Resolution on the Lisbon Strategy (European Council of 8 and 9 March 2007)

2006/2633(RSP) - 14/02/2007 - Text adopted by Parliament, topical subjects

The European Parliament adopted a resolution by 438 votes in favour to 103 against with 30 abstentions, on its input to the 2007 Spring Council in relation to the Lisbon Strategy. It welcomed the efforts of the Commission and Member States to make the Lisbon Strategy a success. In a world with limited resources and a fragile ecological system, the EU should strive to become the most resource and energy-efficient economic area in the world. Parliament pointed to the costs of inaction in this respect and emphasised the huge economic potential for **energy-efficient technologies** and **renewable energies** on the world market. It added that **innovation** plays a critically important role in the European Union's ability to respond effectively to the challenges of the global economy.

Improving Lisbon governance for better law-making: Parliament suggested that a 25 % reduction in the administrative burden on the Member States would lead to an increase in real GDP of 1 to 1.4 %. It added that EU economic and employment problems would not be overcome without the active involvement of parliaments, at national and European level. Parliament urged a more effective role for government representatives specifically responsible for implementing the Lisbon Strategy in all Member States, at the highest political level, with a view to convincing national decision-makers to improve the policy-mix-approach of this reform agenda at both national and European level.

Growth, employment and competitiveness: labour market reform must aim to reconcile the demands of industry for greater flexibility with the demands of workers for more security, for example by creating new job prospects and new forms of security. The European Council and the Member States must introduce an intensified benchmarking exercise and exchanges of best practices with a view to developing flexicurity. Modernising employment and social security systems in all Member States, including the promotion of active labour market measures (as in the Danish model), is a political imperative. Barriers to job creation, including disincentives to take up moderately paid employment, must be removed. Parliament deplored the fact that the proportion of women in the workforce still falls far short of the Lisbon Strategy objectives. In addition, older workers should be able to remain in the workforce on a voluntary basis. Early retirement must be discouraged and workers should be allowed to work past their legal retirement age voluntarily if they and their employers so agree. Parliament suggested various measures to raise labour market participation among young people, female and older workers. These include: ensuring employment, training or similar opportunities are offered to every school leaver within six months; improving the employment rate among disabled people; reducing the start-up time for new businesses to at most one week; raising investment in childcare; reducing the tax burden on employment; combating discrimination and social exclusion; raising investment in innovation.

Parliament noted that **the long-term strengthening of the internal market** was fundamental to achieving the Lisbon Strategy objectives and, in particular, to making the EU sustainably competitive in a globalised economy. It pointed to a series of measures which would strengthen the internal market, and, in this connection, regarded as exceptionally regrettable the failure to make any progress with European patent policy and the failure to develop a uniform European patent strategy.

Moving on to the **EU’s external competitiveness,** Parliament considered that market access, a more balanced regional approach and the promotion of International Labour Organization Core Labour Standards and decent work worldwide were vital to strengthening the European Union's external

competitiveness. It called on Member States to refrain from protectionism, but noted that international trade might also have negative consequences for the most vulnerable and least qualified workers in some sectors.

With regard to the **EU's innovative capacity**, Parliament stressed the vital importance of boosting EU investment in R&D, embracing both products and services. It welcomed the adoption of the Seventh Framework Programme (FP7), the main objective of which is to strengthen the scientific and technological basis of Community industry. The importance of research funding targets of 3 % of GDP was again emphasised.

Parliament went on to state that it was convinced that the Lisbon Strategy could be a success only if further efforts are made to establish a **common energy policy.** However, that policy should not lead to the communitarisation and standardisation of national energy policies, but rather create more competition and benefits for consumers. Not only Europe's strength, but also its security in the area of energy supply, lies in its diversity. Parliament recognised that **nuclear energy** is an important part of the energy mix in a number of Member States. It noted the role that it currently plays in some Member States in maintaining security of electricity supply, as part of the energy mix, and in preventing CO2 emissions. However, there are risks relating to its production and that there is, at present, no final solution for the recycling of nuclear waste. It supported research in the areas of reactor safety and new technologies. Decsion on whether nuclear energy production should continue to play a role in some Member States could only be taken at Member State level within the framework of subsidiarity.

Parliament urged the 2007 Spring European Council to endorse the **Energy Efficiency Action Plan** proposed by the Commission, which should at least contain the following elements: the placing of consumers, whether they are householders or commercial and industrial users, at the centre of energy policy; a road map at Council and Commission level for reaching a target for renewable energy of 50 % by 2040, a 30 % reduction at EU level in the CO2 target for 2020, an EU target for energy efficiency improvements of at least 20% by 2020 and a 60 to 80 % reduction for 2050; reform of the EU Emissions Trading Scheme (ETS) to guide the market into investment in a low carbon economy, which should be driven by a set target for EU carbon emissions by 2020, including a target of 25 % of energy from renewable sources by 2020 and a binding target for car emissions.