

***SOUTH EAST EUROPE 2020:  
Proposed Outline and Main Features of the Job Creation and  
EU Integration Strategy***

**June 2013**

## Contents

1.	Introduction .....	3
2.	Background .....	3
3.	Approach to SEE 2020 development .....	4
4.	Proposed Outline of the Strategy.....	4
	Integrated Growth.....	5
	A. Free Trade Area.....	5
	B. Competitive Economic Environment.....	5
	C. Integration into Global Economy.....	5
	Smart Growth .....	6
	D. Education and Competences .....	6
	E. R&D and Innovation .....	6
	F. Digital Society .....	7
	G. Culture and Creative Sectors .....	7
	Sustainable Growth .....	8
	H. Resource Efficiency .....	8
	I. Competitiveness .....	12
	Inclusive Growth .....	12
	J. Employment .....	12
	K. Skills and Inclusive Education.....	13
	L. Health .....	13
	Governance for Growth.....	14
	M. Effective public services .....	14
	N. Anti-corruption.....	15
	Other .....	15
	O. Cross Cutting Issues .....	15
5.	Proposed governance structure of SEE 2020 .....	16
	5.1 Monitoring instruments .....	17
	5.2 Monitoring schedule .....	17
	5.3 Implications on the bilateral dialogue with the EU .....	18
6.	Activity timeline.....	19
	Annex: SEE 2020 Targets .....	20
	Annex 2: First set of proposed indicators .....	21

***SOUTH EAST EUROPE 2020:***  
***Proposed Outline and Main Features of the Job Creation and EU Integration Strategy***

**June 2013**

## **1. Introduction**

This document provides a proposed outline for the SEE 2020 Strategy (hereinafter: Strategy), including its development process, priorities, proposed measures, timelines and planned implementation methods. The document is prepared to inform the 13<sup>th</sup> meeting of the SEE Investment Committee (SEEIC) to be held in Sarajevo on June 19, 2013, on the process of the SEE 2020 development and the proposed content of the Strategy.

Moreover, the document will be widely distributed to RCC's participants and partners to provide a comprehensive overview of the current state of play regarding the Strategy. The breadth of the SEE 2020 exercise and the involvement of a considerable number of stakeholders at national, regional and international level require regular review of its status, and this document represents such an attempt.

## **2. Background**

Economic prosperity is essential to long term stability and is a part of the European integration process. Recognizing this, the Ministers in charge of the economy, meeting in the SEE Investment Committee format during the past two years, adopted an outline of a comprehensive cooperation agenda and mandated the SEEIC to develop the South East Europe 2020 Strategy - a regional response to Europe 2020. During 2011, the Ministers adopted the SEE 2020 Vision, laying out the region's growth and development priorities contained in five pillars – (i) integrated, (ii) smart, (iii) sustainable, and (iv) inclusive growth, underpinned by (v) good governance. The adoption of the SEE 2020 Vision was followed during 2012 by the agreement on 11 regional headline targets backed up by 77 national targets to guide the common regional action towards the end of the decade. In addition to adopting these targets, the SEEIC Ministerial held on November 9, 2012 in Tirana also mandated the SEEIC and the RCC to coordinate the development of the SEE 2020 Strategy and present it for adoption during 2013. This mandate was reconfirmed by the Formal meeting of the Ministers of Foreign Affairs of the South East Europe Cooperation Process held on 30 May 2013 in Ohrid which adopted the RCC Strategy and Work Programme for 2014 – 2016, with the main task of coordinating the development and implementation of the SEE 2020 Strategy.

Parallel to the SEE 2020 development process, the European Commission and the enlargement countries in the Western Balkans are engaged in developing IPA II strategic framework, laying the foundation for the next seven years of EU support to the region. As indicated by the DG Enlargement, most recently at the IPA Coordination Meeting in Brussels on May 15, 2013, the SEE 2020 is intended to serve as one of the reference strategies for IPA II, helping programming of both national and multi-beneficiary action.

By championing the development of the SEE 2020 Strategy, RCC hopes to provide an anchor for regional reform and shift regional cooperation towards more coherent, result-oriented approaches.

### **3. Approach to SEE 2020 development**

The comprehensiveness of the SEE 2020 agenda entails direct involvement of national governments, regional structures, and international stakeholders. To make the development and implementation of the SE2020 more feasible, RCC has put in place an elaborate coordination mechanism to delineate responsibilities for coordination and development between different levels. RCC has engaged directly with a number of regional structures and associated these structures with individual policy areas of SEE 2020 (such as trade, investment, education, employment, etc.). In turn, the regional structures ensured direct participation of the respective line ministries with a clear mandate, organized consultation processes, received and structured inputs, and ensured continuous support, including support from the highest political level. This approach has enabled using all available regional resources to bring the national administrations together around a set of 14 policy areas, each coordinated by a regional structure (“dimension coordinator”), within the five pillars of the Strategy.

In policy areas where there are no operational regional structures to rely on, RCC has instituted its own coordination mechanisms to gather proposals and structure processes. One such example is the Inter-governmental Working Group on Employment that brings together representatives of the employment ministries, nominated by their Ministers, whose inputs for the employment dimension of the SEE 2020 were collected, analysed and agreed upon in a number of meetings, and are intended to be adopted by the respective Ministers, prior to SEE 2020 finalization.

The outline of the SEE 2020 contained herein reflects the inputs received through dimension coordinators by June 10, 2013. RCC acknowledges that inputs received are at different level of maturity and, in several instances, these inputs will require further consultations and consensus building. These consultations are scheduled throughout June and the first half of July 2013, with an intention of producing the first full draft of the Strategy by July 12, 2013. Also, in several instances, the inputs reflect the consensus for reform reached by the governments through existing treaties, agreements and/or regional strategies.

The short timeframe and limited resources for development of the Strategy require engagement of external technical assistance to support the work of the RCC and its partners between June and September 2013, when SEE 2020 is planned to be finalized. RCC has mobilized additional funding from the EU for this purpose and it has applied it towards mobilizing external advisors, expected to join the team starting mid-June 2013. A more detailed action plan for SEE 2020 development is enclosed in the annex to this document.

Finally, the entire development process is being coordinated through a Coordination Board of the SEE 2020 that brings together the RCC and dimension coordinators, and enables an on-going dialogue on the scheduling, structure and content of the process, as well as on ways to address horizontal, cross-cutting issues. The Coordination Board of the SEE 2020 was established and had its first meeting on May 23, 2013.

### **4. Proposed Outline of the Strategy**

All proposals listed here, as well as others to be added at a later stage, have already been scrutinized by the representatives of line ministries participating in the process or are currently being consulted upon by the Governments in the region. The outline below includes the first set of inputs received through the dimension coordinators and further refinements are envisioned until July 12, 2013 when they will be incorporated in the first draft of the Strategy. Further prioritization of action will be performed during August and September prior to being offered for endorsement.

<b>SEE 2020 Pillar</b>	<b>INTEGRATED GROWTH</b>
<b>Targets</b>	<i>Increase intra-regional trade in goods by more than 230%</i> <i>Increase overall FDI inflows to the region by at least 120%</i>
<b>Dimension:</b>	<b>A. Free Trade Area</b>
<b>Dimension Coordinator:</b>	<b>CEFTA/SEEIC</b>
<b>Line ministries/agencies:</b>	<b>Ministries in charge of trade; Ministries in charge of economy; other related institutions</b>
<b>Programme</b>	<p><b>1. Free Flow of Goods</b></p> <p>1.1. Elimination of Tariffs and Quotas</p> <ul style="list-style-type: none"> <li>• <i>Full Liberalisation of Trade in Agricultural Products</i></li> </ul> <p>1.2. Elimination of Non-Tariff Barriers to Trade</p> <ul style="list-style-type: none"> <li>• <i>Addressing Distortive Sanitary and Phyto-sanitary Measures</i></li> <li>• <i>Removing Unnecessary Technical Barriers to Trade</i></li> </ul> <p>1.3. Facilitation of Trade</p> <ul style="list-style-type: none"> <li>• <i>Employing regional transparency tools to systemize detection of trade irritants</i></li> <li>• <i>Eliminating non-automatic import licences in contradiction with the WTO, EU and other trade distortive legislation and practice</i></li> </ul> <p>1.4. Customs Interconnectivity</p> <ul style="list-style-type: none"> <li>• <i>Paperless customs in the regional trade for security and competitiveness</i></li> </ul> <p><b>2. Free Flow of Services</b></p> <p>2.1. Liberalisation of Trade in Services</p> <ul style="list-style-type: none"> <li>• <i>Reducing Restrictiveness in Trade in Services</i></li> </ul> <p><b>3. Free Flow of Investment</b></p> <p>3.1. Enhancing treatment and protection of investors and their investment</p> <p>3.2. Coordination of investment policies and promotion</p> <p><b>4. Free Flow of Skilled Labour</b></p> <p>4.1. Liberalisation of Trade in Services</p> <ul style="list-style-type: none"> <li>• <i>Facilitating free flow of services with view to enhance free movement of experts, professionals, skilled labour and talents within the region</i></li> </ul>
<b>Dimension:</b>	<b>B. Competitive Economic Environment</b>
<b>Dimension Coordinator:</b>	<b>CEFTA</b>
<b>Line ministries/agencies:</b>	<b>Ministries in charge of trade; other related institutions</b>
<b>Programme</b>	<p><b>1. Competition Policy</b></p> <p>1.1. Trade Defence Instrument (TDI) free Trade Area</p> <p><b>2. Intellectual Property Rights (IPR)</b></p> <p>2.1. Protection of trademarks throughout the Region</p> <p><b>3. Public Procurement</b></p> <p>3.1. Functioning regional public procurement market</p>
<b>Dimension:</b>	<b>C. Integration into Global Economy</b>
<b>Dimension Coordinator:</b>	<b>CEFTA/SEEIC</b>
<b>Line ministries/agencies:</b>	<b>Ministries in charge of trade; Ministries in charge of economy; other related institutions</b>

<i>Programme</i>	<p><b>1. Prioritization and implementation of business climate reforms</b></p> <p><b>2. Market Access</b></p> <p>2.1. Single diagonal cumulation zone under the PEM</p> <p>2.2. Gradual harmonisation of the MFN duties in the Region towards EU CET</p> <p><b>2. Participation in Global Supply Networks</b></p> <p>2.1. Investment concept to enhance participation in regional supply chains and global supply network</p>
<b>SEE 2020 Pillar</b>	<b>SMART GROWTH</b>
<i>Targets</i>	<i>Increase GDP per person employed by 33%; Add 300,000 highly qualified people to the region's workforce</i>
<i>Dimension:</i>	<b>D. Education and Competences</b>
<i>Dimension Coordinator:</i>	<b>ERI SEE</b>
<i>Other stakeholders:</i>	<b>South East Europe Entrepreneurial Centre (SEECCL)</b>
<i>Line ministries/agencies:</i>	<b>Ministries in charge of education; Ministries in charge of economy; other related agencies and institutions</b>
<i>Programme</i>	<p><b>1. Quality, qualifications and mobility</b></p> <p>1.1. Development of practical competences through work-based learning</p> <ul style="list-style-type: none"> <li>• Sharing experience on modalities for cooperation between social partners and education institutions</li> <li>• Improving regional cooperation in the development of Self certification and referencing process</li> </ul> <p>1.2. Standardization of qualifications and removing obstacles for their recognition</p> <ul style="list-style-type: none"> <li>• Enhancing regional mobility of workforce through career guidance and counselling services</li> <li>• Establishing regional 'circle of trust' in the course of paving the way for faster recognition of qualifications</li> </ul> <p>1.3. Teacher education</p> <ul style="list-style-type: none"> <li>• Sharing strategies and quality criteria for the professional development of educators and administrators</li> </ul> <p><b>2. Inclusiveness and life-long learning</b></p> <p>2.1. Increasing participation of education at all levels and prevention of early school leaving</p> <ul style="list-style-type: none"> <li>• Development of regionally coherent instruments for Validation and Recognition of Prior Learning in accordance with EU recommendations</li> <li>• Initiating regional dialogue on enhancing the access and quality of the pre-school education</li> </ul> <p>2.2. Prevention of early-school leaving and drop-out from higher education</p> <ul style="list-style-type: none"> <li>• Exchange of practice and policy learning on the reduction of early school leaving</li> </ul> <p><b>3. Entrepreneurship promotion in third-level education and links to innovation</b></p> <p>3.1. Higher education and research communities to strategically cooperate with government and the private sector to maximize the entrepreneurial potential of universities and research environments in generating innovations, contributing to smarter, more sustainable growth and improved employment.</p>
<i>Dimension:</i>	<b>E. R&amp;D and Innovation</b>
<i>Dimension Coordinator:</i>	<b>Regional R&amp;D and Innovation Platform</b>

<i>Line ministries/ agencies:</i>	<b>Ministries in charge of science; Ministries in charge of the economy; other agencies</b>
<i>Programme</i>	<p><b>1. Implementation of a regional R&amp;D Strategy for innovation</b></p> <p>1.1 Improve research excellence and productivity: by investing in human capital for research; selectively upgrading and better using available infrastructure; improving the incentive regime for research performance; and advancing the “Bologna Process” and further integration to the European Research Area</p> <p>1.2 Facilitate science-industry collaboration and technology transfer by further aligning the regulation for intellectual property management in public research organizations; developing technology transfer organizations (such as technology transfer offices), financial support for science-industry collaboration, and for development of proof of concept; and building a closer, structural cooperation with the business community by promoting ‘knowledge transfer activities’</p> <p>1.3 Promote business innovation and innovative startups, by improving the business environment, providing mentoring services and financial support throughout the whole innovation process (from prototype and pre-seed to growth and expansion), and guaranteeing a proper supply of technology/science-parks and incubation services that can host and nurture young firms;</p> <p>1.4 Strengthen the governance of national research and innovation policies, by continuing capacity building in key institutions; reforming career development to better reward research excellence, science-industry collaboration and technology transfer; reforming the management of research institutes to promote performance; increasing transparency, accountability and impact evaluation of research and innovation policies; and</p> <p>1.5 Promoting regional collaboration by the development of the Regional Platform on Research and Innovation, which would be tasked to implement the Regional R&amp;D for Innovation Strategy, being at the same time coordinator of the R&amp;I dimension of the SEE 2020. This regionally owned mechanism could also take over the most important activities of the WBC INCO.NET and Steering Platform, after spring 2014. It would also aim to complement the financial instruments available in the Enterprise Development and Innovation Facility (EDIF).</p> <p><b>2. Business-driven innovation</b></p> <p>2.1 Establishment of a regional fund for industry-academia collaboration to fund projects with clear market prospects</p> <p>2.2 Establishment of a regional fund for non-technological innovation with direct market prospects.</p> <p>2.3 Setting-up regional competence technology centres for collaborative research and contract research.</p> <p>2.4 Rolling out a regional Triple Helix partnership competition with media coverage.</p> <p>2.5 Regional programmes for personnel mobility, including scientific fellowship, exchange between public and private sector, "industrial PhDs."</p> <p>2.6 Harmonisation of intellectual property policies and evaluation of the feasibility for proposing a regional patent.</p>
<i>Dimension:</i>	<b>F. Digital Society</b>
<i>Dimension Coordinator:</i>	<b>E-SEE Initiative</b>
<i>Line ministries/ agencies:</i>	<b>Ministries in charge of information society</b>
<i>Programme</i>	CURRENTLY UNDER CONSULTATION
<i>Dimension:</i>	<b>G. Culture and Creative Sectors</b>
<i>Dimension Coordinator:</i>	<b>RCC Task Force for Culture and Society</b>

<i>Line ministries/agencies:</i>	<b>Ministries in charge of culture; Ministries in charge of economy;</b>
<i>Programme</i>	<p><b>1. Common approaches to rehabilitating regional heritage - Ljubljana Process II</b></p> <p>1.1 Support the full implementation of the integrated rehabilitation methodology in the region</p> <p>1.2 Integrate cultural heritage with economic development to help stimulate tourism, revitalise communities, create jobs and improve quality of life.</p> <p>1.3 Regional exchange on the current status of museums, with a development of common approaches in management, and the role of museums in cultural tourism and economic development.</p> <p><b>2. Strengthening the regional audio-visual industry</b></p> <p>2.1 Establishment of the Regional Film Fund (RFF) to complement available funds at national and European level (EURIMAGES, NORDISK FILM &amp; TV FOND)</p> <p>2.2 Strengthen cross-border market for audio-visual work in SEE through multiplier effect for generating further investment, thus creating the potential for larger returns from this growing market, strengthening the companies and achieving sustainability for the sector.</p>
<i>SEE 2020 Pillar</i>	<b>SUSTAINABLE GROWTH</b>
<i>Target</i>	<p><i>Increase the rate of enterprise creation by 20%</i></p> <p><i>Increase exports of goods &amp; services per capita from the region by 130%</i></p> <p><i>Increase efficient use of energy by achieving a minimum 9% energy saving of the final inland energy consumption<sup>1</sup></i></p> <p><i>Renewable Energy Sources 2020 targets (national targets)</i></p>
<i>Dimension:</i>	<b>H. Resource Efficiency</b>
<i>Dimension Coordinator:</i>	<b>Regional Environmental Center (REC)</b>
<i>Other stakeholders:</i>	<b>Energy Community Secretariat (ECS), South East Europe Transport Observatory (SEETO)</b>
<i>Line ministries/agencies:</i>	<b>Ministries in charge of energy; Ministries in charge of environment; Ministries in charge of transport; Ministries in charge of Agriculture and Water Management; other related agencies and institutions</b>
<i>Programme</i>	<p><b><u>Energy</u></b></p> <p><b>1. Creating a Competitive Integrated Energy Market</b></p> <p>1.1. Market reforms</p> <ul style="list-style-type: none"> <li>• Facilitate the creation of the Pan-European Energy Market by removing the identified barriers in the interfaces between the Energy Community Contracting Parties and the EU Member States, as soon as they all fully implement the provisions of the internal energy market legislation (i.e. Third Energy Package).</li> <li>• Introduce common capacity allocation mechanism (coordinated auctions), establish one or more power exchanges that cover all Energy Community Contracting Parties and implement price based market coupling, in line with the milestones defined in the “Regional Action Plan for Market Integration in South East Europe” with a view to join the single European Price Coupling mechanism no later than 2015, without prejudice to the ongoing discussions about the amendment of the SEE RAP for Wholesale Market Opening related to Moldova and Ukraine.</li> <li>• Adopt regulatory balancing rules and balancing responsibilities for market participants by the dates agreed in the Action Plan for Market Integration in South Eastern Europe</li> <li>• All remaining legal/regulatory/institutional barriers to energy trade shall be</li> </ul>

<sup>1</sup> Target set forth by the Regional Energy Strategy to be achieved by 2018



removed by January 2015.

## **2. Attracting investments in energy**

### **2.1. Price regulation and network tariffs**

- Phase out price regulation for large customers in line with the Treaty and measures taken by the Ministerial Council.
- Adopt cost reflective energy network tariffs in line with the Treaty and measures taken by the Ministerial Council.
- Adopt prices that reflect fully the cost of supply for all tariff customers, in line with the Treaty and measures taken by the Ministerial Council.

### **2.2. Energy infrastructure**

- A set of policy measures will be proposed to the Permanent High Level Group, by the Energy Strategy Task Force by mid 2013
- Infrastructure projects of Energy Community interest will be defined, with the aim of stimulating those investments that contribute to enhancing security, reliability and quality of energy supply, increasing energy efficiency, and promote environmental sustainability, as well as increasing the use of renewable energy sources.

### **2.3. Regulatory barriers**

- Introduce harmonized licensing regimes in line with the EU licensing/registration regime by January 2015.

## **3. Providing secure and sustainable energy supplies to customers**

### **3.1. Security of Supply**

- Establish the internal framework for security of supply (nomination of Competent Authority, definition of protected customers, interruptible consumers).
- Enhance preparedness to secure gas supply (establishing Risk Assessments, Preventive Action Plans, and Emergency Plans).
- Diversify sources of gas imports where appropriate.
- Enhance the role for, and coordination within, the Security of Supply Coordination Group.

### **3.2. Energy efficiency**

- Increase efficient use of energy by achieving a minimum 9% energy saving target by 2018.

### **3.3. Renewable energy**

- Increase renewable energy share of Gross Final Energy Consumption of the Contracting Parties in line with the methodology used for setting EU Member States' targets, and to the levels decided by the Ministerial Council in October 2012.

### **3.4. Environmental protection**

- Prepare national road maps for the implementation of the large Combustion Plants Directive by 31 July 2013, in a coordinated and consulted approach of all stakeholders.
- Prepare national road maps for GHG emissions reduction/limitation, including setting indicative targets and concrete measures, by the end of 2013.

### **3.5. Protection of customers**

## **Transport**

### **4. Attracting international transport flows and increasing the regional mobility**

4.1. Development of the SEETO Comprehensive Network to the TEN-T standards and effective interconnection to the TEN-T network, as well as identification and securing financing for the most important arteries (SEETO Core Network)

4.2. Strengthening regional cooperation in the air traffic in SEE with the aim of effective implementation of envisaged EU requirements, particularly in the light of administrative and institutional weaknesses in the region.

4.3. Ensuring regional harmonisation of the transport regulatory framework for creating

*common market conditions* and homogenous rules among the SEE partners in order to allow a level playing field for the transport carriers and enhanced transport operations (Transport Community Treaty)

4.4. Addressing regional *non-physical transport barriers* affecting the journey time and travel costs, including the administrative and border-crossing procedures in order to prevent further waist of time and revenue, as well as to increase the predictability and reliability of the system

4.5. Development of the *ancillary infrastructure* and transport terminals, as well as strengthening the *logistic chains* and *interoperability* in technical standards which will raise the quality of the services along the transport network

## **5. Optimization of individual transport modes and promotion of green & energy efficient transport**

5.1 Development of *co-modal solutions* with stronger focus on the energy -efficient and environmentally- friendly transport modes, such are the railways, inland waterways and maritime transport, which will improve the mobility and reduce the dependence on the traditional energy sources, subsequently leading to lesser carbon emissions from fuel

5.2 Creation of a *Common Railway Area* in the SEE region, in accordance to the existing European legislation and regional documents (MoU Addendum), for fostering the operations and liberalisation of rail services

5.3 Comprehensive approach in development of the *Danube and Sava rivers* as main waterborne arteries in the wider region, with cooperation and coordinated actions of all involved stakeholders (Danube and Sava Commissions, SEETO), and with the view of the EU Strategy for the Danube region

## **6. Modernisation of robust transport systems**

6.1 Independent and *performance based system management*, which will be able to deliver quality services to the users through improved operations, maintenance and safety of the network and prevent the financial losses which are born by the State

6.2 Institutional *restructuring* of the public entities, including capacity building as well as reforms for attracting *private sector investments* in transport sector and allowing participatory *dialogue* with the social stakeholders

6.3 Application of *Intelligent Transport Systems* (ITS), and integrated information solutions for seamless transport

6.4 Modernisation of the vehicle fleet and stimulation of use of the public urban transport aiming at decarbonisation

## **Environment**

**7. Sustainable Consumption and Production (SCP)** - decoupling economic growth from resource use and environmental degradation - minimizing resource use

7.1 Identify and define policy options for particular programs (including vision, function, institutional structure, criteria and guidelines);

7.2 Support establishment of a solid and efficient institutional structures, based on existing expertise, using existing structures at all levels of governance, with the involvement of all relevant stakeholders;

7.3 Develop coordination mechanisms at all levels to allow the engagement of all stakeholders; strategic decisions and reviewing progress; national coordination, through national focal points and inter-ministerial task forces;

7.4 Create and/or strengthen SCP centers of expertise, and engage existing regional fora, roundtables and networks on SCP in the regions;

7.5 Local level engagement: engage and empower cities as important actors for delivering sustainable development;

7.6 Focus on resource mobilization through a dedicated trust fund for additional and new resources, including voluntary contributions, coupled with the reallocation of existing funds towards SCP;

## **8. Green Economy - using business to protect the environment**

- 8.1 Develop strategic policy coordination, technology development and diffusion, technology transfer, capacity building, regional trans-boundary cooperation and identify additional financial resources, particularly to support private business and industry.
- 8.2 Institute social dialogue, including multi-stakeholder participation and implement education, communication and awareness raising programmes.
- 8.3 Implement partnerships between governments, international organizations, civil society and the private sector that will include benchmarking and target-setting
- 8.4 Develop innovative financial instruments that are critical to achieving a Green Economy, including greater use of public funds towards leveraging of private investment.
- 8.5 Increase capacity for measuring and reporting achievements in the field of the Green Economy, including definition of indicators for measuring and tracking progress reliably.
- 8.6 Incorporating "green criteria into investment decision-making processes and funding programs
- 8.7 Develop capacities for data collection and analysis.

## **9. Climate Change Adaptation and regional scientific and educational cooperation**

- 9.1 Improve scientific base and transfer of skills and knowledge on Climate Change Adaptation measures in Agriculture and Forestry;
- 9.2 Build capacities of regional scientific and educational institutions on climate change adaptation and cooperation between relevant stakeholders from different sectors.
  - Establish a sustainable platform to facilitate information and knowledge exchange, development and implementation of joint scientific and technical projects between educational, scientific and market sectors
  - Sign a Protocol on development of compatible educational programmes on climate change adaptation enabling free exchange of knowledge and students between the Universities in the region
  - Establish Regional Roster of Agricultural and Forest experts
- 9.3 Climate Change Adaptation in Agriculture
  - Develop a regional program for systematic education of farmers on climate change impacts, adaptation measures, organic farming, use of existing funding sources for this measures
  - Establish a regional platform for knowledge, experience and best practice exchange in the field of climate change adaptation in agriculture for farmers
  - Sign a Protocol on cooperation of accredited laboratories on information exchange in the field of quality control of agricultural products, standardization and mutual recognition
  - Establish and promote a regional agro-eco tourism network
- 9.4 Climate Change Adaptation in Water Supply
  - Reduce the use of water by industry and irrigation through water efficiency measures and decrease water losses through the deployment of efficient water supply system, making best use of price and other incentive
  - Increase drought preparedness and early warning systems as well as capacity to react adequately (e.g. distribution of water)
- 9.5 Climate Change Adaptation in Environment
  - Development of system for valorisation of biodiversity and ecosystem services
  - Increase and better management of protected areas
  - Protection and improvement of forest ecosystems
  - Protection and improvement of water ecosystems
  - Set up a mechanism for scientific sector development
  - Monitoring and suppression of invasive species and monitoring of species used

	commercially
<i>Dimension:</i>	<b>I. Competitiveness</b>
<i>Dimension Coordinator:</i>	<b>SEE Investment Committee</b>
<i>Line ministries/agencies:</i>	<b>Ministries in charge of economy; Ministries in charge of finance;</b>
<i>Programme</i>	<ol style="list-style-type: none"> <li><b>1. Cooperation in competition policy</b> <ol style="list-style-type: none"> <li>1.1. Enhancing transparency in state aid</li> <li>1.2. Establishing a network of competition authorities and initiating a consultative process on regional implications of competition policies (i.e. mergers between economic operators at the regional level)</li> </ol> </li> <li><b>2. Raise awareness on business integrity at a regional level</b> <ol style="list-style-type: none"> <li>2.1 Introduction of regional CSR rankings based on existing international methodologies and dissemination of results</li> </ol> </li> <li><b>3. Optimization of access to infrastructure to businesses at the regional level</b> <ol style="list-style-type: none"> <li>3.1. Promoting connectivity of infrastructure to enable for reduced friction within the freedom of movement</li> <li>3.2. Establish feasibility of, and support point-to-point connectivity (airlines)</li> <li>3.3. Assess and optimize regional telecoms roaming costs</li> </ol> </li> <li><b>4. Promote access to finance through regional instruments to achieve scale</b> <ol style="list-style-type: none"> <li>4.1. Promote integration of regional capital markets</li> <li>4.2. Support establishment of regional financial instruments</li> <li>4.3. Support regional facilitation events for early stage ventures</li> <li>4.4. Regional investment readiness actions</li> </ol> </li> <li><b>5. Enhance coordination and peer reviews on SME policy</b> <ol style="list-style-type: none"> <li>5.1. Small Business Act (SBA) process</li> <li>5.2. Internationalization of SMEs (encourage the creation of clusters, export promotion, regional consortia for tenders in other countries, cross-border economic zones etc.)</li> <li>5.3. FDI SME linkages: big investments coming to the region (e.g. FIAT in Serbia) are creating a whole ecosystems of suppliers which are opportunities for local and regional tier 2 and tier 3 suppliers. They need to meet the requirements in terms of quality standards, specification, certification etc.</li> </ol> </li> <li><b>6. Tax policy</b> <ol style="list-style-type: none"> <li>6.1. Double taxation avoidance</li> </ol> </li> <li><b>7. Sectoral policy for enhanced competitiveness and inclusion in international value chains</b> <ol style="list-style-type: none"> <li>7.1. Identification and removal of policy barriers in selected industry sectors</li> <li>7.2. Enabling emergence of regional value chains and production networks</li> </ol> </li> </ol>
<i>SEE 2020 Pillar</i>	<b>INCLUSIVE GROWTH</b>
<i>Target</i>	<i>Increase the overall employment from 40.2% to 45.2%</i>
<i>Dimension:</i>	<b>J. Employment</b>
<i>Dimension Coordinator:</i>	<b>Inter-Governmental Working Group on Social Agenda</b>
<i>Line ministries/agencies:</i>	<b>Ministries in charge of employment and social affairs; labour market institutions;</b>
<i>Programme</i>	<ol style="list-style-type: none"> <li><b>1. Promote employment creation in SEE through regional actions for ensuring labour mobility</b> <ol style="list-style-type: none"> <li>1.1 Assess current and future skills needs as well as current and future labour surplus. Build capacity to forecast labour market trends</li> </ol> </li> </ol>

	<p>1.2 Undertake activities to compile regionally harmonized data on migration</p> <p>1.3 Comprehensive approach to address the needs of the migrant and cross-ministerial approach to mobility.</p> <p>1.4 Alignment of qualifications to the EU framework.</p> <p>1.5 Exchange information through migration service centres</p> <p>1.6 Develop regional instruments – training needs assessment</p> <p>1.7 Establish a regional consultative process on mobility (in the context of a regional council for employment)</p> <p>1.8 Explore ways to maximize the development impact of mobility and equitable distribution of benefits</p> <p>1.9 Circular migration</p> <p><b>2. Labour Market Governance</b></p> <p>2.1 Major labour market policies to focus on flexicurity (balancing labour market protection and labour market promotion legislation – promoting jobs, protecting people) and active labour market policies</p> <p>2.2 Strengthen capacities to govern labour markets, analyze, forecast trends; monitor and evaluate policies</p> <p>2.3 Labour market information systems – harmonized and strengthened</p> <p>2.4 Strengthen link with human capital development</p> <p>2.5 Through: training workshops, peer reviews, knowledge sharing platforms, possible regional projects</p> <p>2.6 Tackling Informal employment should be a major regional priority</p> <p>2.7 Social entrepreneurship and social innovation as important tools for employment creation</p>
<i>Dimension:</i>	<b>K. Competencies and Inclusive Education</b>
<i>Dimension Coordinator:</i>	<b>SEECCEL</b>
<i>Line ministries/agencies:</i>	<b>Ministries in charge of education; Ministries in charge of employment and social affairs;</b>
<i>Programme</i>	<p><b>1. Entrepreneurship promotion across all levels and forms of learning systems</b></p> <p>1.1 Promote the value and importance of all forms of entrepreneurial learning promoted by schools, universities, training organizations, business support organizations and civic interest groups.</p> <p>1.2 Continue efforts on entrepreneurial learning outcomes, including recommendations for curricula, teacher training and school management.</p> <p>1.3 Improve efforts to promote entrepreneurship as a key competence. Additionally, given increasing policy concerns for a safer, cleaner and more sustainable economy, due consideration will be given to using education and training system to better promote environmental key competence.</p> <p><b>2. Progress through partnership</b></p> <p>2.1 Development of an entrepreneurial learning agenda to address a host of policy areas (education, training, employment, social inclusion, small business, innovation) which requires strategic cooperation and coordination.</p> <p><b>3. Reinforcing networks, sharing of good practice and peer learning</b></p> <p>3.1 Further develop the networks to address specific areas of policy interest as expressed by the countries collectively, identify and disseminate good practice (from the region and the European Union) and build knowledge and know-how through peer learning activities.</p>
<i>Dimension:</i>	<b>L. Health</b>
<i>Dimension Coordinator:</i>	<b>SEE Health Network</b>

<i>Line ministries/ agencies:</i>	<b>Ministries in charge of health;</b>
<i>Programme</i>	<ol style="list-style-type: none"> <li><b>1. Improve the health and well-being of all those living in the SEE region</b></li> <li>2.1 Harmonize the cross-border public health and public health services legislation, standards, procedures and developing mutual recognition and trust to enable the creation of a Free Trade Area from public health perspective</li> <li>2.2 Institutional strengthening and improving the governance of the health sector at national, regional and community levels</li> <li>2.3 Improving the health gain of the populations in the SEE region through strengthening the delivery of universal and high quality health promoting services by the primary health care, hospitals and public health services.</li> </ol>
<i>SEE 2020 Pillar</i>	<b>GOVERNANCE FOR GROWTH</b>
<i>Target</i>	<i>Increase government effectiveness by 20% by 2020</i>
<i>Dimension:</i>	<b>M. Effective public services</b>
<i>Dimension Coordinator:</i>	<b>NALAS; RESPA</b>
<i>Other stakeholders:</i>	<b>Regional School for Public Administration (RESPA)</b>
<i>Line ministries/ agencies:</i>	<b>Ministries in charge of public administration reform; local authorities</b>
<i>Programme</i>	<ol style="list-style-type: none"> <li><b>1. Professionalization of public services</b> <ol style="list-style-type: none"> <li>1.1 Increase capacity and managerial skills of public servants</li> <li>1.2 Establish communication between Universities and public administration</li> <li>1.3 Upgrade university curricula to follow new technologies, trends in new public administration, new legislation</li> <li>1.4 E-learning available for public servants</li> <li>1.5 Utilization of modern tools and instruments</li> <li>1.6 Merit based recruitment and promotional systems</li> <li>1.7 Increase regional mobility of public servants</li> </ol> </li> <li><b>2. Modernization of public service</b> <ol style="list-style-type: none"> <li>2.1 Improve and simplify regulations for business development</li> <li>2.2 Improve internal communication and workflow within public administration</li> <li>2.3 Improve business process management</li> <li>2.4 Improve career and remuneration systems</li> <li>2.5 Develop and deploy e-Government services</li> <li>2.6 One-stop-shop portal and back-office integration</li> <li>2.7 Improve accessibility and inclusion</li> <li>2.8 Establish regional learning and knowledge exchange platforms</li> </ol> </li> <li><b>3. Evidence-based policy and decision making</b> <ol style="list-style-type: none"> <li>3.1 Develop common methodologies for data collection, analysis and monitoring allowing cross border comparison</li> <li>3.2 Regular assessment, monitoring and publication of the needs and satisfaction of users of public services and the effectiveness and quality of public services at all government levels</li> <li>3.3 Increase transparency of planning, budgeting, implementation, and evaluation of public services</li> <li>3.4 Improve gender balance in economic decision making</li> </ol> </li> <li><b>4. Multi-level governance and regional cooperation</b> <ol style="list-style-type: none"> <li>4.1 Improve the regulatory framework</li> </ol> </li> </ol>

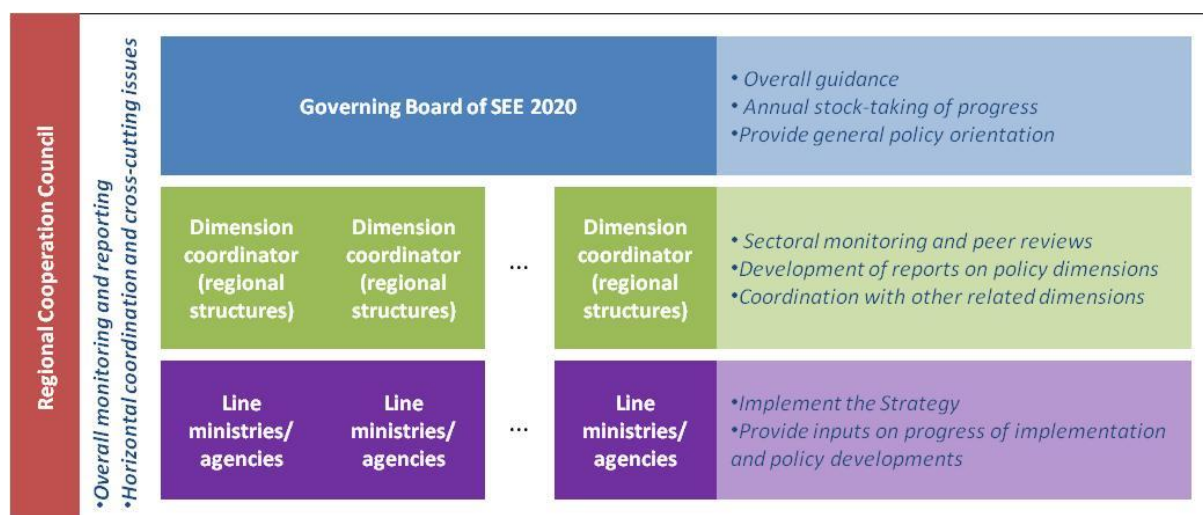
	<p>4.2 Intensify policy dialogue between central government, local government and civil society</p> <p>4.3 Intensify inter-state and inter ministerial cooperation in SEE</p> <p>4.4 Intensify regional learning and knowledge exchange</p> <p><b>5. Smart, resource efficient and inclusive policies</b></p> <p>5.1 Efficient and effective allocation of resources between the different levels of government (subsidiarity and connectivity)</p> <p>5.2 Integrate territorial dimension into policies</p> <p>5.3 Promote local economic development</p> <p>5.4 Equitable access to infrastructure and services for people with disabilities, seniors, women, economically underprivileged groups</p>
<i>Dimension:</i>	<b>N. Anti-corruption</b>
<i>Dimension Coordinator:</i>	<b>Regional Anti-Corruption Initiative (RAI)</b>
<i>Line ministries/agencies:</i>	<b>Ministries in charge of education; Ministries in charge of employment and social affairs;</b>
<i>Programme</i>	<p><b>1. Reinforcing political will to fight corruption</b></p> <p>1.1 Sound anti-corruption policy and effective implementation</p> <p>1.2 Active regional and international cooperation in the anti-corruption field</p> <p><b>2. Prevention of corruption</b></p> <p>2.1 Increase transparency and accountable integrity of public administration (conflict of interest, ethics, asset declaration, reporting corruption, risk assessments and integrity plans)</p> <p>2.2 Financial control and audit</p> <p>2.3 Prevention of corruption in public procurement</p> <p>2.4 Prevention of corruption in public resources management</p> <p>2.5 Control of political parties and campaign financing</p> <p>2.6 Integrity of judiciary</p> <p>2.7 Public support - involving civil society and the private sector</p> <p>2.8 Public education and awareness raising</p> <p><b>3. Counteracting Corruption (Law Enforcement)</b></p> <p>3.1 Ensure investigation, prosecution and adjudication of corruption crimes with focus on high-level corruption and significant and complex corruption schemes</p> <p>3.2 Ensure financial investigations to efficiently trace assets gained from corruption crimes and asset recovery</p> <p>3.3 Build capacity of law enforcement and judiciary to detect, investigate, prosecute and adjudicate corruption</p> <p>3.4 Improve regional cooperation and data exchange among law enforcement bodies and make efficient use of mutual legal assistance in corruption cases</p> <p><b>4. Education</b></p> <p>4.1 Education of the society – “Zero” tolerance for corruption</p> <p>4.2 Education of the civil servants</p>
	<b>OTHER</b>
<i>Dimension:</i>	<b>O. Cross Cutting Issues</b>
	<p><b>1. Alleviating capacity constraints</b></p> <p>1.1. Capacity building programmes for private sector and public administration</p> <p><b>2. Transparency</b></p> <p>2.1. Transparency tools in all segments of regional cooperation</p>

	2.2. Notifications where appropriate
	<b>3. Data Availability and Quality</b>
	3.1. Quality of statistics
	3.2. Data collection and analysis in new relevant areas

## 5. Proposed governance structure of SEE 2020

The four main sets of actors to participate in the governance structure and the SEE 2020 policy coordination effort are the national administrations, regional structures serving as coordinators of respective policy dimensions (dimension coordinators), Regional Cooperation Council, and the Governing Board of the SEE 2020 that brings together the highest political representatives of the region.

Figure 1: Governance of the SEE 2020 Strategy



**National administrations**, represent the cornerstone of the SEE 2020 implementation as the bulk of the work on the implementation of SEE 2020 will be dealt with at the national level. It is envisioned that the SEE 2020 Strategy and Action Plan would be adopted by each of the Governments in the regular procedure by mid-November 2013. This would place the SEE framework, its detailed Action Plan with the strategic schedule and its governance and monitoring system within the formal workings of the Government. It would also enable the governments to assess the budget implications of the SEE 2020 implementation and monitor achievement of national SEE 2020 targets. The establishment of a standing programming committee consisting of National IPA Coordinators (NIPACs) and representatives of the Ministries of Finance is envisioned, to help prioritize the Strategy and Action Plan, assess budget implications, and agree on the sources of funding.

Although SEE 2020 entails regional responses to policy challenges, most of the activities put forward by the Strategy envision direct action or policy response by the respective line ministries and agencies. The implementation will be steered by the SEE 2020 Action Plan as well as the sectoral Work Programmes included in the Annual Sectoral Reviews described below, agreed by respective line ministries and approved by the respective Ministers. In addition to the implementation, the administrations represented by the line ministries are expected to provide structured inputs into the monitoring effort according to agreed guidelines that would enable the regular monitoring and benchmarking of progress.

The function of **Dimension coordinators**, as performed by the respective regional structures, is to help coordinate the implementation of the SEE 2020 in the respective sector/policy dimension (trade,



investment, education, R&D, digital society, culture and creative sectors, competitiveness, resource efficiency, employment, health, public services, and anti-corruption) and provide a regional platform for policy peer reviews and monitoring of progress, not unlike the role of sectoral councils in the EU.

**Regional Cooperation Council** will coordinate the overall effort on the SEE 2020 implementation and will communicate the progress to the political level of the countries involved. RCC would also be responsible for developing and implementing the overall monitoring system of the SEE 2020 in addition to supporting the national administrations in the implementation and preparing the meetings of the Governing Board. RCC will also have a substantial role in strengthening the Dimension coordinators, helping put new capacity in place and acting as a secretariat to those structures that have limited resources at the initial stages of the process.

The **Governing Board** would bring together the Prime Ministers or Deputy Prime Ministers of the SEE 2020 participating economies to review the progress of SEE 2020 implementation on annual basis and provide horizontal strategy guidance. The annual meetings of the Governing Board would be held each year back-to-back with the SEECP Summit and would be prepared by the RCC Secretariat. RCC Secretary General would present the progress report in the implementation of the SEE 2020 Strategy and propose annual recommendations for endorsement by the Governing Board members. In addition to adopting the Annual Implementation Report, the Governing Board will also issue horizontal policy guidance and annual priorities which will constitute an integral part of that year's Report.

## 5.1 Monitoring instruments

The main monitoring instruments envisioned by the SEE 2020 are the **Annual Sectoral Review**, **Annual Implementation Report** and the **Mid-term Review**.

Annual Sectoral Review will be prepared by the dimension coordinators in each of the sectors/policy dimensions based on the inputs from the national administrations. The instrument is intended to provide: (i) a regional overview of the sector/policy dimension, (ii) description of results achieved in the previous year based on the agreed qualitative and quantitative indicators put forward in the SEE 2020 Strategy, and (iii) a work programme for the following year (based on the SEE 2020 Action Plan and Schedule) indicating immediate needs of the sector and main areas for action. Progress will be monitored through the eleven SEE 2020 headline targets and the national targets which underpin them, as well as the set of qualitative and quantitative indicators in each of the policy areas.

The Annual Implementation Report will be prepared by the Regional Cooperation Council based on the inputs from the dimension coordinators and the Annual Sectoral Reviews. The Annual Implementation Report will be prepared for the Governing Board of SEE 2020 and will include: (i) a general assessment on the progress of SEE 2020 implementation, (ii) main strategic risks and challenges identified, and (iii) strategy-level recommendations for the coming year.

A Mid-term review is envisioned to be conducted mid-way through the Strategy implementation to provide a detail assessment of the policy developments and reforms being implemented within the SEE 2020 process. The mid-term review will be largely based on the OECD's Investment Reform Index adjusted to fit the needs of the SEE 2020 process.

## 5.2 Monitoring schedule

Styled after the European semester, the review of SEE 2020 implementation is envisioned to take place in annual cycles. Each year, the dimension coordinators would compile inputs from the line ministries on the progress made in SEE 2020 implementation over the past year in the respective

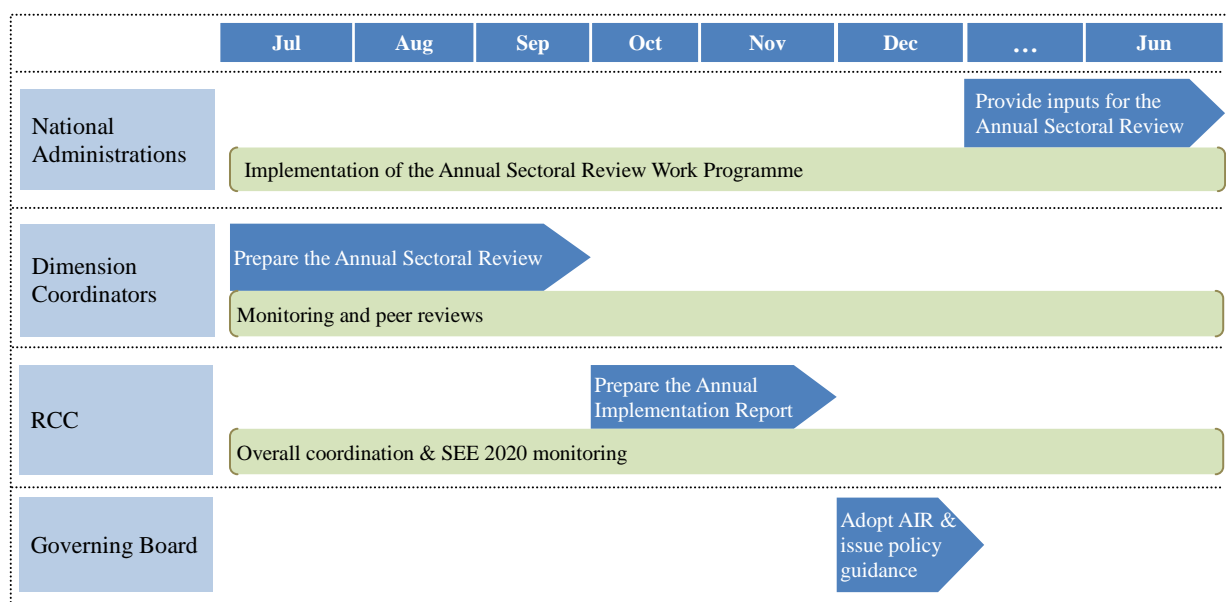
sectors/policy areas (e.g. CEFTA for trade, SEEIC for investment, ERI SEE for education, REC for resource efficiency, etc.). Based on these inputs, the dimension coordinators would prepare the **Annual sectoral review** and propose work programmes for the following year based on the SEE 2020 Action plan and schedule. The Annual sectoral review, including the work programme, would be reviewed and adopted by the line ministries by end of **September** each year at the latest.

Annual sectoral reviews and work programmes would be consolidated at the strategic level by the RCC, together with any horizontal review. Based on these sectoral inputs, RCC would prepare an overall **Annual Implementation Report on SEE 2020** and would provide it to the Governing Board members each year by **November**.

The Governing Board would meet each year during **December** to review and adopt the Annual Implementation Report and provide general policy orientation and guidance to the countries.

In the first half of the year, in addition to the implementation of the SEE 2020 and the sectoral work programmes, the representatives of line ministries would be meeting under the auspices of dimension coordinators to conduct peer reviews, examine progress and monitor implementation.

Figure 2: SEE 2020 Monitoring Schedule



### 5.3 Implications on the bilateral dialogue with the EU

The adoption of the SEE 2020 strategy should also be considered in the wider perspective of the regular dialogue that the enlargement countries are having with the EU. In addition to the regional monitoring and annual progress review described above, the progress in the achievement of the national targets would become part of the reviews carried out in the policy sub-committees in the framework of the Stabilization and Accession Process, as well as the IPA sectoral committees.

The SEE 2020 targets, particularly the national ones, adopted by the countries in the policy areas of trade, investment, employment, energy, social development, governance and others are pertinent for the SAA process and would benefit from closer scrutiny, especially given the envisioned close link between the SEE 2020 and IPA II support. The sub-committees would thus provide the opportunity to take an in-depth look at these policy areas and provide clear recommendations at the national level that will not only support the SEE 2020 implementation, but the overall accession process as well.

## 6. Activity timeline

Pending the agreement on the outline and main features of the SEE 2020 at the 13<sup>th</sup> meeting of the SEEIC, it is envisioned that the **first full draft of the Strategy would be produced by July 12, 2013** and distributed for comment to the stakeholders. The consolidation will be performed in accordance with the methodology by and with the assistance of external advisors mobilized during mid-June. In the period until August 30, RCC, dimension coordinators, and the project team will consolidate further the Strategy document and integrate comments and recommendations coming from the national administrations. Internal consistency of the adopted targets will be assessed as well, with findings integrated into the **second draft to be produced by August 30, 2013**. The second draft will be again consulted upon by the governments to collect the second round of inputs, with the intention of producing the **final draft Strategy and Action Plan by end of September**. It is proposed that the next meeting of SEEIC be scheduled in the last week of September so as to finalize the draft Strategy, endorse it at the SEEIC and recommend it for government procedure by each of the participating Ministries. The SEEIC Ministerial to endorse the Strategy is envisioned to take place during the last week of November 2013, providing two months for the SEE 2020 Strategy to be reviewed and adopted in the Government procedure in each of the participating economies.

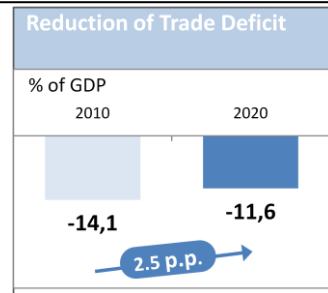
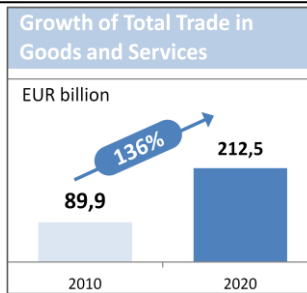
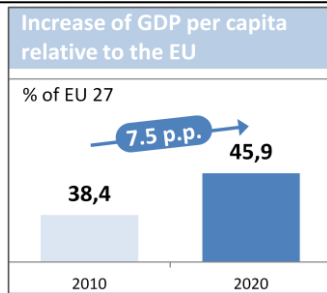
Within this schedule, the first Governing Board meeting is planned to take place during either the first or the second week of December 2013 so as to initiate the annual policy cycle for SEE 2020 and issue the first set of policy guidance.

Figure 3: Tentative timeline for SEE 2020 Development

Description of action	Date/end date	2013							
		Jun	Jul	Aug	Sep	Oct	Nov	Dec	
13th meeting of SEEIC - Endorsement of outline	19/06/13	■							
Mobilization of external advisors	19/06/13	■							
Development of the first draft of the Strategy	12/07/13		■	■					
First round of consultations	15/08/13			■	■				
Development of the second draft	30/08/13				■				
Second round of consultations	15/09/13					■	■		
Final SEE 2020 Strategy proposal produced	26/09/13						■		
14th meeting of SEEIC endorses the proposal and recommends it to the Government	26/09/13						■		
Review and doption of SEE2020 in the Government procedure	24.10.13						■	■	
SEEIC Ministerial	26/11/13								■
First meeting of the SEE 2020 Governing Board	05/12/13								■

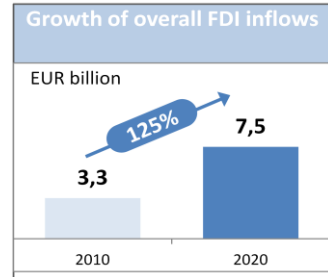
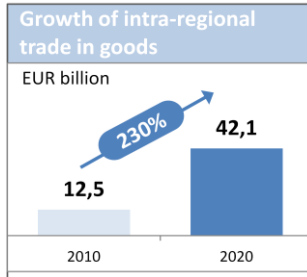
## Annex 1: SEE 2020 Targets

### Overall targets



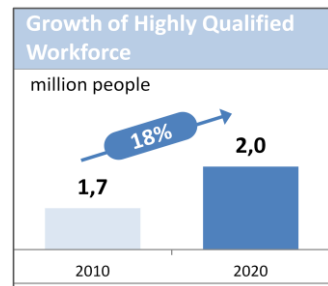
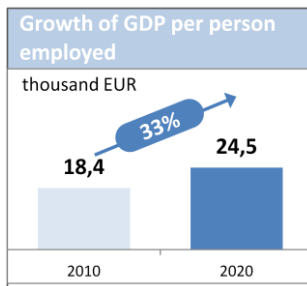
### Integrated growth

through deeper regional trade and investment linkages and policies that are non-discriminatory, transparent and predictable and enhance the flow of goods, investment, services and persons within the region



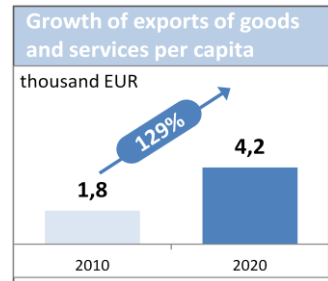
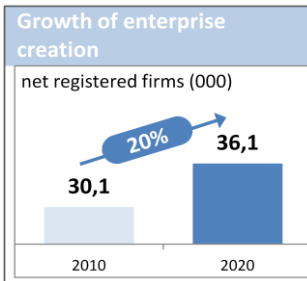
### Smart growth

through a commitment to innovate and compete on value-added rather than labour costs in the long run



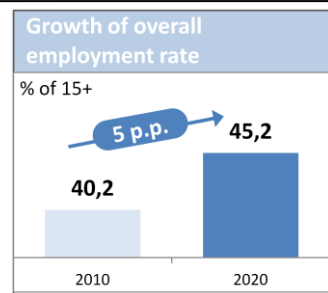
### Sustainable growth

through raising the level of private sector competitiveness, entrepreneurship and a commitment to greener and more energy-efficient development



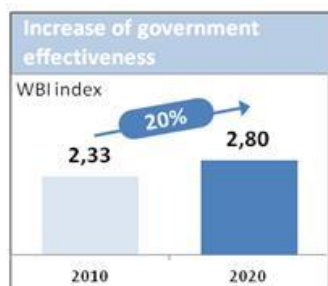
### Inclusive growth

through skills development, employment creation and labour market participation by all, including vulnerable groups and minorities



### Governance for growth

through improving the capacity of public administrations to strengthen the rule of law and reduce corruption so as to create a business-friendly environment



## Annex 2: First set of proposed indicators

Category	Indicator	Description	Source
<b>0. General macro-level indicators</b>			
General macro-level indicators	<b>Economic convergence with the EU</b>	<b>% of country GDP per capita PPS with respect to EU 27 average (Headline target)</b>	<b>Eurostat/National Statistics System</b>
	<b>Total trade in goods and services</b>	<b>(Headline target)</b>	<b>National Trade Statistics</b>
	<b>Current account balance/GDP</b>	<b>EUR (Headline target)</b>	<b>National Statistics System</b>
	Real GDP growth (%)	% rate of real annual GDP growth	National Statistics System
	Fiscal balance/GDP	%	Eurostat/National Statistics System
<b>1. Integrated Growth</b>			
1.1. Free Trade Area	<b>Intra-regional trade in goods</b>	<b>(Headline target)</b>	<b>National Trade Statistics</b>
1.2. Competitive Economic Environment	<b>Total FDI</b>	<b>EUR (Headline target)</b>	<b>Balance of Payment Statistics, Central Banks/IMF</b>
1.3. Integration into Global Economy	Real growth in goods trade (broken down by sector/group)		National Trade Statistics
	Nominal growth in goods trade (broken down by sector/group)		National Trade Statistics
	Trade Restrictiveness Index		World Bank
	Logistics Performance Index	Survey of operators on the ground (global freight forwarders and express carriers)	World Bank
	Ease of Doing Business	Ranking	World Bank
	FDI per capita	EUR	Balance of Payment Statistics, National Central Banks/IMF
<b>2. Smart Growth</b>			
2.1 Education	<b>Growth of GDP per person employed</b>	<b>Headline target</b>	<b>National Statistical System</b>
2.2. R&D and Innovation	<b>Increase of highly qualified people within the workforce</b>	<b>Headline target</b>	<b>National Statistical System</b>

## 2.3. Digital Society

## 2.4 Creative and Cultural Industries

Number of new highly educated people	Human resources	Labor Force Surveys
Percentage of labor force with high education	Human resources	Labor Force Surveys
Gross domestic expenditure on research and development		Government Expenditures
Labour productivity	Human resources	National Statistical System
eSEE Agenda Plus indicators		Administration sources
S&E and SSH graduates per 1000 population aged 20-29 (first stage of tertiary education)	Human resources	National Statistical System
S&E and SSH doctorate graduates per 1000 population aged 25-34 (second stage of tertiary education)	Human resources	National Statistical System
Population with tertiary education per 100 population aged 25-64	Human resources	National Statistical System
Participation in life-long learning per 100 population aged 25-64	Human resources	National Statistical System
Youth education attainment level	Human resources	National Statistical System
Public R&D expenditures (% of GDP)	Finance and support	National Statistical System
Venture capital (% of GDP)	Finance and support	
Private credit (relative to GDP)	Finance and support	IMF
Broadband access by firms (% of firms)	Finance and support	National Statistical System
Business R&D expenditures (% of GDP)	Firm investments	National Statistical System
IT expenditures (% of GDP)	Firm investments	National Statistical System
Non-R&D innovation expenditures (% of turnover)	Firm investments	National Statistical System
SME innovating in-house (% of SMEs)	Linkages and entrepreneurship	National Statistical System
Innovative firms collaborating with others (% of companies)	Linkages and entrepreneurship	National Statistical System
Firm renewal (SME entries plus exits) (% of SMEs)	Linkages and entrepreneurship	National Statistical System
Public-private co-publications per million population	Linkages and entrepreneurship	CWTS
Patents per million population	Throughputs	National Statistical System
Trademarks per million population	Throughputs	National Statistical System

Technology balance of payments flows (% of GDP)	Throughputs	World Bank
SMEs introducing product or process innovations (% of SMEs)	Innovators	National Statistical System
SMEs introducing marketing or organizations innovations (% of SMEs)	Innovators	National Statistical System
Employment in medium-high and high-tech manufacturing (% of workforce)	Economic effects	National Statistical System
Employment in knowledge-intensive services (% of workforce)	Economic effects	National Statistical System
Medium and high-tech manufacturing exports (% of total exports)	Economic effects	UN
Knowledge intensive services exports (% of total services export)	Economic effects	UN
New-to-market sales (% of turnover)	Economic effects	National Statistical System
New-to-firm sales (% of turnover)	Economic effects	National Statistical System

### 3. Sustainable Growth

3.1. Competitiveness	<b>Growth of enterprise creation</b>	<b>Net enterprise creation as measured by WDI (Headline target)</b>	<b>World Bank</b>
3.2. Resource Efficiency	<b>Growth of Exports of Goods and Services per capita</b>	<b>(Headline target)</b>	<b>National Statistical System</b>
	Global Competitiveness Index		WEF
	Total GHG emissions (including emissions per capita and per GDP measurement unit)		National UNFCCC Focal Point/Statistics Office
	GHG emissions by sector		Administration sources/National UNFCCC Focal Point
	Share of renewable energy sources in gross final energy consumption		ECS/National energy balance sheet
	Primary energy consumption	Gross Inland Energy Consumption excluding all non-energy consumption use of energy carriers	National energy balance sheet
	Energy dependence	Net imports of energy commodities divided by the sum of gross inland energy consumption and bunkers	National energy balance sheet
	Gross inland energy consumption by fuel		National energy balance sheet
	Electricity produced from renewable energy sources	Share of electricity produced from renewable energy sources in gross national electricity consumption	ECS/National energy balance sheet

	Share of renewable energy in fuel consumption of transport	Percentage of biofuels in total fuel consumption in transport	ECS/National energy balance sheet	
	Combined heat and power generation	Share of combined heat and power in gross electricity generation	National energy balance sheet	
	Energy intensity	Gross Inland Energy Consumption divided by the GDP measurement unit	National energy balance sheet/Statistics system	
	Expected energy saving in 2018		ECS/GIZ	
	Expected impact on energy saving in 2020		ECS/GIZ	
	Implicit tax rate on energy	Energy tax revenues in relation to final energy consumption	National energy balance sheet/Statistics system	
	Percentage of the population 18 to 64 years old who received any type of training in starting a business, during or after school			
	Resource efficiency innovators, calculated as the average of: - Share of innovators where innovation has significantly reduced labour cost (% of firms) - Share of innovators where innovation has significantly reduced the use of materials and energy (% of firms)			
<b>4. Inclusive Growth</b>				
4.1. Employment	<b>Employment rate</b>	<b>(Headline target)</b>	<b>Labor Force Survey</b>	
4.2. Education	Long term unemployment rate by gender and age		Labor Force Survey	
4.3. Health	Youth unemployment by gender		Labor Force Survey	
	People living in jobless households		Labor Force Survey	
	Share of third sector/social economy contribution in total GDP		National Accounts	
	Third sector/social economy employment			
	Persons with low educational attainment by age and gender, 2006	As % of total population in the relevant age group		Labor Force Survey
	Early school-leavers	% of the total population aged 18-24 who have at most lower secondary education and not in further education or training		Labor Force Survey
	Net enrollment ratio in elementary school	enrolment of the official age-group for a given level of education expressed as a percentage of the corresponding population		
	Literacy rate	The proportion of the adult/youth population aged 15 years		



		and over which is literate	
	Life Expectancy at Birth		Mortality and Life Expectancy Statistics, National Statistics
<b>5. Governance for Growth</b>			
	<b>Government effectiveness</b>	<b>As measured by the WBI World Governance Indicators (Headline target)</b>	<b>World Bank Institute</b>
	Corruption Perception Index	Perceived level of corruption as determined by expert assessments and opinion surveys	Transparency International
	eGovernment Services	Availability of 23 eGovernment Services identified by the eSEE Agenda Plus	Ministries in charge of information society
	World Governance Indicators	Enterprise, citizen and expert surveys on six dimensions of governance: voice and accountability, political stability and absence of violence, government effectiveness, regulatory quality, rule of law, and control of corruption.	The World Bank