



Final Draft

01/03/2005

Joint declaration on the mid-term review of the Lisbon strategy

I. The way forward

UNICE/UEAPME, CEEP and ETUC¹ reiterate their support to the Lisbon strategy aimed at turning Europe into the most competitive knowledge-based economy in the world, capable of sustainable economic growth, with more and better jobs and greater social cohesion. Faced with the challenges of globalization, technological progress and demographic ageing, the Lisbon strategy remains as valid and necessary as it was in 2000. Europe's weakness in terms of growth and employment needs to be addressed.

The Lisbon strategy is about improving our competitiveness in high added value products and services and more generally about securing Europe's place on world markets by moving up the ladder of innovation, technology and productivity. Europe cannot compete with low wage countries for labour intensive products. ETUC, CEEP and UNICE/UEAPME urge the Spring European Council to grasp the opportunity of the mid-term review to restore confidence in the Lisbon strategy by focusing on policies aimed at creating the conditions that will allow to sustain an average of 3 % growth per year by 2010. They believe that this requires a broad policy approach aimed at revealing the potential of all companies (large, medium or small), and all citizens and workers, so that, through policies that secure a sound macro economic environment, Europe can become its own engine for growth.

Europe's success depends on the competitiveness of its companies as well as on the efficiency of its economic and social systems to generate sustainable economic growth, employment and social cohesion. Both macro and micro aspects of this complex notion must be taken into account in the mid-term review of the Lisbon strategy.

As part of their contribution to the March 2005 European Council, the European social partners have developed a joint understanding of key elements of the concept of competitiveness in a sound macro economic environment.

- **Innovation**, which implies:
 - innovation in products as well as processes in high performing workplaces,
 - making an efficient use of resources by focussing R&D efforts on products, activities and processes opening up real prospects for economic growth and by exploiting the possibilities of European synergies,

¹ The ETUC delegation includes representatives of the EUROCADRES/CEC Liaison Committee

ETUC – EUROPEAN TRADE UNION CONFEDERATION - BD. DU ROI ALBERT II, 5 - 1210 BRUXELLES

UNICE - UNION OF INDUSTRIAL AND EMPLOYERS' CONFEDERATIONS OF EUROPE – AVENUE DE CORTENBERGH, 168 - 1000 BRUXELLES

UEAPME – EUROPEAN ASSOCIATION OF CRAFT, SMALL AND MEDIUM-SIZED ENTERPRISES - RUE JACQUES LALAING, 4 - 1040 BRUXELLES

CEEP - EUROPEAN CENTRE OF ENTERPRISES WITH PUBLIC PARTICIPATION - RUE DE LA CHARITE, 15 BTE 12 - 1040 BRUXELLES

- promoting entrepreneurship and entrepreneurial spirit across society,
- sound industrial relations in innovation processes.
- **Employability**, which implies:
 - active labour market policies promoting a balance between flexibility and security with well functioning employment services,
 - the promotion of life long learning to improve competences and qualifications,
 - availability of quality childcare and transport infrastructure to allow people to participate in the labour market.
- **Efficient social protection systems**, which:
 - promote employment and facilitate mobility,
 - help workers to accept and be able to cope with change,
 - are financially sustainable.
- **Environmental** policies striking the right balance between long term benefits and short term costs, which implies:
 - promoting eco efficient and energy saving technologies,
 - making extended impact assessment of policy proposals.
- **A supportive public environment**, with
 - better regulation,
 - no distortions of competition,
 - high quality services and infrastructure.
- Sound **macro economic** policies, with an adequate interplay between
 - sound fiscal policies consistent with a stability and growth pact promoting counter cyclicity,
 - monetary policy primarily ensuring price stability and, without prejudice to this objective, supporting the general economic policies in the Community with a view to contributing to its objectives of a high level of employment and of social protection, sustainable non-inflationary growth, a high degree of competitiveness and raising the standards of living as stated in Article 2 of the EC Treaty,
 - wage policies autonomously set up by the social partners and with real wage developments consistent with productivity growth.

II. Governance

ETUC, UNICE/UEAPME and CEEP support the proposal to prepare national Lisbon programmes to bridge the delivery gap.

They stress the importance of involving social partners both at national level, when developing these programmes, and at the European level, when assessing the implementation and results of the Lisbon strategy.

III. Social partners specific contributions

Employment is by far the first priority of the work programme of the autonomous social dialogue between the social partners at EU level.

Using different tools depending on the issue concerned, CEEP, UNICE/UEAPME and ETUC have adopted:

- three legally binding agreements on, respectively, parental leave, part time work and fixed term contracts,
- a framework of actions on life long learning,
- two agreements to be implemented by national social partners on, respectively, telework and work related stress.

As specific contributions to the 2005 Spring European Council, ETUC, UNICE/UEAPME and CEEP are pleased to present:

- a new framework of actions on gender equality,
- the third annual report on the follow up to their framework of actions on the life long development of competences and qualifications,
- their second joint report on national social partners actions to implement the European employment guidelines
- a joint contribution to the EU Youth Initiative.

Last but not least, UNICE/UEAPME, CEEP and ETUC have started a reflection on the content of the next work programme of their autonomous social dialogue and are fully conscious of the need to firmly embed it in the Lisbon strategy.