

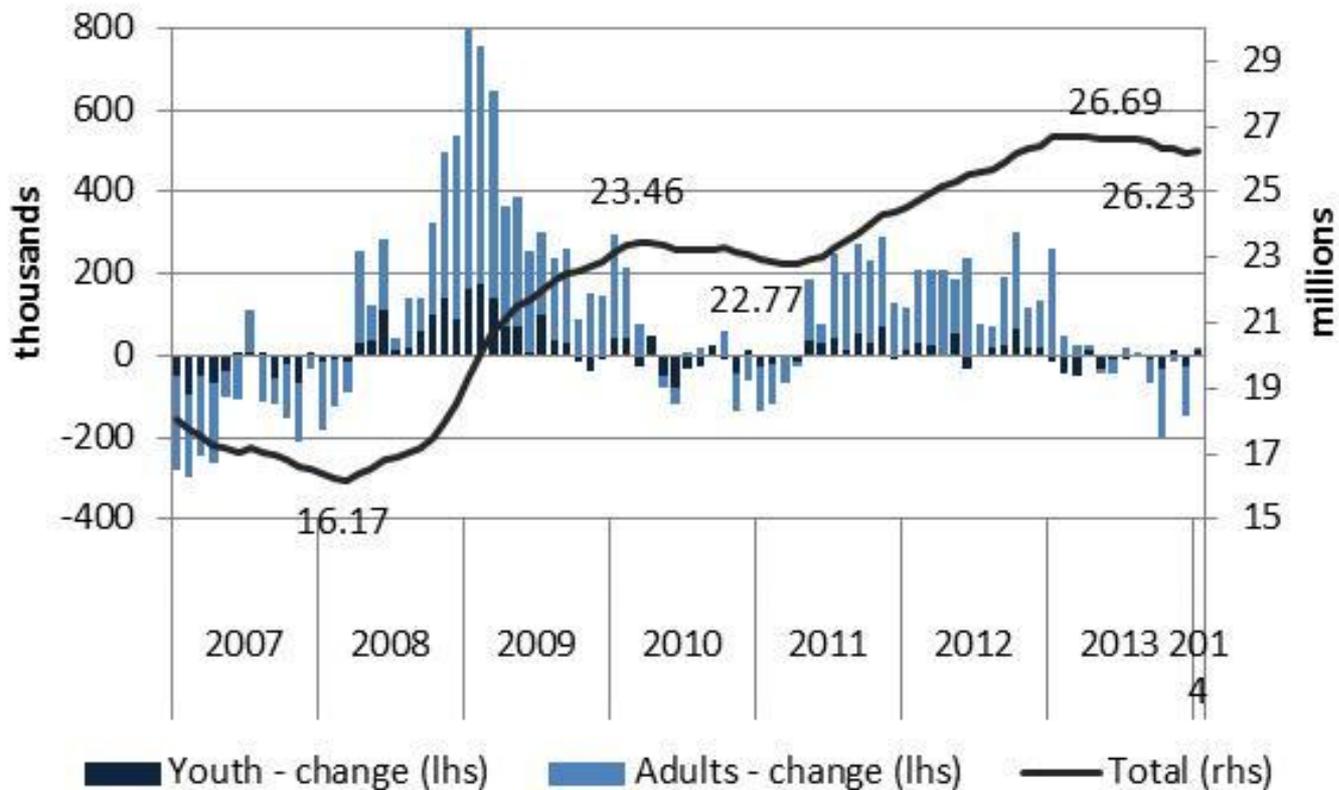


# **TAKING STOCK OF THE EUROPE 2020 STRATEGY FOR SMART, SUSTAINABLE AND INCLUSIVE GROWTH**

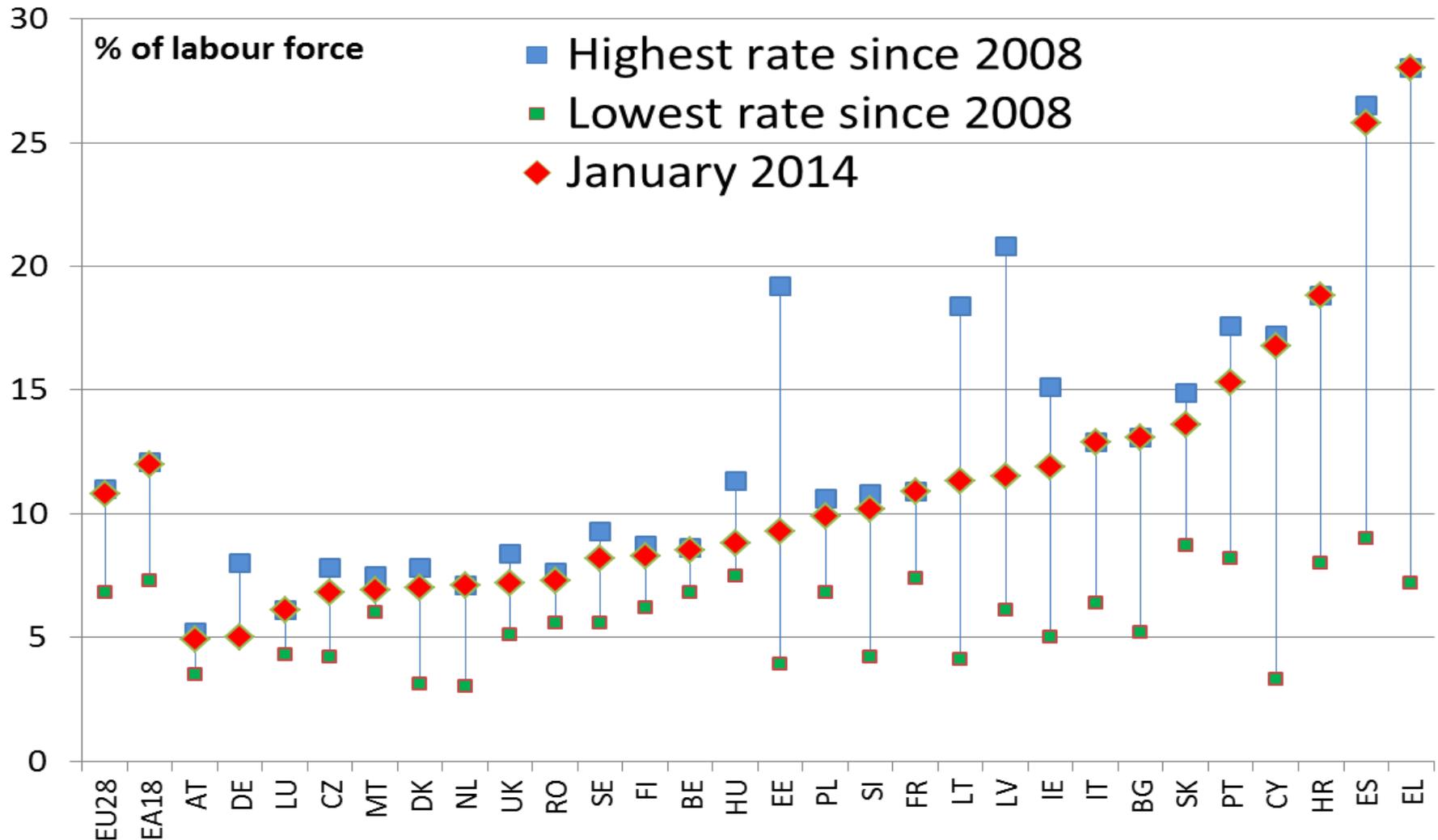
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**European Commission**

# Unemployment evidenced more declines in last months

Total unemployment and unemployment change on previous month by age, EU28, 2006-2014



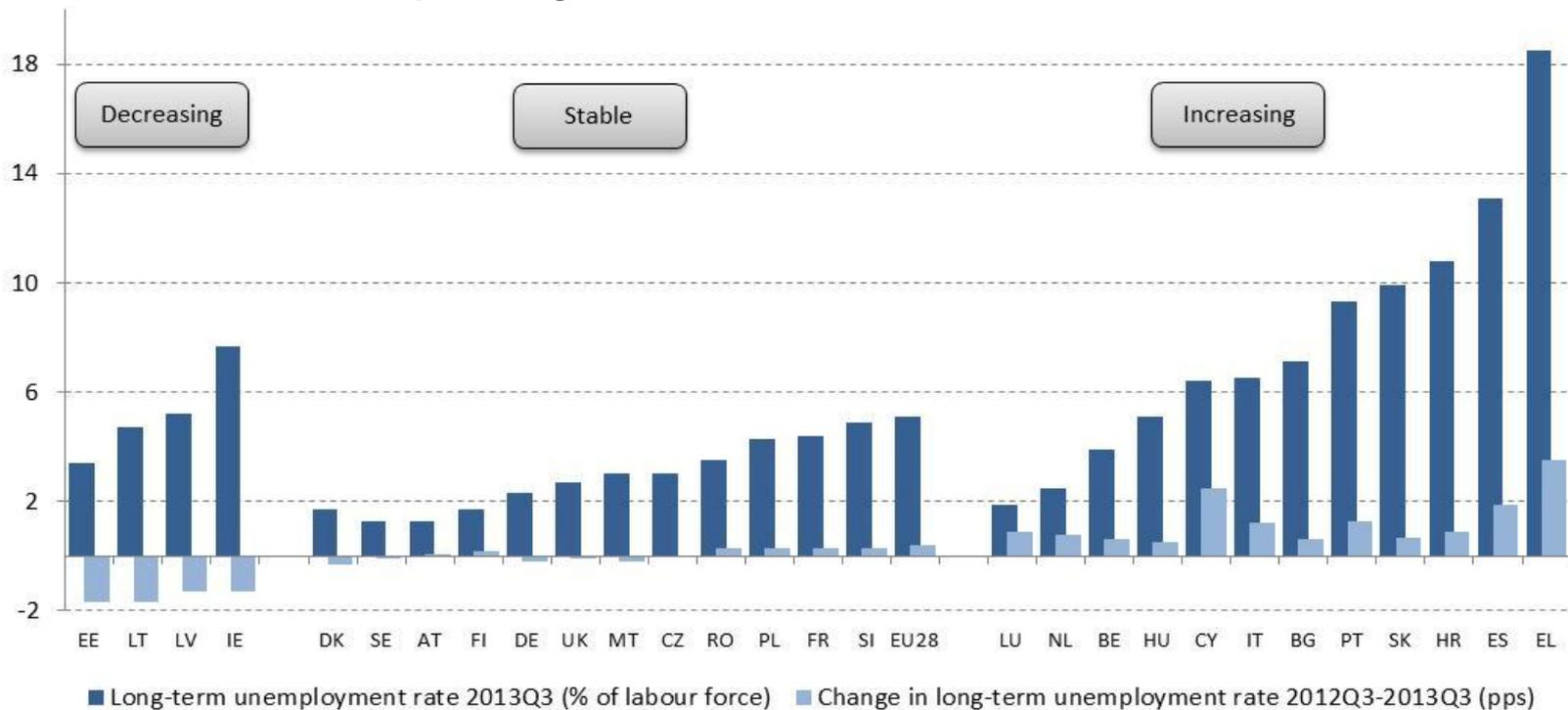
# Unemployment rate slightly falling from high levels



# Labour market exclusion

## Long-term unemployment stagnated overall, while some Member States still evidence increase

Long-term unemployment rates and changes compared to previous year, EU28 and Member States, 2013 Q3

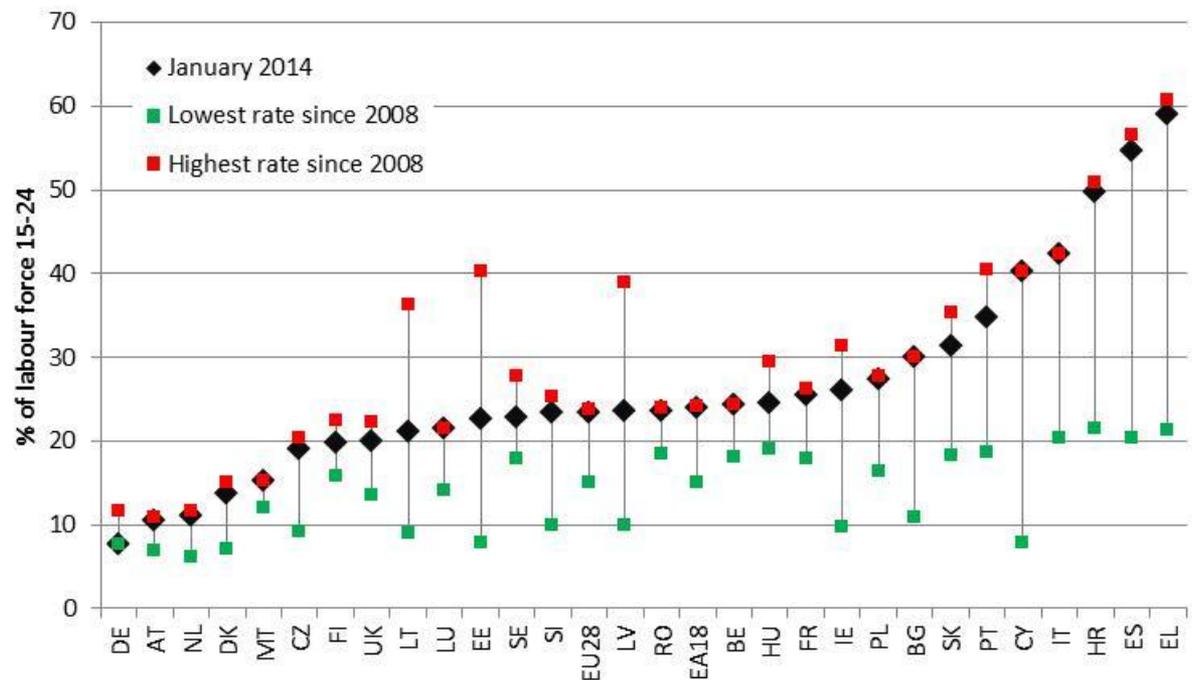
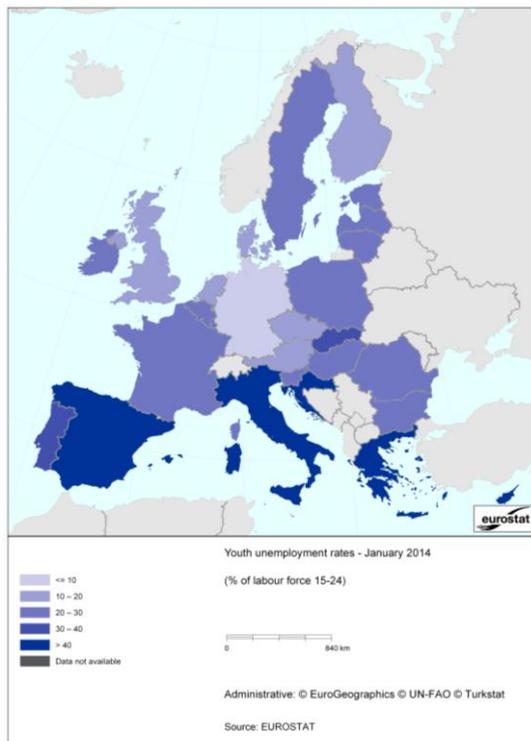


# Situation for youth

Youth unemployment rate stabilised at high 23.4%, considerable differences across the EU prevailed

Youth unemployment rates, EU Member States, January 2014,

January 2014 lowest and highest rates since 2008



Source: Eurostat, series on unemployment

# The Europe 2020 Strategy

A range of long-term challenges: ageing; rising inequalities; globalisation; the digital economy; productivity challenge; pressure on resources

Need to renew the growth model in order to unleash the growth potential: **ambition of the Europe 2020 Strategy:**



**1) Smart growth:** developing an economy based on knowledge and innovation



**2) Sustainable growth:** promoting a more efficient, greener and more competitive economy



**3) Inclusive growth:** fostering a high-employment economy delivering social and territorial cohesion

# Europe 2020 targets

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**EMPLOYMENT**      75% of the population aged 20-64 should be employed 

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**INNOVATION**      3% of the EU's GDP should be invested in R&D 

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**CLIMATE / ENERGY**      A reduction of CO2 emissions by 20% 

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A share of renewable energies up to 20% 

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20% energy efficiency (EU primary and final energy consumption of 1474 and 1078 Mtoe in 2020, resp.) 

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**EDUCATION**      The share of early school leavers should be under 10% 

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At least 40% of the younger generation should have a degree or diploma 

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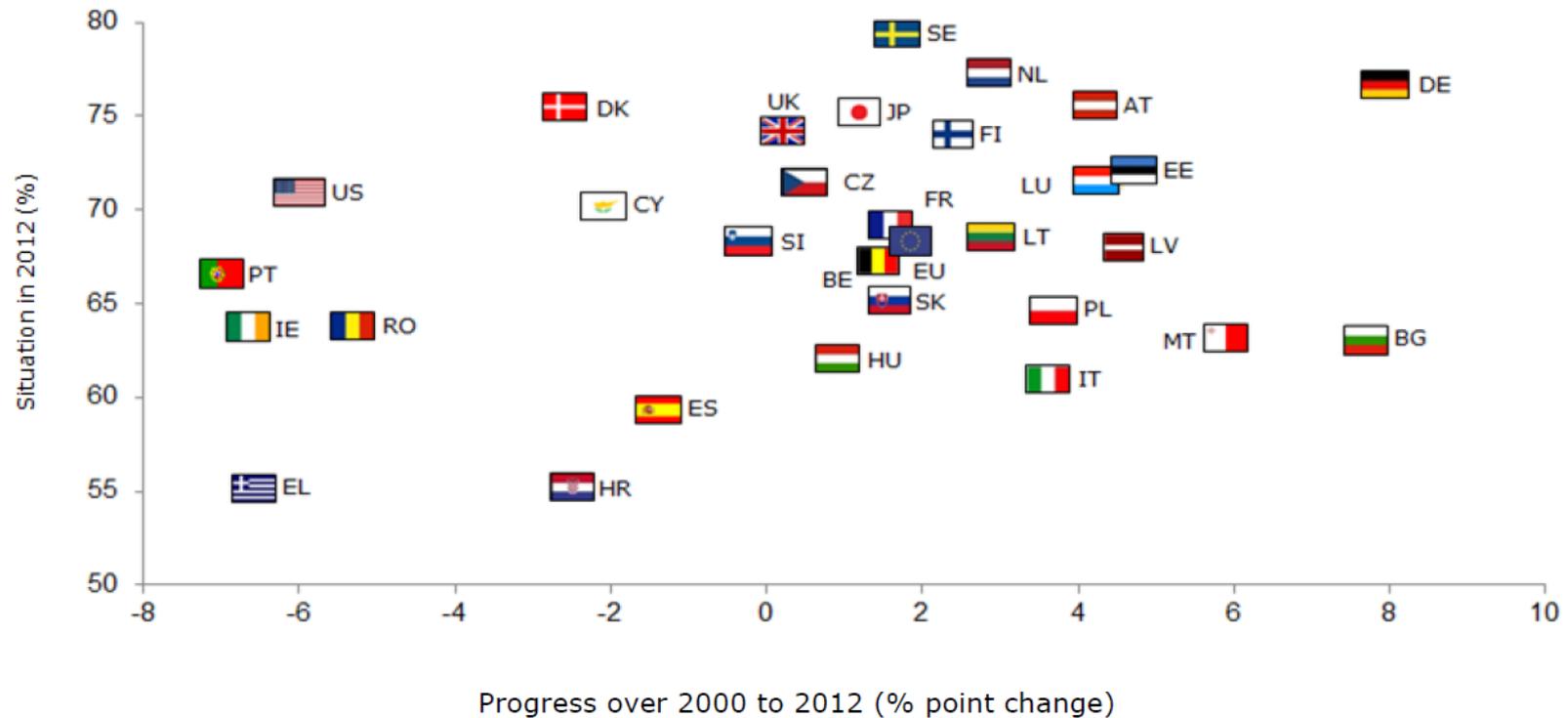
**POVERTY**      20 million fewer people should be at risk of poverty 

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# Employment rate: progress over time

## Situation in 2012 and progress since 2000, by country

Progress between 2000 and 2012 (% point change)\*



Source: European Commission

Reading: for the EU as a whole, the employment rate increased by 1.8 percentage points over 2000-2012 (horizontal axis), to reach 68.4% in 2012 (vertical axis).

\* 2000: EU27 data; HR: 2002-2012

## The Europe 2020 targets so far

Admittedly,

- The targets are **not exhaustive**.
- MS show **divergent levels of ambition and commitment**.
- **Any quantitative assessment needs to be complemented** by a qualitative one.

Yet,

- The targets are **easy to monitor**.
- They illustrate the dynamic change promoted by the Europe 2020 strategy and are **self-reinforcing**.
- The targets have been **key catalysts for action**, helping to steer policy focus at national and EU level.

# Seven Flagship Initiatives

## ***Flagship Initiative on the Agenda for New Skills and Jobs***

- to make Europe's labour markets function better through the adaptation of flexicurity policies to a post-crisis context,
- to equip people with the right skills for employment,
- to improve work quality and working conditions,
- to promote job creation and labour demand

13 key actions -> 69 measures

## The Flagship Initiatives so far

- They have contributed to **mutual learning** at EU level.
- Several of them have **inspired policy action** in MS, including at regional and national levels.
- They have at times served as **a guide for the use of EU funding**.

Yet,

- **Visibility and awareness** of the initiatives was hampered in some respects.
- **Umbrella, long-term frameworks** rather than operational programmes.
- **Lack of focus:** series of specific measures.

# 2012 Employment Package

- It is a **medium-term agenda** for EU and Member States' action. It lays down proposals for **employment to be a driver for growth**, by:
  - **Stimulating labour demand** through well-designed measures (e.g. green economy, white jobs, ICT)
  - **Balanced reforms** for more inclusive, dynamic, competitive and resilient EU labour markets
  - **Investing in skills** policies to **enhance workforce mobility** and adaptability prospects
  - **Strengthening** the employment & social dimension in **EU governance**, by involving Social Partners more closely in decision making

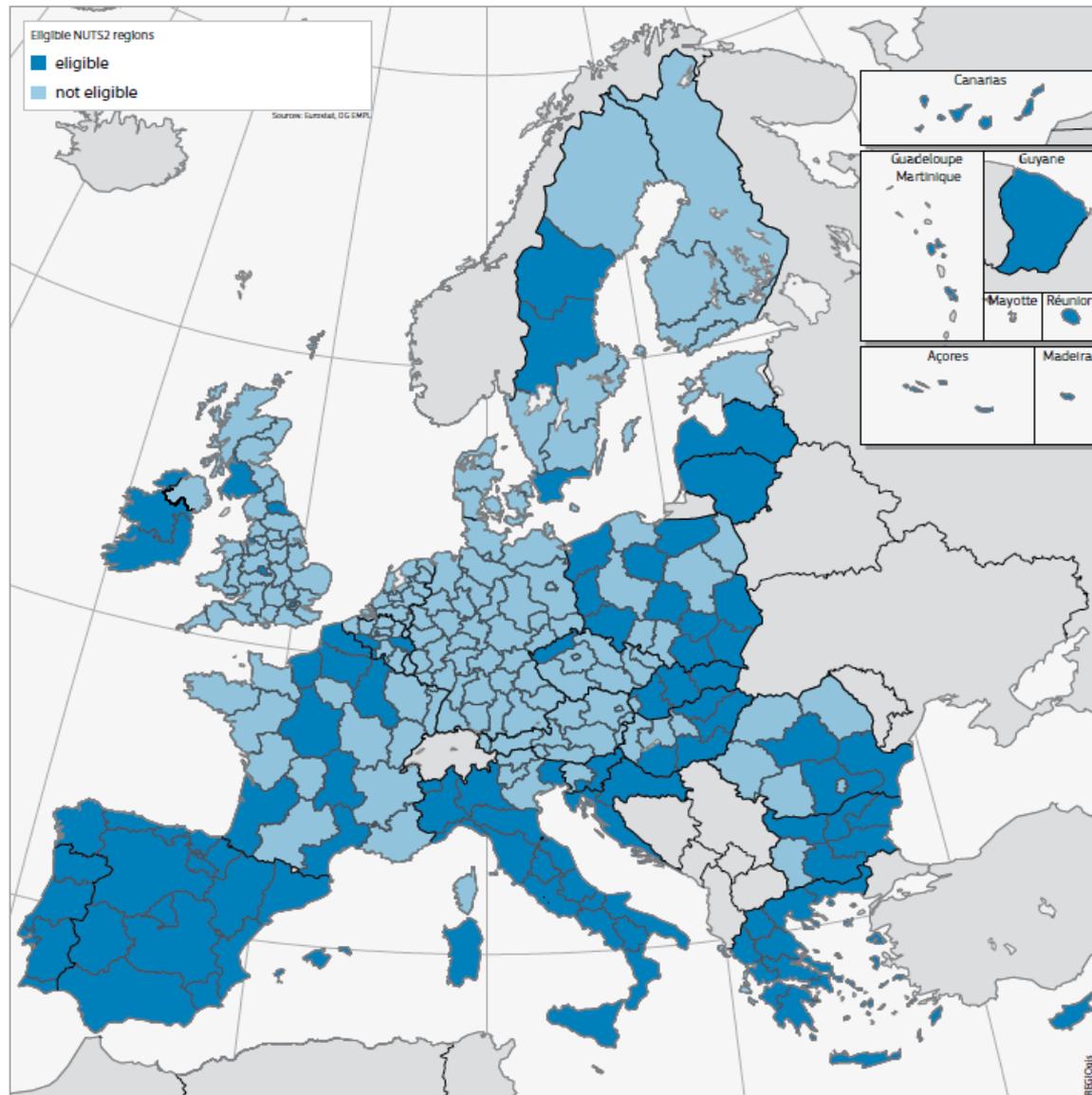
# Youth Employment Package

- Young people dropping out of education or are out of work; low skilled youth most at risk of unemployment and exclusion in the longer term
  - **Youth Guarantee schemes** (see the next slide)
- Difficult school-to-work transitions:
  - **Increase the supply of high-quality traineeships and apprenticeships**
  - **European Alliance for apprenticeships**
- Growing skills and geographical mismatches, 2 million vacancies across EU
  - **Labour mobility**
- Transitions more difficult in countries with segmented labour markets
  - **Reforms in labour market regulation**

# Youth and ESF

2007-13: ESF  
funding & Youth  
Employment Action  
Teams

2014-20: ESF, Youth  
Guarantees & Youth  
Employment  
Initiative: targeted  
support for regions  
most hit by youth  
unemployment



# Next steps for the Europe 2020 mid-term review

- **March 2014 European Council:** discussion on implementation of the Europe 2020 strategy

*"Achieving the Strategy's goal of smart, sustainable and inclusive growth remains crucial. The crisis has slowed down progress towards the key goals of the Strategy and the long-term challenges affecting growth in Europe have not gone away. The European Council calls for stepping up efforts to reach the Europe 2020 targets (...)"*

- The Commission will launch soon a **public consultation**.
- **Early 2015:** the Commission will make proposals for the pursuit of the Strategy.