

Anita Pelle – Gabriella Tabajdi

Research and Development in the EU

The Europe 2020 Strategy

Lecture 7

This teaching material has been made at the University of Szeged, and supported by the European Union.

Project ID: EFOP-3.4.3-16-2016-00014

University of Szeged
6720 Szeged, Dugonics tér 13. Hungary
www.u-szeged.hu
www.szechenyi2020.hu

SZÉCHENYI 2020 

The Europe 2020 Strategy

Lecture 7

In this lecture you will learn about:

- The basics of Europe 2020
- The main targets in Europe 2020
- The different elements (e.g. flagship initiatives) of Europe 2020

The basics of Europe 2020

The Europe 2020 strategy is a 10-year growth plan adopted by the European Commission in 2010. It sets out goals to be achieved by 2020. This strategy was adopted after the global economic and financial crisis that shook Europe and wiped out years of economic and social progress, but also exposed some weaknesses. Moreover, the EU has to face the challenges brought by aging population, globalisation or the pressure on natural resources. To tackle these issues and eliminate the possible negative impacts, the EU came up with the Europe 2020 strategy that deals both with the short-term challenges linked to the global crisis and long-term structural reforms that are needed to make the EU fit for the future (EC 2013).

Europe 2020 strategy is a strategy for sustainable growth for the time period of 2010-2020. *“The Europe 2020 strategy is the EU's agenda for growth and jobs for the current decade. It emphasises smart, sustainable and inclusive growth in order to improve Europe's competitiveness and productivity and underpin a sustainable social market economy.”*

The Europe 2020 strategy is about turning the EU into a smart, sustainable and inclusive economy delivering social cohesion and high productivity and high levels of employment. To reach this goal the strategy put forward 3 main, mutually reinforcing priorities: smart growth, sustainable growth and inclusive growth (EC 2010).

“Smart growth: developing an economy based on knowledge and innovation.” (EC 2010 pp. 3)

“Sustainable growth: a more resource efficient, greener and more competitive economy.” (EC 2010 pp. 3)

“Inclusive growth: a high-employment economy delivering social and territorial cohesion”. (EC 2010 pp. 3)

The main targets in Europe 2020

In order to realise smart, sustainable and inclusive growth, the EU also set out specific targets to be reached by 2020. These targets focus on 5 main areas: employment, R&D, climate change, education and poverty and social inclusion.

In Europe 2020 specific targets were set as the following:

- **Employment target**
 - 75 % of the population aged 20-64 should be employed.
- **R&D target**
 - 3% of the EU's GDP should be invested in R&D.
- **Climate change and energy sustainability targets**
 - limiting greenhouse gas emissions by 20 % or even 30 % compared to 1990 levels,
 - creating 20 % of energy needs from renewables
 - increasing energy efficiency by 20 %
- **Education targets**
 - reducing the share of early school leavers below 10%
 - at least 40% of the younger generation (30-34 years old) should have a tertiary degree.
- **Fighting poverty and social exclusion target**
 - 20 million less people should be at risk of poverty (EC 2013).

These EU level targets then were translated into national targets reflecting each EU member state's own situation and circumstances.

This means that the more advanced member states in some case defined even higher, stricter targets than the EU level thresholds (e.g. the employment target for Denmark and the

Netherlands is 80%, the R&D target for Sweden and Finland is 4% or the early school lever target for Slovenia is 5%). On the other hand in some other case countries (especially the new member states and Southern member states) defined more moderate targets (e.g. the employment target for Italy and Croatia is below 70%, for many member states the R&D target is less than even 2% or the tertiary education target for Romania and Italy is 27%) (Eurostat).

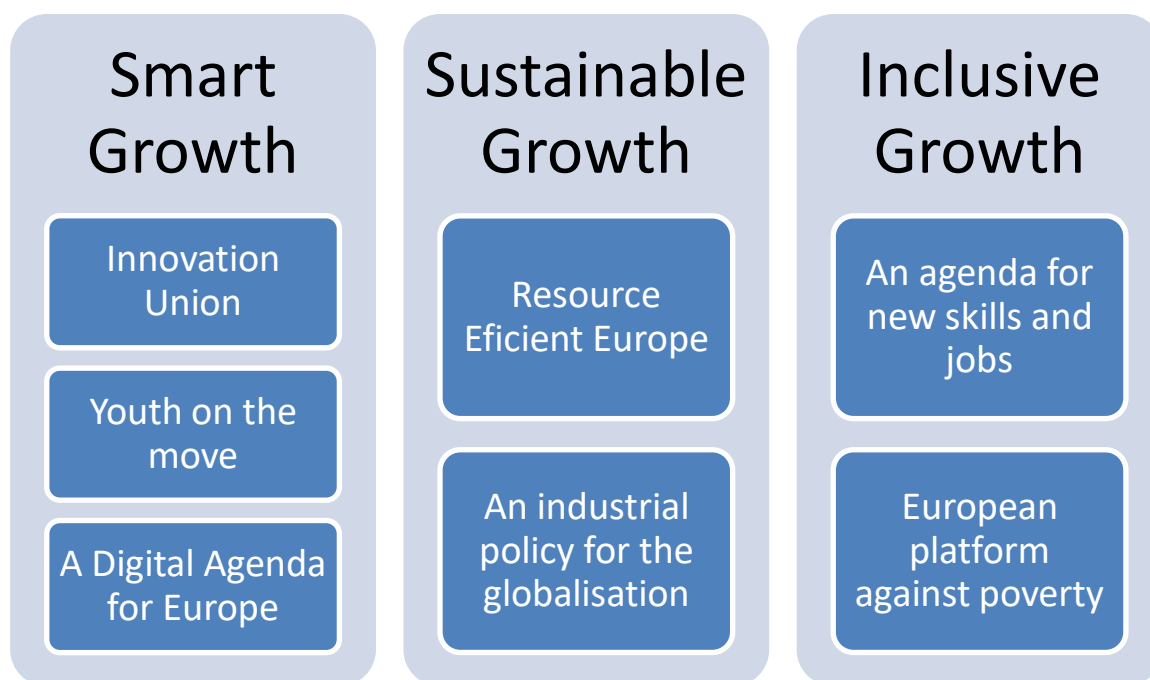
In the past 10 years the countries worked on achieving their specific targets. *“Now that the Europe 2020 strategy is approaching the end of its life cycle, it is clear that it has provided an important contribution to the EU’s socio-economic development since its launch in 2010. Europe’s employment is at a record high, the greenhouse gas emissions objective and the higher education targets have been met, and Europe is on track with the renewable energy and energy efficiency targets. However, considerable progress is still needed for stimulating more investment in research and innovation and for fighting poverty and social exclusion.”*

The different elements of Europe 2020

To achieve the set targets, EU leaders agreed on concrete actions too. They defined the most important areas of actions that are believed to be the engines for growth and job creation. They address these action areas through flagship initiatives.

Flagship initiatives support the Europe 2020 strategy. They *“provide a framework and a list of actions. Through them the EU and national authorities would mutually reinforce their efforts in the areas of innovation, the digital economy, employment, youth, industrial policy, poverty reduction, and resource efficiency.”* (Andor 2014).

In the Europe 2020 they defined 7 flagship initiatives helping to achieve the targets. These flagship initiatives are organised under the 3 main aims: smart, sustainable and inclusive growth. To achieve smart growth 3 flagship initiatives were defined. To reach sustainable growth 2 and similarly, to reach inclusive growth 2 flagship initiatives were outlined. These are the following:



"Innovation Union: to improve framework conditions and access to finance for research and innovation so as to ensure that innovative ideas can be turned into products and services that create growth and jobs." (EC 2010 pp. 3)

"Youth on the move: to enhance the performance of education systems and to facilitate the entry of young people to the labour market." (EC 2010 pp. 3)

"A digital agenda for Europe: to speed up the roll-out of high-speed internet and reap the benefits of a digital single market for households and firms." (EC 2010 pp. 4)

"Resource efficient Europe: to help decouple economic growth from the use of resources, support the shift towards a low carbon economy, increase the use of renewable energy sources, modernise our transport sector and promote energy efficiency." (EC 2010 pp. 4)

"An industrial policy for the globalisation era: to improve the business environment, notably for SMEs, and to support the development of a strong and sustainable industrial base able to compete globally." (EC 2010 pp. 4)

"An agenda for new skills and jobs: to modernise labour markets and empower people by developing their skills throughout the lifecycle with a view to increase labour participation and better match labour supply and demand, including through labour mobility." (EC 2010 pp. 4)

"European platform against poverty: to ensure social and territorial cohesion such that the benefits of growth and jobs are widely shared and people experiencing poverty and social exclusion are enabled to live in dignity and take an active part in society." (EC 2010 pp. 4)

To sum up the main idea of the Europe 2020 strategy: it has 3 main priorities, 5 targets and 7 flagship initiatives:



Questions for self-study

- What is Europe 2020? What priorities does it set? What are the requirements to growth in the EU in the 2010-2020 period? What does the concept of smart growth cover?
- What are the objectives of Europe 2020? How do research and development and innovation appear among the objectives?

References:

Achievements of the Europe 2020 strategy: <https://ec.europa.eu/eurostat/web/europe-2020-indicators>

Andor, L. (2014): The Europe 2020 Strategy beyond the crisis. European Commission Press Release, available online: https://ec.europa.eu/commission/presscorner/detail/en/SPEECH_14_263

EC (2010): Europe 2020 A strategy for smart, sustainable and inclusive growth. European Commission Communication from the Commission No. COM(2010) 2020 final, Brussels

EC (2013): Europe 2020 Europe's growth strategy. European Commission Publication, Brussels

Europe 2020 Strategy definition: <https://ec.europa.eu/eurostat/web/europe-2020-indicators>