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Letter from the president

Dear friends,

History sometimes moves at the pace of tectonic shifts. The new replaces the old, but often at a stride too slow to catch our limited human attention. You wake up one day, and things are suddenly very different. And you do what humans have always done – you set out anew, anxious to take on board all the past has taught and eager to leave a better mark on a world that we will someday bequeath.

2013 was very much like that – a year when the tectonic plates shifted beneath our feet, taking us far from where we began even if we didn't always understand the journey we were on. First and foremost, this is due to the rapid spread of digital technology. Eleven years ago, when the Lisbon Council was founded, the digital agenda barely existed. As recently as 2005, in the memorable words of Thomas L. Friedman, columnist for *The New York Times*: "Facebook didn't exist; twitter was a sound; the cloud was in the sky; 4G was a parking space; LinkedIn was a prison; an application was something you sent to college; and for most people Skype was a typo."

Today, digital technology is everywhere. But our policies – and, indeed, our very way of thinking about the society in which we live - continue to reflect a distinctly analog vision of the world. At the European level, we are still operating with laws like the Information Society Directive - a vintage 2001 legal framework which attempted to define rules for content diffusion back when the world wide web was a geek's only platform and phrases like "social media" were still-to-be-coined. The European Commission has undoubtedly advanced in filling that void, but we believe that progress in general has been too slow – reflecting a hesitation from policymakers to move society decisively forward into the digital era and a sometimes pronounced lack of understanding in parts of society over the revolutionary nature of changes that have already taken place.

And we believe this slowness to embrace and own the modern is threatening to push Europe out to the margins of global economic developments. We might indeed lead the world in some areas (four of the world's five most successful mobile app game developers,



for example, are European). But successful European digital companies like Spotify and Prezi must still go to the United States to acquire the scale – and access the funding – they need. Nearly half of all new jobs created are generated by companies less than five years old, as the OECD reminds us, and the loss of these successful young companies to our overseas friends has had a detrimental economic effect on Europe – and is a negative trend we ought to strive mightily to reverse.

Another challenge is a rebound from the economic crisis that can best be described as sluggish. This, in turn, has contributed to shattering social results – an unemployment rate of 10,8% in the European Union, up an

additional 0,4% in 2013 from the previous year, with particularly high unemployment (23,4%) among the young. How can this so-called "millennial generation" – the first born into the digital world we inhabit – be left behind like that, bereft of opportunity, and largely unable to find its way forward despite the evident need for more of the technology whose enthusiastic embrace defines this generation? How can we be so weak and slow-moving in an area where our young are so instinctively knowledgeable and eager to advance so quickly?

At the Lisbon Council, we responded in two ways. First and foremost, we launched an ambitious two-year investment programme, expanding the team, moving into new offices

and seeking to enlarge the already fast-growing work programme at the five centres of excellence housed within the Lisbon Council. We have also quietly reorganised our work, doubling up on the key themes of innovation, economic growth and social renewal and making sure these three strands are present in all of our work streams – much as the technology itself underlies developments in all policy areas.

Here's a look back on key themes and initiatives in 2013. You'll find interactive links to all of the videos, policy briefs and summit/roundtable highlights on pages 13-19 and captions for all of the photos on page 27.



I. Innovation

"Innovation contributes between two-thirds and four-fifths of economic growth in developed countries. In Europe, it accounted for 62% of all economic growth between 1995 and 2007. If growth is what we want, then we need to make Europe a place where innovation can flourish." So begins Plan I(nnovation) for Europe: Delivering Innovation-Led, Digitally-Powered Growth, a joint research project of the Lisbon Council and Nesta, a leading European

innovation think tank based in the United Kingdom. The study was launched at **The 2013 Innovation Summit** in Brussels. Introduced in the presence of Herman Van Rompuy, president of the European Council – who kindly delivered **The 2013 Guglielmo Marconi Lecture** to mark the occasion – the study advocates a seven-point programme for restoring growth in Europe and insuring we move more decisively towards the innovation-led productivity improvements that will make our social model sustainable in the longer terms.

Elsewhere, the European Centre for Government Transformation, a joint project with the College of Europe and Accenture, continued its pioneering work on public-sector innovation and state modernisation. As in previous years, we welcomed 12 College of Europe students in public administration (Václav Havel promotion), who prepared College of Europe State Transformation Case Studies during a nine-month work-study programme. The students were divided into three teams, which each looked in depth at a particular

challenge facing a leading European public administration. The results were later judged by a jury of top public administrators and published in Innovative Ideas for Public Service for the Future: A View from Tomorrow's Leaders, a collection of essays. This year's winning team produced a plan for modernising the Spanish Prosecution Service within established budget constraints. At The 2013 European Summit for Government Transformation, Brian Hayes, minister of state at the Irish department of public expenditure, gave The 2013 Public Service Innovation Award to the winning team and delivered The 2013 Jean Monnet Lecture, a fascinating keynote on the ongoing effort to reform and modernise Ireland's public administration.

In other news, the Lisbon Council worked closely with the Irish Presidency of the Council of the European Union to spice up Council of the European Union deliberations. Together with Executive Director Ann Mettler, I had the rare honour of serving as rapporteur for the Competiveness Council (Informal), which took place in Dublin Castle under the chairmanship of Irish Minister for Jobs, Enterprise and Innovation Richard Bruton and Minister for Research and Innovation Seán Sherlock, Executive Director Mettler and I attended most sessions at this highlevel meeting, which was dedicated to the theme "innovative pathways to growth and jobs," and delivered a policy-laden summary to the Irish Government, which was distributed to ministers at their next meeting.

Elsewhere, Minister Sherlock also visited the Lisbon Council in Brussels, where he delivered the keynote at the High-Level Roundtable on Making the Copyright Regime Fit for the Digital Age which convened in the margins of the May 2013 Competitiveness Council. The summit saw the launch of Copyright Reform for Growth and Jobs: Modernising the European Copyright Framework, a blistering Lisbon Council policy brief written by Senior Fellow Ian Hargreaves and Academic Adviser Bernt Hugenholtz. The paper included an eightpoint agenda for reform, and proposed a visionary European Copyright Law (Regulation) to create a truly digital single market in Europe.









II. Growth and jobs

"With only three years of existence, **The Euro Plus Monitor** has become a reference tool for academics, journalists and policymakers in Europe," said Olli Rehn, vice-president of the European Commission and commissioner for economic and monetary affairs and the euro, who kindly joined **The 2013 Euro Summit** where **The 2013 Euro Plus Monitor** was launched. "I find it particularly interesting to look at the two main aggregate indicators developed by the study," he added.

The Euro Plus Monitor is a joint publication of the Lisbon Council and Berenberg, a leading European investment bank. Last year saw particular success for this biannual publication. José Manuel Barroso, president of the European Commission, joined the launch of **The Euro Plus Monitor Spring 2013 Update**, which concluded that "if the eurozone and its member countries stay the course, the euro crisis could be largely over by the end of this year." Anthony Giddens, former director of London School of Economics, said the report's findings were "important and revealing" in his seminal book *Turbulent and Mighty Continent: What Future for Europe?*

Elsewhere, Chief Economist Alessandro Leipold launched the **Economic Intelligence** series, focusing on the economic challenges facing Europe and analysing the decisions taken by the European Council. Mr Leipold, who previously led the European department of the International Monetary Fund, wrote five on-the-mark Economic Intelligence briefs, which were distributed to a growing following of academics and policymakers. During the year, Mr Leipold also wrote Lessons of Three Years of Euro-Area Crisis Fighting: Getting It Right Next Time, a hard-hitting nine-point plan for improving Europe's economic governance, which was launched in Brussels. As part of that project, Mr Leipold led a high-level seminar of top analysts and country managers from the European Commission's economic and financial affairs directorate-general.

The Lisbon Council also launched **The Growth** and **Competitiveness Initiative**, a multi-year project analysing the policies that deliver growth. The project will be led by the **Growth and Competitiveness Commission**, a high-level

'Few think tanks in Brussels have as strong a focus on innovation as the Lisbon Council.'

Herman Van Rompuy, president of the European Council

panel of leading European economists, chaired by Leszek Balcerowicz, former Polish deputy prime minister and author of Poland's economic transformation in the 1990s. Prof Balcerowicz kicked off the debate with **Economic Growth** in the European Union, the Lisbon Council's first e-book, which analysed economic growth throughout Europe in the post-war period. Later, Pier Carlo Padoan, former chief economist of the OECD, had to leave the group when he was appointed finance minister in Matteo Renzi's government.

III. Digital-age entreprise

The Lisbon Council deepened its work on digital entrepreneurship through several important initiatives. The **StartUp Europe Initiative**, launched together with Telefónica, convened several high-level summits on digital literacy and entrepreneurship. Neelie Kroes, vice-president

of the European Commission and commissioner for the digital agenda, led a star-studded field of digital luminaries at the **StartUp Europe Forum** in London, held in the margins of Campus Party, Europe's largest technology festival. Among those taking part in the StartUp Europe Forum were José María Álvarez-Pallete López, chief operating officer of Telefónica; Vince Cable, UK secretary of state for business and skills; Máire Geoghegan-Quinn, European commissioner for research, innovation and science; Stephen Green, UK minister of trade (and former chair of HSBC bank); Geoff Mulgan, chief executive of Nesta; David Puttnam, film maker and digital champion for Ireland; Joanna Shields, chair of London's Tech City initiative and Matthias Ummenhofer, head of venture capital at the European Investment Fund, the venture-capital arm of the European Investment Bank. Earlier, Mark Surman, executive director of Mozilla Foundation, led a workshop on "digital literacy," which ended with a special coding session for high-level participants.

The **Single Market Entrepreneurs Centre** was also very active. Founded in 2012 in collaboration with Google, this multidisciplinary centre seeks to enhance the visibility, recognise the importance and underline the transformational nature of entrepreneurs and small- and medium-sized businesses. In 2013, it hosted a **High-Level Working Lunch on Venture Capital** in **Europe** with star investor Brad Burnham,



'We believe that the digital single market will be a key driver of growth and jobs. On this, I will follow closely the Lisbon Council's project on Innovation Economics which is being launched at this summit.'

Enda Kenny, taoiseach (prime minister) of Ireland, delivers The 2013 Robert Schuman Lecture

managing partner of Union Square Ventures and an early-stage investor in several hugely successful companies including Etsy, Foursquare, Kickstarter, twitter and Zynga. Convening under the theme of "how smart policy choices can attract international venture capital," Mr Burnham discussed the role of disruptive innovation in the economy and described the policy framework needed to successfully attract more early-stage and venture capital to Europe.

The Lisbon Council also deepened its transatlantic collaboration with Progressive Policy Institute, the Washington, DC-based think tank, on trade in data and the emerging Transatlantic Trade and Investment Partnership with the US. In 2013, the two leading think tanks launched this important transatlantic dialogue to inform and intellectually accompany the emerging trade agreement. Jointly, they convened **The Transatlantic Summit**

on Data-Driven Productivity and Trade: Unlocking New Drivers and Growth, a highlevel gathering where leading policymakers from Washington, DC and Brussels met to exchange views and debate. Among those taking part were three members of the European Parliament, including Jan Philipp Albrecht (Greens/European Free Alliance), rapporteur for the General Data Protection Regulation; Dimitrios Droutsas (S&D), former Greek foreign minister and rapporteur for the S&D position on the General Data Protection Regulation; and Marietje Schaake (ALDE), member of the European Parliament's committee on international trade and delegation for relations with the US. Follow up summits are planned for 2014 in Washington, DC and Brussels, and will involve the **Digital Trade Study Group**, which includes several key staff members from the US Congress.

IV. Thought leadership

Throughout the year, the Lisbon Council continued to serve as an important hub for new thinking about the European project. Enda Kenny, taioseach (prime minister) of Ireland, graciously delivered The 2013 Robert Schuman **Lecture** to a rapt audience at **The Europe 2020 Summit** (he spoke movingly of the efforts to steer Ireland beyond its status as a "crisis country" and called on the EU to redouble its commitment to innovation and 21st century growth strategies). Anthony Giddens, the legendary British sociologist and former director of the London School of Economics, asked the Lisbon Council to host the Brussels launch of Turbulent and Mighty Continent: What Future for Europe?, his new book on how to get the European project moving again, in which he cited Lisbon Council research six times. Ginni Rometty, chairman,



V. Centres of excellence

Work at the Lisbon Council continues to expand, particularly as we develop longer-term collaborations and centres of excellence devoted to exploring key themes in depth. In 2013, much of our work on innovation and intellectual property was brought together in a new home the Centre for Innovation Economics – where we will continue developing an evidence base for policies that deliver innovation and highlighting key trends in the economy's development. In 2014, the **StartUp Europe** initiative will be relaunched as part of the European Digital Forum, where it will continue working to build a greater awareness of the policy framework that would help Europe's digital entrepreneurs advance. Vice-President Neelie Kroes is scheduled to announce the new think tank at the World Economic Forum in Davos (the European Commission will be one of five founding partners of the new initiative, which will be jointly spearheaded by the Lisbon Council and Nesta). The European Digital Forum will intellectually accompany the Startup Manifesto, a hardhitting appeal issued by leading European tech entrepreneurs including the founders of Spotify (Daniel Ek) and Rovio (Kaj Hed), two global frontrunners in the mobile app entertainment field who just happen to be European. Together with leaders like these, we hope to make Europe

a genuine hub for economic success and global leadership in this area – and, perhaps in some modest way, to help restore the yawning gap in European society brought on by chronically low growth and high structural unemployment.

Next year will continue to see change. A new European Parliament will take its seat in Brussels and Strasbourg. A new European Commission president will join us on Rond-Point Schuman. And the Lisbon Council will get a new office, a mobile-friendly website, a mobile app (available for iOS and Android platforms in the App Store

and Google Play) and an expanded social media presence to help us communicate better with people like you.

Also on behalf of my friends and colleagues, I want to thank you for your trust, support and engagement. As the tectonic plates continue to shift, I hope you will join us in the effort to make our European continent an even better place to live. It's the most we can do for ourselves. And the least we can do for the generation to come.



Paul Hofheinz President The Lisbon Council asbl



s1ngle market entrepreneurs









Summits and roundtables

The Lisbon Council convened 17 summits and high-level roundtables in 2013 – the most we have ever convened in a single year. Here, you will find single-page overviews summaries, links to videos and keynote speakers' presentations.

The Europe 2020 Summit

http://www.lisboncouncil.net/news-a-events/464-enda-kenny-keynotes-europe-2020-summit.html

Digital and Web Literacy Deep Dive

http://www.lisboncouncil.net/news-a-events/473-digital-and-web-literacy-deep-divesession.html

Data-Driven Productivity and Trade

Convened jointly with Washington, DC's Progressive Policy Institute http://www.lisboncouncil.net/news-a-events/474-lisbon-council-and-progressive-policy-institute-team-up-on-data-driven-productivity-and-trade-.html

Venture Capital in Europe

http://www.lisboncouncil.net/news-a-events/512-venture-capital-in-europe-high-level-working-lunch.html

The 2013 European Summit for Government Transformation

http://www.lisboncouncil.net/news-a-events/475-brian-hayes-td-delivers-the-2013-jean-monnet-lecture-.html

Making the Copyright Regime Fit for the Digital Age

http://www.lisboncouncil.net/news-a-events/477-making-the-copyright-regime-fit-for-the-digital-age.html

High-Level Roundtable on Public Sector Innovation

http://www.lisboncouncil.net/ news-a-events/478-public-sector-innovation-at-centre-of-collaboration-with-european-commission.html



'I'd like to thank in particular Telefónica and the Lisbon Council for organising [the Startup Europe Forum]. Because they know it's crucial for them — crucial for us all — that we can skill up for the future.'

Neelie Kroes, vice-president of the European Commission and commissioner for the digital agenda

How Much Scope for Growth- and Equity-Friendly Budgetary Consolidation in OECD Countries? An OECD Assessment

http://www.lisboncouncil.net/news-a-events/494-oecd-launches-new-study-at-the-lisbon-council.html

Competitive Advantage in an Era of Innovation: Virginia M. Rometty Address

http://www.lisboncouncil.net/news-a-events/495-ibms-rometty-on-competitive-advantage-in-an-era-of-innovation.html

StartUp Europe Forum @ Campus Party in London

http://www.lisboncouncil.net/news-a-events/498.html

Innovation Union: Driving Europe's Competitiveness Agenda

http://www.lisboncouncil.net/news-a-events/499-vince-cable-and-maire-geoghegan-quinn-at-starup-europe-forum.html

Driving Growth and Innovation in the Digital Economy

http://www.lisboncouncil.net/news-a-events/501-don-tapscott-on-the-digital-economy-making-it-happen-.html

The 2013 Innovation Summit

http://www.lisboncouncil.net/news-a-events/505-herman-van-rompuy-keynotes-the-2013-innovation-summit.html

The 2013 Ludwig Erhard Lecture

http://www.lisboncouncil.net/news-a-events/508-economic-growth-in-the-european-union.html

Brussels Launch of Turbulent and Mighty Continent: What Future for Europe? by Anthony Giddens

http://www.lisboncouncil.net/news-a-events/513-anthony-giddens-launches-new-book-on-europe. html

The 2013 Euro Summit

http://www.lisboncouncil.net/news-a-events/518-olli-rehn-keynotes-euro-summit.html

Embracing Change to Spearhead Modernisation and Recovery: Expert Group Report on Public Sector Innovation

http://www.lisboncouncil.net/ news-a-events/528-powering-public-sector-innovation.html



The Lisbon Council produced 13 publications in 2013, including **Economic Growth in the European Union**, our first e-book. All publications are available for downloading free of charge on the Lisbon Council website at www.lisboncouncil.net and on the Lisbon Council App.

Plan I(nnovation) for Europe: Delivering Innovation-Led, Digitally-Powered Growth

http://www.lisboncouncil.net//index.php?option=com_downloads&id=909

Economic Growth in the European Union – Leszek Balcerowicz (principal author), Andrzej Rzonca, Lech Kalina and Aleksander Łaszek

http://www.lisboncouncil.net//index.php?option=com_downloads&id=925

The 2013 Euro Plus Monitor: From Pain to Gain

http://www.lisboncouncil.net//index.php?option=com_downloads&id=932

Lessons from Three Years of Euro-Area Crisis Fighting: Getting It Right Next Time – Alessandro Leipold

http://www.lisboncouncil.net//index.php?option=com downloads&id=857

Copyright Reform for Growth and Jobs: Modernising the European Copyright Framework – Ian Hargreaves and Bernt Hugenholtz

http://www.lisboncouncil.net//index.php?option=com_downloads&id=847

Innovative Ideas for Public Services for the Future, College of Europe Student Case Studies Final Report 2013

http://www.lisboncouncil.net//index.php?option=com_downloads&id=834

'I would like to thank the Lisbon Council for all the work it has done in the past few years and is doing. I have used it quite extensively in *Turbulent and Mighty Continent: What Future for Europe?*, and I am grateful to the Lisbon Council for this.'

Anthony Giddens, former director of the London School of Economics, life fellow of King's College Cambridge, member of the House of Lords, at the Brussels launch of *Turbulent and Mighty Continent: What Future for Europe?*

The Euro Plus Monitor Spring 2013 Update

http://www.lisboncouncil.net//index.php?option=com_downloads&id=787

Economic Intelligence: The European Council of 14-15 March 2013, Can It Deliver? – Alessandro Leipold

http://www.lisboncouncil.net//index.php?option=com_downloads&id=876

Economic Intelligence: The 14-15 March 2013 European Council, Post-Summit Analysis – Alessandro Leipold

http://www.lisboncouncil.net//index.php?option=com_downloads&id=877

Economic Intelligence: The 27-28 June 2013 European Council – Alessandro Leipold

http://www.lisboncouncil.net//index.php?option=com_downloads&id=885

Economic Intelligence: The 27-28 June 2013 European Council, Post-Summit Analysis – Alessandro Leipold

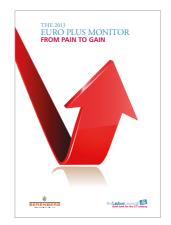
http://www.lisboncouncil.net//index.php?option=com downloads&id=879

Economic Intelligence: Banking Union and the 19-20 December European Council – Alessandro Leipold

http://www.lisboncouncil.net//index.php?option=com_downloads&id=943

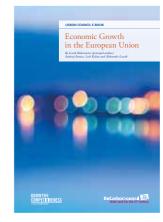
Ten Years of the Lisbon Council: Special Tenth Anniversary Publication

http://www.lisboncouncil.net//index.php?option=com_downloads&id=952











Videos

The Lisbon Council sets a high standard for academic excellence in all of our research. But we also seek to communicate with modern means. Here are links to some of the 13 videos we produced in 2013.

The 2013 Robert Schuman Lecture

Enda Kenny, taoiseach and head of the Presidency of the Council of the European Union on the Irish EU agenda: towards stability, growth and jobs.

https://www.youtube.com/watchh?v=U6J87JbItrc&list=PL69C61E52A50F7DC5

Europe 2020: A Blueprint for the Post-Crisis World

José Manuel Barroso, president of the European Commission, keynotes The Europe 2020 Summit.

https://www.youtube.com/watch?v=2villprQlys &list=PL69C61E52A50F7DC5

Special Message to The Europe 2020 Summit

Leszek Balcerowicz, former deputy prime minister, finance minister and national bank president of Poland and now professor at the Warsaw School of Economics, discusses policies to get Europe moving again and start creating jobs.

https://www.youtube.com/watch?v=dVwJb9X-KL5w&list=PL69C61E52A50F7DC5

Competitive Advantage in an Era of Innovation

Virginia M. Rometty, chairman, president and CEO of IBM, talks about the challenges of and opportunities for data-driven businesses before a top-level Brussels audience.

https://www.youtube.com/watch?v=Z-InIDdBuSqo

How Innovation is Changing in Europe

Andrew W. Wyckoff, director for science, technology and industry at the Organisation for Economic Co-operation and Development, looks at ways of driving forward innovation. https://www.youtube.com/watch?v=m4kM7o-cL6fA&list=PL9ipQnD91LcM-tzpnqopRDi-8tOLTNwgvG

The 2013 Guglielmo Marconi Lecture

Herman Van Rompuy, president of the European Council, sets out a compelling vision for an enhanced, modernised European innovation agenda on the eve of the October 2013 European Council.

https://www.youtube.com/watch?v=Hd2Tzh_RZ-Q&list=PL9ipQnD91LcM-tzpnqopRDi-8tOLTNwgvG

The 2013 Jean Jacques Rousseau Lecture

Anthony Giddens, former director of the London School of Economics, presents an array of new ideas for energising the European project. Joaquín Almunia, vice-president of the European Commission, serves as discussant.

Video 1: Anthony Giddens: Turbulent and Mighty Continent: A Short Introduction https://www.youtube.com/watch?v=x5dON4o-Li4c&list=FLjGuBWOBBQT4iEjpuuORtgA

Video 2: Anthony Giddens' Full Speech https://www.youtube.com/watch?v=5ExcCtFOT-Zo&list=PL69C61E52A50F7DC5

Video 3: Joaquín Almunia's Full Speech https://www.youtube.com/watch?v=0P8U0PbaR-Po&list=PL69C61E52A50F7DC5

Why is the Internet Important?

StartUp Europe Forum asked participants three questions: Why is the Internet important? How will it change the world? And what advice would you give European policymakers about internet, innovation, and entrepreneurship? The results are fascinating. https://www.youtube.com/watch?v=PgRI-jmoUaQM&list=PL69C61E52A50F7DC5

Making the Digital Economy Happen

Don Tapscott, leading Internet economy guru and co-author of business bestseller *Wikinomics: How Mass Collaboration Changes Everything*, describes the way technology is changing Europe and how policymakers should respond. https://www.youtube.com/watch?v=NN5j5m5d-pr8&list=PL9ipQnD91LcM-tzpnqopRDi8tOLT-NwgvG

Web Literacy: Building a Generation of 'Digital Makers'

Mark Surman, executive director of Mozilla Foundation, explains how the open nature of the Internet needs digitally-savvy participants who can actively shape its content.

Video 1: Introduction to Web Literacy (Short Form) https://www.youtube.com/watch?v=E40VFmGK uG8&list=PL9ipQnD91LcMY_PWhLZtyhT1C-GgKkMnK2

Video 2: Mark Surman's Keynote at Digital Literacy Deep Dive https://www.youtube.com/watch?v=q-v7zW985nc



Financial report

Income and expenditure*

Income	€1,023,300.00	€864,292.56
Donations	823,300.00	693,000.00
Grants	200,000.00	171,292.56
Expenditure	€1,021,610.16	€899,187.26
Office	109,313.28	56,998.33
Administration	604,034.95	563,758.43
Travel	31,370.74	23,432.95
Events	192,690.49	167,463.01
Publications	53,866.90	68,629.73

2013

2012

18,904.81

Surplus/deficit (reserves)	€1,689.84	(€34,894.70)
Surplus/deficit brought	0.00	0.00
forward from prior periods		
Surplus deficit carried forward	0.00	0.00

30,333.80

Depreciation

Statutory auditor: Moore Stephens Verschelden cvba Accounts prepared by Vandenbranden Accountants bvba

Balance sheet**

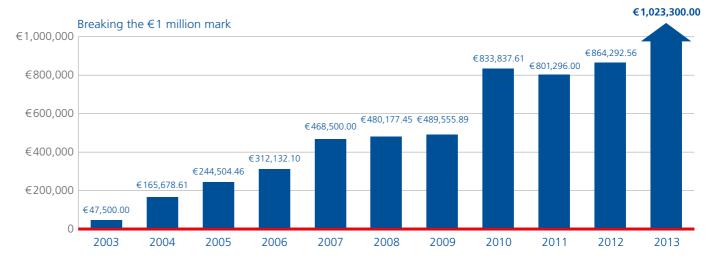
	2013	2012
Assets	€95,059.30	€72,278.96
Fixed Assets	€55,059.30	€31,708.44
Net equipment	55,059.30	30,547.56
Net furniture	0.00	1,160.88
Current Assets	€40,000.00	€40,570.52
Accounts receivable	40,000.00	40,000.00
Cash or equivalent	0.00	0.00
Deferrals and accruals	0.00	570.52
Liabilities	€95,059.30	€72,278.96
Retained Earnings (Reserves)	(€38,244.70)	(€39,934.54)
Current Liabilities	€133,304.00	€112,213.50
Accounts payable	125,086.95	72,942.15
Salaries payable	3,847.16	5,584.88
Bank	3,941.02	33,556.97
Current account	428.87	129.50

^{**}as of 31 December 2013

^{*}covering the 12-month period ending 31 December 2013

Sustained growth and fundraising success

In 2013, the tenth year of operations, the annual budget surpassed the €1 million mark.



Acknowledgements

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Accenture, Berenberg, Permanent Representation of Denmark to the European Union, Education,

Audiovisual and Culture Executive Agency (European Commission), Google, HP, IBM, Intuit, KAPP Netherlands, Oracle, Philips and Telefónica. Special thanks as well to Salesforce.com for data base support through Salesforce.com Foundation's non-profit assistance programme.

'With only three years of existence, **The Euro Plus Monitor** has become a reference tool for academics, journalists and policymakers in Europe. I find it particularly interesting to look at the two main aggregate indicators developed by the study.'

Olli Rehn, vice-president of the European Commission and commissioner for economic and monetary affairs and the euro

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Moore Stephens Verschelden BDC/Esplanade 1 box 96 B-1020 Brussels, Belgium

Report from the statutory auditor concerning the financial year ended on 31 December 2013 of The Lisbon Council for Economic Competitiveness and Social Renewal asbl/vzw

In accordance with the legal and statutory requirements, we report to you on the performance of the reporting assignment which has been entrused to us in our capacity

of statutory auditor of The Lisbon Council for Economic Competitiveness and Social Renewal asbl/vzw. This report contains our opinion on the true and fair view of the financial statements as well as the required additional statements and information.

Unqualified audit opinion on the financial statements

We have audited the financial statement for the year ended on 31 December 2013, prepared in accordance with the financial framework applicable in Belgium, which shows a balance sheet total of €95,059.30 and a profit for the year of €1,689.84.

Management is responsible for the preparation and the fair presentation of these financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the legal requirements and the auditing standards applicable in Belgium as issued by the Institute

of Registered Auditors (Institut des reviseurs d'entreprises / Instituut der Bedrijfsrevisoren). Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement, whether due to fraud or error. In accordance with the above-mentioned standards. we considered the association's accounting system, as well as its internal control procedures. We have obtained from management and from the association's officials the explanations and information necessary for executing our audit procedures. We have examined, on a test basis, the evidence supporting the amounts included in the financial statements. We have assessed the appropriateness of accounting policies and the reasonableness of the significant accounting estimates made by the association as well as the overall financial statement presentation. We believe that these procedures provide a reasonable basis for our opinion.

In our opinion, the financial statements for the year ended 31 December 2013 give a true and fair view of the association's assets and liabilities, its financial position and the results of its operations for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

Additional statements and information

The management is responsible for the compliance by the association with the Law of 27 June 1921 on non-profit organisations, international non-profit organisations and foundations.

Our responsibility is to supplement our report with the following additional statements and information, which do not modify our audit opinion on the financial statements:

Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium. There are no transactions undertaken or decisions take in breach of the association's statutes or of the Law of 27 June 1921 related to non-profit organisations, international non-profit organisations and foundations that we have to report to you.

Moreover, we can certify that the costs declared by The Lisbon Council for Economic Competitiveness and Social Renewal asbl/vzw in the financial statements regarding the following specific agreement 2013-0269/001-001, on which the requests for payment are based, are real, accurately recorded and eligible in accordance with the terms of the grant agreement.

So drawn up in Brussels on 07 March 2014.



Moore Stephens Verschelden, statutory auditors As legal representative Jacques Van den Abeele Statutory Auditor



Leadership

Senior fellows, managers and staff*

Sergey Filippov (associate director); Benjamin Gibert (fellow, the Lisbon Council); Ian Hargreaves (senior fellow, the Lisbon Council; professor of digital economy, University of Cardiff); Alessandro Leipold (chief economist, the Lisbon Council; former acting director, European Department, International Monetary Fund); Stéphanie Lepczynski (associate director); Chrysoula Mitta (community manager); Martin **Schuurmans** (senior adviser for innovation and entrepreneurship, the Lisbon Council; founding chairman, European Institute for Innovation and Technology [EIT]); Anthony D. Williams (senior fellow for innovation, the Lisbon Council; director and co-founder, Centre for Digital Entrepreneurship and Economic Performance, Canada)

Board of directors

Paul Hofheinz (president and co-founder); Tjark de Lange (treasurer and co-founder, the Lisbon Council; CEO and founder, KAPP Netherlands); Sören Stamer (member of the board of directors, the Lisbon Council; CEO and co-founder, Yokudo, Germany); **Joeri van den Steenhoven** (member of the board of directors, the Lisbon Council; director, Solutions Lab at MaRS Discovery District, Canada); **Paweł Świeboda** (member of the board of directors, the Lisbon Council; director and co-founder, demosEUROPA, Poland)

General assembly

Paul Hofheinz (president and co-founder, the Lisbon Council); Tjark de Lange (member of the board, treasurer and co-founder, the Lisbon Council; CEO, KAPP Netherlands); Elisabeth **Lulin** (founder and CEO, Paradigmes, France); **Ann Mettler** (executive director and co-founder. the Lisbon Council); Marcello Palazzi (president, Progressio Foundation, Netherlands); Sören Stamer (member of the board, the Lisbon Council; CEO and co-founder, Yokudo, Germany); Joeri van den **Steenhoven** (member of the board, the Lisbon Council; director, Solutions Lab at MaRS Discovery District, Canada); Paweł Świeboda (member of board, the Lisbon Council; director and co-founder, demosEUROPA, Poland); Jörg Tremmel (junior professor, Eberhard Karls Universität Tübingen, Germany)







Advisory board

Esko Aho (senior fellow, Mossavar-Rahmani Center for Business and Government, Harvard Kennedy School, Harvard University);

Martin Baily (senior fellow, Brookings Institution; former chairman of the Council of Economic Advisers to US President Bill Clinton); Christian Bason (director, MindLab, Denmark); Xavier Damman (co-founder and general manager, Storify); Soumitra Dutta (dean, Johnson School of Business, Cornell University); Isaac Getz (professor of innovation management, ESCP-EAP European School of Management, France); Harry van Dorenmalen

(chairman, IBM Europe); Meglena Kuneva (former European Commissioner for consumer affairs); Christophe Leclercq (publisher and founder, EurActiv); William W. Lewis (founder and director emeritus, McKinsey Global Institute); Roger Liddle (chair, Policy Network); Jörg Monar (rector, College of Europe); Geoff Mulgan (chief executive, Nesta); Simon Schaefer (founder and CEO, Factory, Germany); Andreas Schleicher (director, directorate of education and skills and special adviser on education policy to the secretary-general, Organisation for Economic Co-operation and Development [OECD]); Albrecht Sonntag (professor, European

integration, Ecole Superieure des Sciences Commerciales d'Angers [ESSCA], France); Mark Spelman (global managing director, thought leadership; chairman, Institute for High Performance, Accenture); Žiga Turk (professor, University of Ljubljana, Slovenia); Harry Verhaar (senior director, energy and climate change, Philips); Linnar Viik (associate professor and member of the board, Estonian Information Technology College); Gregor Woschnagg (adviser, Federation of Austrian Industries (IV), former permanent representative of Austria to the EU)



Photo captions

All photos are by Bernard Foubert unless otherwise noted. Page 2. Paul Hofheinz, president of the Lisbon Council (courtesy of Errol Morris). Keyboard image courtesy of xtock

Page 3. Expert Group on Public Sector Innovation Page 4. Paul Hofheinz and Jean-Claude Juncker, president-elect of the European Commission Page 5. Ann Mettler, executive director of the Lisbon Council, and José Manuel Barroso, president of the European Commission (2004-2014)

Page 6. Left to right, José Manuel Barroso; Paul Hofheinz; Ann Mettler and Alessandro Leipold, chief economist, the Lisbon Council

Page 7. Left to right, Anthony (Lord) Giddens, author of *A Turbulent and Mighty Continent: What Future for Europe?*, former director of London School of Economics; Ginni Rometty, chairman, president and CEO of IBM; Ian Hargreaves, professor of digital economy at University of Cardiff and senior fellow at the Lisbon Council; Neelie Kroes, vice-president of the European Commission and commissioner for the digital agenda (photo by @mbargo)

Page 8. Herman Van Rompuy, president of the European Council; Dainius Pavalkis, minister of education and science of Lithuania; Ann Mettler; Stian Westlake, executive director for policy and research at Nesta (photo by @mbargo)

Page 10. Enda Kenny, taioseach (prime minister), Ireland Page 11. Left to right, Ann Mettler; Vince Cable, secretary of state for business, innovation and skills of the United Kingdom; Máire Geoghegan-Quinn, European commissioner for research, innovation and science; Ronan Dunne, CEO, Telefónica UK

Page 12. Paul Hofheinz (courtesy of Errol Morris)
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Strathclyde University; Paul Hofheinz; Alistair Nolan,
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director of the intellectual property programme of the
master's in Droit économique at Sciences Po in Paris;
and Cédric Manara, associate professor of law, EDHEC
Business School (photo by @mbargo)
Page 18, Winners of The 2013 Public Service

Innovation Award for their case study on reform of the Spanish Public Prosecutors Service. Left to right, Mara Ruse (Latvia), Silvia Mosneaga (Moldova), Kristina Balunova (Slovakia) and Eguzki Osteikoetxea (Spain). These College of Europe students were part of The European Centre for Government Transformation, a joint venture of the Lisbon Council, Accenture and the College of Europe. Keyboard image courtesy of xtock Page 21. Olli Rehn, vice-president of the European Commission and commissioner for economic and financial affairs and the euro, and Holger Schmieding, principal author of *The Euro Plus Monitor* and chief economist of Berenberg

Page 22. Paul Hofheinz; Jörg Monar, rector, College of Europe; Michele Chang, professor, European political and administrative studies department, College of Europe

Page 24. Left to right, from the top: Vince Cable; Jean-Claude Juncker; Máire Geoghegan-Quinn; Joanna Shields, chair of Tech City (courtesy of Robert Wallis); Pier-Carlo Padoan, finance minister of Italy, former chief economist, OECD; Helle Thorning-Schmidt, prime minister of Denmark; Alessandro Leipold; Don Tapscott, co-author, *Wikinomics: How*

Mass Collaboration Changes Everything; Xavier Prats-Monné, director-general, DG education and culture; Mark Spelman, managing director of Accenture Strategy, member of the advisory board of the Lisbon Council; Leszek Balcerowicz, professor and head of the department of international comparative studies at the Warsaw School of Economics; chair, growth and competitiveness council, the Lisbon Council; Ros Lynch, director of copyright and IP enforcement, Intellectual Property Office of the UK; Will Marshall, president and founder, Progressive Policy Institute; Robert Madelin, director-general, DG communications networks, content and technology; Joaquín Almunia, vice-president of the European Commission and commissioner for competition; Cecilia Malmström, European commissioner

Page 25. Paul Hofheinz (courtesy of Errol Morris); Ann Mettler; Tjark de Lange, CEO of Kapp Netherlands, treasurer and co-founder, the Lisbon Council Page 26. Expert Group on Public Sector Innovation

Environmental responsibility

As part of our commitment to sustainability in all areas of policymaking – the environmental, the social and the financial – the Lisbon Council furnishes its office with "cradle-to-cradle" recyclable furniture and offsets the greenhouse gas emissions stemming from office operations and travel. As a result, the Lisbon Council carries the status of "climate neutral organisation." For more information, visit http://www.myclimate.org.



The Lisbon Council for Economic Competitiveness and Social Renewal asbl is a Brussels-based think tank and policy network. Established in 2003 in Belgium as a non-profit, non-partisan association, the group is dedicated to making a positive contribution through cutting-edge research and by engaging politicians and the public at large in a constructive exchange about the economic and social challenges of the 21st century.

www.lisboncouncil.net

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