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### Information and Notices

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## I

(Information)

## COUNCIL

**MODERNISING EDUCATION AND TRAINING: A VITAL CONTRIBUTION TO PROSPERITY AND SOCIAL COHESION IN EUROPE**

2006 JOINT INTERIM REPORT OF THE COUNCIL AND OF THE COMMISSION ON PROGRESS UNDER THE 'EDUCATION & TRAINING 2010' WORK PROGRAMME

(2006/C 79/01)

**1. INTRODUCTION**

In their 2004 Joint Interim Report <sup>(1)</sup> the Council (Education) and the European Commission called for urgent reforms of Europe's education and training systems if the Union is to achieve its social and economic objectives. They undertook to review progress every two years on implementing the Education and Training 2010 work programme, which includes the Copenhagen process on vocational education and training (VET), and actions for higher education. The present report is the first in this new cycle. Education and Training 2010 is also a key contribution to the implementation of the new integrated guidelines for jobs and growth <sup>(2)</sup>, including the European Youth Pact.

The recent mid-term review of the Lisbon strategy confirmed the central place of education and training within the European Union's agenda for jobs and growth. The integrated guidelines call on Member States to expand and improve investment in human capital and adapt education and training systems in response to new competence requirements. In this context, the European Council has requested that the Education and Training 2010 work programme continue to be implemented in full.

The Council has repeatedly emphasised the dual role — social and economic — of education and training systems. Education and training are a determining factor in each country's potential for excellence, innovation and competitiveness. At the same time, they are an integral part of the social dimension of Europe, because they transmit values of solidarity, equal opportunities and social participation, while also producing positive effects on health, crime, the environment, democratisation and general quality of life. All citizens need to acquire and continually update their knowledge, skills and competences through lifelong learning, and the specific needs of those at risk of social exclusion need to be taken into account. This will help to raise labour force participation and economic growth, while ensuring social cohesion.

Investing in education and training has a price, but high private, economic and social returns in the medium and long-term outweigh the costs. Reforms should therefore continue to seek synergies between economic and social policy objectives, which are in fact mutually reinforcing.

<sup>(1)</sup> Education and Training 2010: The success of the Lisbon Strategy hinges on urgent reforms, 3 March 2004 (Council doc. 6905/04 EDUC 43).

<sup>(2)</sup> The integrated package brings together the Broad Economic Policy Guidelines (BEPG) and the Employment Guidelines (Council Decision of 12 July 2005 on Guidelines for the employment policies of the Member States (2005/600/EC), OJ L 205 of 6.8.2005, and Council Recommendation of 12 July 2005 on the broad guidelines for the economic policies of the Member States and the Community (2005-2008) (2005/601/EC)).

These considerations are highly relevant to the Union's current reflection on the future development of the European social model. Europe is facing enormous socio-economic and demographic challenges associated with an ageing population, high numbers of low-skilled adults, high rates of youth unemployment, etc. At the same time, there is a growing need to improve the level of competences and qualifications on the labour market. It is necessary to address these challenges in order to improve the long-term sustainability of Europe's social systems. Education and training are part of the solution to these problems.

## 2. PROGRESS IN IMPLEMENTING EDUCATION AND TRAINING 2010

The following sections present, for the first time, an overview of the progress made towards the modernisation of education and training systems in Europe, which was called for at Lisbon. The analysis is based primarily on the 2005 national reports of the Member States, EFTA-EEA countries, and the acceding and candidate countries <sup>(1)</sup>. It shows how reforms are contributing to the priority areas for action identified in the 2004 Joint Interim Report <sup>(2)</sup>. The references to countries in brackets are provided as examples of good practice and in order to facilitate mutual learning.

### 2.1. At national level: reforms are moving forward

The national reports indicate that the Education and Training 2010 work programme has become a clearer part of the national policy landscape. All the Member States now consider, to varying extents, that the Lisbon strategy is a factor in national education and training policy development.

An increasing number of countries now have concrete arrangements for coordination between Ministries (especially education and employment) with responsibility for implementing the Education and Training 2010 work programme, and for consultation of stakeholders such as social partners. Many countries have established or are establishing their own targets that relate — to varying degrees — to the reference levels of average European performance for education and training (benchmarks). This is also of particular importance to the implementation of the European Employment Strategy <sup>(3)</sup>.

#### 2.1.1. Priorities and investments are aiming at greater efficiency and quality

Since 2000, as far as total investment in key knowledge-economy sectors are concerned, the gap has not narrowed between Europe and competitor countries such as the United States. Some Asian countries such as China and India are catching up fast.

Nonetheless, public spending on education as a percentage of GDP is increasing in nearly all EU countries (EU average: 4,9 % in 2000, 5,2 % in 2002).

The upward trend noted between 2000 and 2002 is a promising sign that Governments consider public expenditure in education to be a priority. Nonetheless there are large variations between countries, ranging from four to eight percent of GDP. Most Governments seem to recognise that the necessary reforms cannot be accomplished within current levels and patterns of investment.

<sup>(1)</sup> The 2005 report on progress towards the benchmarks (Commission Staff Working Paper: 'Progress towards the Lisbon objectives in education and Training' (SEC (2005) 419)) was also a basis for the analysis. The national reports will be available on the Education & Training 2010 web site from November 2005 ([http://www.europa.eu.int/comm/education/policies/2010/et\\_2010\\_en.html](http://www.europa.eu.int/comm/education/policies/2010/et_2010_en.html)).

<sup>(2)</sup> More detail is presented in the statistical annex. A full analysis of national reports and developments at EU level may be found in the Staff Working Paper accompanying this Communication.

<sup>(3)</sup> Three out of the five benchmarks are also targets under the EU employment guidelines.

Many countries are stimulating private investment from individuals and households, particularly in areas where there are high private rates of return, for example through incentives such as vouchers or individual learning accounts (e.g. AT, NL, UK <sup>(1)</sup>) <sup>(2)</sup>, tax incentives (e.g. CY, FI, HU, LT, PT, SI) or tuition fees (e.g. AT, CY, PL, RO, UK). There is little evidence of an overall increase in employer investment in continuing training. As a result, greater efforts are required to encourage employers to invest more.

Enhancing efficiency through improving quality is a major theme for reform for most countries, with emphasis also being placed on decentralisation and improving institutional management. While most countries make use of international comparative data on outcomes to assess their system performance, many have not developed adequate national performance indicators or arrangements to collect the necessary data. It is thus difficult to measure the impact of actions taken.

All countries emphasise the crucial importance of developing the skills needed for the knowledge-based economy and society, and for economic competitiveness. Achieving higher quality in provision and improving standards are also major priorities for most countries, along with teacher training, expanding higher education participation and implementing the Bologna process reforms <sup>(3)</sup>, enhancing the attractiveness of VET, and ensuring access to ICT.

In relation to social inclusion, all countries indicate that access and the employability of target groups are defining components of their policy. A number of countries (e.g. CY, CZ, EL, ES, LV, MT, PT, RO) emphasise that financial constraints limit their capacity to implement all necessary policies.

Several countries underline that in their education and training policies economic and social objectives are mutually supportive. Others argue that if the economic and employment agenda is successful, the social goals (equity and social cohesion) can be addressed more readily. These issues are particularly relevant to the discussion on the European social model.

#### 2.1.2. *Progress in defining lifelong learning strategies, but implementation remains the challenge*

Progress has been made since 2003 towards the goal, agreed by the European Council, that lifelong learning strategies <sup>(4)</sup> should be put in place in all Member States by 2006 <sup>(5)</sup>. This is a key dimension of the new Lisbon integrated guidelines. Many — but by no means all — countries have now developed lifelong learning policy statements, for example strategy documents or national action plans. Others have put in place framework legislation (e.g. EL, ES, FR, RO).

It is still the case, however, as demonstrated in 2003, that strategies are imbalanced. There is a tendency either to focus on employability or on re-engaging those who have become alienated from the systems. Some countries like Sweden, Denmark, Finland and Norway are well on their way to achieving a national approach which is coherent and comprehensive, and are making strong progress on implementation.

<sup>(1)</sup> Refers here to Scotland and Wales only.

<sup>(2)</sup> See the statistical annex for a key to country abbreviations.

<sup>(3)</sup> The Bologna process is an inter-governmental process, aiming to create a European Higher Education Area in order to enhance the employability and mobility of citizens and to increase the international competitiveness of European higher education. For more information, see [http://europa.eu.int/comm/education/policies/educ/bologna/bologna\\_en.html](http://europa.eu.int/comm/education/policies/educ/bologna/bologna_en.html).

<sup>(4)</sup> Lifelong learning is defined as 'all learning activity undertaken throughout life, with the aim of improving knowledge, skills and competences within a personal, civic, social and/or employment-related perspective.' (Commission Communication on 'Making a European area of lifelong learning a reality', COM(2001) 678 final).

<sup>(5)</sup> 2004 Joint Interim Report, op cit.; conclusions of the European Council, 2004, 2005.

Nonetheless, it is encouraging that cornerstone policies for lifelong learning are gaining ground in Europe. For example, a few countries (e.g. FI, FR, PT) have well-established systems for validation of non-formal and informal learning, while several others have recently introduced measures, or are in the process of doing so (e.g. BE, DK, ES, NL, NO, SE, SI, UK). Lifelong guidance is also being tackled by an increasing number of countries (e.g. BE, DK, FR, IE, IS, LI), as is the development of single national qualifications frameworks (e.g. IE). This latter issue is also a key priority for some new Member States and candidate countries (e.g. CY, EE, HR, LV, PL, RO, SI, TK).

About 11 % of adults in the EU, aged 25-64<sup>(1)</sup>, take part in lifelong learning, representing some progress since 2000, with significant variations between countries.

The need to increase participation rates in further learning remains a major challenge for Europe, particularly in the southern European countries and the new Member States. Greater numbers of adults in lifelong learning would increase active participation in the labour market and contribute to strengthening social cohesion.

Across Europe, insufficient priority and funding is being dedicated to increasing access to adult learning opportunities, especially for older workers, whose numbers are set to increase by around 14 million by 2030, and for the low skilled. Most of the countries that record the highest levels of participation have given a high priority to adult learning strategies as part of an integrated and comprehensive lifelong learning strategy.

Almost 15 % of young people in the EU still leave school early, reflecting only slight progress towards the EU 2010 benchmark of 10 %.

Nearly 20 % of 15 year-olds continue to have serious difficulty with reading literacy, reflecting no progress since 2000 against the EU benchmark of reducing the share by one fifth.

About 77 % of 18-24 year olds complete upper-secondary education, still far from the EU benchmark of 85 %, despite good progress in some countries.

The persistently high numbers of young people leaving school without a basic level of qualifications and competences are a worrying signal that initial education systems are not always providing the necessary foundations for lifelong learning. This concern is also reflected in the new Lisbon integrated guidelines and in the European Youth Pact. Several countries are responding to this by reforming curricula and study programmes, aiming to ensure that key, transversal competences are acquired by all (e.g. AT, CY, DE, FR, IT, NO, UK), and that young people — especially those from disadvantaged backgrounds — do not 'slip through the net' (see also section 2.1.4).

### 2.1.3. Higher Education reforms increasingly support the Lisbon agenda

The Bologna process is continuing to drive reforms in higher education structures, particularly in relation to introducing the three-cycle structure of degrees and enhancing quality assurance. The Bologna process, rather than the Lisbon strategy, tends to be at the foreground of national policy development in this sector. Nonetheless, there are signs that countries are beginning to tackle the challenges of governance, funding and attractiveness, which should help to ensure universities' contribution to competitiveness, jobs and growth<sup>(2)</sup>. Several countries mention initiatives to establish centres or poles of excellence (e.g. AT, BE, DE, DK, FI, FR, IT, NO).

<sup>(1)</sup> Percentage of population participating in education and training in the four weeks prior to the survey.

<sup>(2)</sup> See Commission Communication 'Mobilising the brainpower of Europe: enabling universities to make their full contribution to the Lisbon Strategy'. COM (2005) 152 final.

In relation to governance, many countries have, for example, introduced various forms of contractualisation to regulate the relationships between higher education institutions and the State, as a basis for internal resource allocation (e.g. AT, CZ, DE, DK, FR, IS, LI, SK). Several central and eastern European countries are trying to cope with the problem of fragmentation of their higher education systems by introducing new institutional governance regimes, often including external stakeholders.

The total (public and private) investment in higher education in the EU in 2001 is 1,28 % of GDP, compared to 2,5 % in Canada and 3,25 % in the US <sup>(1)</sup>. The three highest-spending EU countries are Denmark (2,8 %), Sweden (2,3 %) and Finland (2,1 %). To close the spending gap with the USA, the EU would have to commit an additional 180 billion per year, securing in particular substantial increased investment from the private sector.

For many countries funding remains a key challenge and an obstacle to implementing the modernisation agenda.

Facilitating incoming mobility seems to be a widespread means of enhancing the attractiveness of higher education in Europe. Only few countries go further by undertaking active marketing or targeted international recruitment activities (e.g. DE, FI, FR, IE, NL, UK). Several new Member States are aiming to tackle this issue by establishing partnerships with universities abroad for the provision of joint degrees.

Strengthening collaboration between higher education and industry is recognised by most countries as a basic requirement for innovation and increased competitiveness, but too few have a comprehensive approach on this issue. Part of the problem is that national innovation strategies too often do not incorporate higher education reforms.

Many countries are encouraging universities to play their part in making a reality of lifelong learning by widening access for non-traditional learners, such as those from low socio-economic backgrounds, including through the establishment of systems for the validation of non-formal and informal learning. This is part of a general effort across Europe to raise participation levels in higher education. A great many universities offer continuing professional development, and open universities using distance and blended learning and ICT-based learning approaches are also increasingly popular.

#### 2.1.4. *The status of vocational education and training is gradually improving but much remains to be done*

National priorities for the reform of vocational education and training (VET) seem broadly to reflect those of the Copenhagen process. The implementation of common principles and references agreed at European level (e.g. for validation of non-formal learning, quality assurance, guidance) has begun, but countries emphasise that it is too early to present concrete results.

In some countries VET has a positive image (e.g. AT, CZ, DE, FI), owing to such factors as having a 'dual system' (i.e. alternance training), double qualifications (combining general and vocational education) and recent measures in favour of access to higher education. It is still too often the case, however, that vocational pathways are less attractive than academic ones. The improvement of the quality and attractiveness of VET continues to be a key challenge for the future.

<sup>(1)</sup> See 'Key Figures 2005 on Science, Technology and Innovation: Towards a European Knowledge Area', European Commission.

In order to increase the attractiveness of VET most countries focus on upper secondary education, including the development of curricula and apprenticeships, flexible progression and transfer routes, links to the labour market, and guidance. Some countries have well established routes from VET into higher education (e.g. CY, CZ, ES, FR, IS, IE, NL, PT, UK) whilst others are giving priority, in the context of developing lifelong learning strategies, to increasing progression into general and higher education (e.g. AT, CZ, DE, ES, SK).

Enhancing the relevance of VET to the labour market, and improving relations with employers and the social partners, is an important factor for most countries trying to tackle the issues of quality and attractiveness. Improvements in the structure of VET, access to apprenticeships and the reform of VET standards are crucial in this context. Forecasting skills and qualifications needs remains a key challenge, requiring more stakeholder involvement, a sectoral approach and the improvement of data collection.

A large majority of countries express concerns about the needs of low-skilled people, currently numbering almost 80 million in the Union, highlighting the importance of labour force participation and the role of VET systems as key means of ensuring social inclusion.

Most countries concentrate on target populations in this context, and in particular on the youth population, where VET programmes have a positive effect on reducing rates of early school leaving. Adults and older workers, on the other hand, are still given insufficient priority.

The professional development of vocational teachers and trainers remains a real challenge for most countries.

#### 2.1.5. *A growing yet insufficient European dimension in the national systems*

All countries consider it important to increase participation in mobility in education and training from primary to higher levels, including mobility of teachers and trainers as part of their professional development. However, despite some promising initiatives, for example as concerns quality of mobility (e.g. AT, BG, CZ, EL, IE, LV), there are not enough national strategies. The main support continues to come from EU programmes. Countries generally tend to promote mobility for incoming students more than for outgoing ones. Europass, a key instrument for supporting mobility, is being implemented across Europe <sup>(1)</sup>.

Increasing importance is also being given to building a European or international dimension into national education and training systems, as a means of promoting an understanding among young people about the European Union. A few countries (e.g. EE, EL, FI, LU, NL, UK) include a European or international dimension as an explicit part of the curriculum, and some are introducing legislative reforms accordingly. Others are also promoting the European dimension through cooperation projects at regional and local level (e.g. DE, ES, IT). Many underline the importance of language learning. Policies and actions tend to be scattered, however, and ensuring that all pupils leave secondary education with the knowledge and competences they will need as European citizens remains a major challenge. This was an objective underlined in the 2004 Joint Interim Report.

<sup>(1)</sup> [http://www.europa.eu.int/comm/education/programmes/europass/index\\_en.html](http://www.europa.eu.int/comm/education/programmes/europass/index_en.html)

## 2.2. At European level: improving the governance of the Education and Training 2010 work programme

Over the course of 2004-2005 the Council (Education) has adopted a number of common tools, principles and frameworks, for example related to mobility, quality assurance, non-formal learning and guidance. As noted in the 2004 Joint Interim Report, such agreements can usefully support national policies and reforms, and contribute to developing mutual trust. In the field of VET, the Maastricht Communiqué (December 2004) <sup>(1)</sup> has fixed new priorities at national and EU level. The Commission has also adopted a number of Communications, for example on higher education in the Lisbon strategy and on the development of a European language competence indicator <sup>(2)</sup>, and draft recommendations of the Council and the European Parliament, for example on key competences for lifelong learning.

As part of an overall streamlining of the process, and in order to enhance coherence and strengthen governance, an Education and Training 2010 Coordination Group has been set up, gathering ministerial representatives of both education and training, as well as the European Social Partners. A regular report on indicators and benchmarks also supports the monitoring of progress.

Working methods have also been updated to better support implementation at the national level. The working groups <sup>(3)</sup> which implemented the first phase of the work programme are being replaced by 'clusters' of countries, focussing on key issues according to their national priorities and interests. The clusters are organising concrete 'peer learning' activities during 2005-2006, whereby countries offer mutual support in the implementation of reforms through the identification of success factors and the sharing of good practice.

The European area of education and training continues to be strengthened, notably by the development of a European Qualifications Framework (EQF). A consultation process has been launched on a blueprint for the EQF, and the Commission will come forward with a proposal for a draft recommendation of the Council and the European Parliament in 2006. The Commission will also present in early 2006 a draft recommendation of the Council and the European Parliament on the quality of teacher education, as well as a Communication on adult learning at the end of 2006.

### 3. CONCLUSION: ACCELERATING THE PACE OF REFORMS TO ENSURE A MORE EFFECTIVE CONTRIBUTION TO THE LISBON STRATEGY AND THE STRENGTHENING OF THE EUROPEAN SOCIAL MODEL

National reforms are moving forward. There are signs that a sustained public effort is being made throughout the Union and in some areas is beginning to reap rewards. Such developments are encouraging, especially taking into account the fact that educational reforms are slow to take effect, and that differences in national situations and starting points in the enlarged Union are significant.

The long-term sustainability of the European social model will depend to a considerable degree on the effectiveness of these in-depth and wide-ranging reforms, in securing the active participation in economic and social life of all citizens, at all levels of ability and social background.

It is thus particularly worrying that, notwithstanding the early achievement of the EU benchmark on increasing the number of maths, science and technology graduates, there is too little progress against those benchmarks related most closely to social inclusion. Unless significantly more efforts are made in the areas of early school leaving, completion of upper-secondary education, and key competences, a larger proportion of the next generation will face social exclusion, at great cost to themselves, the economy and society. The European Council highlighted the particular importance of these areas of Education and Training 2010 for young people, when adopting the European Youth Pact in March 2005.

<sup>(1)</sup> [http://www.europa.eu.int/comm/education/policies/2010/vocational\\_en.html](http://www.europa.eu.int/comm/education/policies/2010/vocational_en.html)

<sup>(2)</sup> COM(2005) 556 final

<sup>(3)</sup> The outcomes of the working groups in 2004 may be found on the Education & Training 2010 web site: [http://www.europa.eu.int/comm/education/policies/2010/objectives\\_en.html](http://www.europa.eu.int/comm/education/policies/2010/objectives_en.html)



The priority levers for action set in the 2004 Joint Interim Report, as well as the message that the pace of reforms must be accelerated, remain fully valid. Progress will continue to be followed up closely in the next Joint Report in 2008.

### 3.1. Reforms need to pay special attention to the issues of equity and governance

The national reports demonstrate that Governments are aware of the challenges involved in modernising education and training. They refer in particular to the difficulty of securing the necessary public and private investments, and of reforming the structures and management of the systems. In this context, particular attention must be paid to the key areas of equity and governance, including through the development of appropriate incentives, if the reforms underway are to be successful. The Commission will support national efforts by giving priority to these areas in future peer learning activities at EU level.

#### 3.1.1. *Implement reforms which ensure that the systems are both efficient and equitable*

The greater emphasis being placed on efficiency in public investment in education and training is a positive trend. Nonetheless, due attention needs to be paid to the whole lifelong learning continuum, and the efficiency, quality and equity objectives of the systems must be given equal consideration. This is a *sine qua non* of achieving the Lisbon goals while strengthening the European social model.

Ensuring that systems are equitable implies that the outcomes and benefits of education and training should be independent of socio-economic background and other factors that may lead to educational disadvantage. As such, access should be open to all, and treatment should be differentiated according to people's specific learning needs.

Research shows that there is no trade-off between efficiency and equity, because they are inter-dependent and mutually reinforcing. Increasing access to education and training for all, including disadvantaged groups and older workers, will contribute to increasing the active population, which simultaneously promotes growth and reduces inequalities. The Commission will discuss the issue of equity and efficiency in a Communication which it plans to adopt in 2006, and special attention should be paid to this area in the 2008 Joint Report. In addition, the search for excellence including through better links between higher education and research, should go hand in hand with a search for greater access and social inclusion.

Investments should be targeted on areas where the social and economic returns are highest, thereby effectively combining efficiency and equity. In this respect, Member States' efforts towards achieving the EU benchmarks related to early school leaving, completion of upper-secondary education, and key competences, need to be stepped up in the coming years. In particular, investment in pre-primary education is of paramount importance for preventing school failure and social exclusion, and for laying the foundations for further learning.

Furthermore, investment in the training of teachers and trainers and the strengthening of leadership for education and training institutions are crucial to improving the efficiency of education and training systems.

#### 3.1.2. *Mobilise actors and resources by means of diverse learning partnerships*

Reforms are facilitated by a favourable economic and social context, and where there are high levels of public and private investment in knowledge, skills and competences, but also where modes of governance of the systems are coherent and coordinated. Effective inter-ministerial synergy between 'knowledge policies' (education, training, employment/social affairs, research, etc.), strong social dialogue, and the awareness and active involvement of other key actors such as parents and teachers/trainers, the voluntary sector and local actors, all promote consensus as regards policy goals and the necessary reforms. Such forms of governance are not widespread, however.

Priority should be given to improving governance through learning partnerships, especially at regional and local levels, as a means of sharing responsibilities and costs between the relevant actors (institutions, public authorities, social partners, enterprises, sectoral organisations, community organisations, etc.).

Such partnerships should involve teachers and trainers as main agents of change in the systems. They should also foster greater involvement of employers in ensuring the relevance of lifelong learning provision.

### 3.2. Strengthening the implementation of Education and Training 2010

#### 3.2.1. At national level

Even though progress has been made, the priorities of the Education and Training 2010 work programme need to be taken more fully into account in national policy making. Member States should in particular ensure that:

- education and training have a central position in the national Lisbon reform programmes, in the national strategic reference framework for the structural funds, and in the national strategies on social protection and social inclusion;
- mechanisms for coordinating the implementation of the work programme at national level are in place in all countries, involving the different Ministries concerned and the main stakeholders, especially the social partners;
- national policies contribute actively towards the Education and Training 2010 benchmarks and objectives. National targets and indicators should be further developed, taking account of these European references;
- the evaluation of policies is improved, to enable progress to be better monitored, and to create a culture of evaluation, making full use of research results. The development of high quality statistical instruments and infrastructure is therefore indispensable;
- the various European agreements (e.g. Council resolutions or conclusions on common references and principles) adopted in the context of the work programme are used as important reference points when designing national reforms.

#### 3.2.2. At European level

The Commission will ensure that the outcomes of the Education and Training 2010 work programme are fed into the implementation process of the Lisbon integrated guidelines and the EU guidelines for cohesion, and into follow-up action related to the future of the European social model, as discussed at the informal meeting of Heads of State and Government at Hampton Court. In this context, the structural funds should give priority to investment in human capital.

In order to strengthen the implementation of the work programme, particular attention will be given to:

- the development of a well-focused and relevant programme of peer learning activities in the framework of the new Integrated Programme for Lifelong Learning and in the light of experiences and policy priorities agreed throughout 2005. Peer learning activities will concentrate on those areas where reforms are most needed (EU benchmark areas; lifelong learning strategies; efficiency and equity; governance and learning partnerships; higher education; VET);
- enhanced monitoring of the implementation of lifelong learning strategies in all Member States. This issue will be a main priority of the 2008 Joint Report, especially in relation to the role of lifelong learning in the strengthening of the European social model;
- reaching agreement on a recommendation for a European Qualifications Framework (EQF), as well as the draft recommendation of the European Parliament and of the Council on key competences for lifelong learning, and taking forward work on the quality of teacher education;
- better information and exchanges of experiences regarding the use of the structural funds and the European Investment Bank, to support education and training development, with a view to better exploiting these resources in the future.

## STATISTICAL ANNEX

## PROGRESS AGAINST THE FIVE REFERENCE LEVELS OF AVERAGE EUROPEAN PERFORMANCE (BENCHMARKS) IN EDUCATION AND TRAINING

## Country Codes

EU	<b>European Union</b>
BE	Belgium
CZ	Czech Republic
DK	Denmark
DE	Germany
EE	Estonia
EL	Greece
ES	Spain
FR	France
IE	Ireland
IT	Italy
CY	Cyprus
LV	Latvia
LT	Lithuania
LU	Luxembourg
HU	Hungary
MT	Malta
NL	Netherlands
AT	Austria
PL	Poland
PT	Portugal
SI	Slovenia

SK	Slovakia
FI	Finland
SE	Sweden
UK	United Kingdom

**EEA European Economic Area**

IS	Iceland
LI	Liechtenstein
NO	Norway

**Acceding Countries**

BG	Bulgaria
RO	Romania

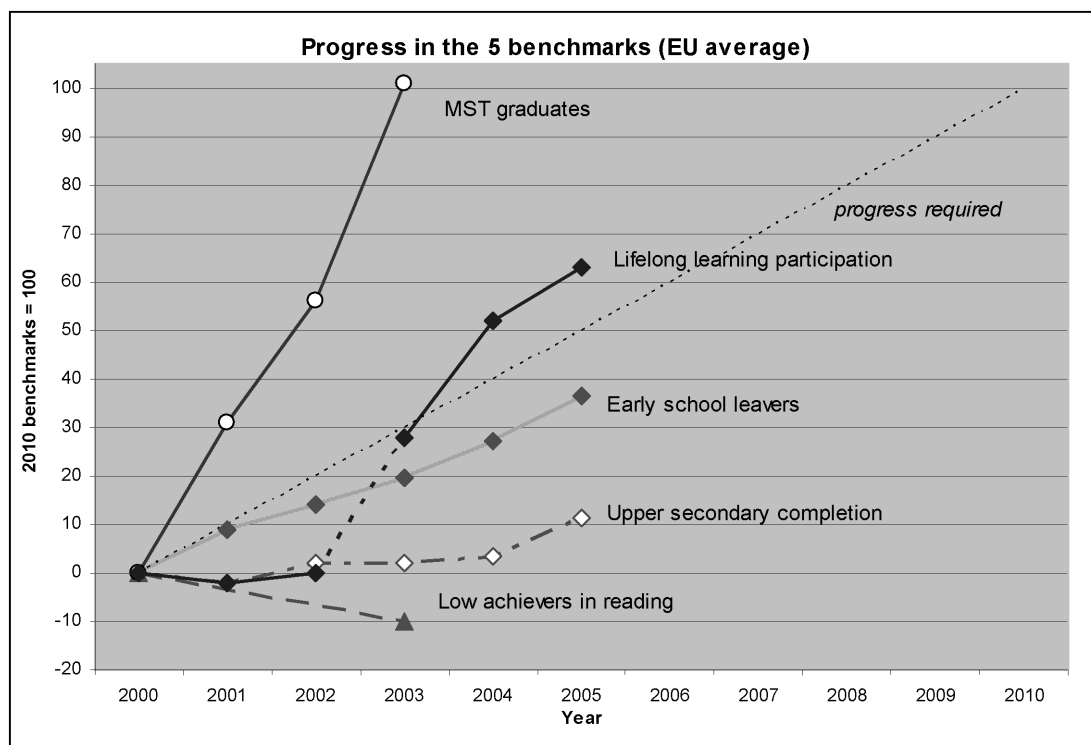
**Candidate Countries**

HR	Croatia
TR	Turkey

**Others**

JP	Japan
US/USA	United States of America

## OVERVIEW ON PROGRESS IN THE FIVE BENCHMARK AREAS



**Methodological remarks:** The starting point in the year 2000 is set in the graph as zero and the 2010 benchmark as 100. The results achieved in each year are thus measured against the 2010 benchmark. A diagonal line shows the progress required, i.e. each year an additional 10 % of progress would have to be achieved to reach the benchmark. If a line stays below this diagonal line, progress is not sufficient.

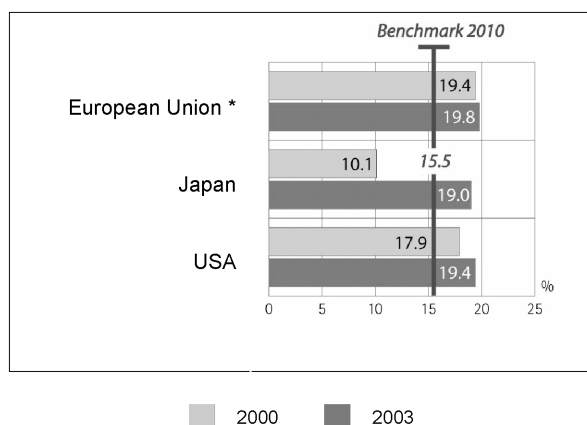
As regards lifelong learning participation, there have been many breaks in time series: some countries have revised their data collection methods between 2002 and 2003. The application of the new methods led to higher results from 2003, and thus progress is overstated between 2002 and 2003. The line 2002-2003 on lifelong learning participation is therefore dotted. For low achievers in reading (data from PISA survey) there are only results for 16 EU countries and for two years.

**Key results:**

- As regards the number of maths, science and technology (MST) graduates the benchmark will be over-achieved; the progress required has already been made in 2000-2003.
- There is some progress in lifelong learning participation. However, much of it is a result of changes in surveys in several Member States, which led to higher nominal participation rates and thus overstate overall progress.
- There is constant improvement as regards early school leavers, but faster progress is needed in order to achieve the benchmark.
- As regards upper secondary completion there has been very little progress.
- Results for low achievers in reading have not improved (but this is based only on two reference years).

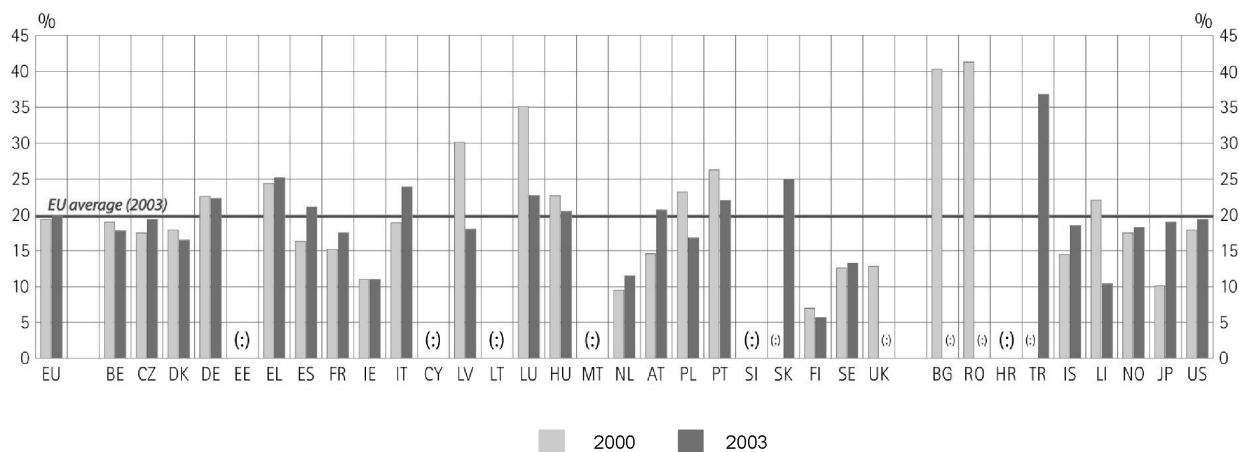
**KEY COMPETENCES**

**Percentage of pupils with reading literacy proficiency level one and lower (on the PISA reading literacy scale), 2000-2003**



Source: DG Education and Culture. Data source: OECD, PISA 2003 database.

\* In 2000, in the 16 EU countries for which comparable data is now available both for 2000 and 2003, the percentage of 15-year olds at level one or below was 19,4. The benchmark of reducing the share by 20 % thus implies a target figure of 15,5 %.



	EU		BE	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU	MT
<b>2000</b>	19,4		19,0	17,5	17,9	22,6	:	24,4	16,3	15,2	11,0	18,9	:	30,1	:	(35,1)	22,7	:
<b>2003</b>	19,8		17,8	19,4	16,5	22,3	:	25,2	21,1	17,5	11,0	23,9	:	18,0	:	22,7	20,5	:

## Breakdown of 2003 results

<b>Boys</b>	25,6		22,4	23,5	20,5	28,0	:	32,6	27,9	23,5	14,3	31,0	:	25,0	:	28,6	25,6	:
<b>Girls</b>	14,0		12,9	14,9	12,7	16,3	:	18,5	14,5	12,1	7,7	17,2	:	11,6	:	17,2	14,9	:

	NL	AT	PL	PT	SI	SK	FI	SE	UK	BG	RO	HR	TR	IS	LI	NO	JP	US
<b>2000</b>	(9,5)	14,6	23,2	26,3	:	:	7,0	12,6	12,8	40,3	41,3	:	:	14,5	22,1	17,5	10,1	17,9
<b>2003</b>	11,5	20,7	16,8	22,0	:	24,9	5,7	13,3	:	:	:	:	36,8	18,5	10,4	18,2	19,0	19,4

## Breakdown of 2003 results

<b>Boys</b>	14,3	28,2	23,4	29,4	:	31,0	9,0	17,7	:	:	:	:	44,1	26,9	12,6	24,8	23,2	24,3
<b>Girls</b>	8,6	13,1	10,2	15,1	:	18,5	2,4	8,7	:	:	:	:	27,8	9,5	8,0	11,3	15,1	14,4

Source: DG Education and Culture. Data source: OECD PISA database

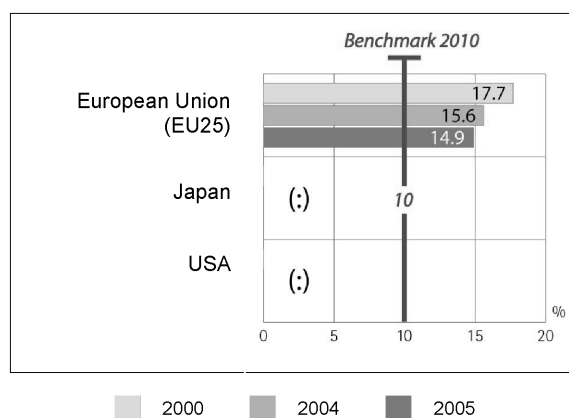
## Additional notes:

EU figure: weighted average based on number of pupils enrolled and data for 16 countries (NL, LU data not representative in 2000, same for UK in 2003, SK not participating in 2000).

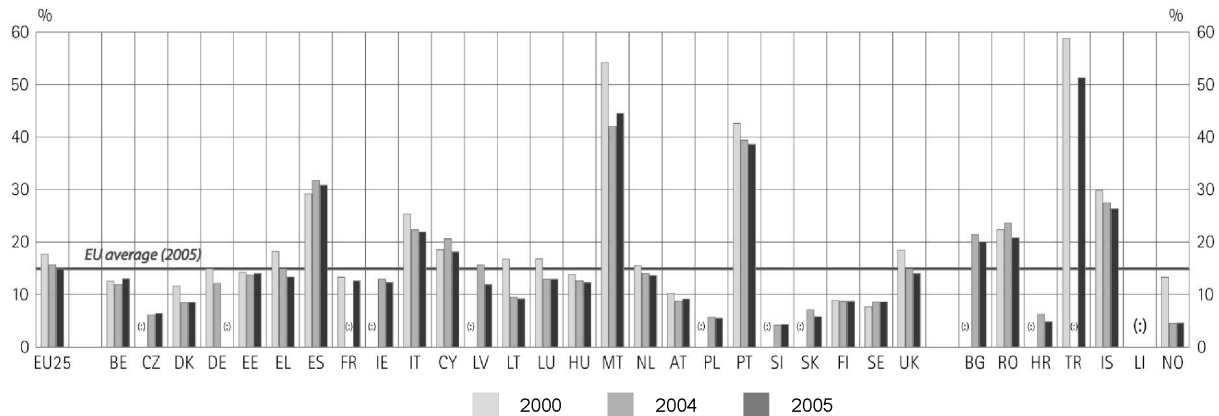
In 2000 the share of low performing 15-year olds in reading was 19,4 % (data available for 16 Member States only). According to the benchmark this proportion should decrease by one fifth by 2010 (and thus reach 15,5 %). While the share has decreased in some Member States (notably Latvia and Poland) no progress on this objective has been achieved since 2000 at EU level (2003: 19,8 %).

## EARLY SCHOOL LEAVERS

## Share of the population aged 18-24 with only lower-secondary education and not in education or training, 2000-2005



Source: DG Education and Culture. Data source: Eurostat (Labour Force Survey)



	EU25	BE	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU
<b>2000</b>	17,7	12,5	:	11,6	14,9	14,2	18,2	29,1	13,3	:	25,3	18,5	:	16,7	16,8	13,8
<b>2004</b>	15,6	11,9	6,1	8,5	12,1	13,7	14,9	31,7	:	12,9	22,3	20,6	15,6	9,5	12,9	12,6
<b>2005</b>	14,9	13,0	6,4	8,5	:	14,0	13,3	30,8	12,6	12,3	21,9	18,1	11,9	9,2	12,9	12,3

## Breakdown of 2005 results by gender

<b>Males</b>	17,1	15,3	6,2	9,4	:	17,4	17,5	36,4	14,6	14,9	25,9	26,6	15,5	12,2	12,8	13,5
<b>Females</b>	12,7	10,6	6,6	7,5	:	10,7	9,2	25,0	10,7	9,6	17,8	10,6	8,2	6,2	13,0	11,1

	MT	NL	AT	PL	PT	SI	SK	FI	SE	UK	BG	RO	HR	TR	IS	LI	NO
<b>2000</b>	54,2	15,5	10,2	:	42,6	:	:	8,9	7,7	18,4	:	22,3	:	58,8	29,8	:	13,3
<b>2004</b>	42,0	14,0	8,7	5,7	39,4	4,2	7,1	8,7	8,6	14,9	21,4	23,6	6,2	:	27,4	:	4,5
<b>2005</b>	44,5	13,6	9,1	5,5	38,6	4,3	5,8	8,7	8,6	14,0	20,0	20,8	4,8	51,3	26,3	:	4,6

## Breakdown of 2005 results by gender

<b>Males</b>	46,2	15,8	9,5	6,9	46,7	5,7	6,0	10,6	9,3	14,7	19,5	21,4	5,6	58,2	30,5	:	5,3
<b>Females</b>	42,8	11,2	8,7	4,0	30,1	2,8	5,7	6,9	7,9	13,2	20,6	20,1	3,8	43,8	22,0	:	3,9

Source: DG Education and Culture. Data source: Eurostat (Labour Force Survey)

## Additional notes:

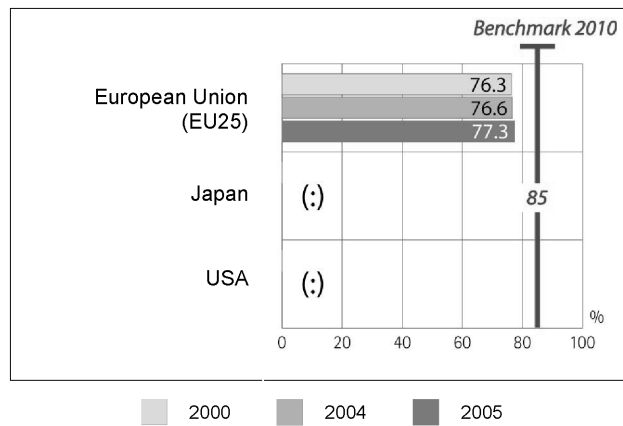
From 5 December 2005 release, Eurostat implements a refined definition of the educational attainment level 'upper secondary' in order to increase the comparability of results in the EU. For 1998 data onwards ISCED 3c levels of duration shorter than 2 years do not fall any longer under the level 'upper secondary' but under 'lower secondary'. This change implies revised results in DK (from 2001), ES, CY and IS. However, the definition can not yet be implemented in EL, IE and AT where all ISCED 3c levels are still included.

- Breaks in time-series in 2003: CZ, DK, DE, EL, FR, IE, in 2004: BE, LT, MT, PL, PT, RO; in 2005: E; 2004 data provisional for IE; 2005 data provisional for IE, LU, MT, FI, SE, UK, IS.
- CY: reference population excludes students abroad.
- DK, LU, IS, NO, EE, LV, LT, CY, MT, SI: high degree of variation of results over time partly influenced by a low sample size.
- EU25: where data are missing or provisional, aggregates provided use the result of the closest available year.

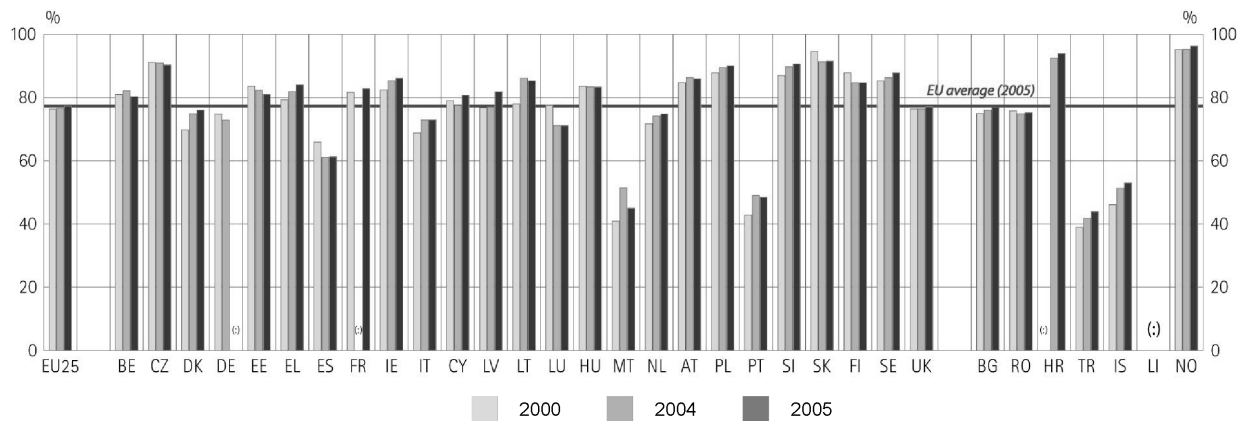
In 2005 early school leavers in EU 25 represented nearly 15 % of young people aged 18-24. There was continuous improvement in recent years in reducing the share, but progress will need to be faster to reach the EU benchmark of 10 % in 2010. However, several Member States, notably the Nordic countries and many of the new Member States, already have shares of less than 10 %.

## COMPLETION OF UPPER SECONDARY EDUCATION

Percentage of the population aged 20-24 having completed at least upper-secondary education, 2000-2005



Source: DG Education and Culture; Data Source: Eurostat (Labour Force Survey).



	EU25	BE	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU
<b>2000</b>	76,3	80,9	91,1	69,8	74,7	83,6	79,3	65,9	81,6	82,4	68,8	79,0	76,8	77,9	77,5	83,6
<b>2004</b>	76,6	82,1	90,9	74,8	72,8	82,3	81,9	61,1	:	85,3	72,9	77,6	76,9	86,1	71,1	83,4
<b>2005</b>	77,3	80,3	90,3	76,0	:	80,9	84,0	61,3	82,8	86,1	72,9	80,7	81,8	85,2	71,1	83,3

Breakdown of 2005 results by gender

<b>Males</b>	74,6	76,0	90,8	74,5	:	74,9	79,4	54,8	81,2	83,4	67,8	72,0	77,0	80,5	70,4	81,3
<b>Females</b>	80,0	84,6	89,8	77,5	:	87,0	88,7	68,2	84,3	88,8	78,1	88,9	86,6	90,1	71,7	85,4

	MT	NL	AT	PL	PT	SI	SK	FI	SE	UK	BG	RO	HR	TR	IS	LI	NO
<b>2000</b>	40,9	71,7	84,7	87,8	42,8	87,0	94,5	87,8	85,2	76,4	74,9	75,8	:	38,9	46,1	:	95,1
<b>2004</b>	51,4	74,2	86,3	89,5	49,0	89,7	91,3	84,6	86,3	76,4	76,0	74,8	92,5	41,8	51,3	:	95,3

	MT	NL	AT	PL	PT	SI	SK	FI	SE	UK	BG	RO	HR	TR	IS	LI	NO
<b>2005</b>	45,0	74,7	85,9	90,0	48,4	90,6	91,5	84,6	87,8	77,1	76,8	75,2	93,9	43,9	53,0	:	96,3

Breakdown of 2005 results by gender

<b>Males</b>	41,7	70,6	84,1	88,4	40,4	87,8	90,9	81,2	86,6	77,5	77,3	74,1	93,5	38,0	49,4	:	95,2
<b>Females</b>	48,4	78,9	87,6	91,7	56,6	93,5	92,1	87,9	89,0	76,7	76,3	76,4	94,4	50,9	56,9	:	97,3

Source: DG Education and Culture. Data source: Eurostat (Labour Force Survey).

Additional notes:

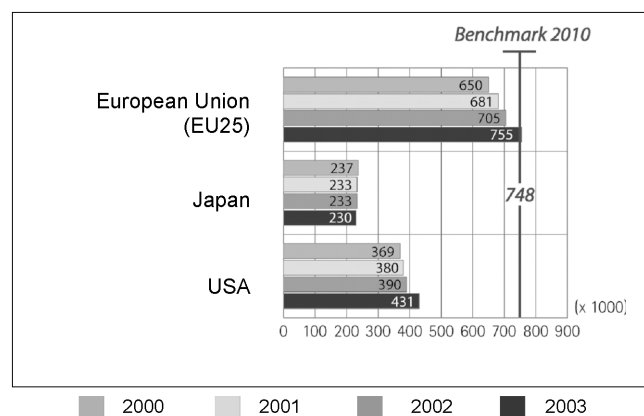
From 5 December 2005 release, Eurostat implements a refined definition of the educational attainment level 'upper secondary' in order to increase the comparability of results in the EU. For 1998 data onwards ISCED 3c levels of duration shorter than 2 years do not fall any longer under the level 'upper secondary' but under 'lower secondary'. This change implies revised results in DK (from 2001), ES, CY and IS. However, the definition can not yet be implemented in EL, IE and AT where all ISCED 3c levels are still included.

- Breaks in time series: 2001: SE; 2002: LT, LV; 2003: DK, HU, AT.
- 2004 results for IE and IL, 2005 results for IE, LU, MT, FI, HR, IS are provisional.
- CY: Students usually living in the country but studying abroad are not included.

The share of young people (aged 20-24) who have completed upper-secondary education has only slightly improved since 2000. There was thus little progress in achieving the benchmark of raising this share to at least 85 % by 2010. However, some countries with a relatively low share, notably Portugal and Malta, have made considerable progress in the recent past. It should also be noted that many of the new Member States already perform above the benchmark set for 2010 and that four of them, the Czech Republic, Poland, Slovenia and Slovakia, and in addition Norway and Croatia, already have shares of 90 % and more.

### GRADUATES IN MATHEMATICS, SCIENCE AND TECHNOLOGY

#### Total number of tertiary (ISCED 5A, 5B and 6) graduates from mathematics, science and technology fields (MST), 2000-2003



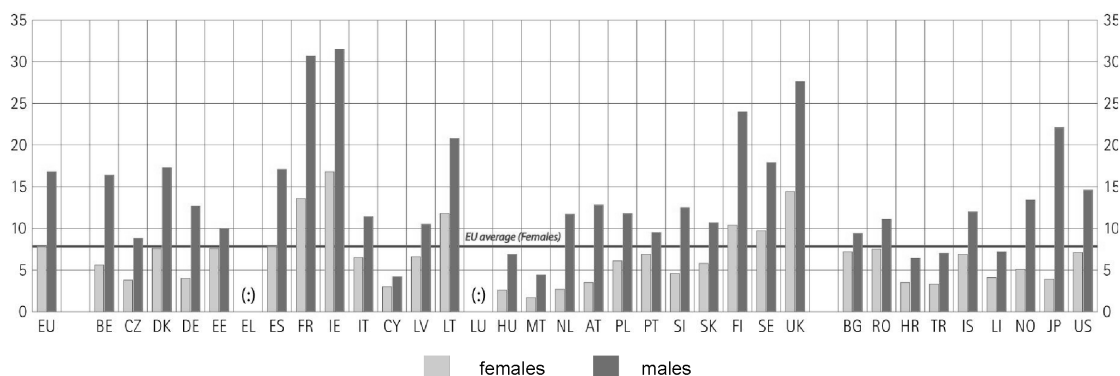
Source: DG Education and Culture. Data source: Eurostat (UOE)

Additional notes:

- EU total does not include Greece. EU total 2000 includes national UK data.



## Tertiary MST graduates per 1 000 population (20-29) females/males, 2003



## Number of MST graduates (1 000)

	EU 25	BE	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU	MT
<b>2000</b>	650,2	12,9	9,4	8,5	80,0	1,3	:	65,1	154,8	14,5	46,6	0,34	2,4	6,6	0,10	7,2	0,19
<b>2003</b>	754,7	14,4	10,7	8,4	80,3	1,7	:	84,1	171,4	15,7	66,8	0,40	2,8	7,7	:	7,6	0,20

## Percentage of females

<b>2000</b>	30,4	25,0	27,0	28,5	21,6	35,4	:	31,5	30,8	37,9	36,6	31,0	31,4	35,9	:	22,6	26,3
<b>2003</b>	31,1	25,1	29,3	30,3	23,5	42,5	:	30,4	30,3	34,7	35,7	42,0	37,8	35,7	:	26,6	26,4

	NL	AT	PL	PT	SI	SK	FI	SE	UK	BG	RO	HR	TR	IS	LI	NO	JP	US
<b>2000</b>	12,5	7,5	39,2	10,1	2,6	4,7	10,1	13,0	140,6	8,1	17,1	:	57,1	0,35	:	4,8	236,7	369,4
<b>2003</b>	14,6	8,3	55,2	13,0	2,6	7,7	11,2	15,1	155,2	9,6	32,5	3,4	69,6	0,41	0,03	5,4	229,7	430,7

## Percentage of females

<b>2000</b>	17,6	19,9	35,9	41,9	22,8	30,1	27,3	32,1	32,3	45,6	35,1	:	31,1	37,9	:	26,8	12,9	31,8
<b>2003</b>	18,4	21,1	33,2	41,5	25,5	34,4	29,2	34,2	34,4	42,1	39,4	30,6	31,4	35,9	36,0	27,1	14,4	31,9

Source: DG Education and Culture. Data source: Eurostat (UOE), EU figure for 2000 and 2003: DG Education and Culture estimate

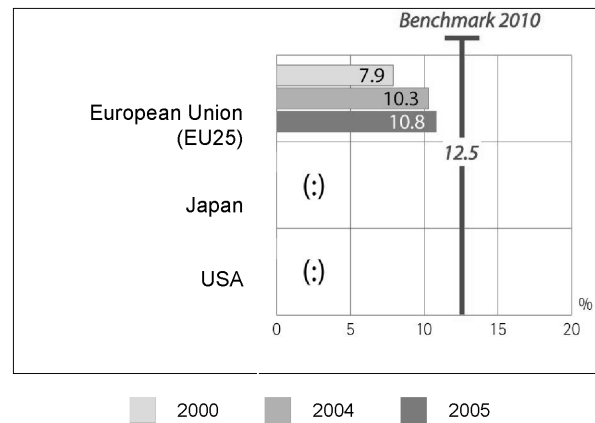
## Additional notes:

- BE: Data for the Flemish community exclude second qualifications in non-university tertiary education.
- LU: In the reference period Luxembourg did not have a complete university system, most students study abroad.
- EE: Data exclude Master degrees (ISCED 5A).
- CY: Data exclude tertiary students graduating abroad (idem for LI). The number of students studying abroad accounts for over half of the total number of Cypriot tertiary students. The fields of study in Cyprus are limited (idem for LI).
- HU: Duration of certain programmes extended in 2001, thus low number of graduates compared to 2000.
- PL: Data for 2000 exclude advanced research programmes (ISCED level 6).
- UK: National data have been used for 2000 to avoid a break in series, the 2000 result is thus 15 000 greater than the Eurostat data.
- RO: Data exclude second qualifications and ISCED 6 2000-2002.

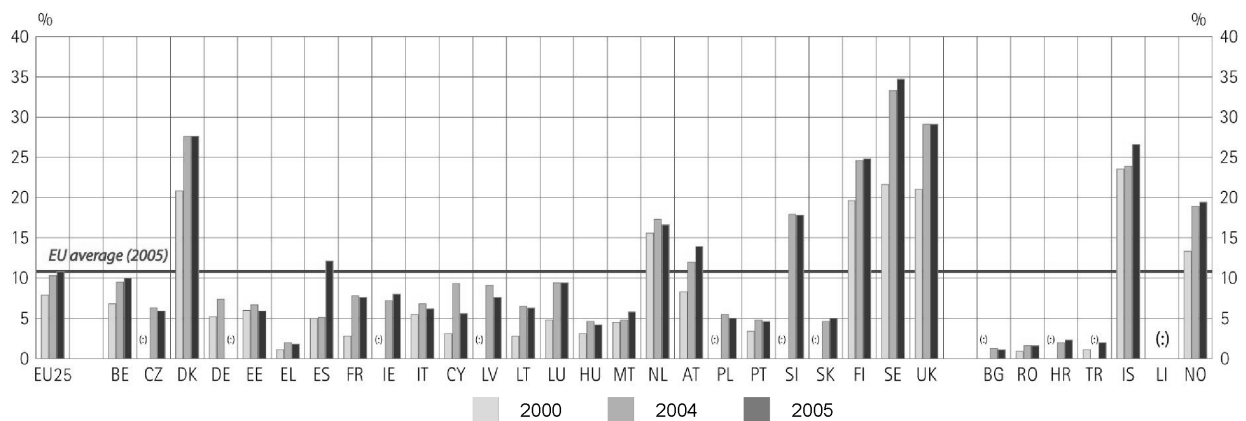
The number of graduates from mathematics, science and technology (MST) in EU 25 has increased since 2000 by over 100 000 or by 16 %. The EU has thus already achieved the benchmark of increasing the number of MST graduates by 15 % by 2010. Progress has also been achieved as regards the second goal of reducing the gender imbalance in MST graduates. The share of female graduates has increased from 30,4 % in 2000 to 31,1 % in 2003. While Slovakia, Poland, Spain and Italy showed the strongest growth in the number of MST graduates in recent years (annual growth above 10 %), the Baltic States perform best as regards gender balance.

## PARTICIPATION IN LIFELONG LEARNING

Percentage of population aged 25-64 participating in education and training in the four weeks prior to the survey, 2000-2005



Source: DG Education and Culture. Data source: Eurostat (Labour Force Survey)



	EU25	BE	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU
<b>2000</b>	7,9	6,8	:	20,8	5,2	6,0	1,1	5,0	2,8	:	5,5	3,1	:	2,8	4,8	3,1
<b>2004</b>	10,3	9,5	6,3	27,6	7,4	6,7	2,0	5,1	7,8	7,2	6,8	9,3	9,1	6,5	9,4	4,6
<b>2005</b>	10,8	10,0	5,9	27,6	:	5,9	1,8	12,1	7,6	8,0	6,2	5,6	7,6	6,3	9,4	4,2

Breakdown of 2005 data by gender

	EU25	BE	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU
<b>Males</b>	10,0	10,3	5,5	24,2	:	4,2	1,9	11,2	7,4	6,6	5,7	5,1	4,9	4,9	9,3	3,5
<b>Females</b>	11,7	9,7	6,4	31,0	:	7,5	1,7	13,1	7,9	9,4	6,6	6,1	10,0	7,6	9,5	4,8

	MT	NL	AT	PL	PT	SI	SK	FI	SE	UK	BG	RO	HR	TR	IS	LI	NO
<b>2000</b>	4,5	15,6	8,3	:	3,4	:	:	19,6	21,6	21,0	:	0,9	:	1,1	23,5	:	13,3
<b>2004</b>	4,8	17,3	12,0	5,5	4,8	17,9	4,6	24,6	33,3	29,1	1,3	1,6	2,0	:	23,9	:	18,9

	MT	NL	AT	PL	PT	SI	SK	FI	SE	UK	BG	RO	HR	TR	IS	LI	NO
<b>2005</b>	5,8	16,6	13,9	5,0	4,6	17,8	5,0	24,8	34,7	29,1	1,1	1,6	2,3	2,0	26,6	:	19,4

Breakdown of 2005 data by gender

<b>Males</b>	6,7	16,6	13,2	4,3	4,5	16,0	4,7	20,9	29,2	24,2	1,1	1,5	2,3	1,4	23,5	:	17,8
<b>Females</b>	4,8	16,7	14,6	5,6	4,7	19,6	5,2	21,1	29,9	33,9	1,1	1,7	2,3	2,6	29,7	:	21,0

Source: DG Education and Culture. Data source: Eurostat Labour Force Survey, EU 25 figure for 2000: estimate

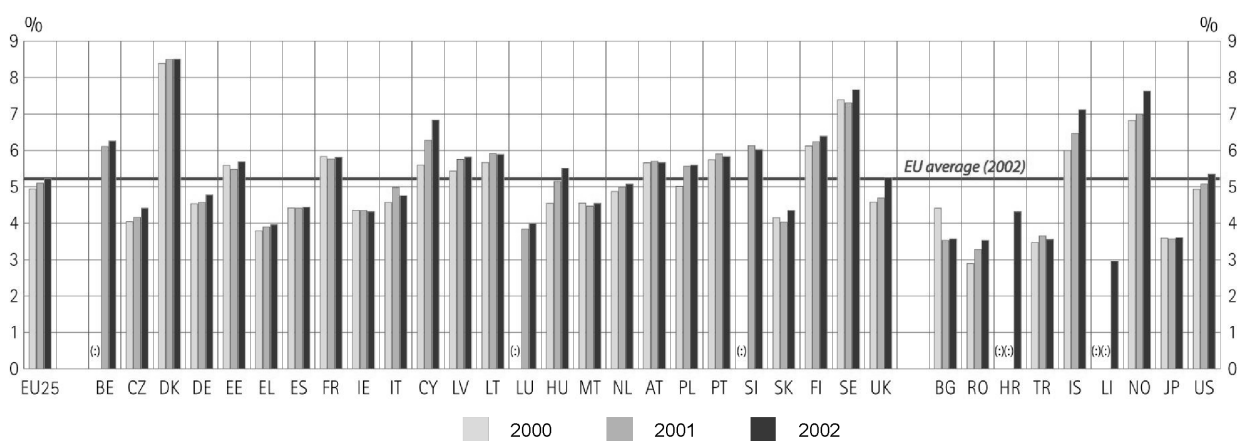
**Additional notes:**

- Due to implementation of harmonised concepts and definitions in the survey, breaks in time series: CZ, DE, DK, EL, FR, IE, CY, LU, HU, AT, SI, SK, FI, SE, IS, NO (2003), BE, IT, LT, MT, PL, PT, RO (2004) and E (2005).
- 2005: provisional data for LU, MT, UK, HR.

The percentage of the working age population who participated in education and training in the 4 weeks prior to the survey amounted to 10,8 % in 2005. Since the data overstate progress as a result of breaks in time series, this represents only a slight real progress compared to 2000, despite the nominal three percentage point increase. Additional efforts are needed to reach the benchmark of a 12,5 % participation rate in 2010 <sup>(1)</sup>. The Nordic countries, the UK, Slovenia and the Netherlands currently show the highest lifelong learning participation rates.

## INVESTMENT IN HUMAN RESOURCES

### Public expenditure on education as a percentage of GDP, 2000-2002



	EU25	BE	CZ	DK	DE	EE	EL	ES	FR	IE	IT	CY	LV	LT	LU	HU	MT
<b>2000</b>	4,94	:	4,04	8,39	4,53	5,59	3,79	4,42	5,83	4,36	4,57	5,60	5,43	5,67	:	4,54	4,55
<b>2001</b>	5,10	6,11	4,16	8,50	4,57	5,48	3,90	4,41	5,76	4,35	4,98	6,28	5,70	5,92	3,84	5,15	4,47
<b>2002</b>	5,22	6,26	4,41	8,51	4,78	5,69	3,96	4,44	5,81	4,32	4,75	6,83	5,82	5,89	3,99	5,51	4,54

<sup>(1)</sup> Data used for assessing the benchmark refer to a 4-week period of participation (LFS 2004). If a longer period were used, rates would be higher. Eurostat data from the LFS ad hoc module on lifelong learning carried out in 2003 (referring to a 12-month period) show a participation rate of 42 % (4,4 % in formal education; 16,5 % in non-formal learning and nearly one European out of three declared having taken some form of informal learning).

	NL	AT	PL	PT	SI	SK	FI	SE	UK	BG	RO	HR	TR	IS	LI	NO	JP	US
<b>2000</b>	4,87	5,66	5,01	5,74	:	4,15	6,12	7,39	4,58	4,41	2,89	:	3,49	6,00	:	6,82	3,59	4,93
<b>2001</b>	4,99	5,70	5,56	5,91	6,13	4,03	6,24	7,31	4,69	3,53	3,28	:	3,65	6,47	:	7,00	3,57	5,08
<b>2002</b>	5,08	5,67	5,60	5,83	6,02	4,35	6,39	7,66	5,25	3,57	3,53	4,32	3,56	7,12	2,95	7,63	3,60	5,35

Source: DG Education and Culture. Data source: Eurostat (UOE data collection)

#### Additional notes

- DK: Expenditure at post secondary non-tertiary levels of education is not available.
- FR: Without French Overseas Departments, GR, LU, PT: Imputed retirement expenditure is not available.
- CY: Including financial aid to students studying abroad.
- LU: expenditure at tertiary level of education not included. PT: expenditure at local level of government not included.
- UK, JP, US: adjustment of GDP to the financial year, which differs from the calendar year.
- TR, IS: expenditure at pre-primary level not included, TR: expenditure at regional and local levels of government not included.
- HR, US: Expenditure on educational institutions from public sources.

Between 1995 and 2000 public expenditure on education as a percentage of GDP fell slightly in the EU <sup>(1)</sup>. Since 2000, however, there has been an upward trend at EU level and in most Member States. The available data show, however, strong differences in spending levels between countries. Denmark and Sweden spend over 7,5 % of GDP on education, while some Member States spend less than 4 % of GDP (however spending is increasing in these countries).

<sup>(1)</sup> However, in real terms, public expenditure on education and training increased on average by 1,9 % per year from 1995 to 2000 and even by 3,8 % since 2000.

## COMMISSION

Euro exchange rates <sup>(1)</sup>

31 March 2006

(2006/C 79/02)

1 euro =

Currency	Exchange rate	Currency	Exchange rate		
USD	US dollar	1,2104	SIT	Slovenian tolar	239,56
JPY	Japanese yen	142,42	SKK	Slovak koruna	37,63
DKK	Danish krone	7,4624	TRY	Turkish lira	1,6323
GBP	Pound sterling	0,6964	AUD	Australian dollar	1,6997
SEK	Swedish krona	9,4315	CAD	Canadian dollar	1,4084
CHF	Swiss franc	1,5801	HKD	Hong Kong dollar	9,3923
ISK	Iceland króna	86,06	NZD	New Zealand dollar	1,9774
NOK	Norwegian krone	7,9675	SGD	Singapore dollar	1,9582
BGN	Bulgarian lev	1,9558	KRW	South Korean won	1 176,09
CYP	Cyprus pound	0,576	ZAR	South African rand	7,5066
CZK	Czech koruna	28,595	CNY	Chinese yuan renminbi	9,7038
EEK	Estonian kroon	15,6466	HRK	Croatian kuna	7,342
HUF	Hungarian forint	265,74	IDR	Indonesian rupiah	10 972,28
LTL	Lithuanian litas	3,4528	MYR	Malaysian ringgit	4,458
LVL	Latvian lats	0,6961	PHP	Philippine peso	61,888
MTL	Maltese lira	0,4293	RUB	Russian rouble	33,546
PLN	Polish zloty	3,9425	THB	Thai baht	47,008
RON	Romanian leu	3,5198			

(<sup>1</sup>) Source: reference exchange rate published by the ECB.

**Prior notification of a concentration**  
**(Case COMP/M.3998 — Axalto/Gemplus)**

(2006/C 79/03)

(Text with EEA relevance)

1. On 24 March 2006, the Commission received a notification of a proposed concentration pursuant to Article 4 and following a referral pursuant to Article 4(5) of Council Regulation (EC) No 139/2004 <sup>(1)</sup> by which the undertaking Axalto Holding NV ('Axalto', The Netherlands) acquires within the meaning of Article 3(1)(b) of the Council Regulation control of the whole of the undertaking Gemplus International SA ('Gemplus', Luxemburg) by way of purchase of shares.
2. Both undertakings concerned are suppliers of secure plastic cards and related software, hardware, and services for a variety of applications (SIM card, payment card, etc.).
3. On preliminary examination, the Commission finds that the notified transaction could fall within the scope of Regulation (EC) No 139/2004. However, the final decision on this point is reserved.
4. The Commission invites interested third parties to submit their possible observations on the proposed operation to the Commission.

Observations must reach the Commission not later than 10 days following the date of this publication. Observations can be sent to the Commission by fax (No (32-2) 296 43 01 or 296 72 44) or by post, under reference number COMP/M.3998 — Axalto/Gemplus, to the following address:

European Commission  
Competition DG  
Merger Registry  
J-70  
B-1049 Brussels

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<sup>(1)</sup> OJ L 24, 29.1.2004, p. 1.

**Non-opposition to a notified concentration**  
**(Case COMP/M.4136 — Deutsche Post/Williams Lea)**

(2006/C 79/04)

(Text with EEA relevance)

On 14 March 2006, the Commission decided not to oppose the above notified concentration and to declare it compatible with the common market. This decision is based on Article 6(1)(b) of Council Regulation (EC) No 139/2004. The full text of the decision is available only in English and will be made public after it is cleared of any business secrets it may contain. It will be available:

- from the Europa competition website (<http://europa.eu.int/comm/competition/mergers/cases/>). This website provides various facilities to help locate individual merger decisions, including company, case number, date and sectoral indexes,
  - in electronic form on the EUR-Lex website under document number 32006M4136. EUR-Lex is the on-line access to European law. (<http://europa.eu.int/eur-lex/lex>)
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**Authorisation for State aid pursuant to Articles 87 and 88 of the EC Treaty**  
**Cases where the Commission raises no objections**

(2006/C 79/05)

(Text with EEA relevance)

**Date of adoption:** 21.12.2005

**Member State:** Poland

**Number of the aid:** N 61/2005

**Title:** Program pomocy na restrukturyzację udzielanej w procesach prywatyzacji

**Objective:** Restructuring of firms in difficulty (All sectors)

**Legal basis in original language:** Ustawa o komercjalizacji i prywatyzacji (art. 52, Dz.U. z 2002 r. nr 171, poz. 1397 ze zm.), Rozporządzenie Rady Ministrów w sprawie pomocy udzielanej w procesach prywatyzacji oraz Rozporządzenie Rady Ministrów w sprawie warunków spłaty należności za korzystanie z przedsiębiorstwa (Dz.U. z 2004 r. nr 269, poz. 2667)

**Budget:** Overall aid amount planned: PLN 40 000 000

**Duration:** End date: 31.12.2010

**Other information:** Aid scheme — Transactions not on market terms

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 13.5.2004

**Member State:** Germany (Schleswig-Holstein)

**Number of the aid:** N 165/2004

**Title:** Biomass and Energy — Prolongation of State aid No N 680/2000

**Objective:** Environmental Protection

**Legal basis:** Richtlinie zur Förderung der energetischen Nutzung von Biomasse im ländlichen Raum durch das Land Schleswig-Holstein

**Budget:** Ca. EUR 1,5 million p.a. on average

**Intensity or amount:** 40 % of eligible costs

**Duration:** until 31 December 2006

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 30.6.2004

**Member State:** Germany

**Number of the aid:** N 185/2004

**Title:** Modification of the temporary tax exemption for certain combined cycle gas turbine power plants

**Objective:** Environmental aid

**Legal basis:** Gesetz zur Änderung des Mineralölsteuergesetzes

**Budget:** No estimates available

**Duration:** five years as of entry into operation of the installation

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 8.2.2006

**Member State:** Austria

**Number of the aid:** N 192/2005

**Title in original language:** Garantie der aws Austria Wirtschaftsservice GmbH für das Mittelstandsportfolio der Investkreditbank AG

**Objective:** Innovation (All sectors)

**Legal basis:** §§ 13 und 14 Garantiesgesetz 1977 BGBl 296/1977 idf BGBl I 68/2004; Richtlinien für kapitalmarktbezogene und fondsgebundene Garantien ('Kapitalgarantien') der aws, Fassung November 1998

**Duration:** 2006-2016

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)



**Date of adoption of the decision:** 5.7.2005

**Member State:** The Netherlands

**Number of the aid:** N 213/2005

**Title:** Aid scheme for the replacement and retrofitting of diesel engines used by inland waterways vessels

**Objective:** To achieve a substantial NO<sub>x</sub> reduction in the emissions of the existing inland waterways fleet

**Legal basis:** Wet Milieubeheer, artikel 15.13 en de Subsidieregeling dieselmotoren voor binnenvaartschepen

**Budget:** 20 000 000 EUR

**Duration:** 2005-2010

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 19.9.2005

**Member State:** Poland (Śląskie)

**Number of the aid:** N 242a/2005

**Title:** Program pomocy regionalnej dla przedsiębiorców inwestujących na terenie części jednostki strukturalnej imienia Mikołaja Kopernika (nieruchomości zabrzańskie)

**Objective:** Regional development (All sectors)

**Legal basis:** Ustawa o samorządzie gminnym z dnia 8 marca 1990 r.; Ustawa o podatkach i opłatach lokalnych z dnia 12 stycznia 1991 r.; Projekt Uchwały Rady Miejskiej w Zabrze w sprawie określenia zwolnień z podatku od nieruchomości, nieruchomości zabrzańskich, położonych na obszarze części jednostki strukturalnej im. Mikołaja Kopernika

**Budget:** Overall aid amount planned: PLN 75 million

**Duration:** End date: 31.12.2006

**Maximum aid intensity:** 50 %

**Other information:** Aid scheme — Tax advantage

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 19.9.2005

**Member State:** Poland (Śląskie)

**Number of the aid:** N 242b/2005

**Title:** Program pomocy regionalnej dla przedsiębiorców inwestujących na terenie Katowickiej Specjalnej Strefy Ekonomicznej (nieruchomości zabrzańskie)

**Objective:** Regional development (All sectors)

**Legal basis:** Ustawa o samorządzie gminnym z dnia 8 marca 1990 r.; Ustawa o podatkach i opłatach lokalnych z dnia 12 stycznia 1991 r.; Projekt Uchwały Rady Miejskiej w Zabrze w sprawie określenia zwolnień z podatku od nieruchomości, nieruchomości zabrzańskich położonych na terenie Katowickiej Specjalnej Strefy Ekonomicznej

**Budget:** Overall aid amount planned: PLN 2,5 million

**Duration:** End date: 31.12.2006

**Maximum aid intensity:** 50 %

**Other information:** Aid scheme — Tax advantage

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 12.12.2005

**Member State:** Poland (Wielkopolska)

**Number of the aid:** N 243/2005

**Title:** Program pomocy regionalnej dla przedsiębiorców inwestujących na terenie gminy i miasta Nowe Skalmierzyce

**Objective:** Regional development (All sectors)

**Legal basis:** Ustawa o podatkach i opłatach lokalnych z dnia 12 stycznia 1991 r.; Projekt Uchwały Rady Gminy i Miasta Nowe Skalmierzyce w sprawie tworzenia preferencji dla przedsiębiorców zwiększających zatrudnienie i inwestujących na obszarze Gminy i Miasta Nowe Skalmierzyce oraz zwolnień z podatku od nieruchomości; Projekt programu pomocy regionalnej na tworzenie nowych miejsc pracy związanych z nową inwestycją na obszarze Gminy i Miasta Nowe Skalmierzyce, stanowiący załącznik nr 3 do ww. projektu uchwały

**Budget:** Overall aid amount planned: PLN 1,2 million

**Duration:** End date: 31.12.2006

**Maximum aid intensity:** 50 %

**Other information:** Aid scheme — Tax advantage

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 18.11.2004

**Member State:** Germany (Brandenburg)

**Number of the aid:** N 310/2004

**Title:** ERDF Risk Capital Fund Brandenburg

**Objective:** Risk capital for SMEs

**Legal basis:** Beteiligungsgrundsätze der BC Fonds Brandenburg GmbH

**Budget:** Up to EUR 50 million

**Intensity or amount:** Investment tranches of up to EUR 1 million in Article 87(3)(a) EC areas and up to EUR 750 000 in Article 87(3)(c) EC areas

**Duration:** 31.12.2014

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 22.12.2005

**Member State:** United Kingdom

**Number of the aid:** N 319/2005

**Title:** Grant for Collaborative R&D. Revision of aid scheme N 761/2002

**Objective:** Research and development (All sectors)

**Legal basis:** Science and Technology Act 1965

**Budget:** GBP 200 million per year

**Maximum aid intensity:** 100 %

**Duration:** 1.1.2006 — 31.12.2011

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption of the decision:** 29.11.2005

**Member State:** Spain (Madrid)

**Number of the aid:** N 342/2005

**Title:** Prolongation of the aid scheme 'Madrid Business Innovation Plan'

**Objective:** Investment and consultancy aid for SMEs, aid for research and development

**Legal basis:** Orden de la Consejería de Economía y Empleo por la que se regula el Plan de Innovación Empresarial de la Comunidad de Madrid

**Budget:** EUR 18,03 million per year

**Aid intensity or amount:** Unchanged

**Duration:** 2006-2009

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 23.12.2005

**Member State:** The Netherlands

**Number of the aid:** N 358/2005

**Title:** Microdruppels

**Objective:** Research and development (All sectors)

**Legal basis:** Wet van 29 februari 1996, houdende vaststelling van regels inzake de verstrekking van subsidies door de Minister van Economische Zaken (Kaderwet EZ-subsidies)

**Budget:** EUR 1 390 000

**Maximum aid intensity:** 60 %

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 29.9.2005

**Member State:** Spain (Murcia)

**Number of the aid:** N 363/2005

**Title:** Aid for the quality improvement in the provision of the electrical service in the Region of Murcia

**Objective:** Regional development (Electricity)

**Legal basis:** Ley 54/1997, de 27 de noviembre del sector eléctrico, Real Decreto 1955/2000, de 1 de diciembre, Real Decreto 1802/2003, de 26 de diciembre y borrador del Convenio específico de colaboración entre el Ministerio de Industria, Turismo y Comercio, la Comunidad Autónoma de la Región de Murcia e Iberdrola Distribución Eléctrica, S.A.

**Aid intensity or aid amount:** EUR 1 149 000

**Duration:** Until 31.12.2005

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 10.10.2005

**Member State:** Estonia

**Number of the aid:** N 392/2005

**Title:** Ettevõtlike infrastruktuuri arendamise toetamine

**Legal basis:** Eesti riikliku arengukava Euroopa Liidu struktuuri-fondide kasutuselevõtuks — ühtne programmdokument aastateks 2004-2006; meetme 2.2 "Ettevõtlike infrastruktuuri arendamise toetamine", RTL 2004, 43, 725

**Objective:** Regional development (All sectors)

**Budget:** Annual expenditure planned: 67,3 million EEK

Overall aid amount granted: 201,9 million EEK

**Maximum aid intensity:** 50 %

**Duration:** End date: 31.12.2006

**Other information:** Aid scheme — Direct grant

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

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**Date of adoption:** 22.12.2005

**Member State:** Italy (Valle d'Aosta)

**Number of the aid:** N 394/2005

**Title:** Aiuto all'organizzazione della protezione civile — Proroga del regime N 433/2000

**Objective:** Compensation for damage caused by natural disasters or exceptional occurrences (All sectors)

**Legal basis:** Legge regionale 18 gennaio 2001, n. 5 «Organizzazione delle attività regionali di protezione civile»

**Maximum aid intensity:** 70 %

**Duration:** End date: 31.12.2011

**Other information:** Aid scheme — Direct grant

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

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**Date of adoption:** 23.12.2005

**Member State:** Germany

**Number of the aid:** N 453/2005

**Title:** Förderschwerpunkt „Wohnen“

**Objective:** Research and development (All sectors)

**Legal basis:** Bundeshaushalt, Kapitel 3006, Titel 68342

**Budget:** EUR 5 000 000

**Maximum aid intensity:** 75 %

**Duration:** 1.1.2005 — 31.12.2008

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption of the decision:** 20.4.2005

**Member State:** Italy

**Number of the aid:** N 496/2003

**Title:** Aid for the development of logistics chains and the upgrading of intermodality

**Objective:** To encourage the development of intermodality by granting subsidies to road haulage companies which makes use of maritime transport instead of road transport

**Legal basis:** Articolo 3, comma 2-ter della Legge n. 265 del 22 novembre 2002

**Budget:** EUR 240 million

**Duration:** 3 years

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

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**Date of adoption of the decision:** 3.5.2005

**Member State:** Slovenia

**Number of the aid:** N 536/A/04

**Title:** Co-financing of the creation of media programmes

**Objective:** Audiovisual and media

**Legal basis:** 'Uredba o izvedbi rednega letnega javnega razpisa za sofinanciranje ustvarjanja programskih vsebin in razvoja tehnične infrastrukture na področju medijev' published on 9.4.2004, came into force on 10.4.2004

**Budget:** Max. 230 million Slovenian tolar (approximately EUR 960 954) per year for six years (making a total of approximately EUR 5,8 million)

**Aid intensity or amount:** Variable; as a general rule, less than 50 %

**Duration:** Until end-2010

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

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**Date of adoption of the decision:** 21.12.2005

**Member State:** Slovak Republic

**Number of the aid:** N 542/05

**Title:** Vydavateľstvo spolku slovenských spisovateľov s.r.o. (Individual aid in favour of weekly literature magazine)

**Objective:** to support literacy magazine

**Legal basis:** Zákon č. 523/2004 Z. z. o rozpočtových pravidlách verejnej správy v znení neskorších predpisov,

Zákon č. 231/1999 Z. z. o štátnej pomoci v znení zákona č. 203/2004 – § 4 ods. 1, písm. d),

Výnos MK SR – 480/2004 – 1 o poskytovaní dotácií v pôsobnosti MK SR

**Budget:** SKK 2 500 000

**Aid intensity or amount:** 38,8 %

**Duration:** 2005

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 20.12.2005

**Member State:** Czech Republic

**Number of the aid:** N 579/2005

**Title:** Centra základného výzkumu (změna N 535/2004)

**Objective:** Research and development (All sectors)

**Budget:** EUR 94 000 000

**Maximum aid intensity:** 100 %

**Duration:** 31.12.2011

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 20.12.2005

**Member State:** Czech Republic

**Number of the aid:** N 581/2005

**Title:** Výzkumná centra (změna CZ 123/2004)

**Objective:** Research and development (All sectors)

**Budget:** EUR 141 000 000

**Maximum aid intensity:** 100 %, 50 %, 25 %

**Duration:** 31.12.2009

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption:** 31.1.2006

**Member State:** Denmark

**Number of the aid:** N 652/2005

**Title:** Prolongation of Aid for Research in Working Conditions

**Objective:** To strengthen the work environment research in Denmark through the elaboration of a research strategy and by providing aid to R&D activities

**Legal basis:** Finansloven, tekstanmærkning nr. 124 § 17 og Bekendtgørelse nr. 610 af 25. juni 2003

**Budget:** In total for the period 2003-2008, DKK 207,8 million (ca EUR 27,7 million)

**Intensity or amount:** 100 %

**Duration:** 2 years

**Other information:** Annual report

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Authorisation for State aid pursuant to Articles 87 and 88 of the EC Treaty**

**Cases where the Commission raises no objections**

(2006/C 79/06)

(Text with EEA relevance)

**Date of adoption of the decision:** 1.10.2003

**Member State:** Netherlands

**Aid No:** N 75/2003

**Title:** Promotional measures for the mussels sector

**Objective:** To finance promotional measures for the mussels sector using parafiscal charges

**Legal basis:**

- Instellingsverordening Productschap Vis
- Wet op de bedrijfsorganisatie
- Verordening financiering mosselpromotie 2003
- Verordening instelling van een fonds voor mosselpromotie

**Budget:** EUR 449 300 for 2003

**Duration:** 2003 and subsequent years

**Aid intensity and amount:** Within the limits of the amounts set in the Guidelines for the examination of state aid to fisheries and aquaculture (OJ C 19, 20.1.2001, p. 7)

**Other information:** Annual report

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption of the decision:** 23.9.2003

**Member State:** Netherlands

**Aid No:** N 160/2003

**Title:** Promotional measures for the benefit of the shrimp sector

**Objective:** To finance promotional measures for the benefit of the shrimp sector through parafiscal charges

**Legal basis:**

- Instellingsverordening Productschap Vis
- Wet op de bedrijfsorganisatie

— Verordening financiering kosten van een promotiecampagne garnalen 2003

— Verordening instelling van een fonds voor garnalenpromotie

**Budget:** EUR 480 000 for 2003

**Aid intensity and amount:** Within the limits of the amounts set by the Guidelines for the examination of State aid to fisheries and aquaculture (OJ C 19, 20.1.2001, p. 7)

**Duration:** 2003 and following years

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption of the decision:** 17.10.2005

**Member State:** Republic of Latvia

**Aid No:** N 177/2005

**Title:** Aid to fisheries sector to make good damages caused by storm

**Objective:** The objective of the scheme is to make good damages caused to the fisheries and aquaculture sector by the storm, which occurred in Latvia on 8 and 9 January 2005

**Legal basis:** Latvijas Ministru Kabineta 2005. gada 25. janvāra Noteikumi Nr. 70 par valsts atbalstu lauksaimniecībai 2005. gadā un par kārtību šāda atbalsta piešķiršanai

**Budget:** The total budget of the scheme is LVL 20 000 (EUR 28 500)

**Aid intensity or amount:** The maximum aid intensity is calculated at 50 %

**Duration:** Until 31 December 2005

**Other information:** Report

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption of the decision:** 13.12.2002

**Member state:** Italy

**Aid No:** N 405/2002

**Title:** Structural measures in the aquaculture sector (Molise)

**Objective:** To implement structural measures in the field of aquaculture under the Community support framework

**Legal basis:** Deliberazione della Giunta Regionale del Molise n. 46 del 14 gennaio 2002 avente ad oggetto «POR Molise 2000-2006 Misura 4.16 Aiuti agli investimenti nel settore della Pesca — Norme per la corresponsione di aiuti a privati nel settore dell'aquacoltura»

**Budget:** EUR 533 500

**Aid intensity:** According to the rates set in Council Regulation (EC) No 2792/99

**Duration:** 2000-2006

**Other information:** Implementation report

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption of the decision:** 10.9.2002

**Member State:** Spain

**Aid No:** N 447/2002

**Title:** Processing and marketing — fisheries sector

**Objective:** To make a positive contribution to the financial and technical management of fisheries enterprises by providing advisory services

**Legal basis:** Orden por la que se establecen las bases reguladoras de las subvenciones para planes de asistencia técnica y de gestión en los sectores de transformación y comercialización de los productos agrarios, silvícolas, de la pesca, la acuicultura y la alimentación, y se convocan para el ejercicio 2002 (Ministerio de Agricultura, Pesca y Alimentación)

**Budget:** EUR 811 366 in 2002 (this amount applies to all the sectors covered by the legal basis: agriculture, forestry, fisheries and food)

**Duration:** Unspecified

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption of the decision:** 18.12.2002

**Member State:** Spain

**Aid No:** N 457/2002

**Title:** Stopping of fishing for northern hake (Cantabria)

**Objective:** To compensate shipowners and fishermen for the temporary stopping of fishing following the introduction of an emergency measure temporarily stopping fishing for hake in the region

**Legal basis:** Orden de la Consejería de Ganadería, Agricultura y Pesca por la que se establece una parada biológica de la flota que dirige su actividad a la merluza en el área de NEAFC (North East Atlantic Fisheries Commission), y se regula la concesión de indemnizaciones a los pescadores y propietarios de buques afectados

**Budget:** EUR 425 000

**Aid intensity or amount:** According to the rates set in Council Regulation (EC) No 2792/99

**Duration:** 45 days during 2002

**Other information:** Implementation report

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

**Date of adoption of the decision:** 14.11.2002

**Member State:** Germany

**Aid No:** N 459/2002

**Title:** Circular on the payment of aid to support investments in the inland fisheries, aquaculture and promotion of fishery products sectors in the Land of Hessen (FIG co-financing)

**Objective:** To improve the competitiveness of aquaculture and inland fisheries businesses in the Land of Hessen and contribute environmentally-friendly management and the improvement of the quality of products in this field

**Legal basis:** Landeshaushaltsordnung § 44

**Budget:** Around EUR 100 000 annually

**Duration:** 2000-2008

**Aid intensity and amount:** Within the limits laid down in Regulation (EC) No 2792/1999

**Other information:** Annual report

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

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**Date of the decision:** 13.12.2002

**Member state:** Portugal

**Aid No:** N 690/2002

**Title:** Measures implemented by fishermen and innovative action. Fisheries sector (Azores).

**Objective:** The implementation of structural measures by fishermen and innovative action in the fisheries sector included in the Community support framework for this region.

**Legal basis:** Portarias da Secretaria Regional da Agricultura e Pescas da Região Autónoma dos Açores

**Budget:** EUR 137 000

**Intensity:** According to the rates set in Council Regulation (EC) No 2792/99

**Duration:** 2000-2006

**Other information:** Annual report

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

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**Date of decision:** 18.10.2000

**Member State:** Spain

**Aid No:** NN 64/2000

**Title:** Prolonging the aid for the temporary cessation of fishing as a result of the expiry of the fisheries agreement with Morocco

**Objective:** To compensate for loss of income sustained by shipowners and crews of vessels operating in Moroccan waters as a result of the temporary cessation of fishing on the expiry of the fisheries agreement with the Kingdom of Morocco

**Legal basis:** Orden de 3 de mayo de 2000, por la que se amplían las ayudas a los armadores de buques de pesca que faenan en el caladero de Marruecos por paralización de su actividad y Orden de 18 de mayo de 2000 por la que se prorroga la vigencia de la de 1 de diciembre de 1999, reguladora de la concesión de ayudas a los trabajadores y armadores de buques de pesca, de todas las modalidades, que faenaban al amparo del Acuerdo de Cooperación en Materia de Pesca Marítima, suscrito entre la Unión Europea y el Reino de Marruecos, afectados por la expiración del mismo desde el 1 de diciembre de 1999

**Budget:**

PTA 4 950 million for aid to shipowners (± EUR 29 750 100)

PTA 5 190 295 812 for aid to crew members (± EUR 31 194 306)

**Aid intensity or amount:** Scales and rates of assistance specified in the Guidelines for the examination of State aid to fisheries and aquaculture and in Council Regulation (EC) No 2468/98 for allowances for shipowners plus security social contributions corresponding to aid to their crew members. ESP 151 500 (about EUR 908) for monthly aid payments to crew members

**Duration:** June — December 2000

**Other information:** Implementation report

The authentic text(s) of the decision, from which all confidential information has been removed, can be found at:

[http://europa.eu.int/comm/secretariat\\_general/sgb/state\\_aids/](http://europa.eu.int/comm/secretariat_general/sgb/state_aids/)

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# EUROPEAN CENTRAL BANK

## OPINION OF THE EUROPEAN CENTRAL BANK

of 24 March 2006

**concerning the proposal for a European Parliament and Council regulation establishing the statistical classification of economic activities NACE Rev. 2 and amending Council Regulation (EEC) No 3037/90 and certain EC regulations on specific statistical domains**

**(CON/2006/18)**

(2006/C 79/07)

On 6 March 2006 the European Central Bank (ECB) received a request from the Council of the European Union for an opinion on a proposal for a European Parliament and Council regulation establishing the statistical classification of economic activities NACE Rev. 2 and amending Council Regulation (EEC) No 3037/90 and certain EC regulations on specific statistical domains (hereinafter the 'proposed regulation').

The ECB's competence to deliver an opinion is based on the first indent of Article 105(4) of the Treaty establishing the European Community, as the proposed regulation falls within the ECB's fields of competence. In accordance with the first sentence of Article 17.5 of the Rules of Procedure of the ECB, the Governing Council has adopted this opinion.

### 1. General observations

- 1.1. The ECB welcomes the proposed regulation which intends to establish the common statistical classification of economic activities within the Community (hereinafter 'NACE Rev. 2'). The ECB objects neither to the new NACE structure nor to its detailed classification.
- 1.2. The ECB supports the principles underlying NACE Rev. 2, namely (i) adherence to economic reality (extension of the classification as regards the services industries); and (ii) comparability with other international classifications, in particular the International Standard Industrial Classification of all economic activities (ISIC) Rev. 4; and (iii) continuity vis-a-vis the previous classification. The ECB further considers that all necessary efforts should be made and all the requisite legal provisions should be introduced to ensure maximum consistency with other international classifications and statistical standards.
- 1.3 Furthermore, the ECB welcomes the implementing measures in the proposed regulation for key monthly, quarterly and annual statistics; in particular, Articles 12 and 16 for short-term statistics and the labour cost index. However, these implementing measures as well as the implementation rules for the European System of national and regional accounts in the Community, must be defined to prevent a damaging loss of information e.g. breaks in time series and the consequent unavailability of long time series.
- 1.4 Furthermore, for euro area and European Union statistics, which are compiled by using country information as the main source, simultaneous implementation in Member States is crucial. A differentiated implementation schedule of NACE Rev. 2 throughout the EU would have severe adverse consequences on the quality and availability of euro area and EU aggregate statistics until all Member States have fully adopted the new classification and revised their time series accordingly. The ECB therefore suggests strengthening recital 9 and Article 6(c) to ensure fully coordinated implementation of NACE Rev. 2 in Member States and consistency across statistical domains.



## 2. Drafting proposals

The ECB's proposed amendments are annexed to this opinion.

Done at Frankfurt am Main, 24 March 2006.

*The President of the ECB*  
Jean-Claude TRICHET

### ANNEX

#### Drafting proposals

Text proposed by the Commission <sup>(1)</sup>	Amendments proposed by the ECB <sup>(2)</sup>
Amendment 1 Recital 9	
'Use of the classification of economic activities in the Community requires that the Commission be assisted by the Statistical Programme Committee set up by Council Decision 89/382/EEC, Euratom in particular as regards the examination of problems arising from implementation of NACE Rev. 2, the smooth transition from NACE Rev. 1 to NACE Rev. 2, as well as the incorporation of amendments to NACE Rev. 2'.	'Use of the classification of economic activities in the Community requires that the Commission be assisted by the Statistical Programme Committee set up by Council Decision 89/382/EEC, Euratom in particular as regards the examination of problems arising from implementation of NACE Rev. 2, the smooth <b>and fully coordinated</b> transition from NACE Rev. 1 to NACE Rev. 2, as well as the incorporation of amendments to NACE Rev. 2'.
<i>Justification</i> — See paragraph 1.4 of the opinion	
Amendment 2 Article 6(c)	
'measures ensuring the smooth transition from NACE Rev. 1.1 to NACE Rev. 2, especially with respect to issues related to breaks in time series, including double reporting and back-casting of time series.'	'measures ensuring the smooth <b>and fully coordinated</b> transition from NACE Rev. 1 to NACE Rev. 2, especially with respect to issues related to breaks in time series, including double reporting and back-casting of time series, <b>and the simultaneous implementation in the Member States.</b> '
<i>Justification</i> — See paragraph 1.4 of the opinion	
(1) Italics in the body of the text indicate where the ECB proposes deleting text. (2) Bold in the body of the text indicates where the ECB proposes inserting new text.	

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