Employment policy: guidelines for 2005-2008

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The Council held a detailed discussion on the Commission's recommendations concerning the microeconomic aspect of the Integrated Guidelines (IG) for Growth and Jobs. The Council welcomes the Commission's recommendation on the IGs in relation to micro-economic aspects. It underlines the need for flexibility in order to take into account national specificities. The Council also stresses the need for close coordination (at national and Community level) and consistency between micro-economic and macro-economic policies and the employment guidelines.

Consistency is also required in the implementation of the IGs.

Regarding the content of the micro-economic guidelines, the following priorities were identified:

- Facilitating all forms of innovation.

- Investment in R&D. In this regard, the 3% objective was confirmed.

- Contributing to a strong industrial base, both in traditional and high technology sectors. Action is required at both horizontal and sectoral level.

- The achievement of the Internal Market is another major priority for creating jobs and meeting the challenges of globalisation.

Lastly, creating the conditions for attracting investment is an objective supported by all, in particular as regards infrastructure. Action is required, inter alia, to improve the quality of our legislation, facilitate access to financing and encourage entrepreneurship. The Council highlighted the key role of SMEs in the European economy.

Regarding the process as such, the Council agrees that one of the main weaknesses of the first stage of the Lisbon strategy was the lack of national ownership. It was decided to redouble efforts at implementation at national level of the "refocused" Lisbon agenda. The Council approves the swift implementation of the National Action Programmes (NAPs) with a view to encouraging the Lisbon process. It believes that the NAPs should be presented in autumn 2005 so that national parliaments and the social partners can actively cooperate. It underlines the importance of mutually supportive national and Community programmes. The Council noted with interest the Commission's ideas regarding the development of a common methodology concerning the structure of the NAPs. The Council also decided to ensure regular follow-up of the new strategy, especially as regards the national action plans and, if necessary, to make adjustments and strengthen its cooperation with the ECOFIN Council in the context of the IGs.