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REPORT

on the financial, economic and social crisis: recommendations concerning the measures and initiatives to be taken
(2010/2242(INI))

Special Committee on the Financial, Economic and Social Crisis

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the financial, economic and social crisis: recommendations concerning the measures and initiatives to be taken
(2010/2242(INI))

The European Parliament,

– having regard to its decision of 7 October 2009[1] on setting up a special committee on the financial, economic and social crisis ('the CRIS Committee'), and its powers, numerical composition and term of office, adopted under Rule 184 of its Rules of Procedure,

– having regard to its decision of 16 June 2010 to prolong the mandate of the CRIS Committee until 31 July 2011,

– having regard to its resolution of 20 October 2010 on the financial, economic and social crisis: recommendations concerning measures and initiatives to be taken (mid-term report)[2],

– having regard to its resolution of 8 March 2011 on innovative financing at global and European level[3],

– having regard to the ongoing legislative agenda of the European Union, notably with regard to Treaty change, economic governance, the Single Market Act and energy policies,

– having regard to its conclusions following the proposals of its Special Committee on the Policy Challenges and Budgetary Resources for a Sustainable European Union after 2013 (SURE) concerning the new multiannual financial framework,

– having regard to the contributions received from the following national parliamentary bodies: the Austrian Bundesrat, the Austrian Nationalrat, the Belgian Senate and House of Representatives, the National Assembly of Bulgaria, the Senate of the Czech Republic, the Chamber of Deputies of the Czech Republic, the Danish Folketinget, the Finnish Eduskunta, the French Assemblée Nationale, the German Bundestag, the German Bundesrat, the Greek Vouli Ton Ellinon, the National Assembly of Hungary, the Italian Chamber of Deputies, the Italian Senato della Repubblica, the Latvian Saeima, the Lithuanian Seimas, the House of Representatives of the Netherlands, the Polish Sejm, the Polish Senate, the Assembly of the Republic of Portugal, the Romanian Chamber of Deputies, the Romanian Senate, the National Council of Slovakia, the National Assembly of the Republic of Slovenia, the Swedish Riksdagen, and the UK House of Lords and House of Commons,

– having regard to Rule 48 of its Rules of Procedure,

[1] OJ C 230 E, 26.8.2010, p. 11.
[2] Texts adopted, P7_TA(2010)0376.
[3] Texts adopted, P7_TA(2011)0080.

– having regard to the report of the Special Committee on the Financial, Economic and Social Crisis (A7-0228/2011),

A. whereas the social costs of the crisis are high, with employment falling in the EU by 1.8%, resulting in unemployment for 23 million economically active people (9.6% of the total), a youth unemployment rate of 21 %, uncertain prospects of an upturn in employment levels and 17% of EU citizens at risk of falling into poverty[1],

B. whereas the popular uprisings on the southern shores of the Mediterranean Sea and in the Middle East may be seen as a consequence of, *inter alia*, economic and social deficiencies, inequalities and high unemployment affecting the younger educated generation in particular and whereas they serve as a reminder of the value of democracy and as evidence that globalisation demands comprehensive responses concerning the recognition and observance of basic rights and freedoms and the righting of inequalities between countries and between different levels of society in each country,

C. whereas three years after the collapse of Lehman Brothers, some steps have been taken to counter the financial crisis; whereas, however, further work is needed to establish a sustainable financial sector able to cope with excessive speculative behaviour and to finance the real economy, preferably through funding long-term investment needs and the creation of jobs; whereas the economic governance reforms have not sufficiently addressed the issue of imbalances at global and EU level,

D. whereas output is forecast by the European Commission to fall by about 4.8% of GDP by 2013 and, over the next decade, to be significantly lower than over the last 20 years[2],

E. whereas the financial crisis has triggered an economic and social crisis leading in some countries to a political crisis,

F. whereas the crisis reveals a lack of trust, confidence and vision within the EU,

G. whereas further building on the social market economy and its values is an essential goal of the European Union,

H. whereas the number of people living in relative prosperity has increased, but economic and social gaps have at the same time widened,

I. whereas the global financial crisis has had a severe impact on progress towards achieving the Millennium Development Goals (MDGs), and, in particular, the goal of halving global poverty by 2015,

J. whereas the crisis has made clear the need for progress towards establishing a genuine

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[1] ,Eurostat, Statistics in focus, 9/2010, Population and social conditions
http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-SF-10-009/EN/KS-SF-10-009-EN.PDF
and European Commission, Employment in Europe 2010
(http://ec.europa.eu/employment_social/eie/executive_summarys_en.html#top).

[2] European Commission, Impact of the current Economic and Financial crisis on potential output, Occasional Papers 49, June 2009, Table V, Page 33
(http://ec.europa.eu/economy_finance/publications/publication15479_en.pdf).

economic governance of the Union, consisting of a systematic set of policies designed to ensure sustainable growth, good stable jobs, budgetary discipline, the correction of excessive macro-economic imbalances, competitiveness and productivity in the EU's economy, and stricter regulation and supervision of financial markets, as well as a suitable mechanism for resolving the financial crisis,

K. whereas in order for sustainable growth to be guaranteed in the Union and for the objectives of the Europe 2020 strategy to be achieved, it is necessary to redeploy unused payment appropriations to joint programmes targeting growth, competitiveness and employment, and to leverage EIB loans and set up a project bond market that attracts public and private investors and can be used to fund joint projects of interest to the Union as a whole (bonds for specific projects),

L. whereas in its above-mentioned resolution of 20 October 2010, Parliament clearly argued that what is needed now are clear strategies, long-term policy choices that are commonly agreed and financed and bring added value to the 27 Member States, and choices taken by politicians for and with citizens,

I. European sovereign debt and the euro crisis, including the mutual issuance of public debt and Eurobonds

1. Recalls the triangle of inter-linked vulnerabilities, whereby the unbalanced fiscal policy of some Member States has amplified the pre-crisis public deficits and the financial crisis has contributed significantly to a further ballooning of those deficits, followed by tensions in sovereign debt markets in some Member States;

2. Stresses that, following the downgrading of the sovereign debt of Greece, Ireland and Portugal by credit rating agencies, there has been a spill-over effect across the eurozone countries and a shift in portfolios reflecting speculative and risk-averse behaviour by investors and that, as a consequence of this, market funding at sustainable rates has become inaccessible to Greece and Ireland, resulting in the provision of financial assistance under EU-IMF programmes;

3. Considers that the International Labour Organization (ILO) should be involved in the EU-IMF financial assistance programmes;

4. Recalls that credit rating agencies played a significant role in the build-up to the financial crisis through the assignment of faulty ratings to structured finance instruments which had to be downgraded by an average of three to four notches during the crisis; agrees with the principles set out by the Financial Stability Board in October 2010 giving general guidance on how to reduce reliance on external credit ratings, and calls on the Commission to take into due consideration the public consultation that ended in January 2011;

5. Calls for a transparent audit of public debt to be carried out in order to determine its origin and to ascertain the identity of the main holders of debt securities and the amounts involved;

6. Notes that bilateral or multilateral approaches by Member States pose a threat to economic integration, financial stability and the credibility of the euro, and welcomes the principle of the European semester of economic policy coordination, the aim of

which is to overcome excessive internal imbalances within the EU;

7. Underlines the fact that the sovereign debt crisis has revealed the risks posed by intra-European imbalances; stresses the need for the EU to react as one, to develop a much closer coordination of fiscal policies and, where appropriate, a common one with a sufficient EU budget funded partly through own resources, and to put in place adequate provisions for crisis management and economic convergence;

8. Highlights the need to rationalise Member States' expenditures through the EU budget, notably in areas where the EU has more added value than national budgets;

9. Underlines that Member States' growth perspectives should be seen as a crucial element for the definition of the relative level of interest rates attached to that sovereign debt, in particular with respect to the assistance provided by the European Financial Stability Facility (EFSF) and, from 2013, by the European Stability Mechanism (ESM);

10. Recognises the efforts which the highly indebted Member States are making to bring about budget consolidation and structural reforms;

11. Stresses that parent banks originating in Member States also bear their share of responsibility for the irresponsible lending practices engaged in by their subsidiary banks in other EU Member States, which contributed *inter alia* to the real-estate bubbles in Spain, Ireland and Latvia, and the resulting budgetary difficulties which are currently being experienced by those Member States; notes, therefore, that the provision of financial assistance to those indebted Member States, were it to become necessary, would serve not only their particular interests but also the interests of those Member States in which the parent banks failed to develop responsible lending practices in their subsidiary banks in the first place;

12. Underlines that all Member States have systemic importance; calls for a comprehensive, socially inclusive and cohesive reform package addressing the weaknesses of the financial system; calls for the development of the concept of a European Treasury to strengthen the economic pillar of EMU; calls, moreover, for measures to overcome the current lack of competitiveness through appropriate structural reforms, addressing the objectives of the Europe 2020 strategy and the fundamental causes underlying the public debt crisis wherever necessary; points out that the Member States need to return to sustainable public finances and growth rates, based on sound policies for quality public expenditure and fair and efficient revenue collection;

13. Calls on the Commission to carry out an investigation into a future system of Eurobonds, with a view to determining the conditions under which such a system would be beneficial to all participating Member States and to the eurozone as a whole; points out that Eurobonds would offer a viable alternative to the US dollar bond market, and that they could foster integration of the European sovereign debt market, lower borrowing costs, increase liquidity, budgetary discipline and compliance with the Stability and Growth Pact (SGP), promote coordinated structural reforms, and make capital markets more stable, which will foster the idea of the euro as a global ‘safe haven’; recalls that the common issuance of Eurobonds requires a further move towards a common economic and fiscal policy;

14. Stresses, therefore, that when Eurobonds are to be issued, their issuance should be limited to a debt ratio of 60% of GDP under joint and several liability as senior

sovereign debt, and should be linked to incentives to reduce sovereign debt to that level; suggests that the overarching aim of Eurobonds should be to reduce sovereign debt and to avoid moral hazard and prevent speculation against the euro; notes that access to such Eurobonds would require agreement on, and implementation of, measurable programmes of debt reduction;

15. Notes that there is political agreement on revising Article 125 of the Treaty on the Functioning of the European Union (TFEU) in order to transform the temporary EFSF system into a permanent ESM by 2013; calls for the ESM to be converted into an European Debt Agency at a later stage and for Parliament to be given a consistent role in this modification of the Treaty;

16. Regrets the lack of social responsibility demonstrated by financial sector professionals by not forfeiting part of their bonuses for at least one year and instead donating them to a social project, such as the alleviation of youth unemployment in the Union;

II. Global imbalances and governance

17. Recalls that the USA and China are the two main contributors to global imbalances, and calls for China to become an active participant in the global economic governance system;

18. Notes that over half of the global economy is located outside the EU, the USA and Japan, this being a recent and unprecedented reversal of the situation previously prevailing;

19. Stresses that rebalancing global demand requires an asymmetric approach: countries with large external surpluses (e.g. China) need to diversify the drivers of growth and boost internal demand, whereas countries with large deficits (e.g. the USA) need to increase domestic savings and complete structural reforms;

20. Stresses that the financial markets must serve sustainable development of the real economy;

21. Supports the G20 in its efforts to regulate commodity derivatives markets; calls on the Commission to address price volatility in agricultural markets, to fully implement all framework measures agreed on at G20 level and to combat excessive and harmful speculation, notably through the upcoming financial market legislation to be introduced in the EU, the Market Abuse Directive[1] and the Markets Financial Instruments Directive[2];

22. Recalls the importance of raw materials for the European Union, as well as food security and price stability worldwide, especially for developing countries, and the inflationary pressures which food scarcity and price instability cause globally; accordingly, calls on the European Union to step up efforts to reduce dependency on raw materials by speedily improving efficiency standards, as well as to enhance the production and use of renewable materials; notes that, in order to contribute to food security and price stability, sustainable modes of production need to be generalised while supply side-management mechanisms need to be re-introduced; to that end, calls

[1] Directive 2003/6/EC of the European Parliament and of the Council of 28 January 2003 on insider dealing and market manipulation (market abuse) (OJ L 96, 12.4.2003, p. 16).

[2] Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments (OJ L 145, 30.4.2004, p. 1).

for further transparency and reciprocity in trade; warns, moreover, against protectionist tendencies in the field of strategic raw materials;

23. Calls for better regulation of credit default swaps;

24. Takes note of the tendency for very large amounts of private investment to go into emerging economies, with inward flows of close to USD 1 trillion expected in 2011[1]; calls on the IMF to develop a framework to prevent the formation of speculative bubbles by supervising global capital flows and to take appropriate measures in order to prevent harmful developments; recognises that capital controls are no substitute for appropriate economic policies and should be employed only as a last resort; stresses the need for countries to take steps in parallel to counter the formation of such bubbles;

25. Notes the possible risks, in terms of non-optimal conditions for long-term financing of the real economy, of the ongoing concentration of financial market actors, including financial institutions and exchanges; with this in mind, calls on the European Systemic Risk Board to closely monitor the development of any systemic risks resulting from concentration in the financial markets;

26. Underlines the fact that, whilst the EU has a balanced current account and does not contribute to global imbalances, it would be strongly affected by a disorderly correction of imbalances through a depreciation of the US dollar; notes that the EU must coordinate its polices on trade and currency imbalances closely with the USA with a view to avoiding a rapid depreciation of the dollar; urges the USA, as well as major world actors, to ensure that currency management becomes a multilateral endeavour involving all major world currencies; welcomes the fact that indicators for global imbalances have been announced, and calls for such indicators to be taken fully into account in the formulation of macro-economic policies;

27. Stresses that the EU needs to address a number of challenges in order to improve its role as a global player, namely a lack of competitiveness and convergence, insufficient financial stability, weak internal rates of employment and growth, internal imbalances increasing with the deepening of the internal market and EMU, and a lack of political weight at international level due, *inter alia*, to the lack of coherence of its representation in international organisations, which could be improved by implementing measures to ensure the unified representation of the euro internationally, as stated in the Treaty;

28. Recalls that the EU must speak with one voice and that it must, where appropriate, fully represent Member States and globally advocate democracy, human rights, the rule of law, decent work and living conditions, good governance, sustainable development, free and fair trade, and climate goals in keeping with its internal agenda, as well as fighting against corruption, tax fraud, tax evasion and tax havens;

29. Considers that Europe should aim at achieving a balanced, free and fair global trade agreement in order to reduce contrasts between emerging economies and developed ones; calls for the dismantling of trade barriers; regards the absence of a global trade agreement constitutes a major handicap, since emerging economies are blocked by developed ones on agricultural exports projects and emerging ones block services from the advanced economies;

[1] IMF Staff Position Noteposition, 19 February 2010, SPN/10/04, Capital Inflows: The Role of Controls.

30. Stresses the need to open up public procurement markets, on a transparent and reciprocal basis;

31. Stresses the importance of the spirit of reciprocity, and the mutual benefits to be gained, in the EU's relations with its main strategic partners; considers in this regard that the EU should ask itself whether it might not be expedient to equip itself with tools with which to examine the state aid-related economic practices of third countries and to assess any behaviour which might have the aim of transferring key technologies outside EU territory;

32. Notes that, at present, the International Accounting Standards Board (IASB) requires combined balancing of accounts only at regional level; calls for the adoption of accounting rules which require all businesses and foundations to keep accounts per country, and for the promotion of international tax cooperation by means of agreements between authorities on exchanging information;

33. Recalls its insistence on a far-reaching reform of global economic and financial governance, in order to promote transparency and accountability and to ensure coherence between the policies of the international economic and financial institutions; calls for the Bretton Woods institutions – including a global economic governance structure, yet to be established – to be integrated into the UN system, where they should engage with the World Trade Organization (WTO), with the ILO and with a world climate organisation that needs to be created;

34. Calls for the prompt adoption by the G20 countries of global and coordinated policy measures to contribute to strong, stable and balanced global sustainable growth; calls for the involvement of those countries' respective parliaments with a view to increasing legitimacy and accountability; calls, moreover, for a reform of, and more financial resources for, the IMF in order to enhance its transparency and accountability and render it more democratic, while strengthening its role in the economic and financial surveillance of its members, with a view to setting up a credible safety net to combat global imbalances;

35. Underlines the fact that the EU should have a single representative on the IMF board in the mid-term;

36. Calls for new financial assistance arrangements to be introduced, as follows:

    – a reformed IMF could act as a global lender of last resort and could counteract the need of individual countries to accumulate currency reserves if its ability to deliver short-term liquidity and stronger financial safety nets were strengthened;

    – MDGs: the current crisis has highlighted the need to create incentives for financial markets to promote long-term investment and sustainable development; the financial role for the multilateral and bilateral development banks and organisations should be updated and upgraded in response to the increased financing demands from developing countries; revenues from the financial transaction tax could be used in part to finance achievement of the MDGs and will be needed to meet climate change commitments; the importance of other financing for development instruments should be continuously explored, especially debt restructuring, cancellation of the debts of the poorest countries and promotion of remittance flows; the commitments in relation to foreseeable official development assistance should be reiterated and additional innovative sources of financing, aimed at closing the financing gap caused by shrinking economies in the developing world, should be explored; the Member States should reaffirm their pledge to assign 0.7% of their GNI to development aid aimed at financing achievement of the MDGs;

– the EU must identify political priorities and agree on funding for closer Euro-Mediterranean cooperation following the upheavals and accompanying developments in the South Mediterranean partner countries; it is necessary in this context for European project bonds to be extended to Euro-Mediterranean projects in the fields of education, sustainable transport and energy, thereby creating added value for both sides of the Mediterranean;

III. The case for a new monetary system

37. Recalls that no country or block of countries would benefit from a ‘currency war’, which could reverse any efforts made by EU citizens in response to the need to reduce sovereign debt and to carry out structural reforms; notes that the euro has prevented the onset of a currency crisis of the kind historically often associated with financial crises; recalls that the multilateral trade system (WTO) rules do not cover capital flows and are not matched by a multilateral monetary system;

38. Recalls the Korea G20 goal of building a more stable and resilient international monetary system (IMS); recognises the global concern about the functioning of the IMS and calls for a major leap forward to be taken as a matter of urgency; requests, therefore, that the IMS be reformed in such a way as to ensure systematic and comprehensive macroeconomic cooperation with sustainable and balanced global growth;

39. Stresses that the IMS should address *inter alia*:

   – exchange rates: the first step would be to pursue policies that allow exchange rates to adjust gradually and sufficiently to changing macroeconomic fundamentals;

   – reserve currency: reforms to the international reserve system would be needed to avoid a situation in which reserves lead to global imbalances; the current dollar-based international reserve system could be gradually replaced by a multilateral system centred on Special Drawing Rights (SDRs) representing a broad basket of currencies from across the globe, notably the Chinese renminbi and the Brazilian real;

   – capital flows: a multilateral system of rules would need to be adopted to favour long-term movements of capital, to facilitate non-speculative capital outflows, to avoid disruptive effects in fragmented securities markets and to ensure transparent, open and smooth functioning of treasury bond markets, while avoiding their misuse as vehicles for the promotion of mercantilist or beggar-thy-neighbour policies;

40. Furthermore, calls for thought to be given – in the long term – to the possibility of creating a global reserve currency initially based on the development and transformation of SDRs and of the IMF;

IV. Increasing the competitiveness and sustainability of the EU and implementing the Europe 2020 strategy by fostering innovation and long-term investment for jobs and growth

Competitiveness, convergence and the Europe 2020 strategy

41. Calls for full and consistent account to be taken of the Europe 2020 strategy objectives and the need to overcome all EU internal imbalances when defining the content of the European semester;

42. Emphasises the importance of mutually supportive Union policies in fulfilling the Europe 2020 strategy of smart, sustainable and inclusive growth and jobs, backed up by the diverse tools of, *inter alia*, future-oriented education, environment, climate and energy strategies, resource efficiency, renewed agricultural policy, cohesion policy, innovation and R&D strategies, a renewed EU budget and greater alignment between national budgets in support of these common goals;

43. Stresses that the sustainability element of the Europe 2020 strategy needs to be mainstreamed across all relevant policy fields in order for the EU to regain world leadership; underlines that, if Europe is to remain competitive in the global economy, it must take the lead in the eco-friendly transformation towards a resource-efficient, sustainable society; emphasises that large-scale investment in eco-friendly infrastructures, renewable energies and energy efficiency is an excellent way of stimulating the recovery and promoting long-term growth and job creation;

44. Recalls that the full potential of the single market has not yet been realised, and that renewed political determination and resolute action are required with a view to unlocking its full potential for sustainable and socially inclusive growth and jobs; underlines the need to further develop the European service sector and to enhance trade in services;

45. Emphasises that the success of the Europe 2020 strategy depends on the commitment of the EU as a whole, on ownership by Member States, national parliaments, local and regional authorities and social partners; recalls the importance of a strong and properly functioning social dialogue and collective agreements within the framework of the Europe 2020 strategy, as well as the promotion of a genuine European social dialogue on macroeconomic policies and measures; notes that these measures should be pursued in order to achieve broad consensus on the way forward;

46. Notes the growing powers and responsibilities of regional and local authorities; recalls that two thirds of public investment in Europe remains at sub-national level; notes that the choice of the level at which public investment is made and executed has a very significant impact on its efficiency; stresses, therefore, the importance of ensuring that public investment takes place at the most efficient level of governance;

47. Urges the national parliaments and governments of the Member States, when engaging in national decision-making, to act in a responsible manner vis-à-vis the EU and to include the EU dimension in their national discussions;

48. Stresses that fiscal consolidation must be accompanied by medium- and long-term targets such as those identified by the Europe 2020 strategy, especially with regard to job creation, social inclusion, investment in infrastructure, resource efficiency, ecological transformation of the economy and a knowledge-based economy, so as to increase competitiveness and social and territorial cohesion; notes that the various national and EU policies should provide coherent support for the strategy and that budget discipline can, if imposed without a well-defined strategy, undermine growth

prospects, reduce competitiveness and seriously harm the economy in the long run; recalls that, as the open method of coordination has failed, the Europe 2020 strategy should include binding targets drawn up by the Commission for Member States with maximum and minimum values to be applied to certain macroeconomic aspects of their economies;

49. Calls for a strict financial audit of all Member States, to be initiated by the Commission in close cooperation with Eurostat, in order to determine their actual financial status, thereby enabling fact-based decisions to be taken with regard to the Europe 2020 strategy and regional and cohesion projects; calls for scrutiny of all funding programmes in the European Union and of national and regional subsidies; recommends intensification of the projects and programmes, the success of which is vital and in turn the eradication of ineffectual subsidies and economic development schemes;

50. Points out that women, in particular, are at greater risk of experiencing poverty; notes that child poverty has increased in a number of Member States during the crisis; underlines that this is unacceptable and that the negative trends must be reversed; consequently, calls on, in particular, the existing non-governmental organisations to be developed into a solid network for the eradication of child poverty by means of child-centred approaches, child-specific targets and a strong focus on children's rights;

51. Notes that solid welfare systems are important economic stabilisers in bad times; stresses, therefore, that while there is a need to consolidate public finances, there is also a convincing case for safeguarding public-sector services and maintaining existing levels of social protection accordingly; calls for the adoption of measures to reduce income inequalities, in particular, by tackling youth unemployment;

52. Underlines that the economic downturn should not slow down progress on reconciliation policies concerning the work-life balance, particularly those facilitating women's access to the labour market;

53. Notes the challenges arising from the crisis, with a major downturn in economic activity, a decline in the growth rate, brought about by a strong rise in structural and long-term unemployment, and a fall in rates of public and private investment, as well as increased competition from emerging economies;

54. Recognises that, to overcome the current imbalances inside the EU, a 'one-size-fits-all' approach will not be enough and that, in order to be effective, economic policy coordination will need to take proper account of the starting-points of the different EU national economies and their specific characteristics; stresses the need for economic coordination and progress in restoring sound finances;

55. Calls for greater compatibility and complementarity between national budgets and the EU budget; takes the view that the next multiannual financial framework must focus on the key priority areas of the Europe 2020 strategy and should ensure adequate financing of the flagship initiatives in the fields in which the EU has shared competence with Member States, which can provide strong European added value;

56. Emphasises that both agricultural and cohesion policies must play a key role in support of the Europe 2020 strategy; is convinced that the reform of the common agricultural policy (CAP) has to be pursued in the context of addressing global challenges; believes that the success of the Europe 2020 strategy is premised on ensuring the coherence of

EU policies, including such diverse aspects as aligning the national and EU budgets, including the CAP, and the Cohesion Funds, e.g. by guaranteeing a fair allocation of resources between Member States and regions, based on clear aims designed to enhance convergence and foster competitiveness, while putting emphasis on those Member Sates and regions in greatest need and policies such as education, innovation and R&D spending;

57. Recalls, moreover, that the Europe 2020 strategy will only be credible if it is backed up by adequate financial resources, and therefore supports:

– the adoption of consistent conclusions in the context of the next multiannual financial framework and an EU budget focusing on policies that contribute to the achievement of the Europe 2020 strategy objectives;

– the attribution of EU funds on the basis of their economic, social and environmental relevance and effectiveness; funds not taken up by Members States could be reallocated to sustainable public investment at EU level for joint projects or programmes promoting growth, competitiveness and employment, such as investment in infrastructure, education and training innovation, research and development;

– the provision of technical assistance geared to improving take-up of the funds and effective delivery of investment projects;

– a more prominent role for the European Investment Bank (EIB) in enhancing the catalytic role and leverage function of structural funds;

– the further development and optimum use of innovative financing instruments, involving notably the EIB and the European Investment Fund (EIF), as well as the European Bank for Reconstruction and Development (EBRD) (e.g. blending grants and loans, venture capital instruments, new forms of risk-sharing and guarantees);

– moves to drive private savings towards long-term investment through appropriate incentives and mechanisms;

– development of innovative long-term investment financing involving both public and private funds;

– the introduction of project bonds in order to tap private capital to meet the needs of Europe's infrastructural challenges;

– action to ensure the availability of significantly larger amounts of venture capital linked to long-term investment;

– action to ensure easier access to funding and less red tape, especially for the small and medium-sized enterprises (SMEs), while upholding strict transparency standards;

Energy and transport policies and the internal market

58. Regards the establishment of a European Energy Community as a key political project for the fulfilment of the Europe 2020 goals of furthering the transition to renewable energies while maximising energy efficiency, increasing the EU's energy independence and establishing a genuine interconnected energy market; emphasises the importance of the external dimension of its energy policy;

59. Believes that relationships between countries producing oil and natural gas and consumer countries, above all the countries of Europe, should be reinforced, also taking into account the recent developments in the political landscape in the Mediterranean; considers that a common policy for sustainable energy and procurement of raw materials needs to be implemented as a matter of urgency, so as to avoid adverse effects that could delay the recovery and the future development of the European economy;

60. Emphasises the key role that mainstreaming the principles of resource efficiency into all EU policies plays in ensuring the EU's competitiveness, including the development of innovative new products and services and new ways to reduce inputs, minimise waste, improve management of resource stocks, change consumption patterns, improve logistics and ensure that production processes, management and business methods are optimised in such a way as to ensure that the life-cycle approach of designing products and services in a ‘cradle to grave’ manner is applied;

61. Recalls that access to energy and raw materials, and the efficient use thereof, are vital in order to ensure the overall competitiveness of the EU; stresses that in order to stay competitive in the long term, the EU must be a world leader in the promotion of energy savings and efficiency, research into and investment in new eco-friendly technologies, the diversification and rationalisation of energy supply and the development and increased use of renewable sources of energy; recalls that reducing dependency on imports of energy and raw materials contributes to ensuring the competitiveness of the EU, while also helping to achieve the EU inflation target;

62. Stresses that close attention must be given to sustainable transport policy, in particular extension of the European transport networks, while improved access to those networks for less-favoured regions with the help of the Structural and Cohesion Fund would contribute substantially to consolidating the single market; underlines the importance of having an efficient and interconnected transport system that facilitates the free movement of people, goods and services and promotes growth; underlines the importance of Trans-European transport networks (TEN-T) in providing substantial European added value, as they help to remove bottlenecks, eliminate physical obstacles such as differences between rail gauges, and ensure cross-border infrastructure;

63. Considers the Single Market Act to be a key political initiative that underpins the foundations of the Europe 2020 goals and the flagship initiatives aimed at fully exploiting the internal market’s growth potential and completing the single market, in the spirit of the Monti report; underlines that the crisis has clearly shown the importance of strengthening the EU’s industrial base and innovation potential by facilitating market access and mobility and combating social and territorial fragmentation throughout the EU;

Mobility and migration

64. Emphasises that both the major uprisings in our neighbouring regions and demographic developments within the EU call for a common migration policy; stresses that greater access to labour markets and mobility must be encouraged by granting equal employment and social conditions and rights for all, including the recognition of professional qualifications and diplomas across the EU, together with the transferability of social security rights and the portability of pension rights in order to strengthen the European single market;

65. Considers that the Schengen Agreement remains an exceptional achievement for EU citizens and that it should be safeguarded; demands that cooperation in that regard be further strengthened; expresses its great concern over hypothetical changes to the Schengen rules; insists on the need for Parliament to be duly involved in the legislative process and stresses the importance of preventing Member States from taking any unilateral decisions in that field; recalls that the adoption of the Schengen Agreement represented a step towards greater EU integration and that the principle of freedom of movement for persons must be safeguarded;

66. Calls for a common EU immigration policy and welcomes the Commission's proposals to open up more legal ways of coming to the EU to work; stresses the need for a reform of the current Blue Card system (by expanding it to cover a far greater number of jobs and professions); notes that employers in the EU are increasingly dependent on people from countries outside Europe coming to the EU to take up jobs in sectors such as agriculture, horticulture, tourism, caring for the elderly and nursing, as fewer and fewer EU citizens are available to work in those sectors; believes that the Commission's proposal on seasonal workers needs to provide those workers, who are often vulnerable and exposed, with better conditions and a secure legal status in order to protect them from exploitation;

SMEs, innovation and R&D

67. Recommends that the Commission encourage and facilitate more equity funding for SMEs, through either venture capital or share listing, more assistance from the structural funds, and less reliance on debt, especially in high-tech start-up companies, which are in great need of capital for R&D; stresses the need to strengthen the Competitiveness and Innovation Framework Programme (CIP) guarantee instrument and to simplify access to funding for SMEs; points out that it is particularly necessary to encourage and support women entrepreneurs;

68. Recognises the role of social economy (third sector) in Europe and its significance in fostering innovation; emphasises the need to have strategic green and resource-efficient public procurement policies in Europe in order to support an equal and competitive innovation sector;

69. Urges giving the EIB and the EIF a leading role at the European level in freeing up funds for SMEs by using more streamlined and clearer procedures, thereby working with the financial institutions of the Member States avoiding the establishment of schemes parallel to already existing structures at national level, so that SMEs can easily find their accustomed point of entry; recommends that the EIB/EIF should act as a filter, focusing on the priority sectors within the Europe 2020 strategy strengthening the economy, employment, environmental sustainability and resource efficiency, acting as a mentor to selected groups of SMEs, and taking part in discussions with banks and their risk management teams with a view helping SMEs to obtain long-term loans; calls for full use to be made of the EIB's capacity to provide funding;

70. Calls on the Member States to speed up their implementation of the measures set out in the Small Business Act (2008) and in the review thereof, published by the Commission on 23 February 2011, in order to reduce administrative burdens, facilitate SMEs’ access to financing and support the internationalisation of SMEs;

71. Stresses that the next generation of EU funding programmes must systematically support innovative and job-creating SMEs, both within the internal market and globally; highlights the need to facilitate the swift creation of undertakings using new technologies, improve their funding, reduce administrative burdens and promote their internationalisation; takes the view that it would be highly desirable to recognise the key role played by the system of industrial cooperative and retail banks, which ensure the optimisation of the strategy to assist and provide real support to the SME sector;

Taxation

72. Stresses that both EMU and the internal market require a stronger coordination of national tax policies; emphasises that the quality of taxation should be improved so as to provide the right incentives for employment, innovation and long-term investment; asks the Commission to analyse, in the context of the European semester, the resilience of the Member States' tax systems so that their tax reforms are resistant to economic fluctuations and do not unnecessarily rely on tax bases that are very cyclical or known to be prone to bubbles;

73. Supports the Commission in its efforts to tackle harmful tax competition, tax avoidance or fraud and tax havens, both in the EU and at international level, to improve tax collection systems and to introduce a common consolidated corporate tax base with subsequent indicative tax ranges as well as a specific and simplified taxation system for SMEs; welcomes the VAT strategy that is to be presented by the Commission with a view to establishing a fraud-proof system;

74. Notes that combating tax fraud and tax evasion and improving tax collection, also in relation to third countries, needs to be an essential aspect of the current efforts of Member States aimed at budgetary consolidation;

75. Believes that such a move to be critical in the current context, in which Member States need to consolidate their budgets; notes that tax competition is acceptable as long as it does not jeopardise the capacity of Member States to collect the revenue they may fairly expect and recalls that solutions should be devised to minimise harmful tax competition;

76. Believes that the allocation of EU funds should take into account the taxation strategy of Member States and their willingness to cooperate in combating tax evasion and promoting closer tax coordination;

77. Recognises the absence of a common definition of tax havens; calls for at least a single European agreed definition, pending agreement on a definition at global level;

Employment

78. Stresses that new jobs and better jobs are a precondition for achieving a fair, green and smart growth strategy, and accordingly calls for:

   – new jobs to be created in sectors based on innovation, research and development, such as the energy and environmental sectors, in a manner which ensures a gender-balanced approach;

   – measures to improve the effectiveness of existing EU support for direct job creation available to Member States under the European Social Fund;

   – actions making it easier to participate in the labour market for women (in particular by means of a consistent increase in affordable childcare services), older workers (without affecting their retirement and social rights) and regular immigrants, and to reduce unemployment, especially among young people;

– measures to upgrade the quality of education and vocational training, and the effective promotion of lifelong learning and entrepreneurship, with a view to strengthening the employability of workers and developing a competitive human capital;

– the development of employment opportunities and social inclusion programmes for the most vulnerable groups, such as the Roma and people with disabilities;

– sustainable, high-quality jobs providing a decent income in agriculture and rural areas;

– action to tackle undeclared work;

79. Points out that most of the unemployment in those Member States where fiscal austerity measures are currently being implemented is caused by the decline in overall economic activity, with an alarming increase in the long-term unemployment rate; notes that long-term unemployment needs to be urgently addressed as it can severely harm long-term growth in the countries concerned and may consequently reduce the competitiveness of the entire Union;

80. Notes that, as a result of the current crisis, the EU labour market could remain fragmented in the long term with, on the one hand, a concentration of high-quality labour in Member States with balanced current accounts and, on the other hand, high unemployment rates and shortages of competitive labour in those Member States which have been hit the hardest by the crisis and which are also the most heavily indebted;

81. Believes that there is still a need to address the issue of corporate governance as regards management incentives for long-term investment and job creation; suggests that an annual report assessing corporate social and environmental responsibility for all listed companies with over 250 employees and a turnover of more than EUR 50 million should be produced;

Education strategy

82. Stresses the importance of childhood, vocational, university and adult education for innovation and growth, and underlines the importance of proper implementation of flexicurity; underlines the need to adapt education and training systems in order to better equip people with the knowledge and skills needed to secure higher employment levels, productivity, growth and competitiveness;

83. Proposes the establishment of an EU internship programme analogous to the Erasmus programme, with the full involvement of the private sector; takes the view that such a programme should involve clusters of universities, universities of applied sciences, professional training institutions, industry, financial markets, SMEs and large companies, and that it should give citizens, including vulnerable groups, access to training, particularly in transferable skills in the knowledge-based economy, so as to foster lifelong learning;

84. Strongly supports the introduction of measures to increase the quality of higher education in Europe, *inter alia*, by further reducing barriers to student mobility,

improving the links between academia and business and fostering a more entrepreneurial mindset in society; proposes the introduction of a European innovation scholarship designed to contribute to the fostering of knowledge and skills employed in innovating sectors, while allowing the establishment of EU networks and cooperation; believes that such a scholarship would address youth in vocational educational programmes, established and specifically implemented in each of the Member States;

85. Stresses the need to create conditions, at European and national level, for the private and public sectors to increase R&D investment; notes that university funding takes place predominantly through national budgets, already under pressure of consolidation; consequently, encourages Member States to ensure that their respective systems of university funding are designed in such a way as to enhance Europe's capacity for technological development, innovation and job creation;

86. Considers that, in order to encourage Member States to invest more in the educational field, special consideration should be given to public spending on education, research and vocational training in the context of assessing Member States' medium-term budgetary objectives;

87. Supports the call by the European University Association (EUA) for public investment in higher education to be increased to 3% of GDP; believes that this target requires a qualitative evaluation of such expenditure in the context of assessing the SGP;

88. Calls for the improvement of education for jobs not requiring university studies by the development of apprenticeship;

V. Re-thinking the EU: beyond European economic governance

89. Emphasises that the European Union is at a crossroads: either the Member States decide to join forces in deepening integration or, owing to stagnation at the decision-making level and divergences at the economic level, the EU could drift apart;

90. Warns of the risks of retreating into a fragmented Union vulnerable to protectionism and populism;

91. Calls for a deeper democratic political Union in which the EU institutions are given a stronger role in both the design and the implementation of common policies; emphasises the importance of strengthening the democratic legitimacy and control of the Union;

92. Stresses the importance of respecting the principles underlying the European project, namely, equality of Member States, solidarity, cohesion and cooperation; draws attention to the need to stick to those principles by effectively addressing internal imbalances and moving towards substantial convergence through coordination between eurozone and non-eurozone Member States;

93. Underlines the need for a stronger European Commission, made more accountable to Parliament and playing a major role as the main voice of the citizens, especially when it comes to providing a forum for public cross-border debates, taking into account the spill-over effect of national decisions in fields such as economic and social governance;

94. Stresses that economic governance, with converging economic, fiscal and social policies, must be organised using the Community method and steered by the Union

institutions, with national parliaments being fully involved;

95. Considers the new legislation on the European Systemic Risk Board (ESRB) and the three European Supervisory Authorities to be an initial step in the right direction, but believes that further progress is required in order, in particular, to ensure direct EU-level supervision of systemic institutions such as highly leveraged entities and enforcement of a single set of rules; stresses the need to provide the new authorities with human and financial resources commensurate with their adequate growing responsibilities;

96. Believes that, alongside surveillance aimed at ensuring financial stability, there is a need for mechanisms for the surveillance and prevention of potential bubbles, and for optimum allocation of capital in the light of the macroeconomic challenges and objectives, and also a need for investment in the real economy; considers, in addition, that taxation policy needs to be used as a tool for this purpose;

97. Requests the Commission to put forward additional proposals for the regulation of financial market structures whose size, systemic integration, complexity or interconnectedness may jeopardise financial stability and the capacity of regulators to resist their demands, incorporating measures enabling supervisors to have an overview of their activities, including the shadow banking system and their level of leverage; calls on the Commission to consider regulatory options such as capping or disincentivising size as well as business models;

98. Stresses that tackling the public debt crisis and increasing the EU's competitiveness, convergence and solidarity require a shift of competences and spending towards the Union;

99. Concludes that, in order to deepen democratic political union and economic integration commensurate with monetary union, all relevant expenditure from the EU budget must be effectively streamlined with the aim of increasing the competitiveness of the EU as a whole and of the less competitive regions, so as to maximise Europe's economic strength in the interest of its citizens, while preserving or regaining a fair social balance; believes, therefore, that the EU budget needs to be raised to a level between 5% and 10% of the Union's GDP; asks that, in parallel to the increase in the EU budget on the basis of own resources – to finance policies and measures in the fields of foreign and security policy, the energy and transport sectors, development cooperation and R&D – the national budgets should be reduced to ensure tax neutrality for citizens;

100. Emphasises the need to strike a better balance between economic and social policies, including the reinforcement and institutionalisation of the macroeconomic social dialogue;

101. Recalls that the European Union derives its legitimacy from the democratic values which it projects, the aims which it pursues and the powers, instruments and institutions which it possesses; takes the view that deepening European economic integration is necessary in order to ensure the stability of the eurozone and of the Union as a whole, and that this will require further developments regarding the external representation of the eurozone, qualified majority voting on corporate tax base, measures to combat tax evasion and tax avoidance, possible mutual issuance of sovereign debt and Eurobonds to stimulate fiscal discipline, the EU's borrowing capacity, a better balance between economic and social policies, own resources for the EU budget and the roles of national parliaments and the European Parliament;

102. Believes that political decisions on economic governance should not endanger the commitments agreed at EU level reflecting the goals and interests of all Member States, and that such decisions should be anchored in the Treaty and be pursued with the full institutional involvement and scrutiny of the European Commission and of Parliament;

103. Calls for a comprehensive strategy in response to the challenges facing the Union, with reinforced economic governance forming the cornerstone of that response; also calls for the maintenance of resolve in pursuing fiscal consolidation, sustainable growth, the enhancement of structural reforms and the overhauling of the banking sector; takes note of the Euro Plus Pact proposed by the Council as one element of the economic governance package currently the subject of negotiations between Parliament and the Council;

104. Calls for the Euratom Treaty to be superseded by a European Energy Community with responsibility for new power-generation capacities with a view to achieving an effective energy mix, and including within its remit renewable energies, energy efficiency, transmission grids, storage facilities and supply security, negotiations with third countries and the provision of universal services at affordable prices;

105. Considers that, alongside the treaty changes required for the stability mechanism, these interconnected issues should be dealt with in a Convention to be convened in accordance with Article 48(3) of the Treaty on European Union;

106. Believes that, if they are not, it will be necessary to move to enhanced cooperation under Article 329 of the TFEU, in order to enable the eurozone to function in a democratic and efficient manner;

107. Recalls that an European response to the crisis must be based on deepening European integration, pursuit of the community method, the consolidation of interparliamentary dialogue, the promotion of social dialogue, the strengthening of the welfare state by supporting social inclusion, job creation and sustainable growth, and the further building of the social market economy and its values, as an essential goal of the European Union, so as to rally all citizens around the European project based on the values enshrined in the Treaties and in the European Charter of Fundamental Rights;

108. Instructs its President to forward this resolution to the Council, the Commission, the President of the European Council, the President of the Eurogroup, the European Central Bank, the European Investment Bank, the European Bank for Reconstruction and Development, the European Economic and Social Committee, the Committee of the Regions, the governments and parliaments of the Member States and the social partners.

EXPLANATORY STATEMENT

Mandate and prolongation of mandate

By decision of 7 October 2009, the European Parliament set up a Special Committee on the Financial, Economic and Social Crisis (CRIS) :

On 20 October 2010 the European Parliament adopted its resolution on the Financial, Economic and Social Crisis: Recommendations concerning the measures and initiatives to be taken based on the mid-term report of the CRIS Committee adopted in Committee on 29 September 2010.

But bringing to an end the term of office of the special committee in the middle of the financial, economic and social turmoil would have given the impression that the European Parliament considers the crisis as resolved, while financial markets were far from being stabilised and citizens and enterprises still struggling with increasing economic and social threats. The financial, economic and social crisis of the years 2007-2009 was fundamentally challenging the current governance system of the Economic and Monetary Union. The EU was witnessing the most serious economic and social crisis in the EU since it was established and an unprecedented and harsh threat to the stability of the euro with severe consequences for the economic and social stability and the cohesion in the EU. At worst, nothing less than the existence of Economic and Monetary Union, the internal market, and the social basis of the European Union appeared to be at stake.

These findings and challenges were identified in the interim report. The work undertaken in the CRIS committee so far had allowed us to acquire a profound and holistic understanding of the crisis, to draw conclusions and to make important recommendations. Public investments and fiscal policy aspects have been one of our key priorities and findings on this matter needed to be taken further - as far as the EU budget is concerned - by the suggested Special Committee on the Policy Challenges and Budgetary Resources for a Sustainable EU (SURE) after 2013.

In view of the above, the extension of the term of office of the CRIS Special Committee was required to:

- Develop recommendations for a sustainable EU growth model, which complement the CRIS recommendations already adopted by the European Parliament. These additional recommendations should then be taken into account by the above mentioned Special Committee on the Policy Challenges and Budgetary Resources for a Sustainable EU after 2013;

- Establish mechanisms and develop coordinated policies to exit the public debt crisis in the Member States and prevent its repetition by addressing its underlying causes, while fostering strong and sustainable growth and employment. Furthermore, more work is necessary to develop a viable EU crisis management mechanism and to define a political strategy for the future, which includes and is linked to the reform of European economic governance, the EU 2020 Strategy, the fiscal policy and budgetary implications, financial regulation and supervision as well as the reform of global governance and representation of the EU on a global scale;

- Develop a close cooperation with the National Parliaments, which needed to be consulted on the basis of the report adopted in September 2010;

Therefore, the European Parliament decided on 16 June 2010 to prolong the mandate of the CRIS Committee until the end of July 2011;

Method and work programme of the second mandate

1. Recommendations of mid-term report to be considered as acquis and not to be reopened:

Promptly after the adoption of the mid-term report of CRIS Committee in plenary, the CRIS Coordinators decided to consider the recommendations of the mid-term report as the common agreement and an acquis which should not be re-opened.

The CRIS Coordinators decided to concentrate, during the second term, on six key topics and on exchanges of views with the National Parliaments and the European Commission.

2. Focus on six key topics in exchange of views with the European Commission:

The six following key topics were discussed in the CRIS Committee in the format of exchanges of views, based on briefing papers prepared both by the EP Policy Department and the European Commission:

1. European sovereign debt and Euro crisis; including mutual issuance of public debt and Euro-Bonds on 20 January 2011;
2. Global imbalances and global governance on 31 January 2011;
3. The case for a new monetary system on 31 January 2011;
4. Increasing the competitiveness and sustainability of the EU; implementing the EU 2020 strategy by fostering innovation, long-term investment for jobs and growth on 10 February 2011;
5. Financing the real economy and a Europe of added value, Project Bonds and Financial Transaction Tax on 28 February 2011;
6. Re-thinking the EU: Beyond European economic governance on 28 February 2011.

Open Coordinators Meetings with the Commissioners

Additionally, the CRIS Committee held six meetings in the form of open coordinators meetings with the Commissioner for Competition Joaquin Almunia, the Commissioner on

Internal Market and Services Michel Barnier, the Commissioner on Taxation and Customs Union, Audit and Anti-Fraud Algirdas Šemeta, the Commissioner for Industry and Entrepreneurship Antonio Tajani, the Commissioner for Energy Günther Oettinger and the Commissioner for Regional Policy Johannes Hahn.

3. Priority to exchange of views with National Parliaments:

The exchange of views with the National Parliaments took place in the form of visits from their representatives to the CRIS Committee, visits to a number of Member States, the sending out of a questionnaire regarding issues of the crisis to the National Parliaments and finally the joint inter-parliamentary meeting.

Visits from representatives of National Parliaments and of Financial Crisis Inquiry Commissions to the CRIS Committee in Brussels

- Exchange of views with Mr Jan de Wit, Chairman of the Committee Inquiry into the Financial system, House of Representatives, Netherlands Parliament on 27 October 2010;

- Exchange of views with Mr Henri Emmanuelli, Chairman of the Inquiry Committee on the speculation mechanisms which affect the functioning of the economy and Mr Jean-Francois Mancel, Rapporteur, Assemblée Nationale, French Parliament on 26 January 2011;

- Hearing with Mr Phil Angelides, Chair of the US Financial Crisis Inquiry Commission (FCIC) on 11 April 2011;

CRIS Visits to National Parliaments

- Visit to the Senate, Parliament of Czech Republic, Prague on 5 January 2011;

- Delegation to the Assembleia da República, Portuguese Parliament, Lisbon from 11-12 January 2011;

- Delegation to the Congreso de los Diputados and Senado, Spanish Parliaments, Madrid from 12-13 January 2011;

- Delegation to the Houses of Commons and House of Lords (UK Parliament), London on 27 January;

- Visit to the Deutscher Bundestag, German Parliament, Berlin on 8 February 2011;

- Delegation to the Parliament of the Hellenes, Greek Parliament, Athens from 21-22 April 2011;

In Portugal, Spain, the UK and Greece the CRIS committee also met representatives of the government, central banks, industry and SMEs and social partners.

Joint inter-parliamentary meeting with representatives of the National Parliament

The highlight of the second mandate was the joint inter-parliamentary meeting on 14 March 2011 with representatives of the national parliament on the subject: "Investing in the real economy: A tool kit for growth, innovation and cohesion":

- "European added value: EU strategic long-term investment for growth and jobs"
Keynote speaker: Mr. Thomas Mirow, President of the European Bank for Reconstruction and Development.

- "Investing in the EU economy, ensuring the delivery of EU 2020 targets"
Keynote speaker Mr. Philippe Maystadt, President of the European Investment Bank.

The meeting was followed by a joint CRIS/ECON dinner debate with former Commission President Jacques Delors as key note speaker.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	30.5.2011
Result of final vote	+: 32 –: 9 0: 2
Members present for the final vote	Burkhard Balz, Pervenche Berès, Mario Borghezio, Pascal Canfin, Nikolaos Chountis, Sergio Gaetano Cofferati, Frank Engel, Jean-Paul Gauzès, Sven Giegold, Robert Goebbels, Monika Hohlmeier, Gunnar Hökmark, Danuta Maria Hübner, Iliana Ivanova, Liisa Jaakonsaari, Othmar Karas, Wolf Klinz, Hans-Peter Martin, Gay Mitchell, Anni Podimata, Antolín Sánchez Presedo, Olle Schmidt, Theodor Dumitru Stolojan, Kay Swinburne, Ivo Vajgl
Substitute(s) present for the final vote	Marta Andreasen, Bendt Bendtsen, Cornelis de Jong, Leonardo Domenici, Bas Eickhout, Kinga Göncz, Enrique Guerrero Salom, Thomas Mann, Sirpa Pietikäinen, Hannes Swoboda
Substitute(s) under Rule 187(2) present for the final vote	Kriton Arsenis, Antonio Cancian, Jorgo Chatzimarkakis, Rosario Crocetta, Derk Jan Eppink, Roger Helmer, Constance Le Grip, Astrid Lulling, Joachim Zeller