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P6_TA(2006)0092**Preparations for the European Council: the Lisbon Strategy****European Parliament resolution on the input to the Spring 2006 European Council in relation to the Lisbon Strategy**

The European Parliament,

- having regard to its resolution of 9 March 2005 on the mid-term review of the Lisbon Strategy ⁽¹⁾,
- having regard to the Commission Communication of 12 April 2005 on the Integrated Guidelines for Growth and Jobs (2005-2008) (COM(2005)0141),
- having regard to the Commission Communication of 20 July 2005 on Common Actions for Growth and Employment: The Community Lisbon Programme (COM(2005)0330),
- having regard to the 25 national Lisbon reform programmes (NRPs) as presented by the Member States,
- having regard to the Commission's 2006 Annual Progress Report on Growth and Jobs of 25 January 2006,
- having regard to the Presidency conclusions of the Lisbon European Council of 23 and 24 March 2000, the Stockholm European Council of 23 and 24 March 2001, the Barcelona European Council of 15 and 16 March 2002, and the Brussels European Councils of 22 and 23 March 2005 and 15 and 16 December 2005,
- having regard to conclusions of the Hampton Court informal Heads of State meeting of 27 October 2005,
- having regard to Rule 103(2) of its Rules of Procedure,

General observations

1. Notes with satisfaction that the revised Lisbon Strategy, which was agreed by the Spring 2005 European Council, has led to the presentation by all Member States of national action plans, focusing on priority areas such as R&D, innovation, and education; reiterates its satisfaction at the fact that this has led to the clarification of competences at EU and national level as well as a better understanding of and cooperation in this complex strategic approach;
2. Stresses, however, that the effective and speedy implementation of NRPs is necessary; stresses that economic growth requires, *inter alia*, a supportive economic framework; asks the Member States and the EU, therefore, to assess whether tax systems, research and industrial policy set incentives appropriately and to agree on a coherent EU investment strategy, focusing on the Commission's four proposed priorities, in particular, within that context, on R&D, innovation, education, life-long learning, and social services, as well as the creation of an environment favourable to business;
3. Insists that political commitment regarding the Commission's four priority areas is incompatible with the Financial Perspective (2007-2013), which provides for major cuts in spending proposals on key Lisbon Strategy programmes and budget headings;

NRPs and European growth and employment strategy

4. Stresses the importance of accomplishing fully the internal market through its four core principles, namely the free movement of capital, goods, persons and services; stresses in this context that the adoption of the Services Directive ⁽²⁾ is crucial to opening up the EU's vast services market and contributing to a strong European economy and long-term job creation in accordance with the revised Lisbon Strategy;

⁽¹⁾ OJ C 320 E, 15.12.2005, p.164.

⁽²⁾ Proposal for a Directive of the European Parliament and of the Council on services in the internal market, 5.3.2004 (COM(2004)0002).

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5. Takes the view that placing the emphasis on competitiveness and growth alone would be a mistake, because public support for the Lisbon Strategy presupposes a genuine social dimension;
6. Is convinced that research, innovation, promotion of entrepreneurship, improving the competitiveness of SMEs, and the provision of adequate transport, energy and telecommunications networks are key to delivering the Lisbon Strategy at regional and local governance levels;
7. Believes that the long-term stability and sustainability of public finances are a precondition for achieving the aims of the Lisbon Strategy; calls on the EU to bring together its fragmented growth strategies into a single coherent and comprehensive strategy, in order to make the EU a global leader in a new generation of products and production methods, integrating information and communication technologies and resource-efficient technologies for sustainable development;
8. Welcomes the fact that many Member States' NRPs indicate plans for public-private partnerships, whether in research, higher education, or other sectors;
9. Points to the potential offered by eco-innovations and environmental technologies, for which global demand is growing steadily, to foster growth and employment and, as regards employment, to shift the burden of taxation from labour to resource use and environmental degradation; calls upon the Commission and the Member States to explore these synergies and reduce environmentally hazardous subsidies;
10. Notes the diverse national approaches to the integrated guidelines taken in the NRPs; believes in the need to set a common structure as the basis for the NRPs, allowing a better comparative analysis of the impact of the proposed actions at Member State level, as well as an open and constructive dialogue on the progress achieved at EU level;
11. Stresses that delaying action or a failure to address environmental challenges, is likely to be costly, with negative effects on quality of life as well as the financial burden on future generations; calls on the Commission, therefore, to intensify its work on identifying and quantifying the cost of inaction at Member State and Community level, as well as on the positive effects of preventive action;
12. Believes that national parliaments are the appropriate forum in which to discuss, legitimise and communicate national goals and to promote public debate, in order to define the NRPs; calls on the Council and the Commission jointly to establish clear procedures for identifying legislation in need of simplification or codification; calls, furthermore, on the Commission to come forward with a proposal, to be agreed with the Parliament, for a strategy concerning how and where to apply co-regulation and voluntary agreements;
13. Calls on the Member States to ensure the speedy and accurate transposition of EU legislation and the effective implementation of the NRPs, including timely information to allow the European Parliament to take follow-up action; believes that the budgetary impact of those measures should be evaluated; requests that an independent impact assessment be conducted and that there be enhanced consultation of stakeholders;
14. Stresses the need to accelerate the simplification and consolidation of EU legislation and to put more effort into the better regulation, prompt transposition and correct implementation of EU legislation; calls on the Commission to consider the effective implementation of the 2003 Interinstitutional Agreement on better law-making, including the development of appropriate mechanisms for stakeholder consultation, to be a matter of priority;

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15. Welcomes the clarification of the responsibilities and competences of the different institutional economic and social actors at EU, national and regional levels, and believes this to be crucial for developing a genuine sense of ownership as well as visibility and accountability among those involved; emphasises that a solid institutional framework is the basis for increased trust among citizens; believes that successful experiences should be highlighted and shared and that best practice should be encouraged; emphasises the need to set a clear time-frame for the implementation and definition of targets, as well as an efficient monitoring scheme; values fair competition as being a positive element in improving the EU's overall competitiveness, wealth and high social standards;

16. Believes that a well-functioning internal market and labour market safeguarding social and environmental standards, are a vital means of freeing the EU's competitive potential, economic growth and job creation; calls upon the Member States to move as fast as possible towards total freedom of movement for workers and other citizens within the EU and to undertake determined action to promote the quality of work in all its aspects; attaches great importance to developing stronger actions against poverty and to promotion social inclusion;

17. Is deeply concerned about the actions of a growing number of national governments that seek to take or have already taken defensive and protective measures in favour of national industries or companies; considers these measures to be an assault on the basic principles of the internal market since they create obstacles to the right of establishment of nationals of other Member States as well as to the free movement of capital within the Community; calls on the Commission to be far more outspoken and unambiguous in the defence of the internal market, including in the field of energy and financial services;

18. Believes also that unlocking the business potential of SMEs will create new opportunities to bring young people into business, strengthen innovation systems and encourage private-sector investment in R&D;

19. Calls for a focused set of environmental pressure indicators to be included in the presentation and evaluation of NRPs and in the Commission and Council policy documents related to the Lisbon Strategy;

20. Notes that indicators are of crucial importance not only to assess but also to monitor policy action at national and EU level;

21. Considers that the EU lacks the basic data needed to compare its overall economic, environmental and social situation with those of other regions and countries, and requests that the Commission to bring forward proposals for such overviews;

22. Calls on the Commission to ensure that the EU structural funds are used in line with the Lisbon Strategy to monitor systematically, in particular, European regions in order to track their performances as regards the Lisbon Strategy goals, given that this information and statistical data make it possible for the regions to establish effective benchmarks between them and consequently to define best practice;

23. Recalls that the completion of the trans-European transport networks (TEN-T) will play a vital role in fulfilling the targets set out in the Lisbon Strategy and that, in order to support this growth, the EU urgently needs efficient, environmentally friendly and sustainable transport networks covering rail, road, inland waterway and maritime transport, as well as ports and airports; calls, therefore, on all parties involved to ensure that the completion of the TEN-T becomes a reality;

24. Deplores the fact that the European Council intends to cut back the appropriations for trans-European networks called for by Parliament under the next Financial Perspective; recommends using the possibilities offered by the forthcoming launch of the Galileo system to improve electronic traffic flow management, which will necessitate the gradual introduction of an electronic toll system, preventing congestion and involving users in paying the real price of mobility;

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Ageing population: demographic challenges

25. Notes that, in addition to providing new opportunities for our societies, extended life expectancy could give rise to inter-generational tensions because of social security and pension system funding problems related to a rapid increase in the inactive population and a reduction in or, at best, the stabilisation of, the active population; recognises that every Member State will have to make its own choices concerning its social security and pension systems; observes that low economic growth, excessive debt and high unemployment will dramatically accentuate this demographic challenge; concludes that, to minimise the negative consequences of demographic change, it will be essential to implement the Lisbon Strategy in full, to create an inclusive society based on the promotion of high employment, high productivity, innovation and health;

26. Considers that demographic change will require new and enhanced educational and social infrastructure for young and elderly people alike, including increased facilities for life-long learning, affordable child-care, nursing care and care for the elderly; reminds the Member States of the commitment that they entered into at the Barcelona European Council in 2002, namely that by 2010 they would provide day-care places for more than 33 % of children under the age of three and for 90 % of children between the age of three and school starting age;

27. Recalls that modernising the social framework across the EU is a political imperative; insists that it is equally important to place the social dimension of our economies — social rights, social protection and the social dialogue — at the core of how we ensure that people can face up to economic change with self-confidence and ease; confirms that reforms must promote a dynamic and adaptable economy while safeguarding employment security (flexicurity);

28. Takes the view that European society must seize the opportunity to utilise the expertise and skills of a generation of 'senior citizens'; calls on the Commission and the Member States to develop 'active ageing strategies', including measures to facilitate their integration, such as incentives to introduce a more gradual shift from work to retirement; requests the Commission to disseminate the best practices of Member States regarding preparing for retirement and moving into new, freely chosen areas of activity;

29. Considers that, in order to attain the Lisbon Strategy goals, suitable measures should be taken for the elderly generations to be able to cope with technological innovations, avoid finding themselves in a position of vulnerability and social exclusion and be more actively involved in the labour market;

30. Calls on the Commission to relaunch its strategy for new sources of jobs, in particular by inviting Member States to promote local community-based services, social services, personal services, cultural services and environmental professions; takes the view that unbureaucratic initiatives along the lines of the French service-voucher scheme are likely to create many new jobs and indeed eliminate undeclared working;

31. Calls on Member States to act vigorously to identify all obstacles to birth rate growth, including obstacles outside the work place, such as tax policies, access to the housing market, childcare, and shopping hours; stresses the need to promote flexible working hours, enabling the combination of work and family life, which should not be the corollary of abandoning one's career, but should result from free choice; underlines that a healthy environment and the promotion of health in general are key elements for long-term economic growth and social welfare;

32. Stresses that, apart from the issue of the ageing population, a fundamental problem of solidarity between generations exists in all those Member States that finance current public expenditure by borrowing; insists that the concept of sustainable development must be understood as precluding the imposition on future generations of an unaffordable debt burden; underlines the need for a long-term perspective, in which we ought to avoid further burdening the young and future generations with excessive financial debt;

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33. Considers that the healthcare aspects of demographic change are of extreme importance and need to be addressed from both a human and a financial perspective; emphasises that, because of ageing populations, the demand for health and long-term care services is increasing; is convinced that investment in measures for preventing long-term illness is important; recalls that the longer people enjoy good health, the longer they can remain active and work;

34. Considers that immigration policies should promote the successful economic, social and legal integration of migrants, with a view to alleviating Europe's demographic challenge, but recognises that this in itself will not resolve all the questions related to demographic change; considers that a successful policy of legal immigration also depends on the implementation of a comprehensive and pro-active strategy to achieve full integration, covering a range of social, economic and civic measures, induction programmes and language training;

35. Points out that immigration policies that give priority to skilled workers also weaken the economies of the countries of origin of those immigrants, and such labour movements are only capable of solving the challenges of demographic change in the short term; points out, nevertheless, that there should be a detailed assessment of the impact of immigration policies that prioritise skilled workers on the economies of their countries of origin;

Innovation and research, intellectual property rights (IPRs), and life-long learning

36. Believes that innovation is one of the main cornerstones of wealth creation, growth and jobs, that it strengthens the EU's competitiveness and that it contributes to achieving the overall policy of sustainable development;

37. Believes that the EU and Member State budgets should give effect and fully translate to the Lisbon Strategy priorities by significantly reinforcing the EU's innovation and research capacity and by expanding life-long learning, including the use of new financial instruments; insists, however, on focusing such policies on areas of general interest;

38. Encourages the Commission to propose pilot projects in the field of R&D that would allow the creation of an EU perspective and develop European thinking in this field;

39. Notes that the public sector is lagging behind the Lisbon Strategy objectives for R&D, and that, in general, the private sector is also a long way from meeting the target of investing 2 % of GDP in R&D; calls, therefore, on the private sector to step up its efforts to meet its part of the 3 % objective;

40. Notes that medium-sized companies in particular are not investing enough in research; calls on the Member States to maximise their efforts to encourage innovation by medium-sized enterprises, but also by the EU's 20 million small businesses, which are spearheading economic growth and job creation in Europe; considers improved access for SMEs to the seventh framework programme of the European Community for research, technological development and demonstration activities (2007-2013) (FP7) as crucial to the strengthening of SMEs' capacity to create jobs;

41. Notes that the fact that Europe is lagging behind Japan and the USA in research and development is reflected in the imbalance in the proportion of researchers working in the private sector (80 % in the USA as opposed to 50 % in Europe); calls for measures to improve the mobility of researchers and provide better infrastructure in order to attract more students to scientific careers; insists that universities must be able to invest their know-how in new companies (start-ups) and acquire additional resources from patents and licences ('capital building licensing');

42. Calls for measures to equip EU universities in order to meet the highest standards of research, to strengthen cooperation between universities and the industrial and commercial sectors, and to ensure better communication, dissemination and application of the outcomes of research;

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43. Considers life-long learning to be a necessity; considers also that, to ensure that EU industry is competitive, the quality of education and training systems must be reinforced at various stages of life and access to higher education must be facilitated; believes that education and training systems must target those areas where the EU is lacking skilled people and must respond to the requirements and gaps of a rapidly changing labour market and technological society;

44. Calls on the Member States to focus first and foremost on the school drop-out rate at primary and secondary level and to improve what is on offer as regards education and continuing learning; notes huge differences between Member States;

45. Considers that the number of Internet users is constantly increasing; takes the view that all young Europeans must have the possibility of mastering electronic tools; calls on the Member States to ensure that, by 2010 at the latest, a computer is available to every pupil in the EU, information technology is fully integrated in school programmes and the take-up and effective use of such programmes are universal in schools;

46. Stresses the need to reform the current IPR legislation; notes that the cost of registering a patent in the EU varies between 37 500 euro and 57 000 euro while the same process costs only around 10 000 euro in the USA and that the length and notes complexity of the patent procedures are major obstacles to SMEs; calls on the Commission to ensure proper protection of IPRs and to present, as soon as possible, a proposal for the harmonisation of patent laws in Member States in order to create greater legal certainty and promote innovation;

47. Strongly supports the Commission's first Competitiveness and Innovation Framework Programme (2007-2013) (CIP) and stresses that objectives, actions and financial means are inseparably linked in the context of a credible commitment to the Lisbon Strategy; calls on the Commission to make the CIP a successful cornerstone of the EU's innovation policy; stresses the need to reinforce the CIP's financial instruments operated by the European Investment Fund, to enhance SME finance with venture capital and guarantees, and to extend its activities to the financing of technology transfer; highlights the fact that Parliament identified innovation as a core priority in the Financial Perspective and calls on the European Council not to ignore this ongoing pledge;

48. Notes that, of the world's 20 largest biotechnology enterprises, 19 are American and 1 is Swiss and notes that the EU can no longer afford to fall further behind in this area; calls on the Commission to apply the principle of subsidiarity also in the area of research, and to support fundamental research in all Member States;

Energy policies

49. Considers that a coherent and efficient energy policy is essential for economic growth in the EU and for the durable prosperity of EU citizens; notes, in particular, that energy security constitutes a strategic responsibility in view of the EU's dependence on third-country imports; and insists that measures be taken to ensure a secure long-term balance between supply and demand;

50. Agrees with the conclusions of the Hampton Court informal Heads of State meeting in October 2005 that a shared view on a strategy for security of supply should respect Member States' geographical, economic, regional, climate and structural differences, promote further market opening in the EU, be consistent with sustainable development as well as climate change commitments within the energy sector, and add value over action by individual Member States;

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51. Calls on the Commission, in view of the Hampton Court conclusions, to ask it to develop a revitalised Community energy policy and to expedite its drafting of proposals on the subject; calls on the Commission to take much more determined action to ensure competitive, low and non-CO₂-emitting energy sources and environmentally friendly supplies of energy, sufficiently diversified to avoid over-dependence on a single form of energy;
52. Calls on the Commission to react strongly to the market dominance and market imperfections described in DG Competition's findings of its Energy Sector enquiry, published on 16 February 2006, and to come forward with new proposals on how to combat market dominance and market imperfections with a concrete set of actions and instruments;
53. Looks forward, therefore, to the Spring 2006 European Council discussions on energy issues, which should lead, in particular, to concrete actions in the field of energy saving, resource efficiency, and further promotion of renewable energy, thereby also contributing to the greenhouse gas emission reduction targets of the Kyoto Protocol and beyond;
54. Considers that the fight against climate change is creating economic and social opportunities which can help to bolster the sustainable development strategy — the third pillar of the Lisbon Strategy; considers that the evolution of the Kyoto framework after 2012 requires active consideration now to allow the markets to take into account the cost of carbon in major investment programmes;
55. Insists that R&D and innovation in the energy field should remain a priority; calls for a long-term commitment by Member States to increased funding for R&D and to the creation of a European Energy Research Area; recognises that a change in approach to energy use should lead to a reduction by some 20 % of energy consumption in the EU, with no approach being ruled out as a matter of course;
56. Stresses, therefore, that the EU should invest significant resources in developing cleaner and more efficient technologies, such as clean carbon and CO₂ sequestration, new energy sources and improved nuclear safety, *inter alia*, in search of technological breakthroughs;
57. Calls on the Commission, in view of the EU's very substantial wind energy potential, especially along the coasts most exposed to sea winds, to have an assessment made of this potential;
58. Notes the considerable potential for energy efficiency gains, reductions in polluting emissions and a world-wide market for new equipment and systems from clean coal technology, and calls on industry and the FP7 to achieve a successful demonstration of clean coal power systems;
59. Calls for increased efforts to ensure that Member States implement existing legislation on the internal energy market and that the established targets for renewable energy, biofuels and energy efficiency are met fully; welcomes the proposed directive on energy end-use efficiency and energy services (COM(2003)0739) and calls for its speedy and consistent implementation throughout the EU;
60. Considers that increased investments in cleaner and more efficient technology are crucial and that the EU could also benefit greatly by exporting these technologies to countries whose exponential increase in energy consumption will force them to invest considerable amounts in efficiency improvements;
61. Calls on the Commission and the Council to offer wide-ranging cooperation on energy policy to all countries consuming high volumes of oil and natural gas, starting with the US, Japan, China and India; takes the view that such cooperation could ease tensions concerning oil and natural gas pricing, in particular if a code of conduct would not only eliminate rivalries in the major production regions, but would also, simultaneously, lead to an exchange of best technologies with regard to energy savings, energy efficiency and environmentally friendly energy sources;

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62. Recalls that the EU possesses globally acknowledged expertise in the area of nuclear energy, which is one possible response to energy dependence and climate change; notes that this expertise relates, *inter alia*, to the efficiency and quality of production installations, and to decommissioning processes ('decommissioning to greenfield', in IAEA terminology);

63. Recognises the role that nuclear energy currently plays in maintaining security of electricity supply, constituting a significant part of the energy mix and avoiding an estimated 312 million tonnes of CO₂ emissions per year, that is, 7 % of total greenhouse gas emissions in the EU; points out that current estimates project a 12 % increase in EU CO₂ emissions by 2020, which is well short of the Kyoto target 8 % reduction;

64. Is aware that long-term energy security is not possible without the economically and ecologically meaningful development of renewable energies; calls on the Commission to establish market-based incentives in order to make renewable energies economic as rapidly as possible; calls on the Commission to help expand the use of hydrogen as an environmentally friendly and sustainable energy source; and on a long-term basis thereby to reduce dependence on politically unstable exporting countries; realises that renewable energy systems can technically provide a limited percentage of energy supply;

65. Encourages the Commission, when evaluating the energy question, to consider it from different perspectives, such as the energy mix, market evolution, investment, research funds, as well as to consider the possibility of creating and developing a system providing an exchange of information between Member States;

66. Considers that the lack of interconnections between Member States' infrastructures is a barrier to the single market and calls on the Member States to complete the trans-European energy networks in order to tackle this problem; considers that, at national level, Member States should ensure that generation plants are as evenly distributed across their territory and as close to the main consumption points as possible;

67. Welcomes with interest the integrated approach followed by High-Level Group CARS21 as well as its conclusions, and expects the Commission to be guided by the road map adopted by CARS21 with a view to submitting proposals promptly to reduce pollutant emissions from light-duty and heavy-duty vehicles, in particular through improvements to vehicle technology, such as the development of hybrid vehicles, and the use of second-generation biofuels, derivable from a wide variety of raw materials; calls on the Member States to be guided by Sweden's initiative to make it compulsory for all service stations to sell biofuels;

68. Believes that EU agriculture could find new markets thanks to the promotion of the crops being used to produce biofuel, which will contribute indirectly to the maintenance of food safety in Europe;

69. Draws attention also to existing examples in the EU of the use of biomass for heating and electrical supply, which highlight capacity of alternative energies and the inter-relation among energy, environment and agriculture, for the ultimate benefit of citizens and their quality of life as well as the economic sectors involved, in the framework of sustainable development;

70. Stresses the importance of fully accomplishing the internal market with well-functioning and non-discriminatory competition and pursuing the liberalisation of energy markets by 2007, as agreed by Member States;

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71. Instructs its President to forward this resolution to the Council and the Commission.
