

Konferenz des Kompetenzteams Wirtschaft: So profitiert Österreich

Maria João Rodrigues

**An overview of the Lisbon Strategy -
The European agenda for competitiveness,
employment and social cohesion**

**17. September 2004
Ares-Tower, Wien**

Rückmeldungen bzw. nähere Informationen:
Tanja Dobart
T 01-804 65 01-18
F 01-804 08 74
E dobart@renner-institut.at

An overview of the Lisbon Strategy - The European agenda for competitiveness, employment and social cohesion

Background Paper^{*}

Maria João Rodrigues

Professor in ISCTE, University Institute, Lisbon

In charge of the preparation of the Lisbon Summit, as special advisor to the Prime Minister

1. The point of departure of a European Strategy

In the preparations for the Lisbon Summit (23-24 March 2000), we faced the following main question: is it possible to update Europe's development strategy so that we can rise to the new challenges resulting from globalisation, technological change and population ageing, while preserving European values? In the new emerging paradigm, knowledge and innovation are the main source of both wealth and divergence between nations, companies and individuals. Europe is losing ground to the United States, but this does not mean we have to copy them.

The purpose was to define a European way to evolve to the new innovation- and knowledge-based economy, using distinctive attributes ranging from the preservation of social cohesion and cultural diversity to the very technological options. A critical step would be to set up a competitive platform that can sustain the European social model, which should also be renewed.

Answering this question requires institutional innovations, if we want to tap into the potential of this new paradigm while avoiding risks of social divide. Innovation, for example, of norms regulating international trade and competition, of social models, or of education systems. Moreover, in each and every Member State of the European Union, institutional innovation has to internalise the level of integration accomplished through the single market and the single currency. This means that some level of European co-ordination is required to carry out institutional reforms, while respecting national specificity. A multilevel governance

^{*} For a more general background on these issues, see Rodrigues, Maria João, *The New Knowledge Economy in Europe – A Strategy for International Competitiveness and Social Cohesion* (coord.) with the collaboration of Robert Boyer, Manuel Castells, Gøsta Esping-Andersen, Robert Lindley, Bengt-Åke Lundvall, Luc Soete, Mario Telò and Mark Tomlinson, Cheltenham, Edward Elgar, 2002; and Rodrigues, Maria João, *European Policies for a Knowledge Economy*, Cheltenham, Edward Elgar, 2003.

system is needed that enables its various levels (*i.e.* European, national and local) to interact.

In order to find an answer to the initial question, we had to commit to an extensive intellectual and political undertaking of reviewing Europe's political agenda and the main Community policy documents in the light of the latest updates of social sciences. European intellectuals with a broad experience in these fields were involved in this task (Rodrigues, 2002). Our purpose was to ascertain which institutional reforms could change the way in which European societies are currently regulated, so as to pave the way for a new development trajectory towards a knowledge-based economy.

But key ideas needed to lead to political decision-taking and action. The entire Presidency was tailored to achieving this goal, throughout its 2 European Councils, 14 Councils of Ministers, 7 Ministerial Conferences, several sessions of the European Parliament and a high-level Forum grouping the major stakeholders in Europe and the Member States.

As the main objective was to define a global strategy, the key role had to be played by the European Council – in synergy with the initiatives of the European Commission. The meeting of the European Council had to be special and focused only on this objective. We had to hold it sufficiently early to provide guidance for the following Councils of Ministers and sufficiently late to allow for the hard work of persuasion required to reach agreement. This action relied on a series of initiatives formally proposed by the Presidency, at its own risk, resulting in multiple contacts made with all Community bodies and national governments. Ultimately it led to the Prime Minister's visit to all EU capitals. Public debate also made it possible to collect a widely diversified set of contributions from civil society, from all EU governments and from all Community bodies.

Decisions made at the Lisbon Summit helped define the final shape of the high-level consensus and mobilisation obtained meanwhile, by establishing more precise objectives, calendars and methods and defining the mandates of all the formations of the Council of Ministers involved. This propeller enabled the last meeting of the European Council at Feira in June 2000 to produce a set of concrete results, which began to be transposed at the national level and developed during the following Presidencies.

2. The Lisbon Strategy

A new strategic goal and an overall strategy was defined by Lisbon European Council on 23-24 March 2000. Quoting its own Conclusions:

'The Union has today set itself a ***new strategic goal*** for the next decade: *to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion. Achieving this goal requires an **overall strategy** aimed at:*

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

This quotation is important to clarify that, contrary to some vulgarisations, the strategic goal defined in Lisbon is not “to become the most competitive” but to achieve this particular combination of strong competitiveness with the other features. This should make the specificity of the European way.

The Lisbon Strategy set the following main political orientations:

- a/ a policy for the information society aimed at improving the citizens' standards of living, with concrete applications in the fields of education, public services, electronic commerce, health and urban management; a new impetus to spread information technologies in companies, namely e-commerce and knowledge management tools; an ambition to deploy advanced telecommunications networks and democratise the access to the Internet, on the one hand, and produce contents that add value to Europe's cultural and scientific heritage, on the other;
- b/ an R&D policy whereby the existing community programme and the national policies converge into a European area of research by networking R&D programmes and institutions. A strong priority for innovation policies and the creation of a Community patent;
- c/ an enterprise policy going beyond the existing community programme, combining it with a coordination of national policies in order to create better conditions for entrepreneurship – namely administrative simplification, access to venture capital or manager training;
- d/ economic reforms that target the creation of growth and innovation potential, improve financial markets to support new investments, and complete Europe's internal market by liberalising the basic sectors while respecting the public service inherent to the European model;
- e/ macro-economic policies which, in addition to keeping the existing macro-economic stability, vitalise growth, employment and structural change, using budgetary and tax policies to foster education, training, research and innovation;

- f/ a renewed European social model relying on three key drivers, *i.e.* making more investment in people, activating social policies and strengthening action against old and new forms of social exclusion;
- g/ new priorities defined for national education policies, *i.e.* turning schools into open learning centres, providing support to each and every population group, using the Internet and multimedia; in addition, Europe should adopt a framework of new basic skills and create a European diploma to embattle computer illiteracy;
- h/ active employment policies intensified with the aim of making lifelong training generally available and expanding employment in services as a significant source of job creation, improvement of the standards of living and promotion of equal opportunities for women and men. Raising Europe's employment rate was adopted as a key target in order to reduce the unemployment rate and to consolidate the sustainability of the social protection systems;
- i/ an organised process of cooperation between the Member States to modernise social protection, identifying reforms to answer to common problems such as matching pension systems with population ageing;
- j/ national plans to take action against social exclusion in each and every dimension of the problem (including education, health, housing) and meeting the requirements of target groups specific to each national situation;
- k/ improved social dialogue in managing change and setting up of various forms of partnership with civil society, including the dissemination of best practices of companies with higher social responsibility.

3. Strategy and governance

The actual implementation of any strategy requires a political engine, *i.e.* a governance centre at the European level with the power to coordinate policies and adapt them to each national context. The Lisbon decisions made this governance centre stronger, in three ways:

- firstly, the European Council would play a stronger role as co-ordinator of the economic and social policies, henceforth devoting its Spring Council to the monitoring of this strategy, based on a synthesis report presented by the European Commission;
- secondly, the broad economic policy guidelines would improve the synergy between macroeconomic policies, structural policies and employment policy;

- thirdly, in order to complement the legislative instruments, the Union adopted an open method for inter-Member State co-ordination, which began being applied to various policy fields, stepping up the translation of European priorities into national policies.

The open method of coordination was elaborated after a reflection on governance aiming at defining methods for developing European dimension. This elaboration can be summed up as follows.

The political construction of Europe is a unique experience. Its success has been dependent on the ability to combine coherence with respect for diversity and efficiency with democratic legitimacy. This entails using different modes of governance depending on the problems to be solved and involving specific instruments and institutions. For good reasons, various methods have been worked out which are placed somewhere between pure integration and straightforward co-operation. Hence (See Annex C and B):

- Monetary policy is a single policy within the Euro zone.
- National budgetary policies are co-ordinated at European level on the basis of strictly predefined criteria and rules.
- Employment policies are co-ordinated at European level on the basis of guidelines and certain indicators, allowing some room for adjustment at national level.
- A process of co-operation is encouraged in cultural policies, with due regard for national differences.

Policies aimed at building the single market and the EMU, such as competition policy, monetary policy or fiscal policy are, logically, single or based on a stricter method of coordination in relation to the principles to be observed. However, there are other policies which concentrate more on creating new skills and capacities for responding to structural changes. They involve learning more quickly and discovering appropriate solutions. Such policies have resulted in the formulation of strategic guidelines at European level for coping with structural change and which are more open to national diversity.

As a matter of fact the main source of inspiration for the open method of coordination was that of the Luxembourg process regarding European employment strategy. This method was created to overcome a strong political difficulty identified in the preparation of the special European Council of Luxembourg on employment in 1997, because it was not possible to adopt a common target for unemployment reduction, as a counterpart of the common targets for inflation, deficit and debt reduction. But, under the political pressure of this Summit, it became possible to adopt common qualitative guidelines instead, making some political choices to reform the European labour markets. After that, a

process was organized whereby Member States emulate each other in applying them, stimulating the exchange of best practices, and defining specific targets while taking account of national characteristics. The European Commission presents the proposal of European guidelines, organises the follow-up and can make recommendations to Member States. Despite some difficulties, the results obtained have been stimulating and encouraging and the current National action plans for employment adopted by all Member States are proof of this.

4. The open method of coordination

Three years later, the definition of the open method of coordination was expressly undertaken during the preparation of Lisbon European Council in order to develop the European dimension in new policy fields, namely information society, research, innovation, enterprise policy, education and fighting social exclusion. After in depth discussions led by the Presidency with governments, the European Commission, the European Parliament and social partners, this Summit formally adopted this method in the following terms (Presidency Conclusions, 2000):

“Implementing a new open method of coordination

1. *Implementation of the strategic goal will be facilitated by applying a new open method of coordination as the means of spreading best practices and achieving greater convergence towards the main EU goals. This method, which is designed to help Member States to progressively developing their own policies, involves:*
 - *fixing guidelines for the Union combined with specific timetables for achieving the goals which they set in the short, medium and long terms;*
 - *establishing, where appropriate, quantitative and qualitative indicators and benchmarks against the best in the world and tailored to the needs of different Member States and sectors as a means of comparing best practices;*
 - *translating these European guidelines into national and regional policies by setting specific targets and adopting measures, taking into account national and regional differences;*
 - *periodic monitoring, evaluation and peer review organised as mutual learning processes.*

2. *A fully decentralised approach will be applied in line with the principle of subsidiarity in which the Union, the Member States, the regional and local levels, as well as the social partners and civil society, will be actively involved, using varied forms of partnership. A method of benchmarking best practices on managing change will be devised by the European Commission networking with different providers and users, namely the social partners, companies and NGOs.”*

A last issue should be addressed. How could the implementation of the open method of coordination in the different policy fields be coordinated? According to the Lisbon Summit conclusions, paragraph 36:

“These improvements will be underpinned by the European Council taking on a pre-eminent guiding and co-ordinating role to ensure overall coherence and the effective monitoring of progress towards the new strategic goal. The European Council will accordingly hold a meeting every Spring devoted to economic and social questions. Work should consequently be organised both upstream and downstream from that meeting. The European Council invites the Commission to draw up an annual synthesis report on progress on the basis of structural indicators to be agreed relating to employment, innovation, economic reform and social cohesion”.

Hence, the European Council should regularly guide and monitor the outcomes achieved by the open method of coordination in its different fields, based on regular initiatives taken by the European Commission. This requires two different capacities from the Members of the European Council:

- to define general orientations for the different policy fields in order to organise the work of the different formations of the Council upstream and downstream;
- to ensure their implementation at European and national level.

Following the Lisbon Summit conclusions, this method is now being implemented in different policy fields, such as:

- In information society policy, eEurope Action Plan points out clear priorities, best practices, indicators and responsibilities at European and national level.
- In enterprise policy, a benchmarking exercise based on common indicators is being implemented involving national policies.
- In research policy, an Action Plan was adopted based on common objectives for research policy in order to achieve 3% of the EU GDP in R&D investment.
- In the Cardiff process, structural indicators are being identified in order to reinforce the defined priorities to underpin the national reports on economic reforms.

- In education policy, besides the definition of common objectives, indicators and targets, discussion is taking place in order to implement common priorities and best practices using national reports.
- In social inclusion, priorities and indicators were identified, after adopting common objectives, in order to prepare national plans.
- In social protection, common objectives were defined for its modernisation and a regular joint report with the national strategies is being delivered.

As required by the Lisbon Summit conclusions, a set of common structural indicators were adopted by the Nice Council covering the areas of employment, economic reform, innovation and social cohesion and integrated in the Synthesis Report which is presented by the European Commission to the Spring European Council. Over the last three years, these indicators were improved and diversified and are now available in a data basis

(<http://europa.eu.int/comm/eurostat/Public/datashop/print-product/EN?catalogue=Eurostat&product=struct-EN&mode=download>). The European Union can from now on make the follow-up not only of nominal convergence but also of real convergence.

The open method of coordination has already been subject to many discussions at political level and it is also raising some first contributions coming from social sciences researchers. This emerging debate leads me to contribute with some *ex-post* elaboration and clarification. These remarks also take into account recent theoretical developments in political science, economics and management sciences.

Some general remarks seem necessary in order to clarify the method itself:

- the purpose of the open method of coordination is not to define a general ranking of Member States in each policy, but rather to organise a learning process at European level in order to stimulate exchange and the emulation of best practices and in order to help Member States improve their own national policies.
- the open method of coordination uses benchmarking as a technique, but it is more than benchmarking. It creates a European dimension and makes political choices by defining European guidelines and it encourages management by objectives by adapting these European guidelines to national diversity.
- the open method of coordination is a concrete way of developing modern governance using the principle of subsidiarity.

- the open method of coordination can foster convergence on common interest and on some agreed common priorities while respecting national and regional diversities. It is an inclusive method for deepening European construction.
- the open method of coordination is to be combined with the other available methods, depending on the problem to be addressed. These methods can range from harmonisation to co-operation. The open method of coordination itself takes an intermediate position in this range of different methods. It goes beyond inter-governmental cooperation and it is an instrument of integration to be added to a more general set of instruments.
- The European Commission can play a crucial role as a catalyst in the different stages of the open method of coordination namely by: presenting proposals on European guidelines, organising the exchange of best practices, presenting proposals on indicators, supporting monitoring and peer review.
- The open method of coordination can also become an important tool to improve transparency and democratic participation.

The open method of coordination is called “open” for several reasons:

- because European guidelines and their relative priority can be adapted to the national level;
- because best practices should be assessed and adapted in their national context;
- because there is a clear distinction between reference indicators to be adopted at European level and concrete targets to be set by each Member State for each indicator, taking into account their starting point. For example, the common indicators can be the ratio between investment in R&D and the GDP, or the women participation rate, but the target should be different for each Member State. It means that monitoring and evaluation should mainly focus on progressions or relative achievements;
- because monitoring and evaluation should take the national context into account in a systemic approach;
- last, but not least, because the development of this method in its different stages should be open to the participation of the various actors of civil society. Partnership is a tool of modern governance.

5. Overview of the Lisbon strategy implementation

In a general overview of the implementation of the Lisbon strategy, some trends can be drawn:

- the Lisbon strategy has been a central reference in the development and renewal of EU economic and social policies;
- the European Commission has systematically incorporated this strategy in its work programme and has presented a long list of proposals in line with the political agenda and guidelines defined in Lisbon (see the Bibliography in annex);
- the open method of co-ordination, proposed by the said strategy for the deepening of Europe's construction, is being extended to the information society, enterprise, research, innovation, education, social exclusion and social protection policies;
- the Council (namely its Competitiveness, Employment and Social Affairs, Education, Environment and Ecofin formations) is gradually fulfilling the said agenda, based on such proposals (See Annex A);
- part of the guidelines defined at the EU level is currently being adapted by Member States at the national level, even if the connection to the European level is not often made explicit.

Special reference should be made to the most relevant progress, as follows:

- a/ The e-Europe Plan for the information society has achieved a considerable level of implementation at the European and national level. The new edition of this Plan for 2003-2005 has already been launched;
- b/ The Multiannual Programme for Enterprise, approved 2001 and the European Charter for Small Enterprises are the basis of a benchmarking exercise on enterprise policy which is currently under way;
- c/ Both national reports and the synthesis report on economic reforms (the Cardiff process) and the coming Working Programme on the Single Market make reference to the accomplishment of the Lisbon strategy. Significant progress has been made with the approval of the statute of the European company, the communication on services of general interest, the reduction of State aid and liberalisation in the telecom industry and in the energy sectors;

- d/ The reform and integration of financial markets, based on the Financial Services Action Plan, is currently under way;
- e/ The Innovation 2000 Initiative launched by the European Investment Bank has supported a wide range of projects in the Member States;
- f/ The guidelines and instruments for building a European Research Area are underway with the 6th Framework Programme of research and development for 2002-2006;
- g/ The focus on knowledge as a critical factor for the success of the overall strategy was enhanced by the decision to adopt a common framework for the strengthening of innovation and an Action Plan for investing in research.
- h/ In terms of education policy, there is considerable renewal in the approach based on the open method of co-ordination and ambitious common objectives and targets were defined for lifelong learning;
- i/ The employment package approved in the Luxembourg process includes a significant renewal in the guidelines, based on the Lisbon strategy. After a mid-term review, the employment guidelines were also adapted to the general framework of the Lisbon strategy.
- j/ As to the social protection policy, the Commission, the High-Level Group on Social Protection and the Economic Policy Committee are developing very relevant joint work on the problems and implementation of reform strategies;
- k/ The policy on the fight against social exclusion has perhaps achieved the most rapid progress, as the Council-approved list of appropriate objectives was turned into national plans on the fight against social exclusion, in 2001. A second generation of national plans is now being launched;
- l/ After complex discussion, the European Social Agenda was approved at the Nice European Council, defining the social policy priorities for the next 5 years;
- m/ The environmental dimension was added by the European Council of Stockholm in 2001 to the economic and social dimensions defined in Lisbon, providing the European Union with a comprehensive strategy for sustainable development.

Another novelty to be underlined concerns the procedure to coordinate the broad economic guidelines with the employment guidelines and the single market agenda. They were synchronized which means that, from now on, their main orientations will be defined in a more coherent way by each Spring European Council and their specification will be endorsed by the European Council of June.

This more consistent timeframe will make it easier to coordinate the economic and social policies at both European and national level.

Nevertheless, and in spite of this progress, a decisive test to the effectiveness of the Lisbon strategy is the Member States' ability to implement it at the national level. We will deal with these issues in more detail in the next sections.

Addressing a medium term agenda of structural reforms in the context of globalisation, the Lisbon strategy might keep its relevance for the years to come. Nevertheless, its effectiveness depends crucially on the institutional reform of the Union itself, in a challenging period of enlargement and reshaping of the global order. Another condition for success is more informed and participative civil society and public opinion.

6. Some implications of the Lisbon strategy for the institutional reform of the European Union

It is also important to identify the implications of the Lisbon strategy for the institutional reform of the European Union. Taking into account the structure of the Constitutional Treaty recently adopted by the European Council, the main implications seem to have been taken into account in the following terms, in spite of some important shortcomings:

a) The objectives of the Union:

- to keep the balance between the three dimensions of sustainable development: economic, social and environmental;
- to promote full employment
- to combine stronger European coherence with respect for national diversity.

b) The European citizenship:

- the policies comprised by the Lisbon Strategy can contribute to giving a concrete content to the rights included in the European Charter of Fundamental Rights.

c) The competences and the actions of the Union:

- the implementation of the Lisbon strategy is based on the construction of a multilevel system of governance coupled with an enhanced European government;
- the key issue is to create a positive synergy in the interaction between the different levels (European, national and local);
- this requires a good mix in each policy between the exclusive competences of the Union (predominant in trade, competition and monetary policies), the shared competences (predominant in fiscal, environment, research or employment policies) and the support competences of the Union by promoting and coordinating the national policies (competences which are predominant in the education, innovation, social protection and social inclusion policies).

d) The institutions of the Union:

- the European government should be based on a stronger synergy between the Commission and the Council;
- the exclusive right of the initiative belongs to the European Commission as it can be seen in the presentation of the Spring Report followed by the presentation of the guidelines for the different policies;
- the European Council is supposed to play a role of strategic leadership, general co-ordination of the various policies and their enforcement at national level; the Spring European Council is particularly focused on the Lisbon strategy, coordinating the annual cycle of the economic and social policies;
- the distinction between the legislative and the executive Council can be very useful;
- the formations of the Council which are relevant for the Lisbon strategy are: Ecofin, Employment and Social Policy, Competitiveness, Environment, Education, Transports and Telecommunications. It is particularly important to create a Council of General Affairs composed by ministers of European Affairs representing the Prime ministers and able to co-ordinate the various policies, to prepare and to make the follow-up of the European Council;
- the European Parliament should be involved more systematically in the follow-up of the Lisbon strategy, as well the national parliaments; this requires a better coordination among the different commissions.

e) The implementation of the Union's competences and actions:

- the Lisbon strategy should make full use of the different instruments of the Union: legislative (laws or framework laws), implementation acts, support instruments for promoting or for coordinating the national policies, such as the open method of coordination;
- the qualified majority voting should be extended to more legislative instruments;
- the coordination of the various policies should be based on a coordinated calendar for adoption, implementation and assessment.
- the open method of coordination should have more clear references in the Treaty, compatible with some adaptation to each specific policy. The main components of this method, which should be mentioned in the Treaty, are:
 - common guidelines or objectives adopted at European level;
 - their adaptation to the national and the regional policies;
 - a monitoring procedure with a peer review based on common indicators and on identifying best practices;
 - the initiative by the European Commission and the validation by the Council and the European Parliament;
 - a procedure to involve the social partners and the other stakeholders of the civil society.

f) The Union's democratic life:

- the open method of co-ordination enhances the principles of participative democracy, partnership and sharing responsibilities;
- the possible roles of the civil dialogue and the social dialogue should be clearly identified.

g) The finances of the Union:

- the coordination of the national policies has a multiplier effect on the Union's budget;
- the Union's budget might involve the means to support the Union's competences in the Lisbon strategy.

h) The external action of the Union:

- a more co-ordinated external action of the Union is crucial to reap the full benefits of the Lisbon strategy, understood as a pro-active response to globalisation.

Finally, the identification of the instruments to be used in each policy should define a "floor" but not a "ceiling". Further developments should be allowed, setting an evolutionary concept of the polity underpinning the new Treaty. Managing this interaction between the policies' evolution and the institutional reforms has been the essential art of the European construction.

7. Prospects for the Lisbon Strategy

An effort of synthesis was necessary to prepare the Lisbon strategy. This kind of effort is also necessary to do the follow-up (as shown by each Spring European Council), and even more, its assessment. In a very preliminary way, let me try to point out some of the progress which has been achieved, as well as some of the difficulties and new challenges to be faced.

7.1. Starting with the information society, which seems one of the best examples of concrete progress we are having for the moment. An innovative approach was put forward to develop information society, based on expanding the different uses of Internet and preparing people, companies and public services. The E-Europe action plan gave a boost to information society plans at national level, and the benchmarking exercise is making real progress on the ground. A second European plan has already been presented for the next three years. However, a knowledge-based society is more than information society and there are still many areas where Europe is lagging behind US. Information Technologies must be combined with deeper organisational change for an effective modernisation of public administrations and companies. In order to generalize this access across all social groups and to bridge the digital divide, it is also important to invest in new technological solutions such as broadband and digital TV.

7.2. In the research policy we are already launching the 6th framework programme whose aim is to create a European research area by networking excellence and improving the co-ordination of national programmes. Recently, in the Barcelona European Council an ambitious target was defined: by 2010, an

average of 3% of the European GDP should be invested in R&D, combining public and private investment. An Action Plan was adopted afterwards with this purpose. But here lies a clear difficulty: in order to reach this target, it is crucial to develop an ambitious strategy for a knowledge-based economy with a relevant European dimension. This is a matter not only for R&D institutions but also for companies.

7.3. That is why policies for innovation and enterprise will become crucial. It means to cut red tape, to foster entrepreneurship, to tackle the skills gap, to strengthen the interface between R&D institutions and companies, to develop partnerships for innovation. The open method of co-ordination can boost to this process. I think we now have the political conditions for a step forward: to develop national plans for entrepreneurship and innovation, adapting the European guidelines already identified at European level. This can make a difference to European competitiveness.

7.4. The recent endorsement of the Galileo project is also fulfilling a European ambition to launch leading technological undertakings with very relevant spill-over effects. By contrast, the ongoing discussion on community patent, even if a broad political agreement was already reached, is still hindered by too particular national interests.

The environment for innovation can also be strongly improved by opening the markets, integrating financial markets and providing risk capital at European level. That is why the recent decision of Barcelona European Council to liberalise the energy market and to endorse the Lamfalussy report on financial markets is so important. The decision of the European Council also proved that it is possible to combine liberalisation and services of public interest. The telecommunications sector is already presenting some examples, but more in-depth discussion is needed to provide concrete solutions in each sector. The single market in services should now become the next frontier.

7.5. The labour market policies are being up-dated not only to provide a concrete solution for each unemployed person but also to increase the sustainability of the social protection systems. They should also be reformed in order to facilitate the mobility throughout the life cycle between jobs, training and family life. The development of a diversified services sector to support families is also a pre-condition for equal opportunities.

7.6. In the social field, there is also relevant progress. Following the experience of the Luxembourg process for employment policies, the open method of co-ordination is now being applied in social inclusion policy: all Member States now have national plans for fighting social exclusion in its old and new forms, such as the risk of social divide. The same process is being developed in social protection, in spite of the national diversity in this field, in order to reform the pension system to cope with ageing trends. Nevertheless, complex problems of sustainability will still have to be dealt with. More broadly, the European social agenda is dealing with very diversified problems concerning the reform of the European social model.

7.7. Even in education policy, a classic domain of national sovereignty, it was recognised that Member States are facing a set of common problems which justified a set of common objectives concerning quality, access, basic skills, lifelong learning. Member States commit themselves to reporting regularly on their progress in the framework of the open method of co-ordination, which is being organised in this field. Social partners are also in line with these efforts with their recently agreed framework for action on lifelong learning. But we are still facing many difficulties in order to build a so-called learning society: how should we share the costs of this investment? How should the social management of time evolve? How can schools become open learning centres? The education and training systems are being challenged to provide learning opportunities to new publics using multimedia instruments and creating open learning centres. The moment is arrived to define how should these costs of lifelong learning be shared between public authorities, companies and individuals in order to provide real opportunities for all.

Let me conclude by pointing out some key issues to be addressed in the future development of the Lisbon strategy. This exercise should be amplified by stronger interaction between policy makers and researchers.

First of all, enlargement implications. The Lisbon strategy should be envisaged by candidate countries as an opportunity for catching up more than as an additional difficulty. That is why the open method of co-ordination is based on common priorities and indicators, but it also assumes that the concrete targets are defined by the Member States themselves, according to their different points of departure. This means that the Lisbon strategy and the open method of co-ordination also provide a framework for real convergence and for reconsidering economic and social cohesion policies.

Macroeconomic policies, namely budgetary and tax policies should, in the framework of the Stability Pact, be more sophisticated to foster structural change. For instance, public expenditure and tax incentives should be more focused on supporting innovation and lifelong learning. It is also important to remind that Lisbon strategy aims at fostering the growth potential and the growth rate in a sustainable path. With a higher rate of sustainable growth, it will be easier to keep up with the stability criteria. If macroeconomic policies and structural reforms are to be mutual reinforcing, their interaction should become more sophisticated. New criteria and indicators should be identified in order to assess the quality of public finances and their impact on structural change and on growth potential. These criteria should be taken into account when examining the national stability and growth programmes and the nature of the public debt and the public deficit. Finally we should not forget the possible role of tax policy in increasing the growth potential, notably by stimulating and rewarding the most innovative small and medium enterprises. All these issues require further debate.

Finally, we need to strengthen a comprehensive approach to build a knowledge-based economy and society. This is crucial for the success of the Lisbon strategy. This can make the difference in the European way. We need to build a new kind of competitive factors in order to sustain our quality of life.

Knowledge is more than information, partnerships for innovation should be encouraged and knowledge management procedures should be improved in companies, schools, R&D institutions and public services. Our cultural diversity is an asset because it enables us to understand other cultures and can give us a more effective role in a globalised world.

The main concern regarding the Lisbon strategy should now be meeting the already defined targets, carrying on its translation to the national level and converting it into an agenda for the initiative of the different actors.

After the third Spring European Summit – Stockholm, Barcelona and Brussels under the Greek Presidency - one can say that the Lisbon strategy is entering a new stage. After a vast work carried out by the European institutions, most of the orientations which were adopted in Lisbon Summit are specified into action plans, directives and other instruments. The priority effort should move to their adaptation and implementation at national and local level, including the new Member States.

Bibliography

General

European Commission (1994), *Growth, competitiveness, employment – The challenges and ways forward into the 21st Century*, Luxembourg: Office for Official Publications of the European Communities.

Presidency of the European Union (2000), *Document from the Presidency – “Employment, Economic Reforms and Social Cohesion – Towards a Europe based on innovation and knowledge”*, Council of the European Union 5256/00, 12.01.2000.

Council of the European Union (2000-A), *Conclusions of the Lisbon European Council*, Council of the European Union SN 100/00, 23-24 March 2000.

Presidency of the European Union (2000), *Note on the ongoing experience of the open method of co-ordination*, 9088/00, 14.06.2000.

European Parliament (2001), *Report on the Spring 2001 European Council: The Lisbon process and the path to be followed*, A5-0034/2001, 30.01.2001.

European Commission (2001), *Communication from the Commission: Realising the European Union’s potential: consolidating and extending the Lisbon Strategy*, COM (2001) 79, 08.02.2001.

Presidency Conclusions (Stockholm European Council), Ref. Council of the European Union SN 200/01

European Commission (2002), *Contribution to the Spring European Council in Barcelona: The Lisbon Strategy – Making Change happen*, COM (2002) 14 final, 15.01.2002.

Presidency Conclusions (Barcelona European Council), Ref. Council of the European Union SN 100/02

Rodrigues, Maria João (coord.) (2002-A) with the collaboration of Robert Boyer, Manuel Castells, Gøsta Esping-Andersen, Robert Lindley, Bengt-Åke Lundvall, Luc Soete and Mario Telò, *The New Knowledge Economy in Europe – a strategy for international competitiveness and social cohesion*, Cheltenham: Edward Elgar.

European Commission (2003–A), *Communication: Choosing to grow: Knowledge, Innovation and Jobs in a Cohesive Society – Report to the Spring European Council, 21 March 2003 on the Lisbon strategy of economic, social and environmental renewal*, COM (2003) 5 final, 14.01.2003

Council of the European Union (2003), *Conclusions of the Brussels European Council*, Council of the European Union SN 100/03, 20-21 March 2003
Information Society Policy

European Commission, *eEurope 2002 An Information Society for all, Action Plan prepared for Feira European Council*, 14.06.00

European Commission, *eEurope 2005: An information society for all – Action Plan to be presented in view of the Sevilla European Council*, Ref. COM (2002) 263 final, 28.05.02

European Commission, *eEurope 2002 Final Report*, Ref. COM (2003) 66 final, 11.02.2003.

European Commission, *The Role of eGovernment for Europe's Future*, Ref. COM (2003) 567 final, 26.09.2003.

European Commission, *Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and The Committee of the Regions: the Role of eGovernment for Europe's Future*, Ref. COM (2003) 567, 01.10.2003

Research Policy

European Commission (2000), *Communication: Towards a European Research Area*, COM (2000) 06, 18.01.2000.

European Commission (2000), *Communication: Making a reality of the European Research Area: Guidelines for EU research activities (2002-2006)*, COM (2000) 612 final, 04.10.2000.

European Parliament, Council of the European Union (2002), *Decision concerning the 6th Framework Programme of the European Community for Research, Technological development and Demonstration activities, contributing to the creation of the European Research Area and to innovation (2002-2006)*, PE-CONS 3635/02, 27.06.2002.

European Commission (2003-G), *Communication from the Commission Investing in Research: an Action Plan for Europe*, COM (2003) 226 final, 30.04.2003

European Commission, *Researchers in the European Research Area: One Profession, Multiple Careers*, COM (2003) 436 final, 18.07.2003

European Commission, *A Coherent Framework for Aerospace – a Response to the STAR 21 Report*, Ref. COM (2003) 600, 13.10.2003

Innovation Policy

European Commission (2000), *Communication: Innovation in a Knowledge-driven economy*, COM (2000) 567, 20.09.2000.

European Commission (2002), *Communication from the Commission: Industrial Policy in an Enlarged Europe*, COM (2002) 714 final, 11.12.2002.

European Commission (2003–D), *Communication from the Commission Innovation Policy: Updating the Union's Approach in the Context of the Lisbon Strategy*, COM (2003) 112 final, 11.03.2003.

Enterprise Policy

European Commission (2000), *Benchmarking Enterprise Policy – First results from the Scoreboard*, SEC (2000) 1842, 27.10.2000.

European Commission (2003-B), *Green Paper on Entrepreneurship in Europe*, COM (2003) 27 final, 21.01.2003

European Commission, *European competitiveness report 2003*, Ref. SEC (2003) 1299, 12.11.2003.

European Commission, *Some Key Issues in Europe's Competitiveness – Towards an Integrated Approach*, COM(2003) 704 final, 21.11.2003

Single Market Policy

European Commission, *Financial Services Action Plan – Second Progress Report (2000)*, COM (2000) 336 final, 30.05.2000.

Macroeconomic Policies

European Investment Bank (2001), *Innovation 2000 Initiative: From Lisbon to Stockholm: the EIB's i2i one year after – Progress and perspectives in implementation*, March 2001.

European Commission (2003-E), *Communication from the Commission on the Broad Guidelines of the Economic Policies of the Member States and the Community (for the 2003-2005 period)*, COM (2003) 170 final, 08.04.2003

Education Policy

European Commission (2000), *Communication from the Commission eLearning – Designing tomorrow's education*, COM (2000) 318 final, 24.05.2000.

European Commission (2001), *Report on the future objectives of education systems*, COM (2001) 59 final, 31.01.2001.

Council of the European Union (2002), *Declaration of the European Ministers of Vocational Education and Training, and the European Commission, convened in Copenhagen on 29 and 30 November 2002, on enhanced European cooperation in vocational education and training – “The Copenhagen Declaration”*, Copenhagen, 30.11.2002

European Commission (2003-C), *Communication from the Commission The role of the universities in the Europe of knowledge*, COM (2003) 58, 05.02.2003

Council of the European Union, *Council Conclusions on Reference Levels of European Average Performance in Education and Training (Benchmarks)*, 8981/03, 07.05.2003

European Commission, *"Education & Training 2010" – The success of the Lisbon strategy hinges on urgent reforms*, (Draft joint interim report on the implementation of the detailed work programme on the follow-up of the objectives of education and training systems in Europe), COM(2003) 685 final, 11.11.2003

Employment Policy

European Commission (2003-F), *Proposal for a Council decision on Guidelines for the Employment Policies of the Member States*, COM (2003) 176 final, 08.04.2003

European Commission, *Joint Employment report 2002*.

European Commission, *The future of the European Employment Strategy (EES) "A strategy for full employment and better jobs for all"*, COM (2003) 6 final, 14.01.2003.

European Commission, *Employment in Europe 2003 – Recent Trends and Prospects*, September 2003

Employment Package:

- European Commission, *Joint Employment report 2003*

- European Commission, *Recommendation for a Council Recommendation on the implementation of Member States' employment policies*,
- European Commission, *Proposal for a Council Decision on Guidelines for Member States' employment policies for the year 2003*

European Commission, *Improving quality in work: a review of recent progress*, Ref. COM (2003) 728 final, 26.11.2003.

Social Policy

European Commission (2000), *Social Policy Agenda*, COM (2000) 379 final, 28.06.2000.

Council of the European Union (2000-C), *Fight against poverty and social exclusion – Definition of objectives for Nice European Council – Political agreement*, Ref. 12189/00, 10.10.2000.

SPC and EPC (2001), *Quality and Viability of Pensions, Joint Report by the Social Protection Committee and the Economic Policy Committee on Objectives and Working Methods in the Area of Pensions: Applying the Open Method of Co-ordination*, November 2001.

European Commission, *Modernising Social Protection for More and Better Jobs – a comprehensive approach contributing to making work pay*, Ref. COM (2003) 842 final, 30.12.2003.

Sustainable Development Policy

European Commission (2001), *Communication from the Commission, A Sustainable Europe for a Better World: a European Union Strategy for Sustainable Development*, COM (2001) 264 final, 15.05.2001.

E-Links

<http://www.europa.eu.int>

http://europa.eu.int/comm/lisbon_strategy/index_en.html

<http://www.theepc.be>

<http://www.cer.org.uk>

<http://www.notre-europe.asso.fr>

ANNEXES TO THE PAPER

“An overview of the Lisbon Strategy

- The European agenda for competitiveness, employment and social cohesion”

Annex A

The Lisbon Strategy

Policies, European instruments and concrete measures

Policies	European Instruments	Some Concrete Measures
Information Society	eEurope Action Plan	<ul style="list-style-type: none"> - Internet access in schools, public services, companies - e-commerce
Enterprise Policy	Multiannual Programme for Enterprise and Entrepreneurship European Charter for Small Enterprises	<ul style="list-style-type: none"> - Support to start-ups - Cutting red tape
Innovation Policy	Framework of Common Objectives	<ul style="list-style-type: none"> - Developing the national systems of innovation
Research Policy	6 th Framework Programme European Research Area Towards 3% of GDP Action Plan for Research	<ul style="list-style-type: none"> - Networks of excellence - Integrated projects
Single Market	Single Market Agenda Financial Services Action Plan Risk-Capital Action Plan	<ul style="list-style-type: none"> - Telecommunications package - Energy - Single sky - Community patent - Gallileo
Education	Common objectives and targets eLearning Bologna Process for High Level Education Copenhagen Declaration for lifelong learning Action Plan for skills and mobility	<ul style="list-style-type: none"> - New tools for lifelong learning - Convergence of degrees and recognition of qualifications

Employment	European Employment Strategy: Joint Employment Report, Employment guidelines and Recommendations for Members States' employment policies	<ul style="list-style-type: none"> - Better employment services - Adaptability with security - Equal opportunities - Active ageing
Social Protection	Common objectives for pension provision Integrated approach for safe and sustainable pensions	<ul style="list-style-type: none"> - Coping with ageing
Social Inclusion	Common objectives Community Action Programme to combat discrimination Framework strategy on gender equality	<ul style="list-style-type: none"> - Targeted measures for the National Action Plans
Environment	EU strategy for sustainable development 6 th Community Action Programme for Environment Community Eco-label working plan	<ul style="list-style-type: none"> - Community Eco-label awards - Environmental inspections
Macroeconomic Policies	Broad Economic Policy Guidelines Stability and Growth Pact	<ul style="list-style-type: none"> - Redirecting public expenditure for growth and employment

Annex B

The Lisbon Strategy

The instrument mix of the various policies

Policies	Types of Instruments		
	Directives	Open Method of Coordination	Community Programmes
Information Society	<ul style="list-style-type: none"> - Directive on a common regulatory framework for electronic communications networks and services - Directive on privacy and electronic communications - Universal Service Directive - Authorisation Directive - Access Directive - Directive on electronic commerce' - Directive on a Community framework for electronic signatures 	eEurope Action Plan	<ul style="list-style-type: none"> - Programme to encourage the development, distribution and promotion of European audiovisual works (MEDIA Plus) (2001-2005) - Multiannual programme to promote the linguistic diversity of the Community in the information society
Enterprise Policy	Technical harmonization directives	European Charter for Small Enterprises	Multiannual Programme for Enterprise and Entrepreneurship

Innovation Policy		Framework of Common Objectives	
Research Policy		European Research Area Towards 3% of GDP Action Plan for Research	6 th Framework Programme
Single Market	Harmonization directives	<ul style="list-style-type: none"> - Financial Services Action Plan - Risk-Capital Action Plan 	
Education	Directive establishing a mechanism for the recognition of qualifications in respect of the professional activities covered by the Directives on liberalisation and transitional measures and supplementing the general systems for the recognition of qualifications	<ul style="list-style-type: none"> - eLearning - Common objectives and targets - Bologna Process for High Level Education - Copenhagen Declaration for lifelong learning - Action Plan for skills and mobility 	
Employment	<ul style="list-style-type: none"> - Directive on the abolition of restrictions on movement and residence within the Community for nationals of Member States with regard to establishment and the provision of services - Directive on the 	European Employment Strategy: Joint Employment Report, Employment guidelines and Recommendations for Members States' employment policies	

	<p>introduction of measures to encourage improvements in the safety and health of workers at work</p> <ul style="list-style-type: none"> - Directive on the organisation of the working time of persons performing mobile road transport activities - Directive concerning the framework agreement on fixed-term work concluded by ETUC, UNICE and CEEP - Directive concerning certain aspects of the organization of working time - Directive supplementing the measures to encourage improvements in the safety and health at work of workers with a fixed- duration employment relationship or a temporary employment relationship - Directive on the 		
--	---	--	--

	approximation of the laws of the Member States relating to the application of the principle of equal pay for men and women		
Social Protection	Directive on the implementation of the principle of equal treatment for men and women in occupational social security schemes	<ul style="list-style-type: none"> - Common objectives for pension provision - Integrated approach for safe and sustainable pensions 	
Social Inclusion		<ul style="list-style-type: none"> - Common objectives - Framework strategy on gender equality 	Programme of Community action to encourage cooperation between Member States to combat social exclusion
Environment	<p>Directives on the protection and improvement of the environment</p> <p>Directive on the assessment of the effects of certain public and private projects on the environment</p>	<ul style="list-style-type: none"> - EU strategy for sustainable development - Community Eco-label working plan - Council Resolution on Corporate Social Responsibility 	6 th Community Action Programme for Environment

Annex C
Lisbon Strategy

Policies, Modes of Governance and Instruments

Policies		Monetary Policy	Trade Policy	Single market Policy	Fiscal Policy	Employ-ment Labour Policies	Research Policy	Social Protection & Social Inclusion Policies	Edu-cation & Training Policies	Enterprise & Innovation Policies	Environment
Modes of Instruments											
Governance											
Single policy	Delegation in European bodies, laws	X	X	X							
Harmonisation of national policies	Framework laws			X		X		X			X
Coordination of national policies	Framework laws, decisions				X		X				
Open coordination of national policies	Decision on recommendations with monitoring and opinions					X	X	X	X	X	X
Cooperation of national policies	Recommendations						X	X	X	X	X
Supporting national policies	Community programs					X	X	X	X	X	X

Annex D

Progress on the implementation of the Lisbon Strategy Checking against the Lisbon European Council Conclusions

Information Society

Lisbon European Council Conclusions	Community and national Instruments
<p>The shift to a digital, knowledge-based economy, prompted by new goods and services – a powerful engine for growth, competitiveness and jobs, capable of improving citizens' quality of life and the environment.</p>	<p>eEurope An Information Society for all; eEurope 2002; eEurope2005</p>
<p>Creating the conditions for electronic commerce and the Internet to flourish (legislation on the legal framework for electronic commerce, on copyright and related rights, on e-money, on the distance selling of financial services, on jurisdiction and the enforcement of judgements, and the dual-use export control regime; the Commission and the Council to consider how to promote consumer confidence in electronic commerce; review of the telecoms regulatory framework; unbundling the local loop, ensure that all schools in the Union have access to the Internet and multimedia resources by the end of 2001; generalised electronic access to main basic public services by 2003) (§10) Fully integrated and liberalised telecommunications markets should be completed by the end of 2001</p>	<p>E-commerce and financial services <i>Legal aspects of e-commerce</i></p> <p>Regulation of the European Parliament and of the Council on unbundled access to the local loop; eEurope 2005; e-Learning; eEurope Action Plan; eAccessibility; eEurope 2005; eGovernment for Europe's future</p>

R&D Policy

Lisbon European Council Conclusions	Community and national Instruments
Integrate Research activities at national and Union level	FP6; Making a reality of the European Research Area: Guidelines for EU research activities (2002-2006); Towards 3% of GDP; Action Plan for Research
To develop appropriate mechanisms for networking national and joint research	Towards 3% of GDP; Action Plan for Research
To map by 2001 research and development excellence in all Member States	Mapping of excellence
improve the environment for private research investment, R&D partnerships and high technology start-ups	
encourage the development of an open method of coordination for benchmarking national research and development	Elaboration of an open method of coordination for the benchmarking of national research policies – objectives, methodology and indicators; Progress Report on Benchmarking of National Research Policies
introduce a European innovation scoreboard	Innovation scoreboard
facilitate the creation of a very high-speed transeuropean network for electronic scientific communications	
take steps to remove obstacles to the mobility of researchers in Europe	Investing in Research: An Action Plan for Europe; Researchers in the ERA: one profession, multiple careers; Towards 3% of GDP; Action Plan for Research
ensure that a Community patent is available, including the utility model	Community patent

Enterprise Policy

Lisbon European Council Conclusions	Community and national Instruments
An open method of coordination should be applied in this area	Benchmarking Enterprise Policy
to launch a benchmarking exercise on issues such as the length of time and the costs involved in setting up a company, the amount of risk capital invested, the numbers of business and scientific graduates and training opportunities	Benchmarking Enterprise Policy;
the Commission to present a communication on an entrepreneurial, innovative and open Europe	Building an entrepreneurial Europe – Activities of the Union in favour of SMEs; Innovation Policy: updating the Union's approach in the context of the Lisbon strategy; Fostering structural change: an industrial policy for an enlarged Europe
the Council and the Commission to draw up a European Charter for small companies	European Charter for Small Enterprises ; Report on the implementation of the European Charter for Small Enterprises

Internal Market

Lisbon European Council Conclusions	Community and national Instruments
ensure that a Community patent is available	Community Patent
to set out a strategy for the removal of barriers to services	Review of the internal market strategy
to speed up liberalisation in areas such as gas, electricity, postal services and transport	European strategy for safety of energy supply; Realizing the Energy Internal Market; Presidency report to the Laeken European Council on the Internal Market of electricity and gas
Similarly, regarding the use and management of airspace	European single sky; European Space Strategy; A Coherent Framework for Aerospace – a Response to the STAR 21 Report
to update public procurement rules	
Make it possible for Community and government procurement to take place on-line	Delivery of pan-European eGovernment Services to Public Administrations, Businesses and Citizens
a strategy for further coordinated action to simplify the regulatory environment	BEST Task Force reports; European Commission, Communication "Simplifying and enhancing the regulatory environment "
to further their efforts to promote competition and reduce the general level of State aids	
update Commission 1996 communication concerning services of general economic interest	Communication: Services of general interest in Europe; Report to the Laeken European Council on Services of General Interest

Financial Markets

Lisbon European Council Conclusions	Community and national Instruments
to set a tight timetable so that the Financial Services Action Plan is implemented by 2005	Financial Services Action Plan- Progress reports
to ensure full implementation of the Risk Capital Action Plan by 2003	Progress Report on the Risk Capital Action Plan
to make rapid progress on proposals on takeover bids and on the restructuring and winding-up of credit institutions and insurance companies	Final report on the regulation of European Securities Markets
conclude the tax package	Tax package

Economic Reform and Cardiff Process

Lisbon European Council Conclusions	Community and national Instruments
to step up work on structural performance indicators and to report by the end of 2000	Structural indicators
The European Council will hold a meeting every Spring devoted to economic and social questions	Spring European Councils

The European Council invites the Commission to draw up an annual synthesis report on progress on the basis of structural indicators	Structural indicators; Synthesis reports
---	---

Education and Training Policy

Lisbon European Council Conclusions	Community and national Instruments
A new approach based on three main components: the development of local learning centres, the promotion of new basic skills, in particular in the information technologies, and increased transparency of qualifications	e-Learning Action Plan
a substantial annual increase in per capita investment in human resources	Report on the future objectives of education systems; European Benchmarks for Education and Training; Council Conclusions on Reference Levels of European Average Performance in Education and Training
the number of 18 to 24 year olds with only lower-secondary level education who are not in further education and training should be halved by 2010;	
schools and training centres, all linked to the Internet, should be developed into multi-purpose local learning centres accessible to all	e-Learning Action Plan; Report on the future objectives of education systems
a European framework should define the new basic skills to be provided through lifelong learning: IT skills, foreign languages, technological culture, entrepreneurship and social skills	Making the European area of lifelong learning a reality
a European diploma for basic IT skills should be established in order to promote digital literacy throughout the Union	
define the means for fostering the mobility of students, teachers and training and research staff	Action Plan for skills and mobility; Researchers in the European Research Area: One Profession, Multiple Careers
a common European format should be developed for curricula vitae	European CV format
The European Council asks the Council (Education) to undertake a general reflection on the concrete future objectives of education systems	Report on the future objectives of education systems; "Education & Training 2010" – The success of the Lisbon strategy hinges on urgent reforms; European Benchmarks for Education and Training

Employment Policy

Lisbon European Council Conclusions	Community and national Instruments
The mid-term review of the Luxembourg Process should give a new impetus to this process by enriching the guidelines and giving them more concrete targets	European Employment Strategy; Employment guidelines, National Employment Plans
improving employability and reducing skills gaps, in particular by providing employment services with a Europe-wide data base on jobs and learning opportunities	Eures Job Mobility portal
promoting special programmes to enable unemployed people to fill skill gaps	
giving higher priority to lifelong learning as a basic component of the European social model	Employment Guidelines; Making the European area of lifelong learning a reality
increasing employment in services	Employment Guidelines
furthering all aspects of equal opportunities, including reducing occupational segregation, and making it easier to reconcile working life and family life, in particular by setting a new benchmark for improved childcare provision	Employment Guidelines
raise the employment rate from an average of 61% today to as close as possible to 70% by 2010 and to increase the number of women in employment from an average of 51% today to more than 60% by 2010.	Employment Guidelines; Increasing labour force participation and active ageing

Social Protection Policy

Lisbon European Council Conclusions	Community and national Instruments
strengthen cooperation between Member States by exchanging experiences and best practice	Report of the High Level Party on Social Protection relating to the effort of the co-operation for the modernisation and the enhancement of social protection; Joint report on adequate and sustainable pensions; National reports on social protection
mandate the High Level Working Party on Social Protection, taking into consideration the work being done by the Economic Policy Committee to prepare a study on the future evolution of social protection from a long-term point of view	The future evolution of Social Protection from a Long-Term Point of view: Safe and Sustainable Pensions

Social Inclusion Policy

Lisbon European Council Conclusions	Community and national Instruments
Policies for combating social exclusion should be based on an open method of coordination combining national action plans and a Commission initiative for cooperation in this field to be presented by June 2000	Social Policy Agenda; Fight against poverty and social exclusion – Definition of objectives for Nice European Council; Scoreboard on implementing the Social Policy Agenda
promote a better understanding of social exclusion through continued dialogue and exchanges of information and best practice, on the basis of commonly agreed indicators	Social Policy Agenda; Decision establishing a programme of Community action to encourage cooperation between Member States to combat social exclusion; National Action Plans for Inclusion; Scoreboard on implementing the Social Policy Agenda
mainstream the promotion of inclusion in Member States' employment, education and training, health and housing policies, this being complemented at Community level by action under the Structural Funds within the present budgetary framework	Amended Proposal for a Council Decision on the Programme relating to the Community framework strategy on gender equality
develop priority actions addressed to specific target groups (for example minority groups, children, the elderly and the disabled), with Member States choosing amongst those actions according to their particular situations and reporting subsequently on their implementation	Inclusion – exploiting the opportunities of information society for social inclusion
Taking account of the present conclusions, the Council will pursue its reflection on the future direction of social policy on the basis of a Commission communication, with a view to reaching agreement on a European Social Agenda	Social Policy Agenda

Sustainable Development

Göteborg European Council Conclusions	Community and national Instruments
Member States to draw up their own national sustainable development strategies	National Strategies presented in March 2002
the Commission will present a report assessing how environment technology can promote growth and employment	
supports the Commission's work on a draft on the labelling and traceability of GMOs	
asks the Council to take due account of energy, transport and environment in the 6th Framework Programme for Research and Development	6th FP of R&D
commitment to delivering on Kyoto targets	2010: Our Future, Our Choice – 6th Community Environmental Action Programme – Report 2001 under Council Decision 93/389/EEC for a monitoring mechanism of Community GHG emissions
The European Parliament and the Council to adopt by 2003 revised guidelines for trans-European transport networks on the basis of a forthcoming Commission proposal	
the Commission will propose a framework to ensure that by 2004 the price of using different modes of transport better reflects costs to society	
the Common Agricultural Policy and its future development should, among its objectives, contribute to achieving sustainable development by increasing its emphasis on encouraging healthy, high-quality products, environmentally sustainable production methods, including organic production, renewable raw materials and the protection of biodiversity	Reform of the CAP
the review of the Common Fisheries Policy in 2002 should, on the basis of a broad political debate, address the overall fishing pressure by adapting the EU fishing effort to the level of available resources, taking into account the social impact and the need to avoid over-fishing	Review of the CFP
the EU Integrated Product Policy aimed at reducing resource use and the environmental impact of waste should be implemented in cooperation with business	
biodiversity decline should be halted with the aim of reaching this objective by 2010 as set out in the 6th Environmental Action Programme	2010: Our Future, Our Choice – 6th Community Environmental Action Programme
develop sector strategies for integrating environment into all relevant Community policy areas with a view to implementing them as soon as possible and present the results of this work before the Spring European Council in 2002	

Annex E

Guidelines

Information Society

The action plan [eEurope 2005] is structured around four lines, which are interlinked:

Firstly, **policy measures** (Modern online public services; A dynamic e-business environment; A secure information infrastructure; Broadband) to review and adapt legislation at national and European level, to strengthen competition and interoperability, to create awareness, and to demonstrate political leadership.

Some key targets are:

- Connecting public administrations, schools, health care to broadband
- Interactive public services, accessible for all, and offered on multiple platforms
- Provide online health services
- Removal of obstacles to the deployment of broadband networks
- Review of legislation affecting e-business
- Creation of a Cyber Security Task Force

Secondly, the implementation of policy measures is supported by the development, analysis and dissemination of **good practices**. Projects will be launched to accelerate the roll-out of leading edge applications and infrastructure.

Thirdly, policy measures will be monitored and better focused by **benchmarking** of the progress made in achieving the objectives and of the policies in support of the objectives.

Fourthly, **an overall co-ordination of existing policies** will bring out synergies between proposed actions. A steering group will provide a better overview of policy developments and ensure a good information exchange between national and European policy makers and the private sector.

In eEurope 2005: An information society for all – Action Plan

At mid-term of the eEurope 2005 Action Plan important progress has been made. The eEurope 2005 targets remain valid, in the context of the enlargement of the EU to 25 members and the consultation revealed that it has acted as a stimulus to many national and regional efforts.

Achieving the goals of eEurope 2005 requires strong political leadership and commitment at all levels. A concerted effort is needed from all sides if we are to achieve the productivity gains and job creation expected from eEurope. This push to maturity means emphasising the delivery of solutions and on scaling up fast from success stories to critical mass.

Specific areas that require greater focus and will be important in the revision of the action plan are:

- Interoperability, standards and multi-platform access emerged in all areas as requiring greater focus. In many cases the key requirement is not technical solutions but the setting up of multi-party or institutional agreements.
- Reinforcement of the pan-European dimension. Most initiatives remain nationally or regionally focused. The possibilities for cross-border learning and exchange are widely recognised but less often acted upon. Difficulties of interoperability persist or are even multiplied by the profusion of efforts. Opportunities to close the gap between leaders and followers through a more effective exchange of practices are missed.
- A move to a demand-driven approach that emphasises service delivery, end-user value for all and functionality. In e-business, e-government, e-health and e-learning it is clear that there are many good initiatives, but so far the ways to bring really effective services online or their adequacy to the end-user are not fully understood.

- A prerequisite for further development of broadband is a greater availability of attractive content. This requires attention to the protection of copyrighted content and the implementation of interoperable DRM solutions, whilst respecting the legitimate expectations of users.
- Experimentation with new business and service delivery models that get more value out of the shift to e-services. e-Services generally yield more productivity and efficiency gains when embedded in effective re-organisation of processes and service delivery.
- Respond to the need for greater monitoring and quantification of e-inclusion, especially in order to assess the extent of regional imbalances, the potential for and the potential for multiplatform delivery of e-services to widen accessibility.
- Finally, the impact of e-services in terms of efficiency or productivity gains and quality of work and life should be measured, taking into account effects on citizenship and governance. In particular, there is a need for structured analyses of lessons to develop complementary quantitative and qualitative indicators as part of the benchmarking exercise. Common work is required to identify the obstacles to progress and guidance on implementation. Also needed are more evaluations of initiatives so that policy can be guided by evidence.

In eEurope 2005 Mid-term Review

European Commission, *eEurope 2005: An information society for all – Action Plan to be presented in view of the Sevilla European Council, Ref. COM (2002) 263 final, 28.05.02*

European Commission, *eEurope 2005 Mid-term Review, COM (2004) 108 final, 18.2.2004.*

Research and Development

- networking of existing centres of excellence in Europe and the creation of virtual centres through new interactive communication tools
- a common approach to creating and financing large research facilities
- a more coherent implementation of national and European research activities
- establishment of a common system of scientific and technical reference for the implementation of policies
- a stronger interface between research and innovation
- more abundant and more mobile human resources
- improving Europe's attraction for researchers from the rest of the world
- enhancing European cohesion in research by fostering the exchange and the transfer of knowledge among regions.

The action plan then covers successively aspects linked to the effectiveness of public support for research, to the level of public resources made available, and to the improvement of framework conditions.

- Progressing jointly
 - Fostering the coherent development of national and European policies
 - Shaping a common vision for the development and deployment of key technologies
 - Enabling all regions to benefit from increased investment in research
 - Designing a coherent mix of policy instruments
- Improving public support to research and innovation
 - Human resources
 - Public research base and its links to industry

- Improving the mix of public financing instruments and their effectiveness: Mix of financing instruments, Direct measures for research and innovation; Fiscal measures for research; Support to guarantee mechanisms for research and innovation in SMEs; Support to risk capital for research-intensive SMEs.
- Redirecting public spending towards research and innovation
 - The stability and growth pact and the broad economic policy guidelines
 - Balance between national and EU public funding until 2010
 - State aid rules
 - Public procurement
- Improving framework conditions for private investment in research
 - Intellectual property
 - Regulation of products and standardisation
 - Competition rules
 - Financial markets
 - Fiscal environment
 - Corporate research strategy, management and financial reporting

In Communication from the Commission Investing in Research: an Action Plan for Europe

SIX MAJOR OBJECTIVES

- Creating European centres of excellence through collaboration between laboratories
- Launching European technological initiatives
- Stimulating the creativity of basic research through competition between teams at European level
- Making Europe more attractive to the best researchers
- Developing research infrastructures of European interest
- Improving the coordination of national research programmes

RAISING RESEARCH PERFORMANCE THROUGHOUT THE UNION

- Realising the potential of a Europe of 25 and more
- Taking full advantage of complementarity with the Structural Funds

FOCUSING THE EUROPEAN UNION'S EFFORTS ON KEY TOPICS

- Identifying topics of major European interest
- *Supporting the Union's political objectives*
- Two new areas for the Union: space and security

In European Commission, Science and technology, the key to Europe's future – Guidelines for future European Union policy to support research.

European Commission (2000), *Communication: Making a reality of the European Research Area: Guidelines for EU research activities (2002-2006)*, COM (2000) 612 final, 04.10.2000.

European Commission, *Communication from the Commission Investing in Research: an Action Plan for Europe*, COM (2003) 226 final, 30.04.2003.

European Commission, *Science and technology, the key to Europe's future – Guidelines for future European Union policy to support research*, Ref. COM (2004) 353 final, 16.06.2004.

Innovation Policy

OBJECTIVES

Objective 1: Coherence of innovation policies. The Union should capitalise on measures and schemes at regional and national levels through coordination for the benchmarking of national policies and for spreading good practice. A regularly updated European innovation scoreboard will draw attention to progress towards the goal of improving innovation performance.

Objective 2: A regulatory framework conducive to innovation. Regulation is necessary, but over-regulation hinders the development of enterprises, innovative enterprises in particular. There is increasing awareness of the benefits of lowering the costs of doing business and reducing red tape.

Objective 3: Encourage the creation and growth of innovative enterprises. Europe needs an improved environment for high technology start-ups and for starting up and developing innovative businesses in general. Such firms invigorate the economy by being the “first movers” who introduce new ideas, and from their number will emerge the expanding businesses of the future. But the obstacles to their creation and growth continue to be more severe in Europe than in Europe’s competitors.

Objective 4: Improving key interfaces in the innovation system. Every business sector, whether in manufacturing or in services, in traditional or “new economy” sectors, should aim to benefit from innovation. For this to happen, enterprises need access to knowledge, skills, financial backing, sources of advice, and market information. While not losing sight of the “system” view of innovation, the operation of some of the interfaces between enterprises and other innovation players needs to be improved by action targeted at these interfaces. The Lisbon conclusions specifically draw attention to the interfaces between companies and financial markets, R&D and training institutions, advisory services and technological markets.

Objective 4 focuses on the effective operation of these interfaces so that innovation may permeate the entire economic and social fabric.

Objective 5: A society open to innovation. Innovation is a human activity. Each citizen is a potential creator, implementer and user of innovation. The preceding objectives will not be fully achieved without an open attitude to innovation, based on an awareness of the nature of the opportunities, and the risks. This can only be brought about by a free dialogue between research, enterprise, government, interest groups and the general public.

The five objectives reflect current priorities for enhancing innovation in Europe, and are in line with the consensus on broad policy orientations arrived at by the Lisbon European Council.

In European Commission, Communication from the Commission: Innovation in a knowledge-driven economy,

NEW DIRECTIONS FOR EUROPEAN INNOVATION POLICY DEVELOPMENT

To complement this overall framework, several new directions should be addressed as routes towards improved innovation performance.

- Interaction with other policy areas to improve the environment for innovative enterprises
- Stimulate greater market dynamism and exploit the concept of lead markets
- Promote innovation in the public sector
- Strengthen the regional dimension of innovation policy

In Communication from the Commission Innovation Policy: Updating the Union’s Approach in the Context of the Lisbon Strategy

European Commission, *Communication from the Commission: Innovation in a knowledge-driven economy*, COM (2000) 567 final, 20.09.2000

European Commission, *Communication from the Commission Innovation Policy: Updating the Union's Approach in the Context of the Lisbon Strategy*, COM (2003) 112 final, 11.03.2003.

Enterprise Policy

Objectives of the Multiannual Programme for Enterprise and Entrepreneurship:

1. Promote entrepreneurship as a valuable and productive life skill, based on customer orientation and a stronger culture of service;
2. Encourage a regulatory and business environment that takes account of sustainable development, and in which research, innovation and entrepreneurship can flourish;
3. Improve the financial environment for SMEs;
4. Enhance the competitiveness of SMEs in the knowledge-based economy;
5. Ensure that business support networks and services to enterprises are provided and co-ordinated.

In European Commission, Challenges for enterprise policy in the knowledge-driven economy: proposal for a Multiannual programme for Enterprise and Entrepreneurship

Cross-cutting factors underpinning competitiveness and growth

A stronger policy focus, in line with the Lisbon strategy, should be put on the direct drivers of growth and productivity of European industry. Along with the widespread diffusion of ICT, recent work from the OECD and the Commission has emphasised the core role of innovation and entrepreneurship as the key drivers of growth and productivity. More and more, sustainable development is also becoming a driver of growth and productivity for the EU economy. Industrial policy will have to pay particular attention to nurturing these strengths.

- Promoting innovation, knowledge and research
- Entrepreneurship
- Promoting a sustainable structure of industrial production

Revisiting the EU approach to industrial policy

- The key importance of framework conditions
- **A more systematic EU approach for improving framework conditions**
- Improving the integration of EU policies with an impact on industrial competitiveness
- Ensure appropriate integration between all EU policies that can contribute to meeting these objectives. This has become even more important in the context of the sustainability strategy, as a proper balance between its three dimensions – economic, social and environmental – must be found.

In European Commission, Fostering structural change: an industrial policy for an enlarged Europe

European Commission, *Challenges for enterprise policy in the knowledge-driven economy: proposal for a Multiannual programme for Enterprise and Entrepreneurship*, COM (2000) 256 final, 11.05.2000

European Commission, *Some Key Issues in Europe's Competitiveness – Towards an Integrated Approach*, COM (2003) 704 final, 21.11.2003

European Commission, *Fostering structural change: an industrial policy for an enlarged Europe*, COM(2004) 274 final, 20.4.2004

Education and Training Policy

Common objectives for education policy

- Increasing the quality and effectiveness of education and training systems in the EU:
 - improving the education and training for teachers and trainers; the definition of the skills, including the minimum ICT skills, that teachers and trainers should have, given their changing roles in the knowledge society; providing an adequate supply of qualified entrants in the profession and making it more attractive;
 - developing skills for the knowledge society. Identifying what the basic skills package should be. Making basic skills genuinely available to everyone, and in particular to those less advantaged in schools, early schools leavers and to adult learners;
 - ensuring access to ICT for everyone. Widening the range of equipment and educational software so that ICT can be best applied in teaching and training practices. Adapting teaching methods so as to make the best uses of “real” and “virtual” teaching techniques based on ICT;
 - increasing recruitment to scientific and technical studies, in particular research careers and scientific disciplines, where there are shortages of qualified personnel. Ensure gender balance among people learning mathematics, science and technology;
 - making the best use of resources. Ensuring an equitable and effective distribution and use of financial resources within the education and training system. Supporting quality evaluation and assurance systems, benchmarking and developing cost-benefit analyses. Exploring the potential of public-private partnerships.
- Facilitating the access of all to education and training systems
 - The development of an open learning environment. Providing education and training so that adults can effectively participate and so that people can combine their participation in learning with other family and professional activities. Ensuring that learning is accessible to the elderly in the population. Enabling the easy transfer of students and trainees between the various parts of the education and training systems;
 - Making learning attractive. Encouraging young people to stay in education or training after the end of obligatory schooling. Motivating adults to stay in touch with education and training through later life. Overcoming the traditional barriers between formal and non formal learning settings, in particular as regards accreditation and the recognition of non formal and informal learning;
 - Supporting active citizenship, equal opportunities and social cohesion. Ensuring that education and training establishments are more effective in promoting solidarity, tolerance, democratic values and interest in other cultures, and in preparing people for active participation in society. Fully integrating equity considerations in the objectives and functioning of education and training systems.
- Opening up education and training systems to the world.
 - Strengthening links with working life and research and society at large. Promoting partnerships between education and training institutions and working life, research, industry and society in general;
 - Developing the spirit of enterprise, “entrepreneurship” throughout the education and training system;
 - Improving foreign language learning. Encouraging everyone to learn two Community languages in addition to their mother tongue;
 - Increasing mobility and exchanges. Ensuring that less privileged establishments and individuals take part in mobility programmes. Certifying the skills acquired through mobility;
 - Strengthening the European cooperation. Ensuring that compatible accreditation systems and quality control are developed so that qualifications are equally valued throughout Europe. Increasing the flexibility and diversity of the emerging European learning system by promoting transparency and the recognition of qualifications.

In Report from the Council (Education) to the European Council on the concrete future objectives of education and learning systems.

Report from the Council (Education) to the European Council on the concrete future objectives of education and learning systems (Doc 5680/01 EDUC23), 12 February 2001

European Commission, "*Education & Training 2010*" – *The success of the Lisbon strategy hinges on urgent reforms*, (Draft joint interim report on the implementation of the detailed work programme on the follow-up of the objectives of education and training systems in Europe),,COM(2003) 685 final, 11.11.2003

European Commission, *Report on the Implementation of the Commission's Action Plan for Skills and Mobility*, COM (2004) 66 final, 06.02.2004.

Employment Policy

A NEW GENERATION OF EMPLOYMENT GUIDELINES

Three overarching objectives

- Full employment
- Quality and productivity at work
- Cohesion and an inclusive labour market

Priorities

- Active and preventive measures for the unemployed and the inactive
- Making work pay
- Fostering entrepreneurship to create more and better jobs
- Transforming undeclared work into regular employment
- Promoting active ageing
- Immigration
- Promoting adaptability in the labour market
- Investment in human capital and strategies for lifelong learning
- Gender equality
- Supporting integration and combating discrimination in the labour market
- for people at a disadvantage
- Addressing regional employment disparities

European Commission, Proposal for a Council decision on Guidelines for the Employment Policies of the Member States, COM (2003) 176 final, 08.04.2003

Social Protection Policy

Common Objectives for Future Pension Provision

- Adequacy of pensions

Objectives:

- To ensure that all older people enjoy a decent standard of living, share in the economic well-being of their country and are able to participate actively in public, social and cultural life.

- To provide access for all to appropriate pension arrangements necessary to maintain the living standard of their choice after retirement due to old age or invalidity and that of their dependants in the event of death.

▪ ***Financial sustainability of public and private pension schemes***

Objectives:

- In the context of the Employment Strategy, to achieve a high level of employment so that the ratio between the active and the retired remains as favourable as possible.
- to ensure that pension systems, and in particular early retirement and invalidity schemes, and their interaction with tax-benefit systems, offer effective incentives for the participation of older workers; that workers are not encouraged to take up early retirement and are not penalised for staying in the labour market beyond the standard retirement age; and that pension systems facilitate the option of gradual retirement

Objective:

- In the context of the sustainability of public finances as well as of the need to cope with the budgetary impact of ageing populations, to ensure that public spending on pensions is maintained at a level, in terms of percentage of GDP, that is compatible with the Growth and Stability Pact. This may include setting up dedicated reserve funds, if considered appropriate by the authorities.

Higher employment rates and sound public finances can make a major contribution towards absorbing the budgetary impact of ageing. However, in many Member States this will not be sufficient in view of rising old-age dependency ratios. In these cases, measures are required to ensure an equitable distribution of this financial impact both within and between generations.

Objective:

- To strike a fair balance between the active and the retired through appropriate adjustments to the levels of contributions and taxes and of pension benefits.

Pension systems need to rely on the contribution of second and third pillar schemes to achieve their social objectives. This contribution of private pension schemes to the incomes of retired people may need to be increased to the extent that Member States try to contain the burden of rising pension expenditure on public finances.

Objective:

- To ensure that private funded pension schemes will continue to provide the pensions to which scheme members are entitled with increased efficiency and affordability, through appropriate regulatory frameworks at national and European level and through sound management.

▪ Modernisation of pension systems in response to the changing needs of society and individuals

Objectives:

- To ensure that pension systems are compatible with the requirements of flexibility and security on the labour market, that labour market mobility within Member States and across borders and non-standard employment forms do not result in undue losses of pension entitlements and that self-employment is not discouraged by pension systems.
- To review pension systems with a view to eliminating discrimination based on sex while addressing the sources of gender-related inequalities in pension entitlements (e.g. career breaks for family reasons, actuarial factors).
- To make pension systems more transparent, predictable, and adaptable to changing circumstances. To provide reliable and easy-to-understand information on the long-term perspectives of pension systems including assessments of the impact of demographic, social and economic change and the impact of envisaged policy measures on the performance of pension systems, notably with regard to the likely evolution of benefit levels and contribution rates. To improve the methodological basis for the efficient monitoring of pension reforms and policies.

In European Commission, Supporting national strategies for safe and sustainable pensions through an integrated approach

CREATING THE STRENGTHENED AND SIMPLIFIED COORDINATION PROCESS

Common objectives

A streamlined approach to policy cooperation should start with the definition of an integrated and consistent set of common objectives, which should, in principle, be structured into three pillars reflecting the scope of policy cooperation in the social protection area – social inclusion, pensions, and health and long-term care. These should replace the existing separate sets of objectives. This set of objectives should be adopted by the Council in 2006, acting on a proposal from the Commission, at the same time as the Guideline package for economic and employment policies. They should remain stable for a period of 3 years, i.e. up to 2009, unless unforeseen circumstances require otherwise.

The set of common objectives will be defined under the Lisbon strategy and should be fully consistent and interconnected with the BEPGs and EGs that will be adopted in 2006.

Reporting mechanisms: a new annual joint report on social protection

The key instrument of the new streamlined process will consist of a Joint Social Protection Report, which will document and assess progress across the full range of common objectives.

Preparation of the streamlined Open Method of Coordination on social protection

The streamlined approach should be introduced in 2006. The period 2003-2006 should be used to prepare the conditions for launching the new process, taking into account the various mandates received from the Brussels Spring Summit as regards pensions, healthcare and the incentive structures of benefit systems.

In European Commission, Strengthening the social dimension of the Lisbon strategy: Streamlining open coordination in the field of social protection

European Commission, *Supporting national strategies for safe and sustainable pensions through an integrated approach*, COM (2001) 362 final, 03.07.01

European Commission, *Modernising Social Protection for More and Better Jobs – a comprehensive approach contributing to making work pay*, Ref. COM (2003) 842 final, 30.12.2003.

European Commission, *Strengthening the social dimension of the Lisbon strategy: Streamlining open coordination in the field of social protection*, Ref. COM (2003) 261 final, 27.05.2003.

Social Inclusion Policy

Common Objectives for the Social Exclusion Policy

Objective 1: To facilitate participation in employment and access by all to resources, rights, goods and services

- 1.1 Facilitating participation in employment
- 1.2 Facilitating access to resources, rights, goods and services for all
- 1.3 Social protection systems
- 1.4 Housing
- 1.5 Healthcare
- 1.6 Education, Justice and Culture

Objective 2: To prevent the risks of exclusion

- 2.1 Promoting inclusion

- 2.2 Preventing over-indebtedness and homelessness
- 2.3 Preserving family solidarity

Objective 3: To help the most vulnerable

- 3.1 Promoting the integration of people facing persistent poverty
- 3.2 Eliminating social exclusion among children
- 3.3 Promoting action in favour of areas marked by exclusion

Objective 4: To mobilise all relevant bodies

Promoting the participation and self-expression of people suffering exclusion

- 4.1 Mainstreaming the fight against exclusion
- 4.2 Promoting dialogue and partnership

Council of the European Union, Joint Report on Social Inclusion – Part I – the European Union and Part II – the Member States, 15223/01, 12.12.2001