



Achievement of Lisbon and Gothenburg  
Strategy Objectives by INTERREG

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## European Commission - EU

# **The Lisbon Strategy: Challenges and progress**

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## Overview of presentation



- The renewed strategy
- The main challenges ahead
- Progress : Growth and jobs
- Progress : National policies
- Conclusions

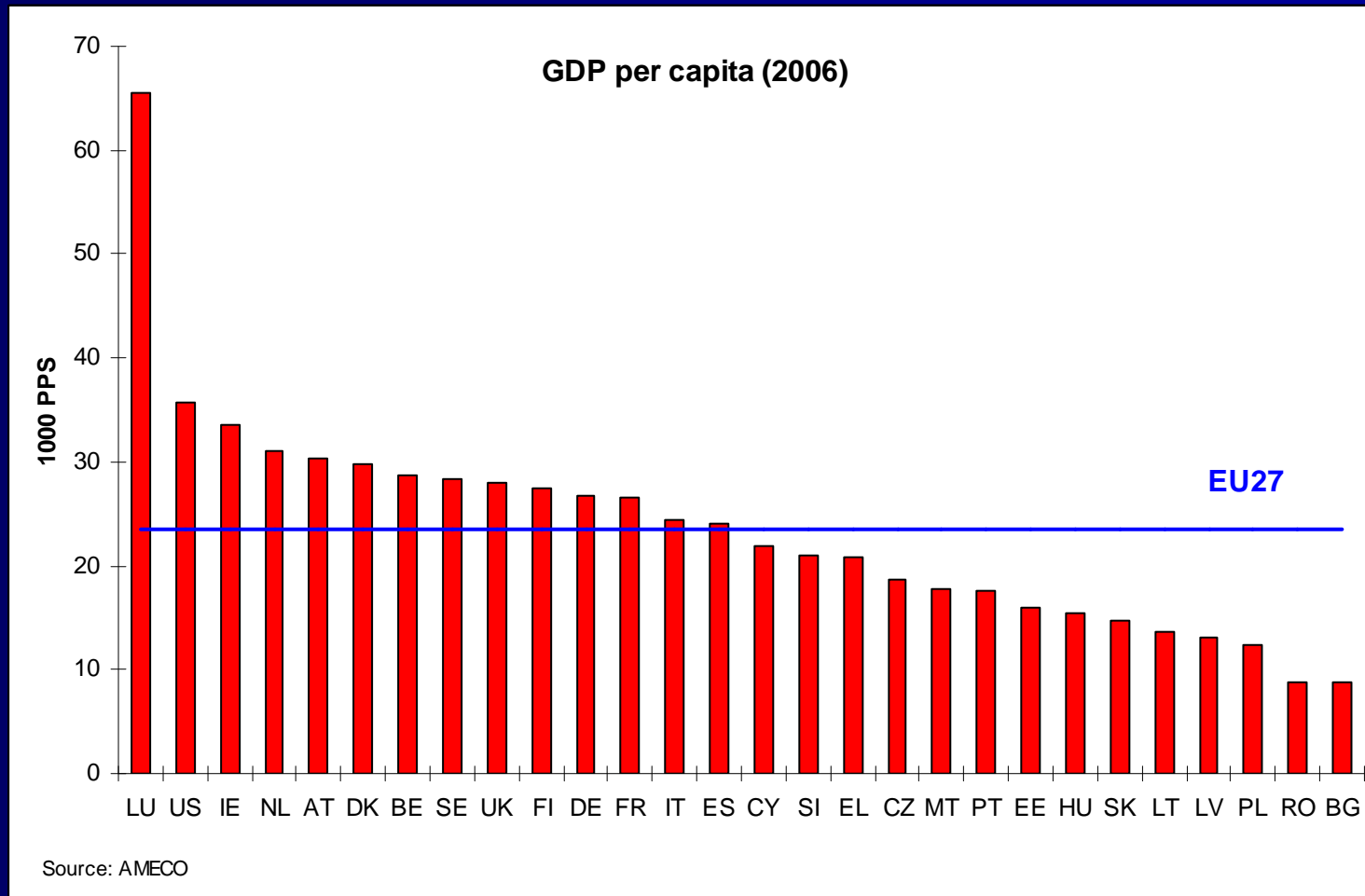
## The renewed strategy



- Refocus on growth and employment
- Integrated guidelines
- Community Lisbon Action Programme and Cohesion Policy
- National Reform Programmes

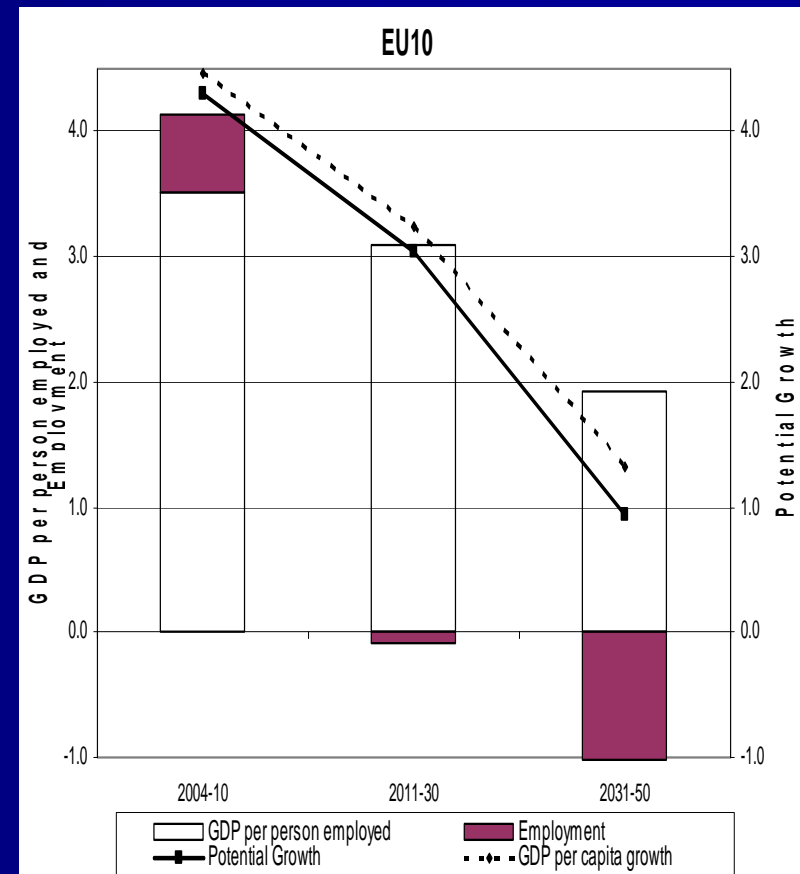
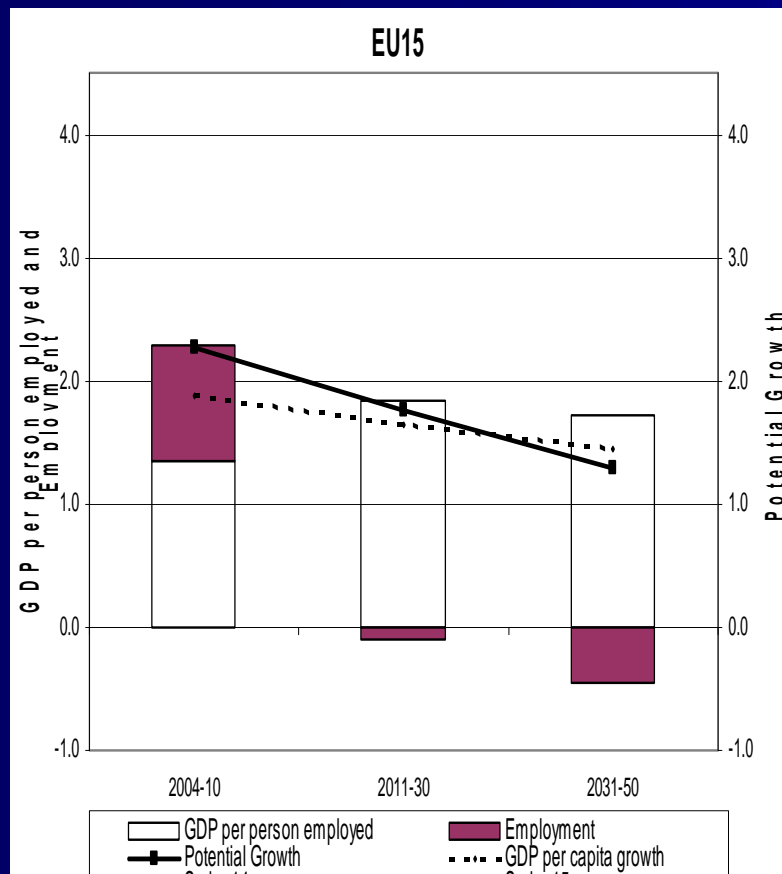
# Challenges (1)

## Differences in the EU-27



# Challenges (2)

## Ageing: productivity increases essential for growth



# Challenges (3) Globalisation

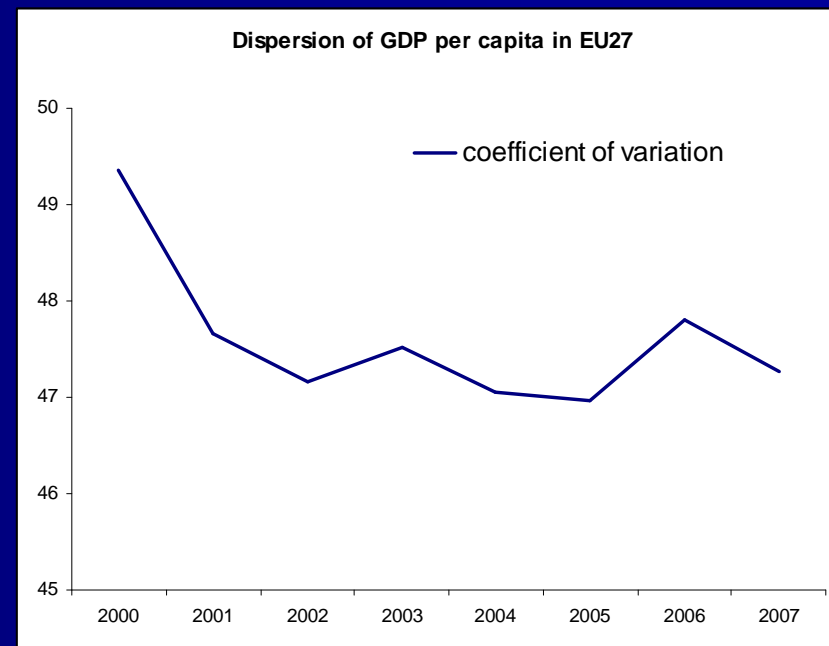
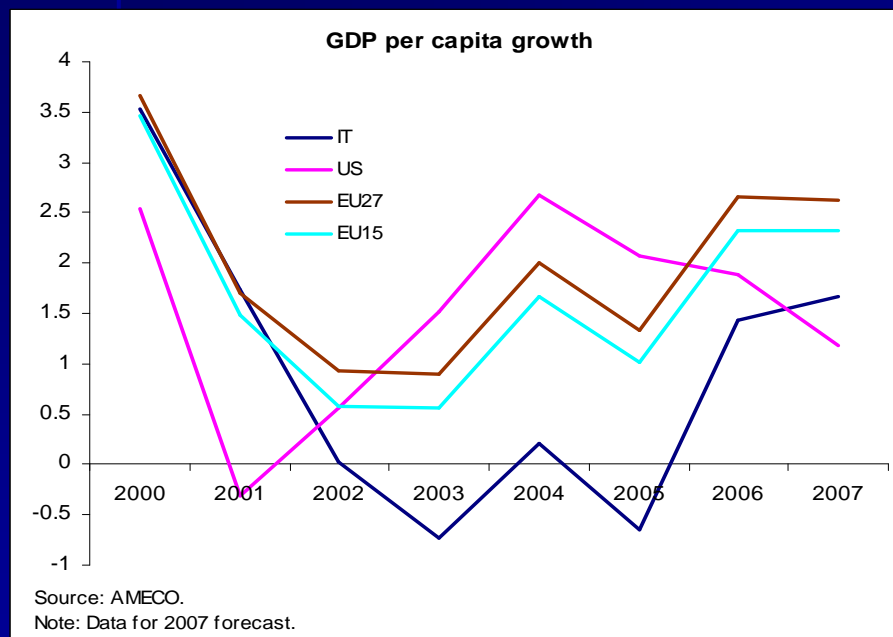


## Globalisation, a challenge and an opportunity

- rapid change in technologies and skills
- fierce competition from global players including emerging economies
- but also large new markets and lower import prices

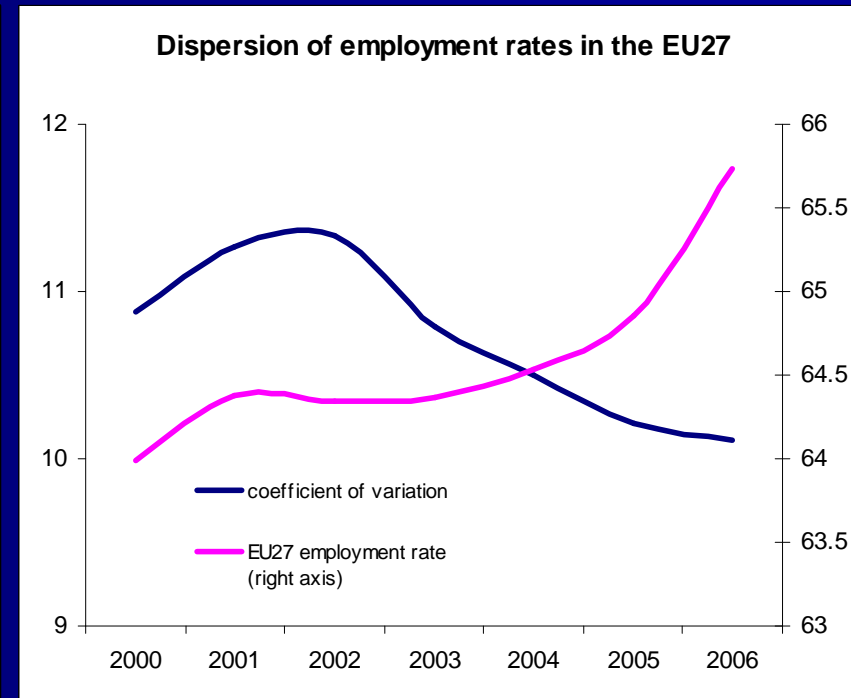
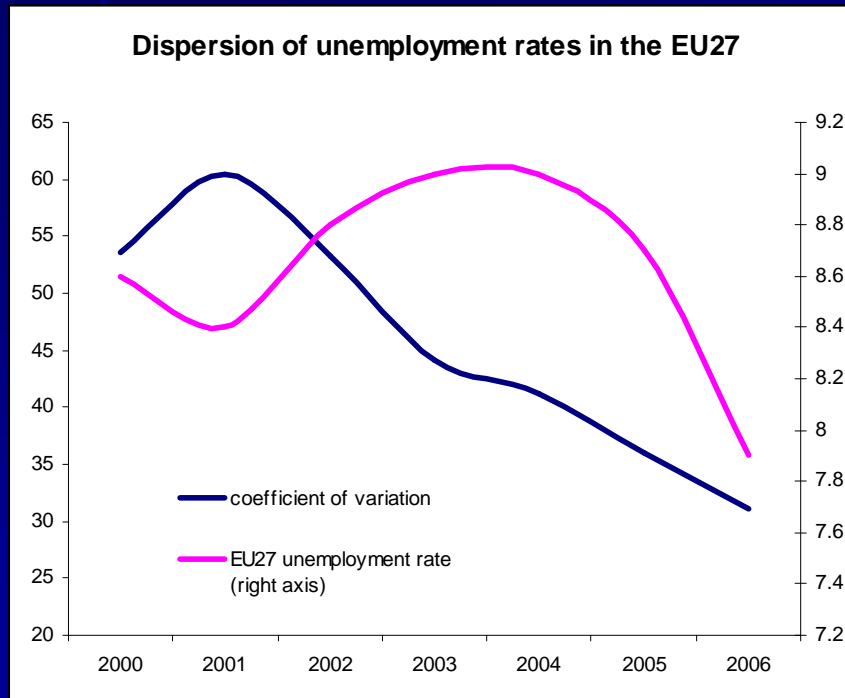
# Progress on growth and jobs (1)

## Convergence on GDP per capita



# Progress on growth and jobs (2)

## Robust employment creation



## Progress. National policies (1) Reforms of social systems



### ■ *Pension systems*

- Since 2001, FR, DE, ES IT, NL, AT, PT, FI introduced reforms to public pension systems
- In 2006: PT, DE, NL
- Announcements: IE, EL, FR, IT, LU

### ■ *Early retirement*

- in BE, DE, ES, IT, LU, NL AT, PT, FI.

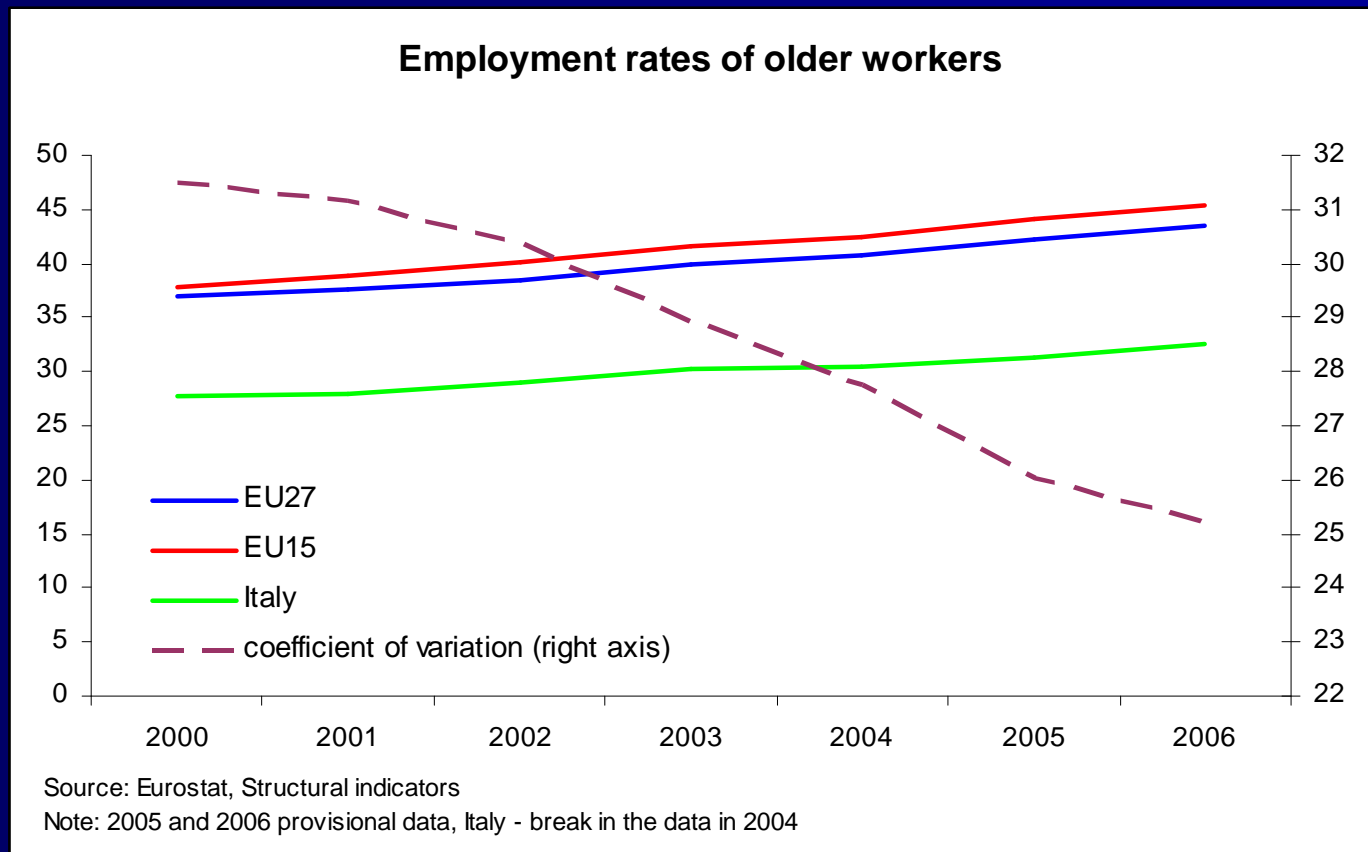
### ■ *Health care*

- BE, DE, EL, FR, IT, NL, PT

### ■ *Social protection*

- BE, DE, FR, NL

## Progress. National policies (2) Increasing employment of older workers



## Progress. National policies (3) Fostering knowledge-based economy high on the agenda

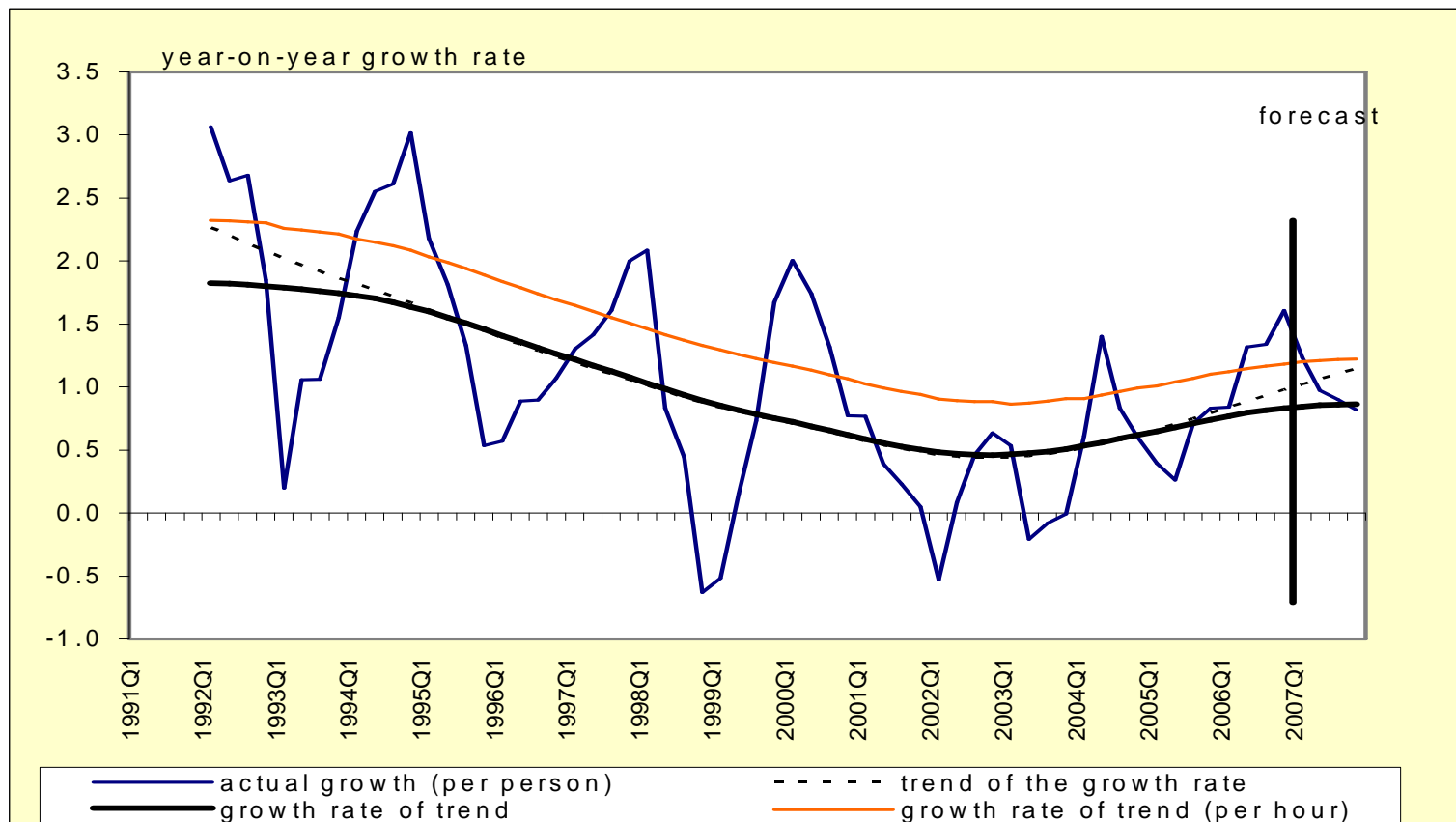


- ***Financial incentives for R&D.***
  - ***Targeted tax incentives : AT, BE, FR, IE, IT, PT***
  - ***Specific tax credits for private R&D expenditures: FR, ES, EL, IE, IT***
  - ***Improving the links between research and business: BE, DE, EL, ES, FR, IT, LU, NL, AT, FI***
- ***Investment in human capital: all MS***
- ***Diffusion of ICT: broadband infrastructure all MS***
- ***Support for young and small enterprises, all MS.***
  - **facilitating access to risk capital**
  - **reducing the bureaucratic and legal obstacles for setting-up new firms (one-stop shops, simplifying accounting rules and reporting burden).**

# Progress. National policies (4)



Actual and trend labour productivity growth - euro area  
Private business sector



Source: Commission services

# Conclusions (1)



- Progress has been made, especially on employment
- Structural reforms do pay off and more reforms are in the pipeline
- The positive outlook for the EU economy brings a window of opportunity

**HOWEVER**

## Conclusions (2)



- Challenges are big but manageable
- Reform efforts are very uneven
- Macroeconomic stability needs to be maintained

**WE NEED TO SPEED UP AND  
IMPLEMENT THE REFORMS**