

Inter-parliamentary Conference on Stability, Economic Coordination and Governance in the European Union

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Background Note 2: Beyond the EU2020 Strategy for growth and jobs: new goals and indicators?

Launched in 2010, the [Europe 2020 strategy](#) has been the EU's agenda for growth and jobs for this decade. It emphasised smart, sustainable and inclusive growth as a way to improve Europe's employment, productivity and social cohesion.

To meet the strategic goals, the EU identified key objectives in five areas, each with specific targets to be reached by 2020:

- **Employment:**
 - > 75% of the population aged 20 to 64 years to be employed;
- **Research & Development:**
 - > 3% of GDP to be invested in the R&D sector;
- **Climate change & energy:**
 - > Greenhouse gas emissions to be reduced by 20% compared to 1990;
 - > Share of renewable energy sources in final energy consumption to be increased to 20%;
 - > Energy efficiency to be improved by 20%;
- **Education:**
 - > Share of early school leavers to be reduced to under 10%;
 - > At least 40% of 30 to 34 years old to have completed tertiary or equivalent education;
- **Poverty and social exclusion:**
 - > At least 20 million fewer people at risk of poverty or social exclusion.

These EU-level targets were translated into national targets for each EU country, reflecting different situations and circumstances. The Member States report on progress as part of their annual National Reform Programmes under the framework of the European Semester for economic policy coordination.

Since 2008, which is the baseline year for monitoring the Europe 2020 strategy, developments show a rather mixed picture. Substantial progress has been made in the areas of climate change and energy, as well as in education. Progress has been more limited for R&D expenditure as well as for employment, with promising recent developments for the latter. In contrast, the targeted reduction in poverty rates has largely not been achieved.

See the annex to this background note (and [Eurostat website](#)) for an overview on country specific progress in relation to the EU2020 targets.

On 20 June 2019, the European Council agreed on a new [Strategic Agenda](#) for 2019-2024 that focuses on four main priorities:

- Protecting citizens and freedoms;
- Developing a strong and vibrant economic base;
- Building a climate-neutral, green, fair and social Europe;
- Promoting European interests and values on the global stage.

The agenda sets out how to achieve those objectives and includes a section on the economic base for Europe's competitiveness and prosperity. Leaders noted that *"As technological, security and sustainability challenges reshape the global landscape, we need to renew the basis for long-term sustainable and inclusive growth and strengthen cohesion in the EU. This requires achieving the upward convergence of our economies and addressing the demographic challenges."*

In the economic field, leaders focused on strengthening the Single Market and its four freedoms, designing an industrial policy, addressing the digital revolution and ensuring fair and effective taxation.

Other relevant policy initiatives and challenges

- In January 2019, the European Commission published on a [reflection paper on EU's sustainable development vision](#) and the focus of sectoral policies after 2020. The questions raised in the paper were intended to inform a debate among citizens, stakeholders, governments and institutions in the months ahead, with a view to inspiring the debate on the future of Europe, the preparation of the European Union's Strategic Agenda 2019-2024, and the priority setting of the next European Commission.
- The EU Commission has established an [agenda for a sustainable and circular economy](#) aimed at transforming the EU economy into a circular one, where the value of products and materials is maintained for as long as possible, bringing major economic benefits.
- The [European innovation scoreboard](#) by the EU Commission provides a comparative analysis of innovation performance in EU Member States, other European countries, and regional neighbours. It assesses relative strengths and weaknesses of national innovation systems and helps countries identify areas they need to address. The latest European innovation scoreboard was released in June 2019.
- The [2019 EU Justice Scoreboard](#) provides comparable data on the independence, quality, and efficiency of national justice systems. It is an information tool that helps the EU achieve more effective justice. The scoreboard mainly focusses on civil, commercial and administrative cases, to pave the way for more investments and a business and citizen-friendly environment.
- The OECD developed a comprehensive [framework to measure well-being](#), built around three distinct domains: material conditions, quality of life and sustainability, each with their relevant dimensions. It was inspired by a [report](#) of the Commission of experts on the Measurement of Economic Performance and Social Progress (also known as the Stiglitz-Sen-Fitoussi Commission).
- A recent [OECD report on "New Forms of Work"](#) provides a review of the policy actions being taken in response to growing diversity in forms of employment. In recent years, many countries have seen the emergence of labour contract types that diverge from the standard employment relationship. These changes are driving policy makers worldwide to review how policies in different areas – labour market, skills development, social protection – can best respond.
- A [OECD report "Skills Outlook 2019"](#) aims to understand how policies, and in particular those that affect skills development and use, can shape the outcomes of digital transformation and translate into more equally shared benefits among and within countries' populations. Ensuring people can benefit from new technologies and are not left behind requires a comprehensive and coordinated policy effort.

Some framing questions for the participants:

1. What should be the core objectives of the next strategic agenda for growth and jobs in the EU? What can we learn from the objectives, design and implementation of the EU2020 strategy?
2. What core indicators should be included to measure progress? Is there a need for some new indicators that better cover sustainable and inclusive growth?
3. What should be the role for stakeholders, such as regions, social partners and civil society, in defining any new strategy?
4. What should the relationship between a new comprehensive policy strategy and the “European Semester framework” be?

ANNEX 2: Member States' progress on the EU2020 targets

Member States	Employment rate (% of population aged 20 to 64)				R&D Target (% of GDP)				Greenhouse Gas Emissions ¹ (For EU28 index 1990 = 100 For Member States index 2005=100)				Renewable Energy (% of final energy consumption)			
	2016	2017	2018	Target: >	2016	2017	2018	Target: >	2016	2017	2018	Target: <	2016	2017	2018	Target: >
EU (28 Countries)	71.1	72.2	73.2	75	2.04	2.06	n.a.	3	77.8	78.3	n.a.	80	17.0	17.5	n.a.	20
Belgium	67.7	68.5	69.7	73.2	2.55	2.58	n.a.	3	92.2	90.2	n.a.	85	8.6	9.1	n.a.	13
Bulgaria	67.7	71.3	72.4	76	0.78	0.75	n.a.	1.5	115.7	117.9	n.a.	120	18.8	18.7	n.a.	16
Czech Republic	76.7	78.5	79.9	75	1.68	1.79	n.a.	1	101.9	103.8	n.a.	109	14.9	14.8	n.a.	13
Denmark	77.4	76.9	78.2	80	3.10	3.05	n.a.	3	82.6	81.3	n.a.	80	32.6	35.8	n.a.	30
Germany	78.6	79.2	79.9	77	2.92	3.02	n.a.	3	95.1	97.3	n.a.	86	14.9	15.5	n.a.	18
Estonia	76.6	78.7	79.5	76	1.25	1.29	n.a.	3	114.6	110.1	n.a.	111	28.6	29.2	n.a.	25
Ireland	71.4	73	74.1	69	1.19	1.05	n.a.	2	93.1	93.6	n.a.	80	9.3	10.7	n.a.	16
Greece	56.2	57.8	59.5	70	0.99	1.13	n.a.	1.2	71.8	70.7	n.a.	96	15.1	16.3	n.a.	18
Spain	63.9	65.5	67	74	1.19	1.20	n.a.	2	84.1	84.7	n.a.	90	17.4	17.5	n.a.	20
France	70	70.6	71.3	75	2.25	2.19	n.a.	3	88.4	89.1	n.a.	86	15.9	16.3	n.a.	23
Croatia	61.4	63.6	65.2	62.9	0.86	0.86	n.a.	1.4	92.0	92.3	n.a.	111	28.3	27.3	n.a.	20
Italy	61.6	62.3	63	67	1.37	1.35	n.a.	1.53	80.9	80.4	n.a.	87	17.4	18.3	n.a.	17
Cyprus	68.7	70.8	73.9	75	0.53	0.56	n.a.	0.5	98.3	103.2	n.a.	95	9.3	9.9	n.a.	13
Latvia	73.2	74.8	76.8	73	0.44	0.51	n.a.	1.5	106.6	108.0	n.a.	117	37.1	39.0	n.a.	40
Lithuania	75.2	76	77.8	72.8	0.84	0.89	n.a.	1.9	105.1	107.4	n.a.	115	25.6	25.8	n.a.	23
Luxembourg	70.7	71.5	72.1	73	1.30	1.26	n.a.	2.3	84.0	85.4	n.a.	80	5.4	6.4	n.a.	11
Hungary	71.5	73.3	74.4	75	1.20	1.35	n.a.	1.8	87.6	91.2	n.a.	110	14.3	13.3	n.a.	13
Malta	71.1	73	75	70	0.57	0.54	n.a.	2	119.2	128.3	n.a.	105	6.2	7.2	n.a.	10
Netherlands	77.1	78	79.2	80	2.00	1.99	n.a.	2.5	79.3	79.1	n.a.	84	5.9	6.6	n.a.	14
Austria	74.8	75.4	76.2	77	3.13	3.16	n.a.	3.76	89.0	90.2	n.a.	84	33.0	32.6	n.a.	34
Poland	69.3	70.9	72.2	71	0.96	1.03	n.a.	1.7	110.4	113.8	n.a.	114	11.3	10.9	n.a.	15
Portugal	70.6	73.4	75.4	75	1.28	1.33	n.a.	2.7	85.6	85.8	n.a.	101	28.4	28.1	n.a.	31
Romania	66.3	68.8	69.9	70	0.48	0.50	n.a.	2	96.9	98.3	n.a.	119	25.0	24.5	n.a.	24
Slovenia	70.1	73.4	75.4	75	2.01	1.86	n.a.	3	95.0	93.2	n.a.	104	21.3	21.5	n.a.	25
Slovakia	69.8	71.1	72.4	72	0.79	0.88	n.a.	1.2	86.0	86.0	n.a.	113	12.0	11.5	n.a.	14
Finland	73.4	74.2	76.3	78	2.74	2.76	n.a.	4	92.4	90.6	n.a.	84	39.0	41.0	n.a.	38
Sweden	81.2	81.8	82.6	80	3.27	3.40	n.a.	4	75.0	75.2	n.a.	83	53.8	54.5	n.a.	49
United Kingdom	77.5	78.2	78.7	n.n.t.	1.68	1.66	n.a.	n.n.t.	79.9	79.4	n.a.	84	9.2	10.2	n.a.	15

Source: [Eurostat 2020 indicators](#) (extraction date: 02/07/2019), [Europe 2020 Targets by the Commission](#); n.n.t. = no national target, or national target differently specified.

Member States	Energy Efficiency ² (Primary energy consumption - in Mtoe)				Early School Leaving (% pop aged 18-24 with at most lower secondary)				Tertiary Education (% of pop aged 30-34 with tertiary educ. attainment)				Poverty/Social exclusion ³ (people at risk of poverty or social exclusion, in thousands)			
	2016	2017	2018	Target: <	2016	2017	2018	Target: <	2016	2017	2018	Target: >	2016	2017	2018	Target: <
EU (28 Countries)	1546.9	1561.6	n.a.	1,483	10.7	10.6	10.6	10	39.2	39.9	40.7	40	118.065	112.979	n.a.	96,070
Belgium	49.3	49.1	n.a.	43.7	8.8	8.9	8.6	9.5	45.6	45.9	47.6	47	2335	2296	2250	1,814
Bulgaria	17.7	18.3	n.a.	16.9	13.8	12.7	12.7	11	33.8	32.8	33.7	36	2890	2767	2315	3,161
Czech Republic	40.1	40.4	n.a.	39.6	6.6	6.7	6.2	5.5	32.8	34.2	33.7	32	1375	1267	1264	1,466
Denmark	17.4	17.7	n.a.	17.4	7.2	8.8	10.2	10	47.7	48.8	49.1	40	951	980	1011	865
Germany	297.7	298.3	n.a.	276.6	10.3	10.1	10.3	10	33.2	34.0	34.9	42	16035	15516	n.a.	n.a
Estonia	5.9	5.6	n.a.	6.5	10.9	10.8	11.3	9.5	45.4	48.4	47.2	40	318	305	n.a.	255
Ireland	14.6	14.4	n.a.	13.9	6.0	5.0	5.0	8	54.6	54.5	56.3	60	1160	1088	n.a.	850
Greece	22.8	23.1	n.a.	24.7	6.2	6.0	4.7	10	42.7	43.7	44.3	32	3789	3702	3349	2,596
Spain	119.2	125.6	n.a.	119.8	19.0	18.3	17.9	15	40.1	41.2	42.4	44	12827	12236	n.a.	9,386
France	240.2	239.5	n.a.	219.9	8.8	8.9	8.9	9.5	43.6	44.3	46.2	50	11463	10771	n.a.	9,482
Croatia	8.1	8.3	n.a.	11.15	2.8	3.1	3.3	4	29.3	28.7	34.1	35	1159	1085	n.a.	1,220
Italy	148.0	149.0	n.a.	158	13.8	14.0	14.5	16	26.2	26.9	27.8	26	18137	17407	n.a.	12,882
Cyprus	2.4	2.5	n.a.	2.2	7.6	8.5	7.8	10	53.4	55.9	57.1	46	234	215	n.a.	154
Latvia	4.3	4.5	n.a.	5.4	10.0	8.6	8.3	10	42.8	43.8	42.7	34	554	544	543	619
Lithuania	6.0	6.2	n.a.	6.5	4.8	5.4	4.6	9	58.7	58.0	57.6	48.7	871	843	n.a.	740
Luxembourg	4.2	4.3	n.a.	4.5	5.5	7.3	6.3	10	54.6	52.7	56.2	66	114	126	n.a.	66
Hungary	23.7	24.5	n.a.	24.1	12.4	12.5	12.5	10	33.0	32.1	33.7	34	2541	2465	1887	2,344
Malta	0.7	0.8	n.a.	0.7	19.2	17.7	17.5	10	32.0	33.5	34.2	33	90	87	89	74
Netherlands	64.8	64.5	n.a.	60.7	8.0	7.1	7.3	8	45.7	47.9	49.4	40	2797	2864	n.a.	2,332
Austria	31.7	32.6	n.a.	31.5	6.9	7.4	7.3	9.5	40.1	40.8	40.7	38	1542	1563	1512	1,464
Poland	94.8	99.1	n.a.	96.4	5.2	5.0	4.8	4.5	44.6	45.7	45.7	45	8221	7273	n.a.	9,991
Portugal	21.8	22.8	n.a.	22.5	14.0	12.6	11.8	10	34.6	33.5	33.5	40	2595	2399	n.a.	2,557
Romania	30.6	32.4	n.a.	43	18.5	18.1	16.4	11.3	25.6	26.3	24.6	26.7	7694	7040	6360	8,535
Slovenia	6.5	6.6	n.a.	7.3	4.9	4.3	4.2	5	44.2	46.4	42.7	40	371	345	326	321
Slovakia	15.4	16.2	n.a.	16.4	7.4	9.3	8.6	6	31.5	34.3	37.7	40	950	856	n.a.	941
Finland	32.3	31.9	n.a.	35.9	7.9	8.2	8.3	8	46.1	44.6	44.2	42	896	849	894	770
Sweden	46.9	46.5	n.a.	43.4	7.4	7.7	9.3	7	51.0	51.3	52.0	45	1799	1765	n.a.	n.a.
United Kingdom	179.8	176.8	n.a.	177.6	11.2	10.6	10.7	n.n.t.	48.2	48.3	48.8	n.n.t.	14359	14325	n.a.	n.a.

Notes: ¹ The EU as a whole aims to reduce GHG emissions by 20 % compared to 1990 levels; hence, the index for EU28 uses 1990 as its base year. The Member State targets, set out in the Commission Decision [406/2009](#), covering only sectors not included in the EU Emissions Trading System (EU ETS), are relative to 2005 levels. Thus, the index for emissions from these sectors uses 2005 as its base year. Moreover, these national targets are presented in terms of an index rather than percentage deviation from the 2005 target as specified in the above-mentioned Commission Decision. By 2020, the national targets will collectively deliver a reduction of around 10 % in total EU emissions from the non-EU ETS sectors and a 21 % reduction in emissions for the sectors covered by the EU ETS, both compared to 2005 levels. This will accomplish the overall emission reduction goal of a 20 % cut below 1990 levels by 2020. ² Member States have set indicative national targets based on different indicators translated into absolute levels of primary energy consumption in million tonnes of oil equivalent (Mtoe); ³ Note that there is a break in the time series in 2014; ⁴ Most of the Member States have set national targets based on a reduction in the number of people living in poverty or social exclusions, in most cases compared to 2008 levels; some Member States, whose target is not included in this column, have set national targets based on different indicators related to the reduction in poverty/social exclusion, e.g. reduction in long-term unemployment for Germany, reduction in the at risk poverty rate after social transfers for Estonia, reduction to a certain absolute number of persons at risk of poverty and social exclusion for Croatia, Finland, and Slovakia, reduction to well below 14% the percentage

of women and men aged 20-64 not in the labour force, long-term unemployed or on long-term sick leave for Sweden, reduction of the child poverty for UK. The calculation of the poverty target value for France uses 2007 data. The calculation of the poverty target value for EU 28 is based on changing composition as Croatia joined EU in 2013 and therefore only has data available starting from 2010.