



European Economic and Social Committee

Brussels, 11 December 2003

RESOLUTION

of the European Economic and Social Committee

on

The Lisbon Strategy

In a letter from **Vice-President Loyola de Palacio** the Commission invited the European Economic and Social Committee in accordance with Article 262 of the Treaty establishing the European Community to draw up an exploratory opinion on:

The overall impact of the Lisbon Strategy to date tied in with the long term outlook and offering a qualitative assessment of progress made in implementing the strategy.

In considering its position the Committee organised a major conference to collect together the views of organised civil society in Europe on progress to date and what needs to be done in future (Appendix I).

At its 404th plenary session held on 10 and 11 December 2003 (meeting of 10 December), the European Economic and Social Committee adopted the following Resolution by 116 votes to 37, with 7 abstentions.

1. **Resolution**

1.1 The Committee would stress that the Lisbon Strategy will not achieve its objectives of international competitiveness, economic, social and environmental progress and sustainable development without a comprehensive review of the method, the institutional and political arrangements and the cooperation instruments tasked with their delivery.

1.1.1 The EESC particularly recognises that the Lisbon strategy is more complex, more multi-dimensional and more diffuse in its implications than any previous specific ambition in terms of achieving results for the European Union.

1.2 In order to address this, the Committee proposes a more dynamic approach, which, at institutional level, would take the form of reinforced coordination to secure renewed economic growth in Europe, based on adequate regard for economic, social and environmental concerns, with a constant interplay between these factors, i.e. on sustainable development and a competitive European system.

1.3 The Committee suggests:

- a macroeconomic policy conducive to such a strategy, through greater coordination between the Member States and the Community institutions;
- more effective dialogue between the EU institutions, the Member States, economic circles and the social partners;
- better division of responsibility in implementing the reforms between, on the one hand, the European, national and regional level and, on the other, the public, private and associative sector.

1.4 This reinforced coordination, which does not require the Treaties to be amended, presupposes cooperation and emulation between Member States on the Lisbon Strategy objectives, a responsible innovative commitment to macroeconomic policies, and a cooperative approach to individual implementation policies for the structural reforms.

1.5 In addition to the need to comply with the Stability Pact, which is based on the reliability of the Member States in defending the single currency, an integrated European economic growth policy remains a priority. This will require a means of applying the Stability and Growth Pact for the eurozone, to encourage better implementation of the Lisbon Strategy. Moreover, tax policies will have to be brought closer in line to secure the competitiveness an open economy needs, whilst ensuring social sustainability.

1.6 The first concern of this integrated economic policy must be to create the conditions for a major relaunch of economic activity in Europe. The Committee supports the objective – already the subject of several recent proposals – to create a European growth initiative to encourage trans-European investment, particularly in infrastructure (energy, transport and ICT), research and training, to improve labour market performance, and also social protection systems, within a framework of sustainable development.

1.7 The Committee would reiterate the need to speed up the completion of the single market, in tandem with enlargement. This particularly applies to public procurement, various types of services, and legislative and administrative simplification. The aim is to develop a genuinely independent growth capability which Europe currently lacks, by making full use of the potential of this extensive and technologically advanced integrated economic area.

2. The role of civil society

2.1 The Committee would stress that dialogue with and amongst the social partners at European and national level is crucial to delivering the reforms, particularly those designed to improve education and training, labour market performance, and also social protection systems, whilst ensuring they are sustainable.

2.2 From the outset, the Lisbon European Council mandate for the implementation of the multi-annual strategy emphasised the priority role that fell to private sector initiatives and a new partnership between the State and civil society. Civil society organisations should participate fully in the open method of coordination set out in this strategy.

2.3 With preparations under way for the new treaty on European integration, which will follow enlargement in 2004, the Committee has strongly supported the European Convention's insertion of a reference to the role of participatory democracy, facilitated by civil society players, to complement but not replace representative democracy.

2.4 The vertical view of subsidiarity (distinguishing between European, national, regional and local competences) should be complemented by a horizontal or functional view (distinguishing between issues that are mainly the preserve of government authorities and others that concern the direct, and at times autonomous, involvement of civil society, namely the private sector, the social partners, socio-occupational groups and non-profit associations).

2.5 To succeed, the Lisbon strategy must not only secure the genuine commitment of the European institutions and Member States, but must also:

- be properly understood and accepted by the public, which means raising its profile and improving its credibility;
- involve the socio-occupational players in participatory democracy.

3. **Committee recommendations**

3.1 **at European level:**

- improving the European institutions' consultation of socio-occupational interest groups and the social partners, in order to develop a permanent European dialogue on the Lisbon strategy's various joint guidelines and action plans, and ensuring better consideration and reconciliation of the imperatives of economic competitiveness, social progress, and sustainable development;
- actively involving the social partners in the implementation of the multiannual social dialogue programme they agreed, with a view to their drawing up European agreements in fields relevant to the Lisbon strategy;
- highlighting this socio-occupational dialogue and the contribution of the European social partners in the European Commission's annual report to the Spring summit;

3.2 **at national, regional and local level:**

- developing socio-occupational consultation and dialogue in parallel with the launch of a public information campaign and a debate on the whys and wherefores of the reforms set in motion under the Lisbon strategy;
- securing a dialogue and the contractual involvement of the social partners in their areas of responsibility, in line with the various cultures and economic and social backdrops, to produce national action plans;
- highlighting the contributions of civil society, and in particular those of the social partners, in the Member States' annual reports to the Spring summit; this would facilitate wider dissemination of best practice in these areas;

- establishing a real dialogue at regional and local levels. This is the best way of ensuring effective participation by economic and social actors in order to make the most of local potential in terms of human resources, entrepreneurial spirit, cultural heritage and natural resources.

3.2.1 Governments and other official agencies can contribute to enhanced competitiveness by stepping up those policies and services that help to enhance the performance of businesses and other organisations.

3.2.2 The EESC endorses the need for more focused efforts, including the use of fiscal incentives, with the following objectives:

- enhancing the supply of young people with ‘knowledge industry’ skills;
- promoting retraining opportunities to the new skills for all adults;
- expanding the R&D capacity of institutes of higher education and research departments of business organisations;
- incentives to reduce the risk and enhance the gains from innovation;
- incentives to minimise waste and encourage recycling;
- incentives to reduce gaseous emissions or other pollutants;

3.3 **regarding the EESC’s role**

For its part, the Committee intends to keep a watching brief on progress in the implementation of the Lisbon strategy, in particular by:

- helping to develop public dialogue, directly involving civil society representatives in the evaluation process;
- holding close consultations on implementation of the strategy with the national economic and social councils and similar organisations. At their meeting in Madrid on 28 November 2003, the Presidents of the Economic and Social Councils of the Member States and of the EESC decided to initiate joint discussions in order to make a joint contribution to the 2005 European Spring Council under the Luxembourg Presidency;
- promoting the dissemination of European and national initiatives from the socio-occupational domain and the social partners that have contributed to the successful implementation of the Lisbon strategy;

- on this basis, continuing to submit an evaluation report every year for the Spring summit on progress in the implementation of the Lisbon strategy.

Brussels, 10 December 2003.

The President
of the
European Economic and Social Committee

The Secretary-General
of the
European Economic and Social Committee

Roger Briesch

Patrick Venturini
