step should be that the Swedish NRP is adjusted to include the perspective of civil society organisations. This must be done through an open and inclusive process of consultation with relevant stakeholders. We can both contribute but also recommend other organisations with both the relevant knowledge and experiences to be included.

The second step should be strengthening the representation of the civil society organisations in the structural partnerships where the recommendations for ESF-funding are formulated.

A third step could focus on the problems concerning the technical and financial capacity of the civil society organisations. The knowledge of human/social issues are often far larger than the technical and financial capacity. To achieve the inclusion targets in the Europe 2020, by way of the civil society organisations, there is a need to create a programme for capacity building. There are already projects and activities that can serve as a starting point in a programme of this sort, but they need to be scaled up to achieve the desired effects. In addition financial instruments of another dimension need to be developed than those available up to now.

A fourth step could be focused on establishing a quadhelixmodel of learning where public, private, civil society/social economy and academic actors build the relevant knowledge and skills that are needed to create good conditions for growth in the 21st century. As is maybe known, Europe is in the phase of post-knowledge society. Knowledge is not enough to succeed. There is a need to really understand the trends, the changing views, the wants and needs, how the people that constitute the demand in the market place think, to be able to succeed.
UNITED KINGDOM (GROUP III)

1. **How are the Europe 2020 objectives in general and more specifically the seven flagship initiatives being translated into the work programme of your organisation?**

The Europe 2020 flagship initiatives correspond extremely closely to the work programme of my organisation. My university is totally committed to all of the flagship initiatives. It encourages access to and participation in higher education for all strata of society. It has a successful and expanding research and innovation agenda and continues to assist technology and other spin-out businesses. Most of its programmes are vocational in orientation and the university has a commendable record in graduate employment. It also has a class-leading Adult and Continuing Education programme and operates on four campuses spread across the region.

2. **In the NRP what role does your Government concretely foresee for organised civil society organisations in reaching the Europe 2020 targets?**

The Coalition Government in the UK has embarked upon an ambitions programme of reforms which address the main obstacles or bottlenecks to growth facing the economy:

a) reducing significantly the general government deficit;
b) ensuring well-functioning and stable financial sectors;
c) rebalancing the economy towards net exports;
d) facilitating an increase in private investment.
e) improving the contribution of the education system to human capital formation including through a broader skills base.

These bottlenecks are consistent with the analyses of ECOFIN, the OECD and the IMF. It is fair to say that, taken at face value, these bottlenecks seem to be the responsibility of central government departments. The UK NRP does not explicitly spell out roles for organised civil society.

That said, the Coalition Government has put forward the concept of the Big Society - a process that aims to create a climate of improvement in local communities and people. While much of the detailed workings of Big Society have yet to emerge from Government, its stated priorities are to:

- give communities more powers (localism and devolution)
- encourage people to take an active role in their communities (volunteerism)
- transfer power from central to local government
- support co-ops, mutuals, charities and social enterprises
• publish government data (open/transparency government).

Thus far the new policies announced as part of the Big Society plan include:

• A “neighbourhood army” of 5,000 full-time, professional community organisers who will be trained with the skills they need to identify local community leaders, bring communities together, help people start their own neighbourhood groups, and give communities the help they need to take control and tackle their problems.
• A Big Society Bank, funded from unclaimed bank assets, which will leverage private sector investment to new finance for neighbourhood groups, charities, social enterprises and other non-governmental bodies.
• Neighbourhood grants for the UK’s most deprived areas to encourage people to come together to form neighbourhood groups and support social enterprises and charities in these areas.
• Transforming the civil service into a ‘civic service’ by making regular community service a key element in civil servant staff appraisals.
• Launching an annual national ‘Big Society Day’ to celebrate the work of neighbourhood groups and encourage more people to take part in social action projects.
• Providing new funding to support the next generation of social entrepreneurs, and helping successful social enterprises to expand and succeed.

The concept behind the Big Society has been criticized by the opposition as being an attempt to dignify and camouflage the public expenditure cuts agenda, by dressing up the withdrawal of financial support with the language of reinvigorating civic society. These are the early days of the Big Society initiative and its effectiveness will only become apparent in the months and years ahead.

3. **Have the targets (objectives/flagships) been directly linked to specific national budget resources?**

The first priority -- reducing significantly the general government deficit -- is the main driver of the overall budget settlement under the Comprehensive Spending Review (CSR) 2011/12 – 2014/15. As such it determines the broad budget allocations for all government policy initiatives. The CSR sets out £81 billion of spending reductions by 2014/15. This is consistent with the recommendation of the Excessive Deficit Procedure to reduce the Treaty deficit below 3% of GDP by 2014/15. It remains to be seen what the effects these cutbacks have on government programmes, in particular welfare programmes and measures at local community level.

The second and third priorities -- ensuring well-functioning and stable financial sectors and rebalancing the economy towards net exports - do not have any specific budget lines and are more institutional in nature.
The fourth priority -- facilitating an increase in private investment -- is linked to the UK's first ever National Infrastructure Plan which contains some £200 billion worth of public and private sector investment over the next five years.

The fifth priority -- improving the contribution of the education system to human capital formation including through a broader skills base -- is formally linked to a range of measures outlined in the CSR covering increased financial support for apprenticeships, active labour market measures, improved careers guidance, reform of the skills system, Lifelong Learning Accounts, and adult and community learning initiatives.

4. How would you foresee improving the use of the common agricultural policy, cohesion policy and research and innovation policy -- the Structural Funds -- for supporting the Europe 2020 strategy?

From a civil society perspective, it would be helpful if the principle of partnership was embedded in all initiatives under cohesion policy. At a time when confidence in the policy-making process has been severely shaken there is a strong argument for greater involvement of stakeholders in the delivery of policies.
ACKNOWLEDGEMENTS

We acknowledge all participants or representatives of the national ESCs for their contribution:

<table>
<thead>
<tr>
<th>Country</th>
<th>Representation details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>Conseil Central de l'Économie, Conseil National du Travail</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>Economic and Social Council</td>
</tr>
<tr>
<td>Denmark</td>
<td>Mr Peder Munch Hanssen and Ms Mette Kindberg (in consultation with the Danish members of the EESC)</td>
</tr>
<tr>
<td>Germany</td>
<td>Ms Gabriele Bischoff, EESC member (in consultation with the German members of the EESC)</td>
</tr>
<tr>
<td>Estonia</td>
<td>Estonian Economic and Social Council</td>
</tr>
<tr>
<td>Ireland</td>
<td>National Economic and Social Council</td>
</tr>
<tr>
<td>Greece</td>
<td>Economic and Social Council</td>
</tr>
<tr>
<td>Spain</td>
<td>Consejo Económico y Social</td>
</tr>
<tr>
<td>France</td>
<td>Conseil économique, social et environnement</td>
</tr>
<tr>
<td>Italy</td>
<td>Consiglio Nazionale dell'Economia e del Lavoro</td>
</tr>
<tr>
<td>Cyprus</td>
<td>Mr Dimitris Kittenis, EESC member (in consultation with the Cypriot members of the EESC)</td>
</tr>
<tr>
<td>Latvia</td>
<td>Mr Gundars Strautmanis, EESC member (in consultation with the Latvian members of the EESC)</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>Conseil économique et social</td>
</tr>
<tr>
<td>Malta</td>
<td>Malta Council for Economic and Social Development</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Sociaal-Economische Raad</td>
</tr>
<tr>
<td>Austria</td>
<td>Beirat für Wirtschafts- und Sozialfragen</td>
</tr>
<tr>
<td>Poland</td>
<td>Tripartite Commission for Social and Economic Affairs</td>
</tr>
<tr>
<td>Portugal</td>
<td>Conselho Económico e Social</td>
</tr>
<tr>
<td>Slovenia</td>
<td>Economic and Social Council of Slovenia</td>
</tr>
<tr>
<td>Sweden</td>
<td>Ms Bröms, EESC member (in consultation with the Swedish members of the EESC)</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Mr Michael Smyth, EESC member (in consultation with the British members of the EESC)</td>
</tr>
</tbody>
</table>