

EUROPE 2020 STRATEGY:

A strategy for smart, sustainable and inclusive growth – COM (2010)

Introduction

The European Commission (EC) launched its proposals for the successor to the Lisbon Strategy for Growth and Jobs in March 2010. The new strategy, *Europe 2020: A European strategy for smart, sustainable and inclusive growth* sets out the proposed economic, social and environmental development for the EU over the next ten years.

The strategy highlights three mutually reinforcing priorities – “smart, sustainable and inclusive growth.” The EC believes that these components are essential if the EU is to become a ‘*smart, sustainable and inclusive economy delivering high levels of employment, productivity and social cohesion.*’ In order to achieve this, the EC proposed **five key targets**, on which to measure and evaluate the strategy. The targets were further refined at the European Council in June 2010. The targets include:

- ✓ Aiming to raise to 75% the employment rate for women and men aged 20-64, including through the greater participation of young people, older workers and low-skilled workers and the better integration of legal migrants;
- ✓ Improving the conditions for research and development, in particular with the aim of raising combined public and private investment levels in this sector to 3% of GDP;
- ✓ Reducing greenhouse gas emissions by 20% compared to 1990 levels; increasing the share of renewables in final energy consumption to 20%; and moving towards a 20% increase in energy efficiency;
- ✓ Improving education levels, in particular by aiming to reduce school drop-out rates to less than 10% and by increasing the share of 30-34 years old having completed tertiary or equivalent education to at least 40%;
- ✓ Promoting social inclusion, in particular through the reduction of poverty, by aiming to lift at least 20 million people out of the risk of poverty and exclusion.¹

The delivery of the strategy will be through a mix of mechanisms including seven thematic flagship initiatives - Innovation Union, Youth on the move, a Digital Agenda for Europe, Resource efficient Europe, an industrial policy for the globalisation era, an Agenda for new skills and jobs, European Platform against Poverty - led by the EC and a system of own country reporting by Member States. In addition, the EC developed a set of employment and economic guidelines that Member States should use as a bases to develop their National Reform Programmes, with particular emphasis on efforts to meet the national targets.

A proactive approach to Europe by 2020

The social objectives within the Europe 2020 strategy have been strengthened in comparison with the original consultation paper. The commitment to reducing the number of people in poverty; reducing emissions;

¹ The population is defined as the number of persons who are at risk-of-poverty and exclusion according to three indicators (at-risk-of poverty; material deprivation; jobless household), leaving Member States free to set their national targets on the basis of the most appropriate indicators, taking into account their national circumstances and priorities.

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reducing the number of school early school leavers; increasing the number in active employment – with a particular focus on the ageing population and social excluded groups; serves as a basis on which to further build and strengthen the social components of the EU. Moreover, the integrated economic and employment guidelines encourage Member States to reflect the current social realities of increasing unemployment, ageing population and the increasing threat of poverty into their National Reform Programmes. The guidelines call on Member States to “fight social exclusion, empower people and promote labour market participation” by enhancing “social protection systems, lifelong learning and active inclusion policies to create opportunities at different stages of people’s lives and shield them from the risk of exclusion.”(2)

However, these positive aspects play only a secondary role to the strategy’s primary objective – to foster an economic environment conducive to facilitating economic growth. The prevailing theme of the strategy remains heavily focused on growth and jobs and therefore, does not sufficiently consider the means that will contribute to improving citizen’s well-being. It is essential to ensure these economic, competitive and growth orientations do not become objectives in themselves but contribute to achieving the Union’s overall aim “to promote peace, its values and the well-being of its people.”(1)

EuroHealthNet, in our response to the consultation on Europe 2020, highlighted that economic policies will not thrive without strong social policies – indeed, they should be synonymous with each other. This was based on the report ‘*Economic arguments for addressing social determinants of health inequalities*’ by the DG SANCO co-funded and EuroHealthNet coordinated **DETERMINE project**.

1. The report concluded that: Targeted investment to address health inequalities by action on the social determinants of health is more **cost effective** than paying later for the consequences of these inequalities.
2. It follows then that addressing health inequalities is not only a matter of social justice but also contributes to **economic sustainability**.

Thus, we argued that by tackling health inequalities and health inequities through a social determinant approach, it will contribute to achieving a sustainable, competitive and innovative European economy with a healthy, socially inclusive population. While the Europe 2020 strategy acknowledged that reducing health inequalities is important, it failed to translate this into the integrated guidelines - the guidelines on which Member States will development their National Reform Programmes to implement the objectives of the strategy. Therefore, this can be perceived as a lost opportunity by the EC as the objective of reducing health inequalities does not appear in the heart of the strategy.

A lot done but still more to do

- In terms of general health-related aspects in the strategy and the guidelines, there should be a much stronger emphasis on prevention. Preventative measures are more cost-effective – prevention is better and cheaper than cure - but also, targeted prevention has a much bigger impact in levelling up the social gradient, especially for the most vulnerable groups.

EUROPE 2020 STRATEGY:

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- The EC proposed target for reducing poverty is a long overdue but welcome step. However, this target has been somewhat watered down, as it was agreed to leave it up to Member States to decide on the most appropriate indicator to measure poverty: at-risk-of poverty; material deprivation; jobless household. In addition, as the link between poverty and ill health is well established, the EC should, as part of its follow-up to this strategy and the Health Inequalities communication, incorporate a health inequality indicator based on the recommendations² from the WHO Commission on Social Determinants of Health, within the framework target for reducing poverty (3). Improvements in socio-economic status coupled with better health will contribute to a more productive workforce, therefore contributing to the objective of a sustainable EU economy.
- The EC must follow up this commitment by encouraging Member States to draw up National Reform Programmes that will ensure actual implementation. In addition, medium-term targets should be included to assess the progress towards achieving the final goals.
- Central to protecting the well-being of citizens, the EC should support the extension and consolidation of European social security and protection systems, particularly in the current climate of public expenditure cuts across Member States.
- The proposed governance of the strategy must be improved, particularly the Social OMC aspects. More binding measures apart from exchange of best practices and benchmarking are needed if the final targets are to be met and these should be incorporated into the proposed platform against poverty.
- Finally, the overall delivery mechanisms proposed in the strategy are still too vague to ensure their effective implementation at the national, regional and local level. The EC should apply the lessons learned from the Lisbon strategy and should, in conjunction with national, regional and local governance actors, to promote ownership of the strategy at the different levels of governance.

Next steps

The next step in the process is for Member States to develop their National Reform Programmes, in conjunction with the EC, and clarify how they intend to transpose the objectives of the strategy onto the national level in order to meet the key targets. This will take place during the autumn period.

Follow up

The **Equity Channel** will provide further analysis of the Europe 2020 Strategy and its potential impact on health equity and well-being throughout 2010 as the debate develops, and will contribute to discussions in the

² In addition to population averages, data on health outcomes should be provided in a stratified manner including stratification by sex, at least two social markers (e.g. education, income/wealth, occupational class, ethnicity/race), at least one regional marker (e.g. rural/urban, province); and include at least one summary measure of absolute health inequities between social groups, and one summary measure of relative health inequities between social groups

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A strategy for smart, sustainable and inclusive growth – COM (2010)

EU Health Policy Forum and elsewhere. For more information please visit equitychannel.net for more information and do not forget to join our interactive community.

Additional Information

- EuroHealthNet's response to the Europe 2020 consultation is available [here](#).
- Europe 2020 Strategy: A European strategy for smart, sustainable and inclusive growth is available [here](#).
- June Council conclusions on the Europe 2020 Strategy is available [here](#).
- DETERMINE – www.health-inequalities.eu

Notes

1. Treaty for the Function of the European Union – Article 3
2. Europe 2020 – Integrated guidelines for the economic and employment policies of the Member States
3. Closing the gap in a generation. Report of the World Health Organization Commission on the Social Determinants of Health, Geneva, 2008.