

**'Towards a More Effective Europe 2020: Civil Society's Proposals for  
Boosting Social Inclusion and Competitiveness in Europe'**

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**of the**

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*Seul le texte prononcé fait foi*

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*Check Against Delivery*

- I would like to welcome you all to this much awaited conference on the Europe 2020 Strategy and begin by reminding us of the words of His Holiness Pope Francis at the European Parliament only last week, when he stated that "*Despite being a larger and stronger union, Europe seems to give the impression of being somewhat elderly and haggard, feeling less and less a protagonist in a world which frequently regards it with aloofness, mistrust and even, at times, suspicion*". This Europe of "*weariness and ageing...(where) great ideas which once inspired Europe seem to have lost their attraction, only to be replaced by the bureaucratic technicalities of its institutions*";
- A very damning but realistic description of Europe today, a Europe which is still trying to claw its way out of the economic hole of the crisis, a Europe of vast regional disparities and social inequalities, whose economy is only limping along, producing far less and growing more slowly than prior to 2008 – a Europe described only a few days ago by the OECD as sliding into the "stagnation trap";
- And here we are at a critical juncture for the Europe 2020 Strategy and the question is how to avoid the undignified 'death' of this Strategy, as happened to its predecessor the Lisbon Strategy;
- For the Europe 2020 Strategy is clearly failing to achieve its targets. Despite encouraging results on environmental protection and education, there are very worrying signs regarding 'Research & Development', the 'Labour Market' and certainly the 'Fight Against Poverty and Social Exclusion';
- Indeed it is evident that unless we make *fundamental changes* to our mind-frame, our approach, our expectations and our instruments of implementation of this Strategy, then Europe will linger in stagnation and *we* will be responsible to future generations for the missed opportunities.
  
- Without wanting to pre-empt the discussions over the next two days, I would nonetheless like to make four points;
- The first is that in order to reform the Strategy, we *must* concentrate on re-launching *key* European policies and the key targets and flagship initiatives of the Strategy. Specifically, we need a new industrial and competitiveness policy; a new European Energy policy/Union; the strengthening of the social pillar, with binding social indicators; and we need to give priority to social enterprises as instruments of sustainable growth and social cohesion.
  
- My second point is that if we are going to have any chance of effectively reforming the Europe 2020 Strategy, then we cannot expect to rely solely on traditional growth and job promoting measures – we have to be more creative, more inclusive, more ambitious and ready to accept a *new model of growth* and a *new model of measuring progress*;
- The fashionable term now is '*smart*' growth, which refers to both sustainable and competitive growth;
- But to achieve this '*smart*' growth we firstly have to *re-assess the entire concept of growth* and open our minds to concepts of human well-being and measurements '*beyond GDP*' ;
- Allow me quote what was said by the economist Simon Kuznets in 1934, when he presented to the US Congress his report defining the concept of GDP: "*...the welfare of a nation can scarcely be inferred from a measurement of national income*";
- Allow me also quote Professor Stiglitz, who stated that "*...what we measure affects what we do. If we have the wrong metrics, we will strive for wrong things*";
- So yes, we need to monitor, measure, report and follow-up on alternative indicators, embracing sustainability, innovation, social and human capital;
- So why not explicitly incorporate social innovation and social investment into the review of the EU 2020 Strategy, to be supported by a specifically dedicated flagship?

- Why not re-launch the Strategy by insisting that both the Annual Growth Survey and the European Semester be re-balanced, to include binding social indicators and indicators beyond GDP?
- For at the end of the day, the crisis has put *centre-stage* the necessity to revise our development model and our paradigm of societal progress. Reforming the Europe 2020 Strategy is a vital *opportunity* for Europe, an opportunity to shift Europe's current austerity-centred paradigm towards one of an inclusive and holistic growth strategy!
- My third point relates to the importance of working in partnership, building trust and creating effective alliances;
- As we will hear from the conference debates, one of the reasons why the implementation of the Europe 2020 Strategy has been hindered, is because the centralised steering of the Strategy does not allow for the effective involvement of Member States nor of civil society;
- However, one of the fundamental conditions for 'smart' and sustainable growth is partnership, working with civil society organisations to identify, implement and evaluate the effectiveness of the results. So yes, in a reformed Strategy, we must involve both national parliaments and civil society in the design and review of the National Reform Programmes;
- Indeed, when one reflects that even in its relations with third countries, e.g. ACP countries, the EU has set up formal structures of consultation of local non-state actors on the development cooperation of those countries (Cotonou Agreement) – it is very odd indeed, that for the development of our own continent these were not foreseen!
- My final point relates to the importance of innovating and of not being afraid of social initiatives in particular;
- For although innovation was included in the original EU 2020 Strategy, it has to a large part been neglected as Europe has focused on fiscal recovery;
- Instead, we need to use innovation to establish new goals, notably for youth unemployment, we need to tap into the potential for creating new green jobs and we need to have the courage to explore alternative forms of economic growth and social support provided by social economy actors;
- For the energy, competence, determination and innovation is present among civil society and the private sector – we just have to start tapping into it.
- Ladies and gentlemen, I will end my introductory comments as we have many eminent speakers who will follow, not least Mr Palmieri, who is of course the President of the EU 2020 Steering Committee;
- I would just like to end by saying that any reform of the Strategy has to be approached from a *comprehensive* and *holistic* perspective – so it is imperative that the funds and policies of the 'Investment Plan for Europe' are used to implement this reformed EU2020 Strategy;
- Similarly, it is imperative that the reformed Strategy reflects the role of the EU in the *global context*. The revision of the Strategy must be directly linked to the UN Post 2015 Sustainable Development Agenda and we need to look beyond 2020 to 2030 and further;
- 'Europe' has always brought opportunities, but also responsibilities. Now is the time to live up to those responsibilities and to bring solutions that will have a direct and positive impact on the lives of our citizens and which will help Europe to regain its self-confidence and the confidence of its citizens!