



Committee of the Regions

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OPINION
of the
Committee of the Regions
on
THE FUTURE OF THE LISBON STRATEGY POST 2010

THE COMMITTEE OF THE REGIONS:

- asserts that this high quality of life must be achieved within the **limits of sustainability set by a finite planet**¹, and premised on achieving a socially cohesive and just society, where the value and contribution of all individuals and groups is optimised, and where incentives and support measures are focused on tackling poverty and social exclusion and building a sustainable economy;
- underlines the importance of a well-financed, EU-wide Cohesion policy involving all regions of Europe, as a key factor in supporting delivery of the new Strategy, and rejects any moves to renationalise structural funds or to remove the regional dimension from cohesion policy in the review of the future EU budget;
- notes that EU Cohesion Policy has an established multi-level governance structure for implementing the Structural Funds programmes, and asserts that the new Strategy should use these existing partnership structures to address the current weaknesses in the governance structures. An explicit alignment of governance structures with the Regional Programmes in the EU Cohesion Policy, provides a far more effective way of ensuring joined up policy making;
- calls for EU leaders to establish, as a core priority, **to develop Europe's competitiveness in the green economy**, to enable the EU to take a leading role in the transformation of the global economy to a sound and sustainable basis. In particular this means leading by example, prioritising investments in new green technologies, R&D, including renewable energy production, energy efficiency, sustainable methods of production and consumption, ICT and broadband infrastructures in remote communities, as well as promoting ecological protection and preservation. Europe's universities, research centres, and SMEs have a key role to play in driving this agenda forward². This requires structural changes in the European economy, including co-ordination of macro economic policy and active labour market policies in order to support the move to a green economy.

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As argued in the report, "Prosperity without Growth: the transition to a sustainable economy" by the Sustainable Development Commission in the UK, published in March 2009. See <http://www.sd-commission.org.uk/pages/redefining-prosperity.html>.

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An example of this is "[The Wave Hub](#)", which is being built off the coast of Cornwall in 2010. With financial support from the ERDF this will create the UK's first offshore facility for demonstration in situ of the operation of arrays of wave energy generation devices. The project is a collaboration involving public, private and research sectors.

CdR 25/2009 fin EN/o

Rapporteur

Mrs Christine Chapman (UK/PES), Member of the National Assembly for Wales

Reference document

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THE COMMITTEE OF THE REGIONS

Key messages

1. supports the development of a successor to the current Lisbon Strategy beyond 2010, however, believes there is a need to **re-balance the Strategy** and merge the European Sustainable Development Strategy and Lisbon Strategy; whilst welcoming the commitment to empower people in inclusive societies and create a competitive, connected and greener economy as set out in the Commission consultation on the future of the strategy published on 24 November, is disappointed that the Commission does not propose a more ambitious and overarching vision, to rebalance and re-orientate the strategy towards making Europe a sustainable and socially just and cohesive society;
2. underlines that the current Lisbon Strategy has failed to give sufficient recognition to the essential role played by local and regional authorities across the EU in implementing and communicating the strategy on the ground, and reiterates the call in the White Paper on Multi-Level Governance for this to be redressed in the new Strategy;
3. notes the widespread **uncertainty amongst regional and local authorities about the overall purpose of the current Lisbon Strategy**, which can be addressed by establishing clear objectives in the new Strategy, and communicating these effectively to people on the ground;
4. regrets that the Lisbon Strategy, which was meant to contribute to the Economic and Monetary Union (EMU), has not had the desired impact in terms of improved joint economic governance at EU level or better coordination of the Member States' economic policies; and regrets that in response to the current economic crisis, many Member States have adopted economic policies based on national considerations only, rather than seeking coordinated actions within the framework of the single European market;
5. calls for the new Strategy to have an **explicit overarching objective** focused on a **high quality of life and well-being for all EU citizens**. Employment is a key element of this as is material wealth, however, there are other factors that must be taken into account in order to get a full picture of quality of life and well-being, including the wider societal and environmental contexts within which people live³;
6. asserts that this high quality of life must be achieved within the **limits of sustainability set by a finite planet**⁴, and premised on achieving a socially cohesive and just society, where the value and contribution of all individuals and groups is optimised, and where incentives and

³ The New Economics Foundation (<http://www.neweconomics.org/gen/>) have developed “National Accounts of Well-being” described in terms of the factors that make up personal well-being and social well-being.

⁴ As argued in the report, “Prosperity without Growth: the transition to a sustainable economy” by the Sustainable Development Commission in the UK, published in March 2009. See <http://www.sd-commission.org.uk/pages/redefining-prosperity.html>.

support measures are focused on tackling poverty and social exclusion and building a sustainable economy;

7. underlines the **crucial role of education and training** in raising awareness of sustainability issues and developing the creative and entrepreneurial talents of Europe's citizens, and the necessity of building a **lifelong learning culture**;
8. proposes the **new Strategy be given a new name** to avoid confusion with the "Treaty of Lisbon" to highlight the new approach of the Strategy. For example **"Quality of Life for All: Building a Sustainable Future for Europe in the World"** or in shortened version the **"Sustainable Europe Strategy"**;
9. calls for a **more effective communication strategy**, involving local and regional authorities, to raise awareness and promote the key messages of the new Strategy;

Current and new challenges

10. asserts that the **current financial, economic, social and environmental crisis** has radically altered the context in which the debate about the future of the Lisbon Strategy takes place, which means "business as usual" is not the right option. It presents a number of **immediate challenges**, in particular tackling growing levels of unemployment across Europe, notably amongst young people, and addressing the spectre of protectionism. It has demonstrated structural weaknesses in the global economic model and highlighted the need for a new and sustainable approach, in ecological and in social and economic terms, and for tighter regulation of the banking and financial sector;
11. reiterates that before the economic crisis struck Europe, and when the economy was considered to be performing relatively well, **high levels of poverty continued to exist across Europe as well as growing levels of income inequality**. According to figures published by the European Commission in October 2008, 16% of the European population lives below the poverty line, one in ten people live in a household where nobody works, and 19% of children live under the threat of poverty⁵. Tackling poverty and the growing wealth inequalities in Europe must be one of the core aims of the future Strategy;
12. notes that there are a number of **longer-term challenges** facing Europe, including demographic change, climate change, energy security, globalisation⁶, and achieving territorial cohesion across the EU, which the new strategy must address. Regrets that territorial cohesion is not given more visibility as a guiding principle in the Commission's consultation paper on the EU 2020 strategy; calls for the Commission, in line with the requirements on Territorial

⁵ DG Employment MEMO/08/625 Brussels, 16 October 2008. See: <http://ec.europa.eu/social/main.jsp?langId=en&catId=637>.

⁶ See the [Regions 2020 Report](#) published by the European Commission in December 2008.

Cohesion set out in the Treaty of Lisbon, to make a commitment to present a territorial impact assessment for all new legislative proposals affecting local or regional authority remits;

13. notes that as a legacy of the crisis, there will be **significant pressure on public finances** over the coming years as a result of the social, financial and economic crisis, it is essential that there is an effective alignment of resources and funding at the local, regional, national and European level, to ensure that the right investments are made that will deliver the broad goals of the new Strategy. To enable municipalities and regions to contribute effectively to implementing the Lisbon strategy, it is essential to ensure that the European Union and the Member States fully respect the principles of the Council of Europe's Charter of Local Self-Government as regards the **financial resources of local authorities** (Article 9);
14. believes that achieving effective social cohesion and meeting long-term challenges both require a territorial approach across all policies, which takes account of the specific characteristics that exist at the regional and local level across Europe. Sufficient resources must also be earmarked from the Community budget to support balanced territorial development in Europe;
15. proposes that the **new Strategy prioritises** investing in a green economy, addresses social cohesion, ensuring a multi-level governance approach, as well as taking a fresh look at how we measure the impact of the new Strategy;

Investing in the Green Economy

16. calls for the **EU's Climate Change targets and commitments** to be incorporated into the new Strategy, to create a low emissions economy across Europe;
17. calls for EU leaders to establish, as a core priority, **to develop Europe's competitiveness in the green economy**, to enable the EU to take a leading role in the transformation of the global economy to a sound and sustainable basis. In particular this means leading by example, prioritising investments in new green technologies, R&D, including renewable energy production, energy efficiency, sustainable methods of production and consumption, ICT and broadband infrastructures in remote communities, as well as promoting ecological protection and preservation. Europe's universities, research centres, and SMEs have a key role to play in driving this agenda forward⁷. This requires structural changes in the European economy, including co-ordination of macro economic policy and active labour market policies in order to support the move to a green economy;

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An example of this is "[The Wave Hub](#)", which is being built off the coast of Cornwall in 2010. With financial support from the ERDF this will create the UK's first offshore facility for demonstration in situ of the operation of arrays of wave energy generation devices. The project is a collaboration involving public, private and research sectors.

18. calls for a **European Green Skills and Green Jobs Strategy**, to provide a framework for investing in the skills and knowledge to support the development of a sustainable economy. Future EU funding programmes, including the Life Long Learning Programme and European Social Fund, should be focused on supporting investments in “green jobs” and “green skills”, with a particular emphasis on new, dynamic and innovative SMEs⁸;
19. calls for the EU to adopt a **consistent framework of incentives and support mechanisms (Green Better Regulation)** to support development of a sustainable economy across Europe;
20. calls for priority to be given to **sharing best practice** on innovative approaches that create incentives in individual Member States that encourage and reward EU citizens, businesses and public authorities, to adopt green behaviour and penalize “non-sustainable” behaviour;
21. reiterates that a **green approach can create a virtual circle**, tackling economic and societal problems. For example recent changes to Structural Funds regulations make it possible to support energy efficiency measures in low-income households;
22. emphasises the **importance of bottom-up initiatives** by local communities to deliver change on the ground⁹;

Social Cohesion and Inclusion

23. underlines the value and importance of **social insurance and social protection systems** that protect the most vulnerable in society, and the need to preserve a strong European Social Model¹⁰;
24. recognises, in accordance with the protocol on services of general interest appended to the Lisbon Treaty, the essential role played by such services, especially social services of general interest, whose organisation and financing must be better safeguarded, as well as the importance of local public services for citizens;

⁸ Examples include: '[Capturing the Potential - A Green Jobs Strategy for Wales](#)', published by the Welsh Assembly Government on 9 July 2009; '[Going for green growth: a green jobs strategy for Scotland](#)', published by the Scottish Government in June 2005.

⁹ The Thisted Municipality in Denmark is an exemplar, where community led action to address climate change has resulted in over 100% of power consumption and more than 80% of heat consumption without the use of fossil fuels. See www.climate.thisted.dk.

¹⁰ A good discussion of this is set out in “The Spirit Level: Why More Equal Societies Almost Always Do Better” by Professor Richard Wilkinson and Dr Kate Pickett, (Allen Lane, March 2009). The [Social Platform](#) is calling for a European minimum wage system, and there have also been calls for the EU to make a commitment to respecting International Labour Organisation-standards on decent work.

25. calls for actions to tackle **child poverty and cross-generational poverty** in families, and underlines the need to maintain the Barcelona targets on child care services¹¹;
26. underlines the importance of a **well-financed, EU-wide Cohesion policy involving all regions of Europe**, as a key factor in supporting delivery of the new Strategy, and rejects any moves to renationalise structural funds or to remove the regional dimension from cohesion policy in the review of the future EU budget;
27. calls for a commitment to make more effective use of the existing knowledge and best practice within EU Structural Funds programmes to the benefit of every region in the EU;
28. calls for EU leaders use the 2010 European Year for Combating Poverty and Social Exclusion, to make a commitment to **prioritising social cohesion and social inclusion**, aimed at tackling growing unemployment, disparities in regional economic performance, social exclusion, worklessness, and economic inactivity. The CoR agrees with the Barca Report that EU Structural Funds Programmes are a key tool for tackling social exclusion;
29. calls for action to address the growing spectre of **unemployment among young people**, by prioritising investments in education, training and skills development, including schemes that encourage mobility of young people. We welcome the Council Recommendation on the Mobility of Young Volunteers adopted in November 2008, and support the Commission's proposal for 2011 to be designated the European Year of Volunteering;
30. calls for greater recognition to the **key contribution of women** in the workforce and women as entrepreneurs and innovators. Europe has a long way to go on gender equality as a recent report by the European Commission demonstrates which highlights in particular the gender pay gap as a persistent problem, as well as difficulties in addressing work-life balance and gender stereotypes^{12 13}; hopes, for this reason, that recommendations and incentives are envisaged to keep women in work and get them into work;
31. calls for **greater recognition of the value and contribution of all members of society**. The new Strategy should place a value on the importance of "civil society", in particular the contribution of the third sector, carers and volunteers to the well-being of others, which often

11 "...to provide childcare by 2010 to at least 90% of all children between 3 years old and the mandatory school age and at least 33% of all children under 3 years of age".
See http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/71025.pdf.

12 [COM\(2009\)77: Equality between women and men — 2009](#).

13 The [Global Economics Paper No: 164 "Women Hold Up Half the Sky"](#) by Goldman Sachs published in 2007 argues that the reduction of gender inequality would increase economic growth. The [Norwegian Government](#) introduced a quota to ensure that a minimum of 40% of the membership boards of all private companies should be women, arguing that quotas make sound economic sense. The World Bank in its [Issues Brief "The World Bank and Gender Equality"](#) (April 2009) argues that poverty cannot be eradicated unless parity of gender is achieved, and calls restricting economic opportunities for women "bad economics".

goes unrecognised. Equally the new Strategy should encourage **active ageing** policies and inter-generational initiatives;

32. argues that the future EU Cohesion Policy should include support for **local development initiatives**, targeted at specific urban and rural communities facing particular socio-economic challenges. This approach has been used successfully in the past through initiatives like EQUAL, LEADER, URBAN and within the mainstream Objective 1 and 2 programmes;
33. welcomes an approach in which state aid rules make it possible to support local and sustainable community based economic production (e.g. through prioritising green procurement, access to broadband infrastructure in remote and rural communities);

Multi-Level Governance

34. underlines the need for the **involvement of local and regional authorities** in shaping, delivering and evaluating the new Strategy;
35. highlights the importance of regional and local authorities in taking a lead in **responding to the financial and economic crisis on the ground**, to address the immediate and short-term challenges¹⁴;
36. calls for **better co-ordination and cooperation** between the different levels of government in Europe, and for a much stronger regional dimension to the new Strategy;
37. calls on EU leaders to **ensure future EU spending** is aligned towards delivering the key objectives of the new Strategy, applying the success of Lisbon earmarking in Structural Funds across all relevant areas of the EU budget;
38. calls for **stronger incentives for national governments** to commit themselves to delivering the new Strategy's objectives, including as appropriate binding targets, to ensure effective implementation on the ground;
39. welcomes consideration of linking the Strategy to the term of office **of the European Commission and the European Parliament**. There should be a more clearly defined role for the European Parliament as the democratically elected body of Europe in the new Strategy,

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In Wales for example [six Economic Summits](#) have been held since October 2008 bringing together all key stakeholders to plan a response to the crisis. The Welsh Government has also used ESF to finance a combination of wage subsidies and training subsidies aimed at employers taking on workers recently made redundant ([REACT](#)) or maintaining workers threatened with redundancy ([PROACT](#)). The Conference of Peripheral and Maritime Region adopted on 15 July 2009 a manifesto, "[Emerging stronger from the crisis: a European Territorial Pact](#)", which gives recognition of the regional responses to the crisis across Europe, and calls for a special meeting of the European Commission, Member States and regional authorities (including the Committee of the Regions) to discuss the longer term responses to the crisis.

working in partnership with the Committee of the Regions and the European Economic and Social Committee;

40. notes that EU Cohesion Policy has an established **multi-level governance structure** for implementing the Structural Funds programmes, and **asserts that the new Strategy should use these existing partnership structures** to address the current weaknesses in the governance structures. An explicit alignment of governance structures with the Regional Programmes in the EU Cohesion Policy, provides a far more effective way of ensuring joined up policy making;
41. proposes that these existing partnerships take an **active role in the preparation of the National Reform Programmes (NRPs)**, with the Structural Funds Programmes providing a *regional chapter* to delivery of the overarching goals of the NRPs; expresses concern at the absence of concrete suggestions in the consultation paper on how the EU 2020 strategy will involve local and regional governments, and regional parliaments and assemblies in developing and implementing the strategy and the NRPs;

Measuring the impact of the Strategy

42. notes a **growing level of dissatisfaction at the use of GDP** as the primary indicator to measure economic performance, and calls for new indicators to be developed that provide a more meaningful way of measuring prosperity, well-being and quality of life in Europe¹⁵;
43. calls for such measures to take account of **wider societal and environmental challenges**, including child poverty indicators, income distribution, levels of CO2 and other emissions, impact on biodiversity, and other elements that form part of a broad definition of well-being, and that reflect differences at sub-national level across Europe¹⁶;
44. calls for **local and regional authorities to be directly involved in determining targets and indicators** for the new Strategy. The Covenant of the Mayors signed in January 2009, demonstrates how regional and local authorities can drive forward key policy issues, and be more ambitious in their commitments than national and European levels of government;

Evidence-based approach

45. underlines that this opinion draws on the results of the CoR consultation on the future of the Strategy, launched in Prague in March 2009, as well as an active research phase in Brussels,

¹⁵ Of particular interest the [Commission on the Measurement of Economic Performance and Social Progress](#), set up by French President Nicolas Sarkozy, to establish new indicators to measure economic and social progress that go beyond GDP.

¹⁶ The Welsh Government's new Sustainable Development Strategy, [One Planet: One Wales](#), establishes five high level indicators for Wales to address each of the core elements of the strategy: (i) ecological footprint (ii) biodiversity (iii) Gross Value Added (equivalent of GDP measure) (iv) low income households (v) well-being.

Wales, and the UK. The **Lisbon Monitoring Platform** contributed a comprehensive analysis of the results of the consultation in a timely manner;

46. considers it essential that the **CoR continues to monitor implementation of the new Strategy** on the ground through its networks, in particular the Lisbon Monitoring Platform.

Brussels, 3 December 2009

The President
of the Committee of the Regions

Luc Van Den Brande

The Secretary-General
of the Committee of the Regions

Gerard Stahl

II. PROCEDURE

Title	The future of the Lisbon Strategy post 2010
Reference(s)	
Legal basis	Article 265, 1st para. of the TEU
Procedural basis	
Date of Commission letter	n/a
Date of Bureau's decision	11 February 2009
Commission responsible	Commission for Economic and Social Policy (ECOS)
Rapporteur	Mrs Christine Chapman (UK/PES)
Analysis	6 April 2009
Discussed in commission	14 September 2009
Date adopted by commission	14 September 2009
Result of the vote in commission	Majority
Date adopted in plenary	3 December 2009
Previous Committee opinions	<p>CdR 39/2006, Opinion of the CoR on A policy framework to strengthen manufacturing – towards a more integrated approach to industrial policy</p> <p>CdR 40/2006, Opinion of the CoR on A modern SME strategy for growth and employment</p> <p>CdR 181/2006, Opinion of the CoR on Social Services of General Interest</p> <p>CdR 338/2006, Opinion of the CoR on Financing SME growth</p> <p>CdR 339/2006, Outlook Opinion of the CoR on The future of the Single Market and stocktaking of European society</p> <p>CdR 255/2007, Opinion on the European Commission Communication Promoting young people's full participation in education, employment and society</p> <p>CdR 274/2007, Opinion on the Communication from the European Commission Towards Common Principles of Flexicurity: More and better jobs through flexibility and security</p> <p>CdR 344/2007, Opinion on Active inclusion</p> <p>CdR 70/2008, Outlook opinion on Clusters</p>

	<p>CdR 331/2007, CoR Resolution of 7 February 2008 to the European Spring Council</p> <p>CdR 12/2009 on the European Economic Recovery plan and the role of local and regional authorities</p> <p>CdR 83/2009 on the correlation between the labour market and regional needs in the area of tourism.</p> <p>CdR 84/2009 on establishing the European Globalisation Adjustment Fund</p>
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