

# The New Strategy for Growth and Jobs EU 2020

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# EU 2020 Strategy

- Lisbon Strategy
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- The New EU 2020 Strategy for Growth and Jobs
- Governance of the EU2020 strategy
- Malta Position
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# Lisbon Strategy

- Lisbon Council March 2000 – Adopted the Lisbon Strategy

## Aim of the Strategy

- To transform Europe by 2010 into *“the most dynamic knowledge based economy in the world, capable of creating sustainable growth, with more and better jobs, greater social cohesion and respect for the environment”*
- 14 intermediate targets (employment rate, R&D investment % of GDP, greenhouse emissions reduction...)

# Lisbon Strategy

- The European Council - March 2004, invited the Commission to establish a High Level Group headed by Mr Wim Kok to carry out an independent review to contribute to the Lisbon Strategy mid-term review;
- Report published in November 2004:
  - Poor performance due to an overloaded agenda, poor coordination and conflicting priorities; *and*
  - Lack of political will

## European Council re-Launched the Lisbon Strategy - March 2005

- Prioritisation of economic objectives on growth and employment;
- Intermediate targets reduced to two: employment rate of 70% and R&D investment 3% of GDP;
- Greater role of Member States in the follow-up of the strategy through Annual National Action Plans (**National Reform Programs**);
- Greater role for the Commission (**Community Lisbon Programme**)

# Lisbon Strategy

## Assessment of the Lisbon Strategy quantitative results:

- Advances in employment and R&D, but the objectives have not been reached;
- Lack of convergence in GDP per capita with the U.S. due to lack of relative improvement of productivity in Europe.

# **The New Strategy for Growth and Jobs: EU2020**

**The EC launched a consultation on the Future EU 2020 Strategy on 24 November 2009**

- **This strategy should enable the EU to make a full recovery from the crisis, while speeding up the move towards a smart and sustainable economy.**
- **The consultation paper suggests that the key drivers of the EU 2020 strategy should be thematic, focused on the following priorities:**
  - ***Creating value by basing growth on knowledge;***
  - ***Empowering people in inclusive societies;***
  - ***Creating a competitive, connected and greener economy.***

# **The New Strategy for Growth and Jobs: EU2020**

**The paper also suggests that the number of objectives should be limited and focused on the growth and jobs theme**

# **The New Strategy for Growth and Jobs: EU2020**

**The EU 2020 strategy is earmarked to become a key instrument for economic recovery through:**

- **more effective innovation policy;**
- **enhancing education and skills**
- **further consolidation of the single market;**
- **adapting and modernising the industrial sector;**
- **maintaining leadership on climate change.**

# **EU2020 Strategy - Governance**

**Improving the governance of the EU 2020 Strategy is key for delivery:**

- **Greater political commitment to achieve objectives;**
- **National Ownership of Community objectives;**
- **More effective supervision of the reforms.**

# Malta Position EU 2020 Strategy

## General position

- Malta broadly supports the EC's proposed EU 2020 strategy;
- Malta also expressed a broad agreement on the identified priorities:
  - *Creating value by basing growth on knowledge;*
  - *Empowering people in inclusive societies;*
  - *Creating a competitive, connected and greener economy.*

# Malta Position EU 2020 Strategy

## General Position

- Malta believes that the themes are rather broad and complex in nature;
- Malta suggested that the EU 2020 Strategy should maintain education, climate change, energy policy, research and innovation and the improvement of the business environment amongst the policy priorities;
- More specific-oriented themes would facilitate the strategy's understanding when communicating it with stakeholders and citizens;
- Consideration of other areas is also needed, such as skill development, financial stability, internal and external competitiveness and challenges related to the ageing population;

# Malta Position EU 2020 Strategy

## General position

- The strategy should contain measures to support the economy and reduce the social impact of the economic and financial crisis, whilst taking into consideration the impact of the crisis on future growth and employment prospects;
- The need to strike a balance between responding to the immediate challenges and the medium and long-term objectives;
- Focus on growth and jobs needs to be retained;

# Malta Position EU 2020 Strategy

## Innovation and ICT

- EU needs to focus more on innovation whilst ensuring that investment in research leads to an increase in competitiveness and the creation of high quality jobs;
- EU needs to provide more attractive conditions for innovation and creativity, through incentives for the growth of knowledge-based firms;
- Commission may consider developing new financing instruments either through structural funds or other EU funding programmes for knowledge-based firms.

# Malta Position EU 2020 Strategy

## Sustainable Development and Social Cohesion

- Ageing of Europe's population and declining birth rates will require major policy adaptations to ensure continued growth, prosperity and fiscal sustainability;
- Europe needs a strategy which enables and motivates older people to remain active in work and in social life;
- Such a strategy should take into consideration the different demographic situations of Member States that may require tailor-made solutions.

# Malta Position EU 2020 Strategy

## Pursuing active EU inclusion policies

- Gender mainstreaming is considered to be an important factor in contributing towards gender balance in our societies;
- Social protection intervention should retain as its priority the helping of those who are mostly in need;
- EU social protection policies need to be well-targeted to stimulate national economies;
- Such interventions will be translated into sound investment opportunities and not be an added burden on public finances

# Malta Position EU 2020 Strategy

## European Social Model

- While Member States do indeed share values and common characteristics, there is no one ideal European Social model that addresses the needs and aspirations of all EU citizens;
- Social protection systems will have to be modernised so that they provide an affordable response to the future needs of our society;
- However, the design of these systems should remain under the full responsibility to MS.

# Malta Position EU 2020 Strategy

## Fostering entrepreneurship

- EU must become an even more attractive place for business and investment;
- Micro-enterprises driven by an entrepreneurship focus react more quickly to the shifts in the economic scenario;
- Malta believes that there should be more emphasis on the fostering of entrepreneurship in the strategy;
- The strategy needs to ensure a European policy that is conducive to the creation of an environment that will enhance the competitiveness of European companies and SMEs;

# Malta Position EU 2020 Strategy

## Health

- The strategy focuses on education and employment as the catalysts to maintain and progress on the objectives of growth and job creation;
- Malta believes that the principles of 'Investing for Health' and that 'Health is Wealth' are very important pillars needed to achieve growth and job creation, however, health has been omitted from the strategy;
- Malta believes that the EU should continue to work towards ensuring the best possible levels of Health of its population, in order to ensure sustainable economic growth in the long-term.

# Malta Position EU 2020 Strategy

## Cohesion Policy in the EU 2020 Strategy

- Cohesion Policy has made an important contribution to the implementation of the Lisbon Strategy on the ground;
- However variability of contexts and specificities of each MS must be taken into account;
- Adequate balance must be kept to allow Member States to utilise funds under Cohesion Policy according to their national priorities.

# Malta Position EU 2020 Strategy

## Single Market

- Malta believes that the following should be the EC's three main priorities for the single market in the next decade:
  - A need for a common approach and for coordinated action;
  - Empowering consumers and facilitating business in the single market by increasing awareness on the rights for both consumers and businesses;
  - Taking action at the right level.

# Malta Position EU 2020 Strategy

## Governance

- An ambitious EU 2020 strategy must be matched by an appropriate governance structure;
- EU 2020 Strategy should enhance the partnership approach between MS and the EU;
- Partnership adds value, as it also enables MS to share examples of good practice;

# Malta Position EU 2020 Strategy

## Role of the European Council

- European Council should be in the driver seat to steer the EU 2020 Strategy by making the key decisions and setting the objectives;
- This ensures that the strategy's ambitious objectives are endorsed and owned at the highest political level;
- Commission should play a coordinating and supportive role in the entire process.

# Malta Position EU 2020 Strategy

## Limited number of targets

- Malta agrees that there should be a more streamlined and limited number of targets;
- Not only take into account each country's specific socio-economic circumstances but also factor in the different starting points and contexts of Member States;
- Indicators should function as guidelines giving individual Member States autonomous control on the targets to be achieved at a national level;
- Setting own national targets by MS and how these will contribute to EU level objectives could help boost ownership.

# Roadmap for the EU2020 Strategy

- 24 November 2009 EU 2020 Strategy consultation launched
- 15 January 2010 Consultation period closed
- 11 February 2010 Informal European Council
- 3 March 2010 Release of Commission proposal on EU 2020 Strategy
- 25 - 26 March 2010 Spring European Council
- 17 - 18 June 2010 June European Council
- 28 June 2010 launch consultation on Malta's new NRP
- 19 July 2010 Consultation period closes
- 15 October launch new NRP

Thank you for your attention!

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