



EUROPEAN COMMISSION

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2011/0007 (CNS)

Proposal for a

COUNCIL DECISION

on guidelines for the employment policies of the Member States

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

On 26 March 2010, the European Council agreed to the European Commission's proposal to launch a new strategy for jobs and growth, Europe 2020¹, based on enhanced coordination of economic policies, which will focus on the key areas where action is needed to boost Europe's potential for sustainable growth and competitiveness. To that end, the European Council agreed to set EU headline targets, which constitute shared objectives guiding action of the Member States and of the Union.

The Treaty on the functioning of the EU provides that Member States are to regard their economic policies and promoting employment as matters of common concern and coordinate them within the Council. In two distinct articles, it provides that the Council is to adopt broad economic policy guidelines (Article 121) and employment guidelines (Article 148), specifying that the latter must be consistent with the former. Given this legal basis, the guidelines for employment and economic policies are presented as two distinct — but intrinsically interconnected — legal instruments:

- A Council Recommendation on broad guidelines for the economic policies of the Member States and of the Union -Part I of the Europe 2020 Integrated Guidelines;
- A Council Decision on guidelines for the employment policies of the Member States -Part II of the Europe 2020 Integrated Guidelines.

These guidelines implemented by the above mentioned legal instruments form together the integrated guidelines for implementing the Europe 2020 strategy. The employment guidelines were adopted on 21 October 2010, and as provided by the adoption decision should remain stable until 2014 to ensure a focus on implementation.

The overall objectives and priorities expressed in the guidelines for the employment policies remain valid. By virtue of Article 148(2), their validity for 2011 needs to be confirmed by a Council decision, following consultation of the European Parliament, the European Economic and Social Committee, the Committee of Regions and the Employment Committee.

2. RESULTS OF CONSULTATIONS WITH THE INTERESTED PARTIES AND IMPACT ASSESSMENTS

n.a.

3. LEGAL ELEMENTS OF THE PROPOSAL

OJ L 308, 24.11.2010, p. 46.

¹ COM(2010) 2020, 3.3.2010.

Proposal for a

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THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 148(2) thereof,

Having regard to the proposal from the European Commission,

Having regard to the opinion of the European Parliament²,

Having regard to the opinion of the Employment Committee,

Having regard to the opinion of the European Economic and Social Committee³,

Having regard to the opinion of the Committee of the Regions⁴,

Whereas:

- (1) The Treaty on the Functioning of the European Union (TFEU) stipulates in Article 145 that Member States and the Union shall work towards developing a coordinated strategy for employment and particularly for promoting a skilled, trained and adaptable workforce as well as labour markets that are responsive to economic change and with a view to achieving the objectives defined in Article 3 of the Treaty on European Union (TEU).
- (2) The "Europe 2020 Strategy" proposed by the Commission enables the Union to turn its economy towards smart, sustainable and inclusive growth, accompanied by high level employment, productivity and social cohesion. Five headline targets, listed under the relevant guidelines, constitute shared objectives which guide the action of the Member States, and take into account their relative starting positions and national circumstances as well as the positions and circumstances of the Union. The European Employment Strategy has the leading role in the implementation of the employment and labour market objectives of the new strategy.
- (3) The integrated guidelines are in line with the conclusions of the European Council. They give precise guidance to the Member States on defining their National Reform Programmes and implementing reforms, reflecting interdependence and in line with

² OJ C , , p. .

³ OJ C , , p. .

⁴ OJ C , , p. .

the Stability and Growth Pact. The employment guidelines should form the basis for any country-specific recommendations that the Council may address to the Member States under Article 148(4) of the TFEU, in parallel with the country-specific recommendations addressed to the Member States under Article 121(2) of that Treaty. The employment guidelines should also form the basis for the establishment of the Joint Employment Report sent annually by the Council and the European Commission to the European Council.

- (4) The examination of the Member States' draft National Reform Programmes contained in the draft Joint Employment Report shows that Member States should continue to make every effort to address the priority areas of: increasing labour market participation and reducing structural unemployment, developing a skilled workforce responding to labour market needs and promoting job quality and lifelong learning, improve the performance of education and training systems at all levels and increasing participation in tertiary education, promoting social inclusion and combating poverty.
- (5) The Employment Guidelines adopted in 2010 should remain stable until 2014 to ensure a focus on implementation. In the intermediate years until the end of 2014 their updating should remain strictly limited.
- (6) Member States should explore the use of the European Social Fund when implementing the Employment Guidelines,

HAS ADOPTED THIS DECISION:

Article 1

The guidelines for Member States' employment policies as set out in the Annex to Council Decision of 21 October 2010 on guidelines for the employment policies of the Member States⁵ are *maintained for 2011 and shall be taken into account by the Member States in their employment policies.*

Article 2

This Decision is addressed to the Member States.

Done at [...],

*For the Council
The President*

⁵ Council Decision 2010/707/UE of 21 October 2010 on guidelines for the employment policies of the Member States (OJ L 308, 24.11.2010, p. 46).