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Economic Integration in the EU Enlarged:
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European Employment Strategy and ESF: supporting Member States' reforms

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ESF co-ordination



Employment, Social Affairs & Equal Opportunities

European Social Fund

Outline

- How did the EU labour market perform in the 1990s?
- Why should employment be a matter of EU's concern?
- The origin of the Employment Strategy
- The Lisbon, and the revised Lisbon strategy
- Linking EU policy objectives with EU funds
- Lisbon and the ESF: the Polish example
- Achievements so far
- and challenges ahead?



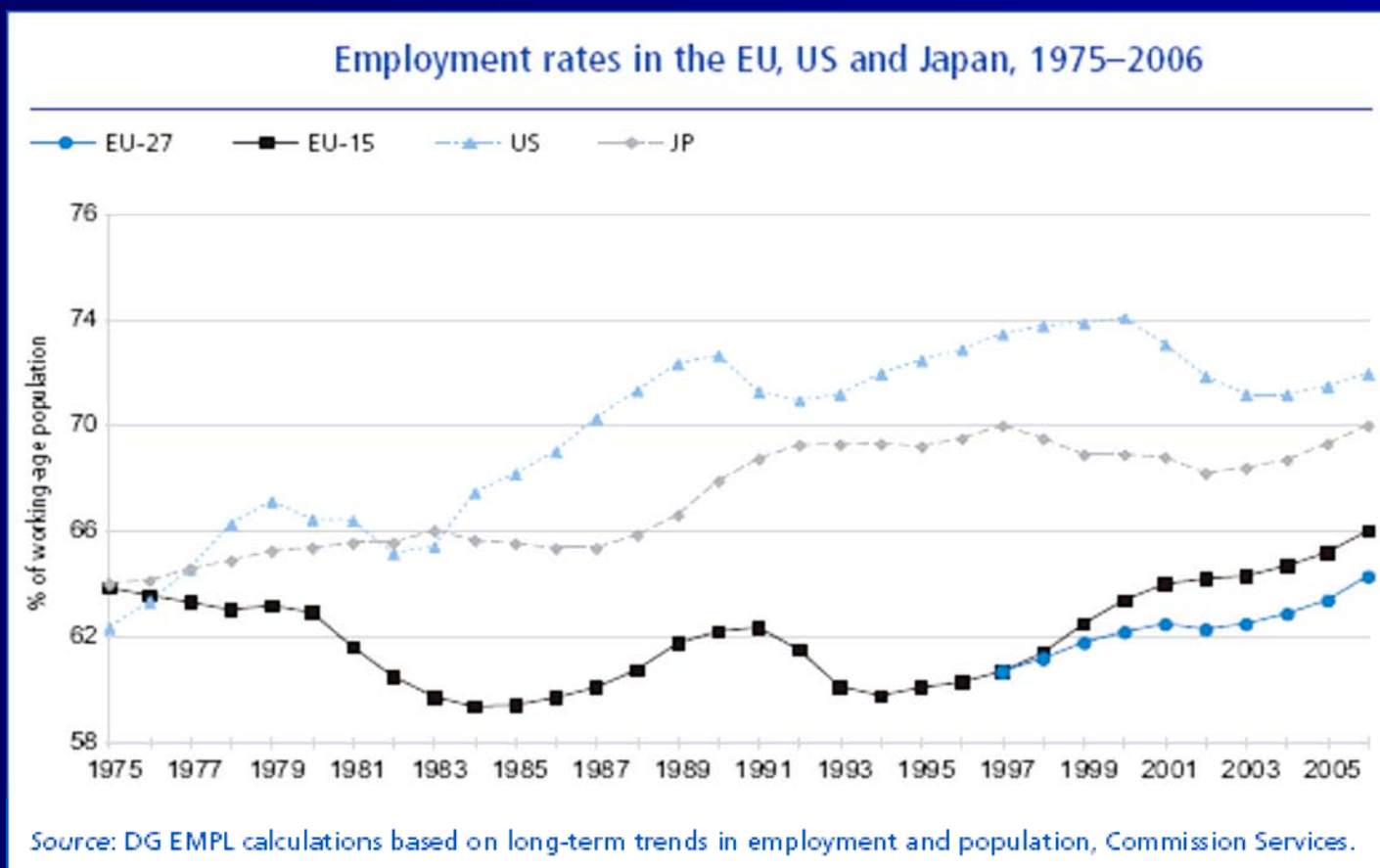
Europe's labour market challenges (late 90s)

- Low employment rates compared with our competitors
- A significant slowdown in productivity growth
- Diversity of performance and inequality
- An ageing population



Europe's Labour market challenges

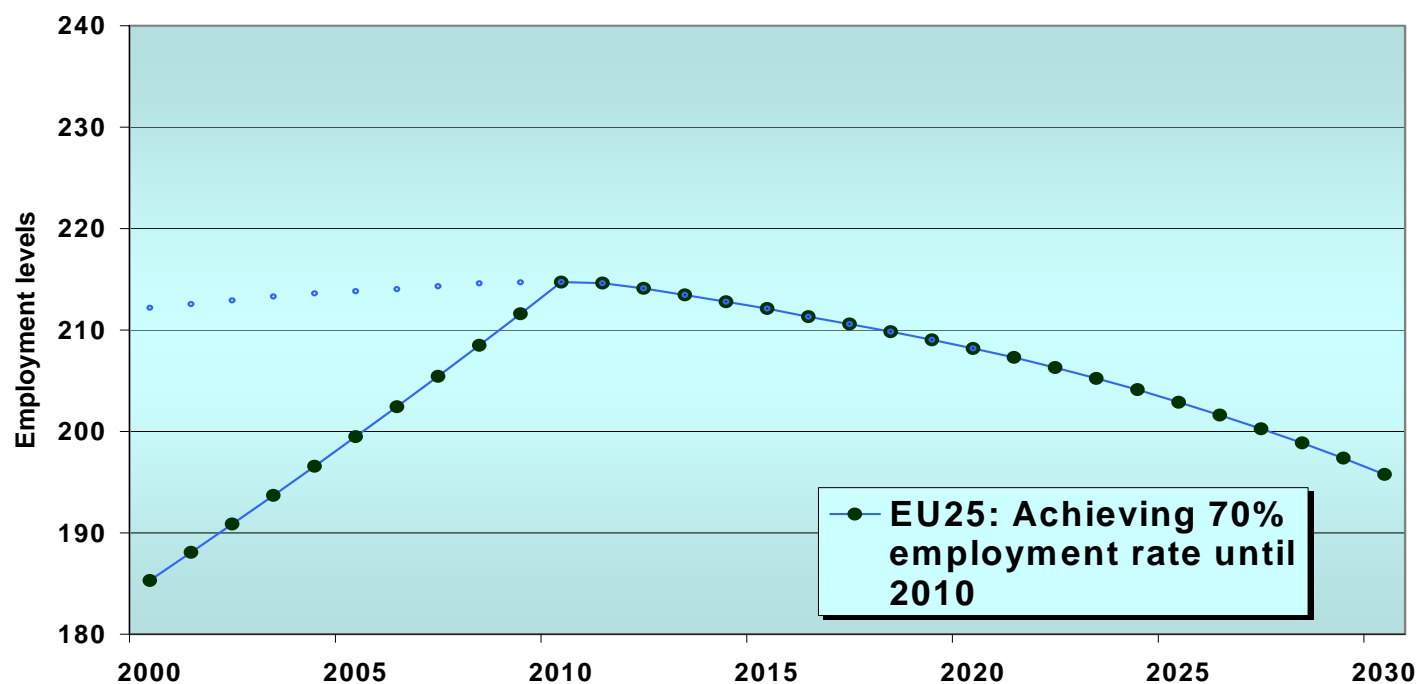
Lower employment rates than competitors



Europe's labour market challenges

Impact of Ageing

Total employment (in million) assuming an employment rate of 70 %
in 2010 and for the following period until 2030



Source: Eurostat, Commission services calculation, based on Eurostat Populations projections.



Key Milestones of Employment Process

- White book on growth, competitiveness and employment in 1993
- Amsterdam Treaty 1997: Employment a Community Issue
- Luxembourg process in 1997: European Employment Strategy (EES) launched
- Lisbon Strategy 2000
- Revision of Lisbon Strategy 2005



European Employment Strategy (EES)

1997: The beginning...

The European Employment Strategy (EES) has coordinated Member States' employment policies since 1997 through “the open method of coordination”:

- Common European guidelines and recommendations
- Annual national action plans for employment
- Assessment and recommendations at EU level
- Monitoring, evaluation and mutual learning at EU level



European Employment Strategy (EES) 2000: The Lisbon Strategy

Lisbon objective (2000): to become the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion (+ respect for the environment)

⇒ *Why?*

- *EU lagging behind in terms of GDP per capita, employment and productivity rates*
- *Facing up the challenges of demographic change and global economic integration (+ enlargement)*
- *Need for coordinated action at EU level (governance)*



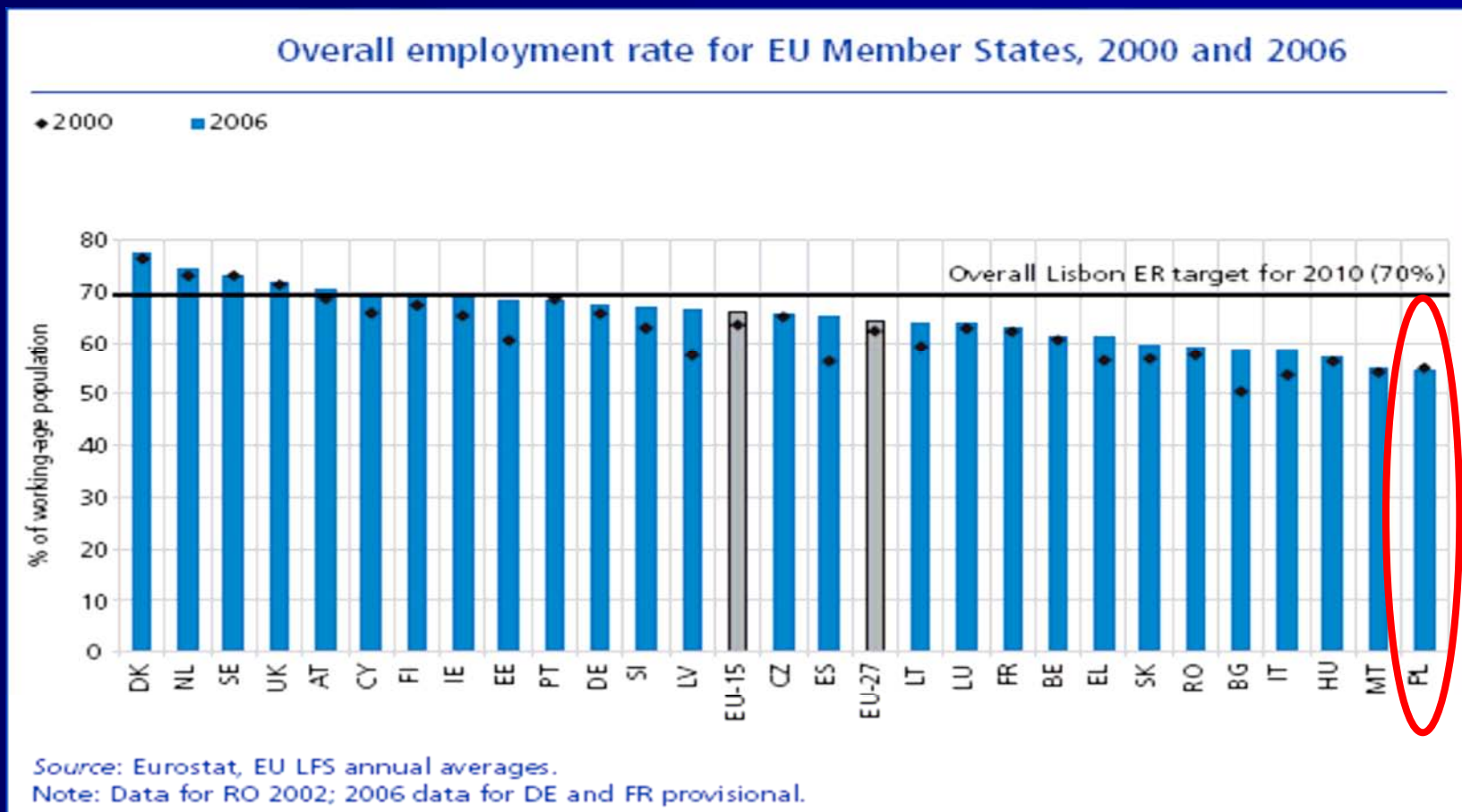
European Employment Strategy (EES) Employment Guidelines

- Attract and retain more people in employment and modernise social protection systems.
- Improve adaptability of workers and enterprises and the flexibility of labour markets.
- Increase investment in human capital through better education and skills.
- Governance



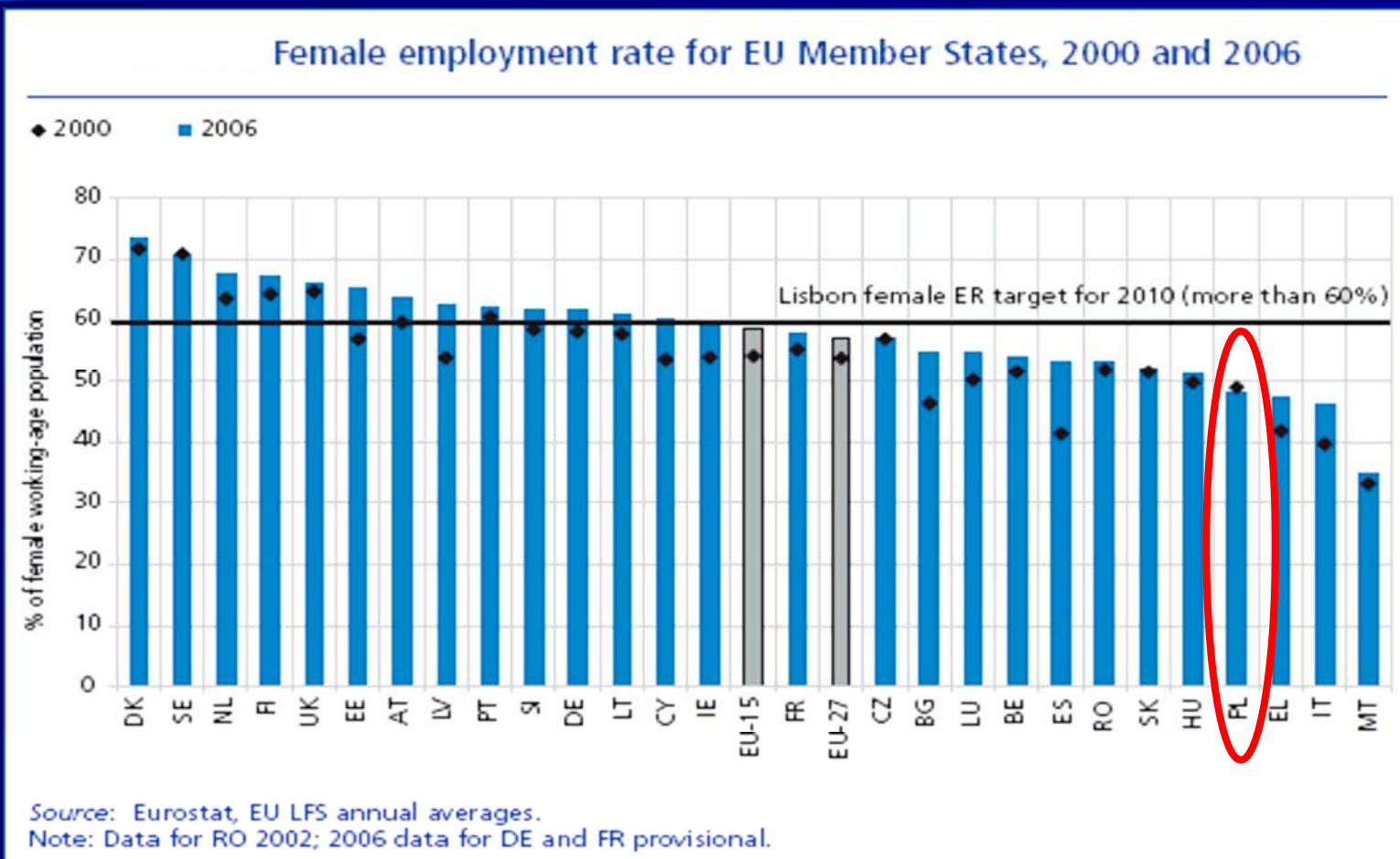
European Employment Strategy (EES)

Targets: Overall Employment rate 70%



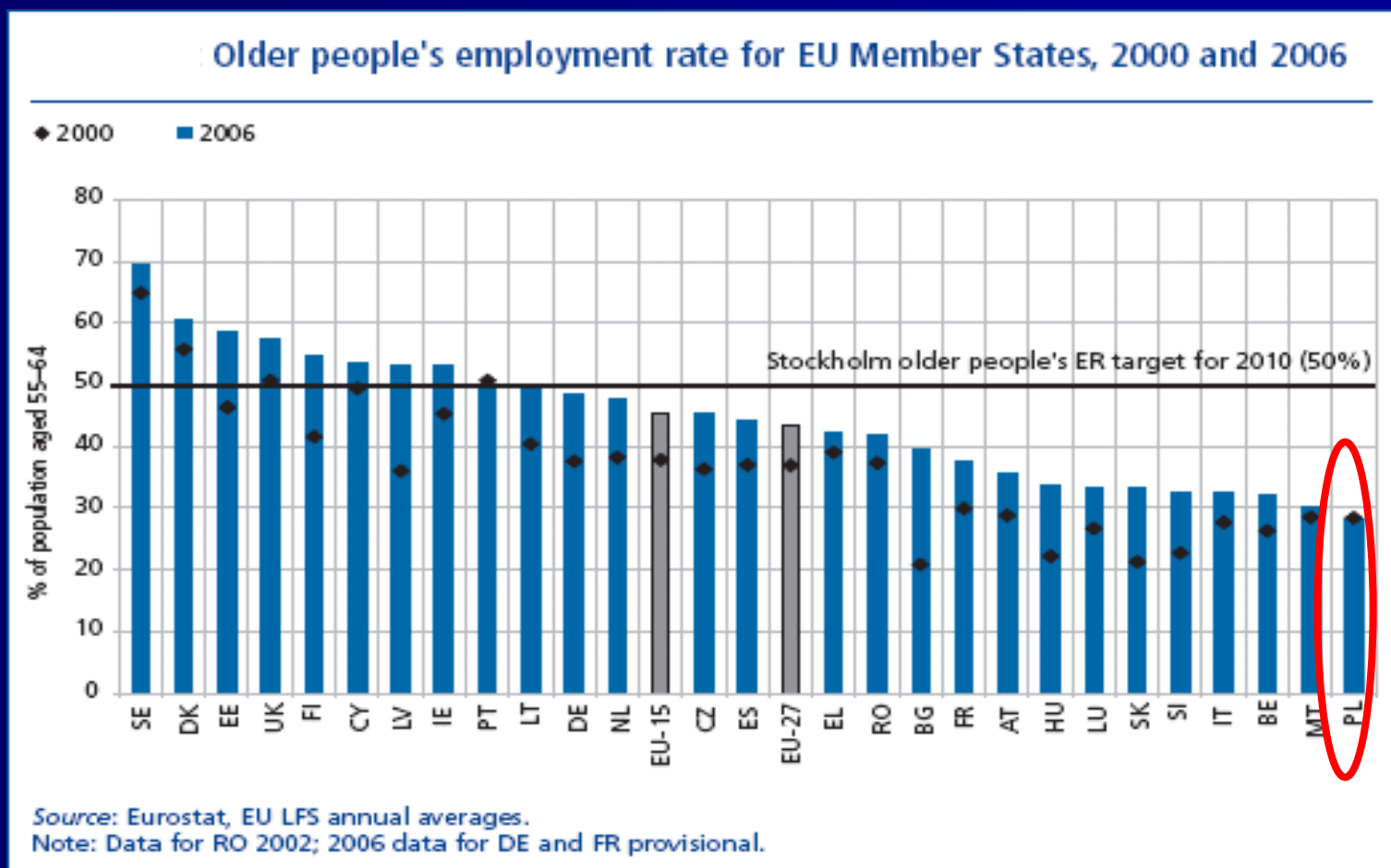
European Employment Strategy (EES)

Targets: Female Employment rate 60%



European Employment Strategy (EES)

Targets: Older workers' Employment rate 50%



European Employment Strategy (EES) 2005: The Renewed Lisbon Strategy

Wim Kok report – Need for Increased focus:

- More coherence and consistency between policies and participants
- Improving delivery (parliaments and social partners)
- Clearer communication (objectives and achievements)



- New integrated **EU Guidelines for Growth and Jobs (2008-2010)**, combining:
 - the Broad Economic Policy Guidelines (BEPGs) covering macro- and micro-economic policies,
 - the Employment Guidelines (EGs) for employment policies
- MS to develop **National Reform Programmes** for 2008-2010 (Autumn 2008)
- **NRP Lisbon Implementation reports** to be submitted in 2009 and 2010



Cohesion Policy

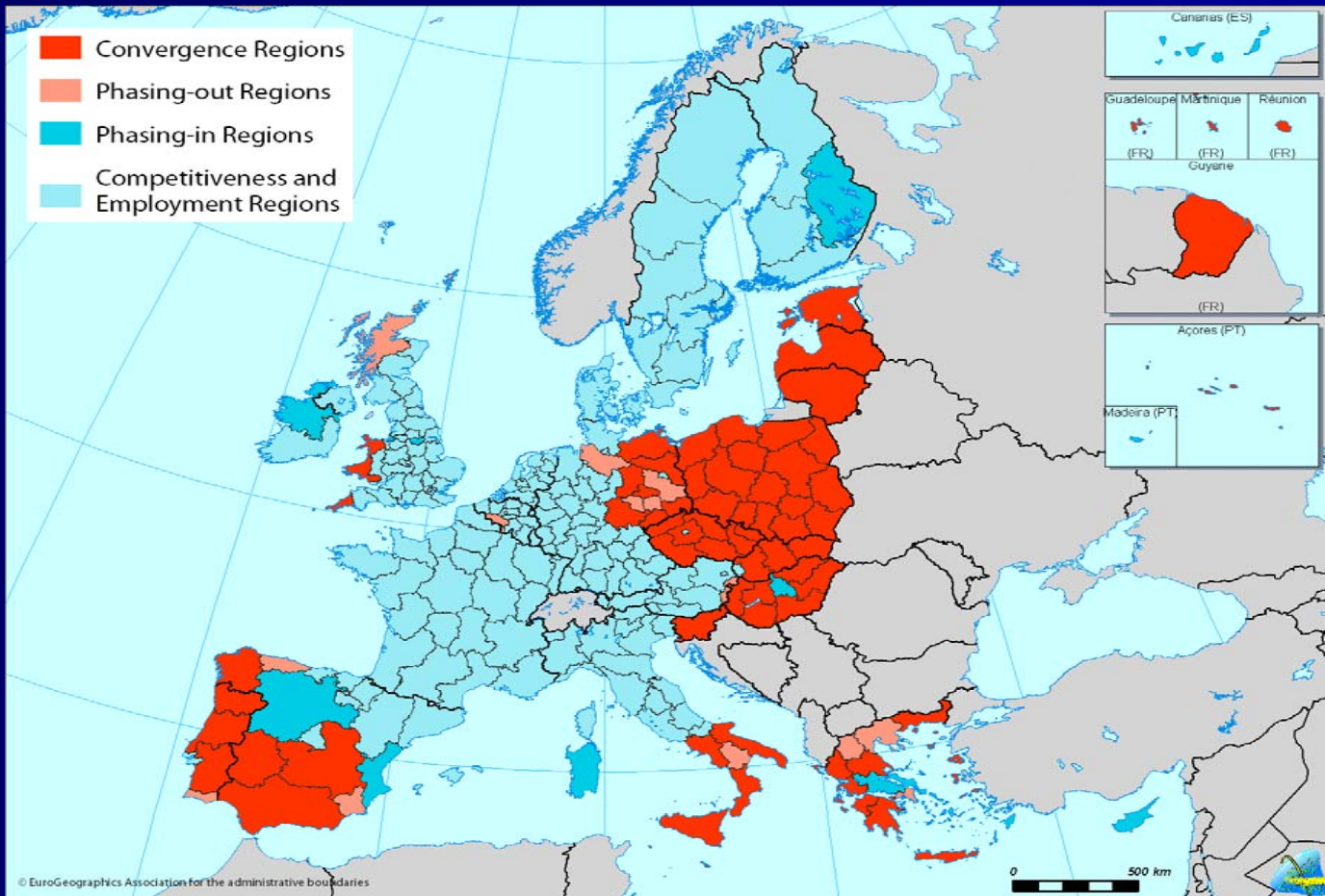
Financial Resources: link to policy priorities

COMMITMENT APPROPRIATIONS BY HEADING	<i>In billion of EUR, at 2004 prices</i>	<i>In %</i>
1a. Competitiveness for growth and employment	72.1	8,4%
1b. Cohesion for growth and employment	307.6	35,7%
2. Preservation and management of natural resources	371.2	43,1%
<i>of which market-related expenditure</i>	<i>293.1</i>	<i>34,0%</i>
3. Citizenship, freedom, security and justice (excl. EUSF)	10.3	1,2%
4. The EU as a global partner (excl. EDF)	50.0	5,8%
5. Total administrative expenditure	50.3	5,8%
6. Compensations BG/RO	0.8	0,1%
Total commitments	862.4	
In % of EU-27 GNI	1.045%	



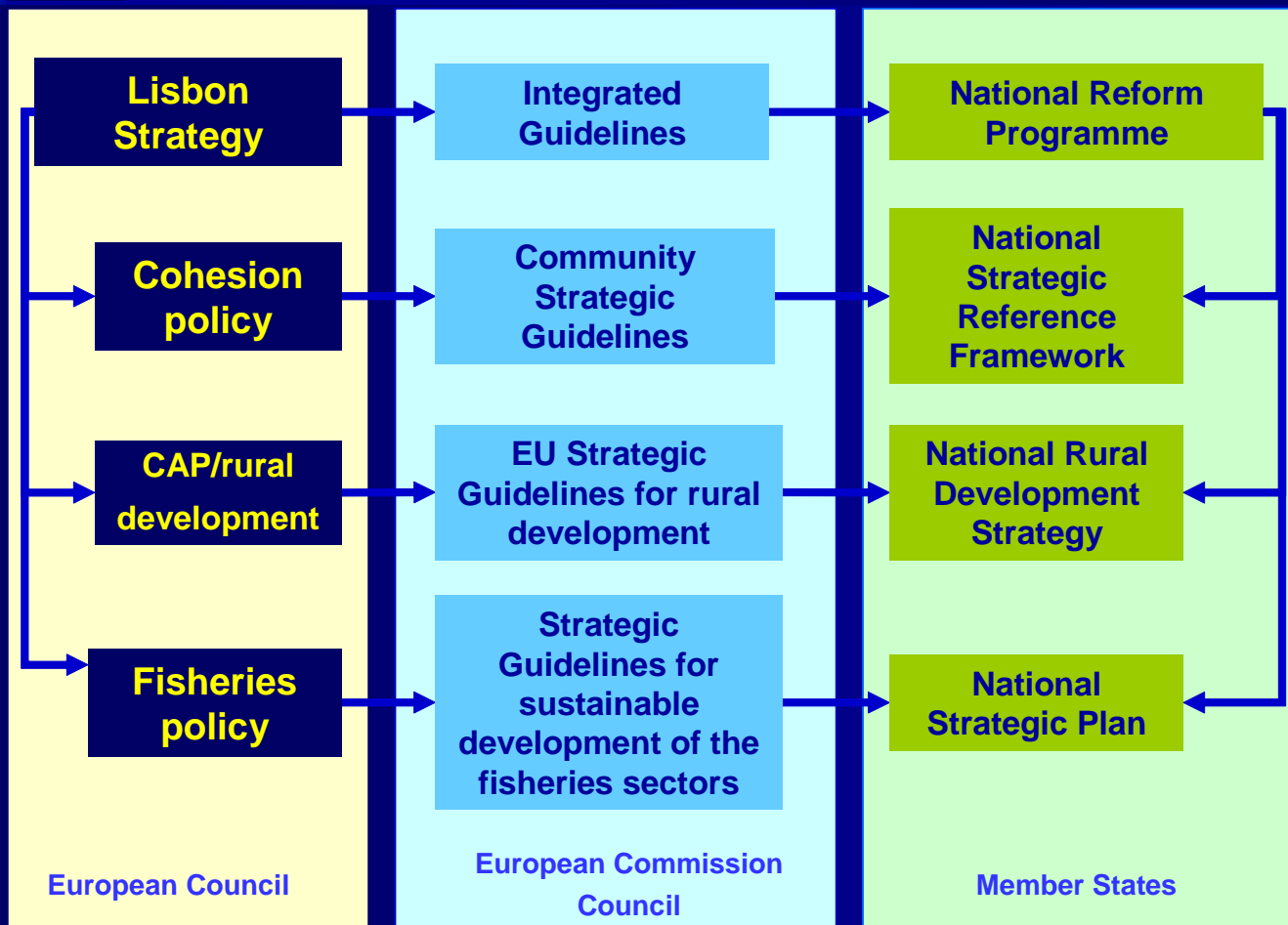
Cohesion Policy

Eligible Regions



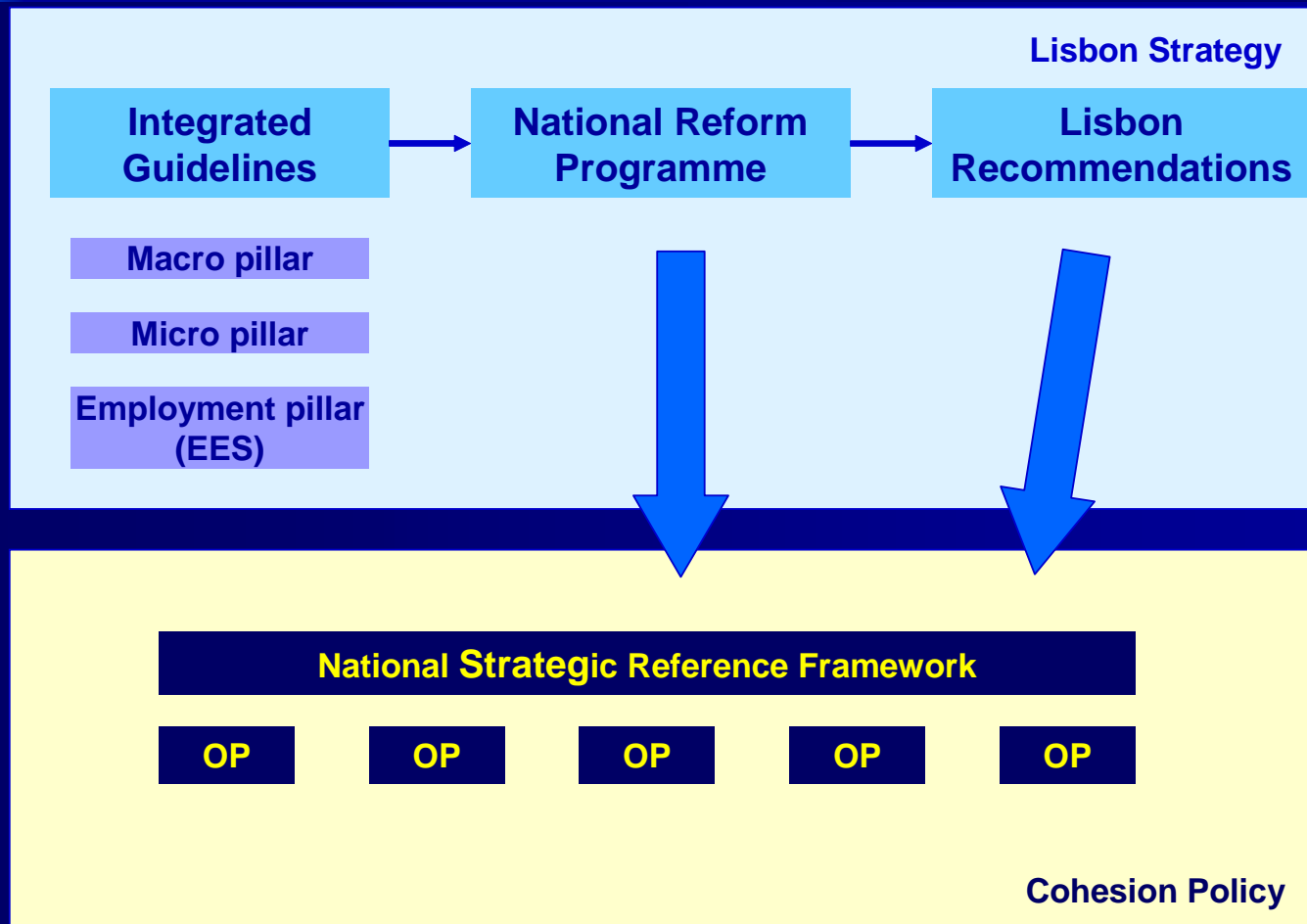
Lisbon Strategy and Cohesion Policy

A Strategic approach...



Lisbon Strategy and Cohesion Policy

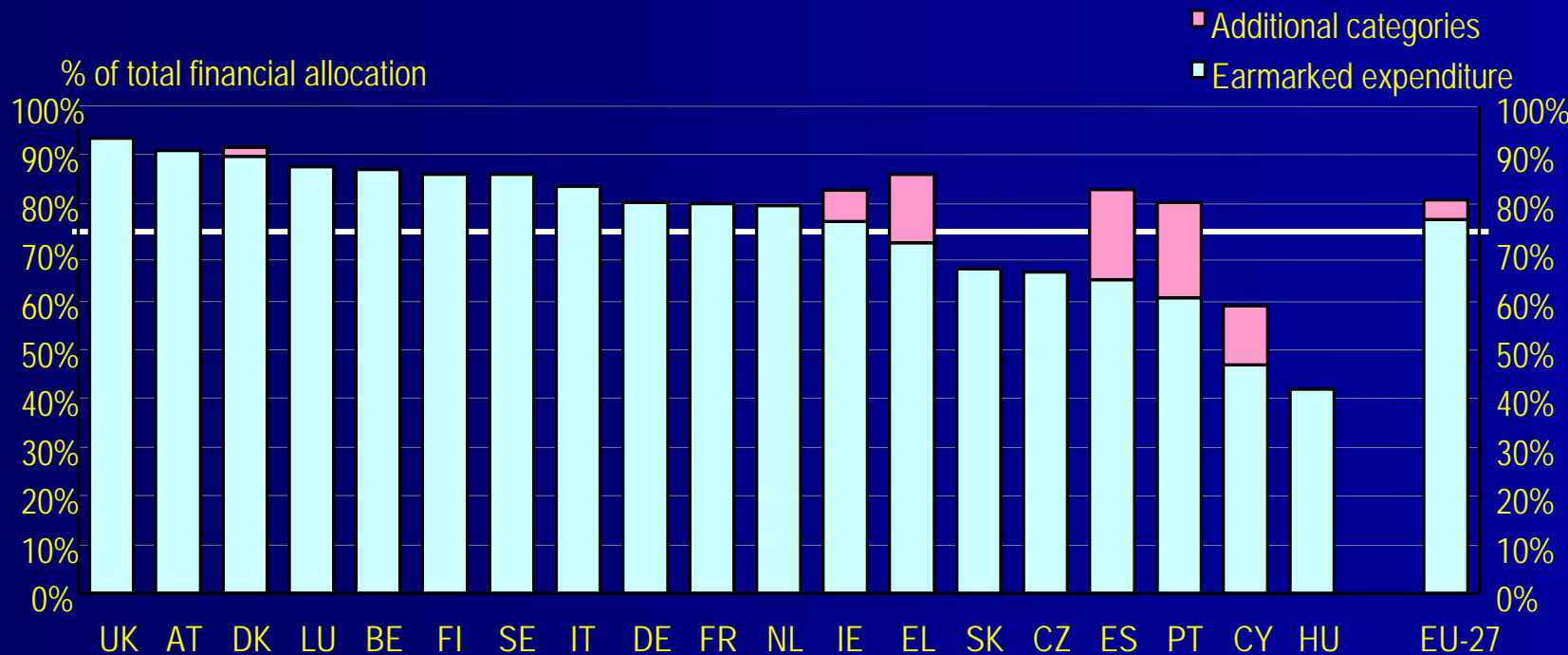
A Strategic Approach...(II)



Lisbon Strategy and Cohesion Policy

Financial Support (Earmarking)

Earmarking: expenditure on Regional competitiveness and employment, 2007-2013

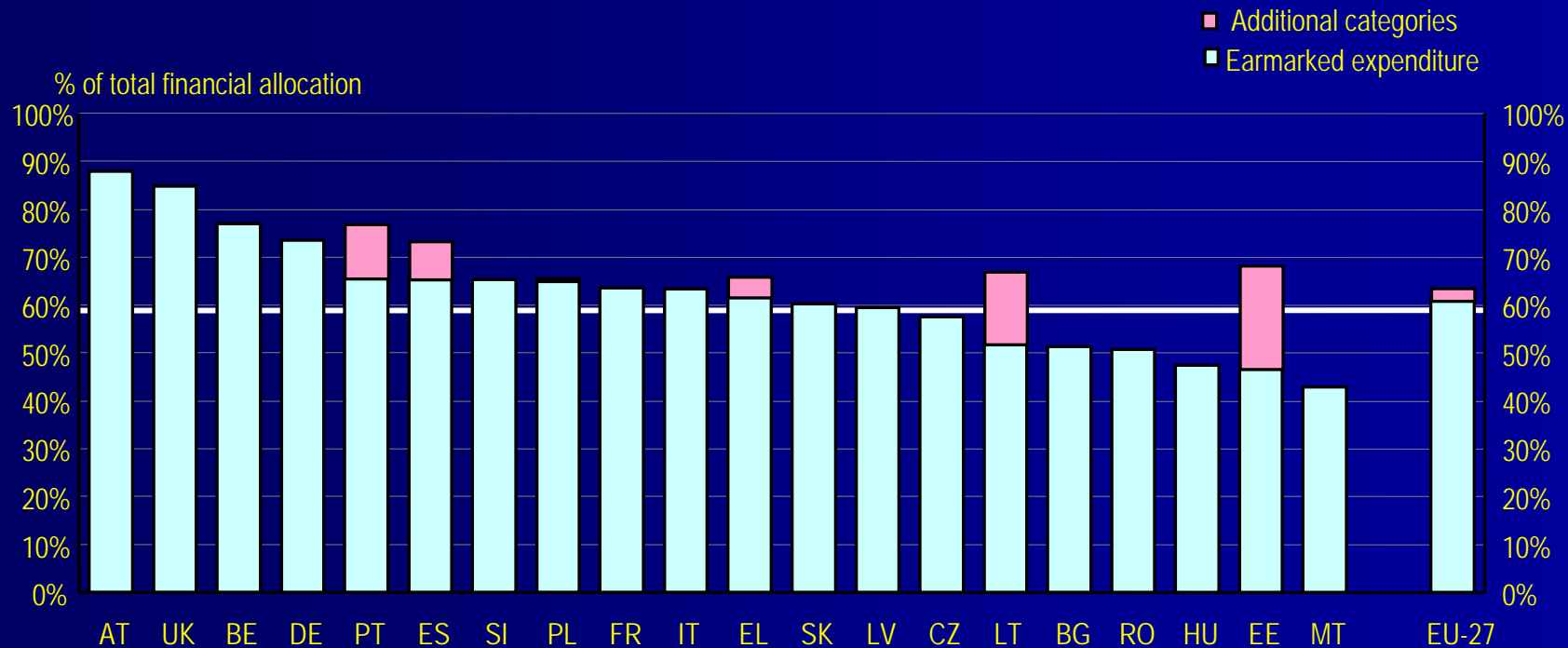


Source: European Commission



Lisbon Strategy and Cohesion Policy Financial Support (Earmarking) II

Earmarking: expenditure on Convergence objective, 2007-2013



Source: European Commission



European Social Fund (ESF)

Priorities for 2007-2013

Regional Competitiveness & Employment > 75% EU-25 GDP	Convergence < 75% EU-25 GDP
adaptability of workers, enterprises & entrepreneurs	
access to employment	
social inclusion through employment	
human capital	
partnerships	
	institutional capacity



Lisbon strategy

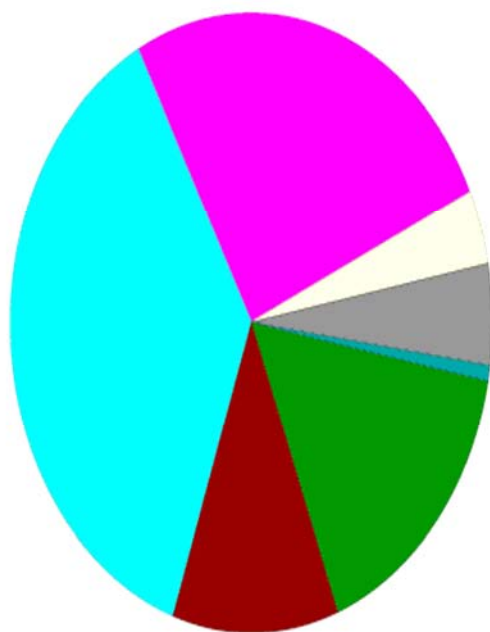
Recommendation to Poland

- increase the level and efficiency of active labour market policies, notably for older persons and groups vulnerable to poverty
- review benefit systems to improve the incentives to work,
- put in place the lifelong learning strategy
- modernise education and training systems in the view of labour market needs
- increase childcare provision with a view to reconciling work and family life



European Social Fund (ESF) in Poland

Allocation per priority



- Improving access to employment and sustainability
- Improving human capital
- Improving the social inclusion of less-favoured persons
- Increasing the adaptability of workers and firms, enterprises and entrepreneurs
- Mobilisation for reforms in the fields of employment and inclusion
- Strengthening institutional capacity at national, regional and local level
- Technical assistance

Improving access to employment and sustainability	€ 2,505,676,661	25.8%
Improving human capital	€ 3,568,219,742	38.8%
Improving the social inclusion of less-favoured persons	€ 1,089,027,900	11.2%
Increasing the adaptability of workers and firms, enterprises and entrepreneurs	€ 1,565,628,062	18.1%
Mobilisation for reforms in the fields of employment and inclusion	€ 71,110,615	0.7%
Strengthening institutional capacity at national, regional and local level	€ 519,225,980	5.3%
Technical assistance	€ 388,287,040	4.0%
Total	€ 9,707,176,000	100%



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Thank you for your attention!

http://ec.europa.eu/employment_social/esf/index_en.htm

http://ec.europa.eu/employment_social/employment_strategy/index_en.htm

