PARLIAMENT OF ROMANIA

CHAMBER OF DEPUTIES

DECISION

approving the opinion regarding the Communication from the Commission to the European Parliament, the Council,

the European Economic and Social Committee and the Committee of the Regions: Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth. COM (2014)130

Pursuant to the provisions of Articles 67 and 148 of the Romanian Constitution, republished, of Law No 373/2013 on cooperation between Parliament and the Government in the area of European affairs, and of Article 40 of Decision No 11/2011 of the Chamber of Deputies on the working and decision-making procedure for parliamentary supervision of draft legislative acts of the European Union based on the provisions of the Treaty of Lisbon on the role of national Parliaments,

The Chamber of Deputies hereby adopts this **Decision**:

Sole article. - Taking into account Draft Opinion No 4c-19/202 adopted by the Committee for European Affairs at its meeting of 3 June 2014,

1. The Chamber of Deputies notes that the Europe 2020 strategy was initiated against a background of lower growth and productivity levels than in other developed countries and a rapidly deteriorating economic and social environment, in the wake of the worst global financial crisis the EU has ever faced. It set out five interrelated headline targets for the EU to achieve by 2020 in the areas of employment, research and development (R&D), climate change and energy, education, and the fight against poverty and social exclusion. The targets were not exhaustive but were considered exemplary of the kind of dynamic change advocated in the strategy.

- 2. The Chamber of Deputies acknowledges important initiatives which have at times served as a guide for the use of EU funding for the 2007-2013 period and provided a framework for the design of EU funds for 2014-2020.
- 3. The Chamber of Deputies notes the purpose of the Communication, namely to take stock and identify progress, challenges and strategy guidelines for achieving the Europe 2020 objectives:
 - In 2010, the Commission launched seven flagship initiatives. In that context, a dedicated monitoring mechanism was developed to assess Member States' progress in the implementation of the European Research Area; the Digital Agenda Assembly was established, the Digital Agenda scoreboard was put in place and there was an increased focus on industrial competitiveness:
 - concerning the European single market, the Single Market Acts I and II identified 24 key actions, such as in the field of the digital economy, energy, transport, public procurement and consumer protection, which are adopted or close to adoption by the legislator.
 - the new EU financial framework for 2014-2020 is closely aligned to the priorities of the Europe 2020 strategy;
 - the EU external agenda is a source of potential economic growth and jobs, but does not yet intermesh with the internal agenda.
- 4. The Chamber of Deputies notes that the reasons for having a Europe 2020 strategy are equally pressing in 2014 as they were in 2010. Over several decades, the EU has been synonymous with deeper economic integration, resulting in increasing flows of goods, services, labour and finance across the EU. This has fuelled convergence in incomes and living standards across countries, which led to the EU being characterised as a "convergence machine" unique in the world. This convergence process has slowed and even gone into reverse in parts of Europe as a result of the accumulation of imbalances and under the pressure of the crisis.
- 5. The Chamber of Deputies concurs that, emerging from the worst economic and financial crisis in a generation, the EU needs to strengthen its smart, sustainable and inclusive growth strategy so that it can deliver on the expectations of its citizens and maintain its role in the world. The Chamber of Deputies considers that now is a good time to review the strategy so that the right post-crisis policy priorities can be set for the EU in the second half of the decade leading to 2020.
- 6. The Chamber of Deputies notes that the analysis set out in the Communication shows that experience with the targets and flagships of the Europe 2020 strategy has been mixed. The EU is on course to meet its targets on education, climate and energy but not on employment, research and development or poverty reduction. Yet, having EU targets has helped to focus on longer-term, underlying features which are crucial to the future of the EU's society and economy. The Chamber of Deputies considers that translating these targets at national level has also helped to highlight several uncomfortable trends a growing gap between the best performing and least well performing Member States and a widening gap between regions within the same Member State and regions in different Member States.
- 7. The Chamber of Deputies notes that economic governance of the EU, implemented annually through the European Semester, was considerably strengthened in recent years and is a

potentially powerful instrument for pursuing the post-crisis priorities that will be needed to meet the objectives of the Europe 2020 strategy. Key EU policies such as the 2014-2020 multi-annual financial framework and its various programmes have been constructed to take account of the lessons emerging from the European Semester and to support the achievement of the Europe 2020 targets, providing a basis on which future policy can be built at both EU and national levels.

- 8. The Chamber of Deputies welcomes the Commission's review of long-term trends liable to affect economic growth, namely: societal changes (ageing of the population and the old question of inequality of income distribution), globalisation and trade (the EU being the world's biggest exporter and trader of goods), developments in productivity and use of information technology and communications, the pressure on resources and environmental concerns.
- 9. The Chamber of Deputies endorses the Commission's assessment of the achievement of the Europe 2020 objectives and recommends that national authorities take account of these data in any programming exercise, in their institutional organisation and in ad hoc decisions taken in the implementation of programmes:
 - target: an employment rate (20-64 year-olds) of 75 % in 2020. Romania recorded a fall in its employment rate from 64.4 % in 2008 to 63.8 % in 2012;
 - target: the level of investment in research, development and innovation (R&D&I) to stand at 3 % of GDP in 2020. In 2012, Romania came last in the ranking of Member States in terms of R&D&I investment (0.42 % of GDP);
 - target: a 20 % reduction in total greenhouse gas emissions compared to 1990 levels. Romania ranks third among the EU-27 Member States, with a 49.54 % reduction in such emissions.
 - target: to increase the share of renewable energy in gross final energy consumption to 20 % in 2020. In 2012, the share of renewable energy sources in Romania reached a level very close to the national target for 2020 (24 %);
 - target: a 20 % increase in energy efficiency by 2020. At Member State level, 13 countries including Romania have achieved the indicative targets for energy efficiency;
 - target: to reduce school drop-out rates to less than 10 %. The level of ambition regarding the reduction in school drop-out rates aimed for by 2020 varies from one Member State to the next. In Romania, the target is 11.3 %.
 - target: to increase the percentage of 30-34 year-olds having completed tertiary education to at least 40 %. Again, the level of ambition regarding this target differs from one Member State to the next. In Romania, the target is 26.7 %;
 - target: to lift 20 million people out of the risk of poverty and social exclusion by 2020 compared with 2008, when 116.5 million people were at risk of poverty. In 2012, the share of the Romanian population at risk of poverty after social transfers stood at 22.6 %, compared with 23.4 % in 2008. In 2012, a reduction of 164 000 in the number of poor was recorded, compared with the 2008 figure.
- 10. The Chamber of Deputies notes that the Commission has not drawn policy conclusions nor made policy recommendations. Given the enormity of the changes that the EU, its Member States, cities and regions have undergone as a result of the crisis, the Commission considers it necessary to launch an EU-wide consultation of all stakeholders on the lessons to be learned and on the main factors that should shape the next stages of the EU's post-crisis

growth strategy.

- 11. The Chamber of Deputies supports and welcomes the Commission's proposal to hold a public consultation on the basis of the analysis set out in the Communication, inviting all stakeholders to express their opinions. Following the consultation, the Commission will make proposals for the pursuit of the strategy early in 2015.
- 12. The Chamber of Deputies notes that the chief conclusion drawn by the Commission in its assessment is that progress towards the Europe 2020 targets has been mixed. The economic and financial crisis has had a major negative impact on employment and poverty levels and has constrained progress towards the other targets. An exception to this has been the target for the reduction of greenhouse gas emissions. The economic crisis has had a positive impact in this regard, mainly through reduced production levels and transport activity.
- 13. The Chamber of Deputies endorses the Committee of the Regions' assessment report on Europe 2020 entitled 'Rethinking Europe's Growth and Jobs Strategy', dated 7 Match 2014, in which the Committee proposes that Europe 2020 should be given a territorial dimension distinguishing differentiated regional potential and methods of realising the same. This process should build on the ongoing preparation of the Partnership Agreements and Operational Programmes 2014-2020. The report also points out that multi-level economic governance tools have been seldom used in the implementation of Europe 2020 so far. In the opinion of the Committee of the Regions, they need to become customary in all phases of the policy cycle, from design down to implementation, monitoring and evaluation.

This Decision was adopted by the Chamber of Deputies at the session of 11 June 2014, in compliance with Article 76(2) of the Romanian Constitution, republished.

for the President of the Chamber of Deputies,

Viorel Hrebenciuc

Bucharest, 11 June 2014
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