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16.8.2012

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## **REPORT**

on the proposal for a regulation of the European Parliament and of the Council  
on a European Union Programme for Social Change and Innovation  
(COM(2011)0609 – C7-0318/2011 – 2011/0270(COD))

Committee on Employment and Social Affairs

Rapporteur: Jutta Steinruck

### ***Symbols for procedures***

- \* Consultation procedure
- \*\*\* Consent procedure
- \*\*\*I Ordinary legislative procedure (first reading)
- \*\*\*II Ordinary legislative procedure (second reading)
- \*\*\*III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

### ***Amendments to a draft act***

In amendments by Parliament, amendments to draft acts are highlighted in ***bold italics***. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the draft act which may require correction when the final text is prepared – for instance, obvious errors or omissions in a language version. Suggested corrections of this kind are subject to the agreement of the departments concerned.

The heading for any amendment to an existing act that the draft act seeks to amend includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend. Passages in an existing act that Parliament wishes to amend, but that the draft act has left unchanged, are highlighted in **bold**. Any deletions that Parliament wishes to make in such passages are indicated thus: [...].

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## **DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION**

**on the proposal for a regulation of the European Parliament and of the Council on a European Union Programme for Social Change and Innovation (COM(2011)0609 – C7-0318/2011 – 2011/0270(COD))**

**(Ordinary legislative procedure: first reading)**

*The European Parliament,*

- having regard to the Commission proposal to Parliament and the Council (COM(2011)0609),
  - having regard to Article 294(2) and Article 46(d), Article 149, Article 153(2)(a) and the third paragraph of Article 175 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C7-0318/2011),
  - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
  - having regard to the reasoned opinion submitted, within the framework of Protocol No 2 on the application of the principles of subsidiarity and proportionality, by the Swedish Parliament, asserting that the draft legislative act does not comply with the principle of subsidiarity,
  - having regard to the opinion of the European Economic and Social Committee of 23 February 2012<sup>1</sup>,
  - having regard to the opinion of the Committee of the Regions of 3 May 2012<sup>2</sup>,
  - having regard to Rule 55 of its Rules of Procedure,
  - having regard to the report of the Committee on Employment and Social Affairs and the opinions of the Committee on Budgets, the Committee on Budgetary Control, the Committee on Industry, Research and Energy, the Committee on Regional Development and the Committee on Women's Rights and Gender Equality (A7-0241/2012),
1. Adopts its position at first reading hereinafter set out;
  2. Points out that the financial envelope specified in the legislative proposal constitutes only a proposal to the budgetary authority and that it cannot be fixed until agreement is reached on the regulation on the Multiannual Financial Framework (MFF);
  3. Reiterates its position that sufficient additional resources are needed in the next MFF to enable the Union to fulfil its existing policy priorities and the new tasks provided for by the Treaty of Lisbon, notably social inclusion, as well as to respond to unforeseen events; points out that Parliament called in its resolution of 8 June 2011 on "Investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and

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<sup>1</sup> OJ C 143, 22.5.2012, p. 88.

<sup>2</sup> OJ C ... (Not yet published in the Official Journal).

inclusive Europe" for an increase in the level of resources for the next MFF of at least 5 % compared to the 2013 level; challenges the Council, if it does not share this approach, to clearly identify which of its political priorities or projects could be dropped altogether, despite their proven European added value;

4. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
5. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

**Amendment 1**  
**Proposal for a regulation**  
**Title**

*Text proposed by the Commission*

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on a European Union Programme for Social ***Change and*** Innovation

*Amendment*

Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on a European Union Programme for Social ***Progress, Innovation and Employment*** and amending Decision No 283/2010/EU

**Amendment 2**  
**Proposal for a regulation**  
**Recital 1**

*Text proposed by the Commission*

(1) In line with the Commission Communication ‘A budget for Europe 2020’, which recommends rationalising and simplifying the Union’s funding instruments and sharpening their focus both on Union added value and on impacts and results, this Regulation establishes a European Union Programme for Social ***Change and*** Innovation (hereinafter ‘the Programme’) to provide for the continuation and development of activities carried out on the basis of Decision No 1672/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Community Programme for Employment and Social Solidarity – Progress, Regulation No 492/2011 of the European Parliament and of the Council of 5 April 2011 on freedom of movement for workers within the Union and Commission Decision 2003/8/EC of 23 December 2002 implementing Regulation No 1612/1968 as regards the clearance of vacancies and applications for employment and Decision

*Amendment*

(1) In line with the Commission Communication ‘A budget for Europe 2020’, which recommends rationalising and simplifying the Union’s funding instruments and sharpening their focus both on Union added value and on impacts and results, this Regulation establishes a European Union Programme for Social ***Progress, Innovation and Employment*** (hereinafter ‘the Programme’) to provide for the continuation and development of activities carried out on the basis of Decision No 1672/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Community Programme for Employment and Social Solidarity – Progress, Regulation No 492/2011 of the European Parliament and of the Council of 5 April 2011 on freedom of movement for workers within the Union and Commission Decision 2003/8/EC of 23 December 2002 implementing Regulation No 1612/1968 as regards the clearance of vacancies and applications for employment

No 283/2010/EU of the European Parliament and of the Council of 25 March 2010 establishing a European Progress Microfinance Facility for employment and social inclusion (hereinafter ‘the Facility’).

and Decision No 283/2010/EU of the European Parliament and of the Council of 25 March 2010 establishing a European Progress Microfinance Facility for employment and social inclusion (hereinafter ‘the Facility’).

**Amendment 3**  
**Proposal for a regulation**  
**Recital 3**

*Text proposed by the Commission*

(3) In accordance with Article 148(4) of the Treaty on the Functioning of the European Union, the Council adopted guidelines for employment policies on 21 October 2010, which, together with the broad guidelines for the economic policies of the Member States and of the Union adopted in accordance with Article 121 of the Treaty, comprise the Europe 2020 integrated guidelines. The Programme should contribute to ***applying*** the Europe 2020 ***integrated guidelines, and in particular Guidelines 7, 8 and 10, while supporting*** implementation of the flagship initiatives, with special regard to the European Platform against Poverty and Social Exclusion, an Agenda for New Skills and Jobs, and Youth on the Move.

*Amendment*

(3) In accordance with Article 148(4) of the Treaty on the Functioning of the European Union, the Council adopted guidelines for employment policies on 21 October 2010, which, together with the broad guidelines for the economic policies of the Member States and of the Union adopted in accordance with Article 121 of the Treaty, comprise the Europe 2020 integrated guidelines. The Programme should contribute to ***achieving*** the Europe 2020 ***targets, especially its poverty reduction and employment objectives as defined in the Employment Guidelines. To that end, the Programme should support the*** implementation of the flagship initiatives, with special regard to the European Platform against Poverty and Social Exclusion, an Agenda for New Skills and Jobs, and Youth on the Move, ***as well as the Youth Opportunities Initiative.***

**Amendment 4**  
**Proposal for a regulation**  
**Recital 4**

*Text proposed by the Commission*

(4) The European Platform against Poverty and Social Exclusion and the Innovation Union flagship initiatives identify social innovation as a powerful tool for

*Amendment*

(4) The European Platform against Poverty and Social Exclusion and the Innovation Union flagship initiatives identify social innovation as a powerful tool for



addressing the social challenges arising from population ageing, poverty, unemployment, new work patterns and life styles, and citizens' expectations regarding social justice, education and health care. The Programme should support action to step up social innovation in *policy areas falling within its scope in the public, private and third sectors*, taking due account of the role of regional and local authorities. *In particular, it should help identify, evaluate and scale up innovative solutions and practice through social experimentation to assist the Member States more effectively in reforming their labour markets and social protection policies.* It should also act as a catalyst for transnational partnerships and networking between public, private and third-sector actors as well as supporting their involvement in designing and implementing new approaches to tackling pressing social needs and challenges.

addressing the social challenges arising from population ageing, poverty, unemployment, new work patterns and life styles, and citizens' expectations regarding social justice, education and health care. The Programme should support action to step up social innovation in *response to social needs that are not met or that are met insufficiently, in terms of combating poverty and social exclusion, promoting a high level of quality and sustainable employment, guaranteeing adequate and poverty preventing social protection, improving working conditions and improving access to healthcare and training for vulnerable people*, taking due account of the role of regional and local authorities. It should also act as a catalyst for transnational partnerships and networking between public, private and third-sector actors as well as supporting their involvement in designing and implementing new approaches to tackling pressing social needs and challenges.

**Amendment 5**  
**Proposal for a regulation**  
**Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

*(4a) In particular, the Programme should help identify, analyse and scale up innovative solutions and their practical implementation through social policy experimentation to assist, where necessary, the Member States to increase the efficiency of their labour markets and further improve their social protection and inclusion policies. Social policy experimentation refers to project-based field testing of social innovations. It allows the gathering of evidence on the feasibility of social innovations. Successful ideas should be pursued on a wider scale with financial support from the European Social Fund (ESF) as well*

*as other sources. Experience shows that social policy experimentation projects often last between three and five years and include a great variety of actors of all sizes. National information centres on social policy experimentation, where established, should serve as a one-stop-shop for all interested parties and support the creation and development of networks and partnerships.*

**Amendment 6**  
**Proposal for a regulation**  
**Recital 4 b (new)**

*Text proposed by the Commission*

*Amendment*

*(4b) The open method of coordination, which has proved its flexibility and operational effectiveness in social policy areas, should be used in a holistic manner in areas of interest to individual Member States. It should therefore be used more widely, not least in order to improve the Programme and make it more effective.*

**Amendment 7**  
**Proposal for a regulation**  
**Recital 4 c (new)**

*Text proposed by the Commission*

*Amendment*

*(4c) Progress towards socially and environmentally sustainable development in Europe will need the anticipation and development of new skills and competencies, leading to the improvement of the conditions for job creation, the quality of employment and working conditions through accompanying education, labour market and social policies in connection with the transformation of industries and services. The Programme should therefore contribute to promoting the creation of*

*quality and sustainable 'green' and 'white' employment and the anticipation and development of new skills and competencies for new quality and sustainable jobs by linking employment and social policies with industrial and structural policies supporting a transition towards a resource-efficient and low carbon economy. In particular, the Programme should act as a catalyst for exploring the job creation potential of public sector led green and social investments and of local and regional employment initiatives.*

**Amendment 8**  
**Proposal for a regulation**  
**Recital 4 d (new)**

*Text proposed by the Commission*

*Amendment*

*(4d) The Programme should pay particular attention to the territorial dimension of unemployment, poverty and exclusion, and especially to the increasing inequalities that exist within and between regions, between rural areas and cities as well as within cities.*

**Amendment 9**  
**Proposal for a regulation**  
**Recital 4 e (new)**

*Text proposed by the Commission*

*Amendment*

*(4e) The participation of women in enterprise and decision-making in the economic and business spheres is a proven factor in improving competitiveness, productivity and innovation. Recent reports presented by the Commission on the extent of compliance with the Charter of Fundamental Rights of the European Union and governance and sustainability*

*studies by the World Bank and the United Nations, show that the integration of women in the labour market and, in particular, equality in political decision-making, encourage transparency and participation and reduce corruption. Therefore, in accordance with the European Strategy for Gender Equality 2010-2015, the Union should make better use of women's potential, contributing to the Union's overall economic and social goals by getting more women into the labour market and into good quality jobs. In particular the employment rates of older women, single parents, disabled women, migrant women and women from ethnic minorities are still relatively low and there is therefore a need for the remaining gender gaps to be reduced in both quantitative and qualitative terms.*

**Amendment 10**  
**Proposal for a regulation**  
**Recital 4 f (new)**

*Text proposed by the Commission*

*Amendment*

*(4f) It is necessary to consolidate the social dimensions of the single market. Given the need to enhance confidence in the single market and the free movement of services by ensuring respect for workers' rights, it is necessary to ensure that the rights of both workers and entrepreneurs to freedom of movement throughout the Union are accorded equal status.*

**Amendment 11**  
**Proposal for a regulation**  
**Recital 5**

*Text proposed by the Commission*

*Amendment*

(5) In line with the Europe 2020 Strategy,

(5) In line with the Europe 2020 Strategy,

the Programme should pursue a coherent approach to promoting employment and combating social exclusion and poverty. Its implementation should be rationalised and simplified, notably through a set of common provisions including, *inter alia*, general objectives, typology of actions, monitoring and evaluation arrangements. The Programme should *also* focus on *large* projects with clear EU added value *in* order to *reach critical mass and* reduce administrative *burden for both the beneficiaries and the Commission*. In addition, greater use should be made of simplified cost options (lump-sum and flat-rate financing) in particular for the implementation of mobility schemes. The Programme should be a one-stop shop for microfinance providers, providing financing for *micro-credit, capacity building* and technical assistance. *Lastly*, the Programme should provide for budgetary flexibility through the establishment of a reserve to be allocated on an annual basis in order to respond to policy priorities.

the Programme should pursue a coherent approach to promoting *quality and sustainable* employment and combating social exclusion and poverty *while keeping sight of the objective of gender equality and gender mainstreaming*. Its implementation should be rationalised and simplified, notably through a set of common provisions including, *inter alia*, general objectives, typology of actions, monitoring and evaluation arrangements. The Programme should focus on projects, *irrespective of their size*, with clear EU added value. *In* order to reduce administrative *burdens, the Programme should support the creation and development of networks and partnerships*. In addition, greater use should be made of simplified cost options (lump-sum and flat-rate financing) in particular for the implementation of mobility schemes *while at the same time ensuring transparency of proceedings*. The Programme should be a one-stop shop for microfinance providers *at Union level*, providing financing for *micro-credits and social entrepreneurship, facilitating access to borrowing and providing* technical assistance. *Within its limited scope*, the Programme should provide for budgetary flexibility through the establishment of a reserve to be allocated on an annual basis, *while fully respecting the prerogatives of the budgetary authority*, in order to respond to policy priorities.

**Amendment 12**  
**Proposal for a regulation**  
**Recital 5 a (new)**

*Text proposed by the Commission*

*Amendment*

*(5a) Taking into account the limited funds available to the programme and the pre-allocation of these funds to the various axes, funding priority should be given to*

*the development of structures with a clear multiplier effect which will benefit further activities and initiatives. Appropriate measures should also be put in place to avoid any possibility of overlap and/or double-financing with other funds or programmes, in particular the European Social Fund.*

**Amendment 13**  
**Proposal for a regulation**  
**Recital 5 b (new)**

*Text proposed by the Commission*

*Amendment*

*(5b) The extensive objectives and the great importance given to this programme are in contradiction with the very limited financial means allocated, which could potentially disappoint stakeholders' expectations of this programme.*

**Amendment 14**  
**Proposal for a regulation**  
**Recital 6**

*Text proposed by the Commission*

*Amendment*

(6) The Union should equip itself with a sound analytical basis to support policy-making in the employment and social area. Such an evidence base adds value to national action by providing a Union dimension and comparison for data-gathering and the development of statistical tools and methods and common indicators with a view to composing a full picture of the situation in the fields of employment, social policy and working conditions across the Union and ensuring high-quality evaluation of the efficiency and effectiveness of programmes and policies.

(6) The Union should equip itself with a sound analytical basis to support policy-making in the employment and social area, ***paying special attention to the impact of financial and economic crises***. Such an evidence base adds value to national action by providing a Union dimension and comparison for data-gathering and the development of statistical tools and methods and common indicators with a view to composing a full picture of the situation in the fields of employment, social policy and working conditions across the Union and ensuring high-quality

evaluation of the efficiency and effectiveness of programmes and policies *with a view to reaching the Europe 2020 Strategy targets.*

**Amendment 15**  
**Proposal for a regulation**  
**Recital 7**

*Text proposed by the Commission*

(7) The Union is uniquely placed to provide a Union platform for policy exchanges and mutual-learning between the Member States in the employment and social *areas*. Knowledge of policies applied in other countries and of their results broadens the range of options available to policy-makers, *triggers* new policy developments *and encourages national reform.*

*Amendment*

(7) The Union is uniquely placed to provide a Union platform for policy exchanges and mutual-learning between the Member States in the *areas of* employment, *social protection* and social *inclusion, as well as social entrepreneurship*. Knowledge of policies applied in other countries and of their results, *including those achieved through social policy experimentation at local, regional and national level*, broadens the range of options available to policy-makers, *thereby triggering* new policy developments.

**Amendment 16**  
**Proposal for a regulation**  
**Recital 8**

*Text proposed by the Commission*

(8) Ensuring that minimum standards are in place and that working conditions improve constantly *in the Union* is a central feature of Union social policy. The Union has an important role to play both in ensuring that the legislative framework is adapted, in line with '*Smart Regulation*' principles, to evolving work patterns and new health and safety risks and in financing measures to improve compliance with Union rules on the protection of workers' rights.

*Amendment*

(8) Ensuring that, *in the Union*, minimum standards are in place *and are effectively applied* and that working conditions improve constantly is a central feature of Union social policy. *This improvement could be identified, for example, by a social label.* The Union has an important role to play both in ensuring that the legislative framework is adapted, in line with '*decent work*' principles, to evolving work patterns and new health and safety risks and in financing measures to improve compliance with *ILO labour standards*,

*the UN and ILO 'Decent Work' Agenda and Union rules on the protection of workers' rights.*

**Amendment 17**  
**Proposal for a regulation**  
**Recital 8 a (new)**

*Text proposed by the Commission*

*Amendment*

*(8a) The Programme should take into account the fact that improving working conditions also involves making working hours and forms of employment more flexible, creating services to support family life and improving leave conditions and other mechanisms to support working parents.*

**Amendment 18**  
**Proposal for a regulation**  
**Recital 8 b (new)**

*Text proposed by the Commission*

*Amendment*

*(8b) Action should also be taken to promote investment in healthcare and social facilities with a view not merely to reducing inequalities and discrimination but also to fostering growth, wellbeing and development at national, regional and local level.*

**Amendment 19**  
**Proposal for a regulation**  
**Recital 9**

*Text proposed by the Commission*

*Amendment*

*(9) Civil society organisations active at various levels can play an important role in meeting the objectives of the Programme, by participating in the policy-making process and contributing to social*

*(9) Social partners and civil society organisations play a key role in promoting quality employment and combating social exclusion and poverty, as well as in fighting unemployment, and should be*



*innovation.*

*closely associated in all actions designed to achieve the objectives of the Programme, including social innovation. Therefore, social partners and civil society organisations should be involved in mutual learning and in the development, monitoring, field testing, evaluation and dissemination of new policies. High-quality partnerships should be forged at all levels. The partnership principle should be strengthened and extended to all sections of the Programme as their guiding principle.*

**Amendment 20**  
**Proposal for a regulation**  
**Recital 10**

*Text proposed by the Commission*

(10) The Union is committed to strengthening the social dimension of globalisation by promoting decent work and labour standards internationally, either directly vis-à-vis third countries or indirectly through cooperation with international organisations. Accordingly, suitable relations need to be developed with third countries not participating in the Programme in order to help achieve its objectives, having regard to any agreements of relevance between such countries and the Union. This may involve the attendance of representatives of these third countries at events of mutual interest (such as conferences, workshops and seminars) that take place in countries participating in the Programme. In addition, cooperation should be developed with the international organisations concerned, **and** in particular the International Labour Organisation (ILO), the Council of Europe and the Organisation for Economic Cooperation and Development (OECD), with a view to implementing the Programme in a way that takes the role of such organisations into

*Amendment*

(10) The Union is committed to strengthening the social dimension of globalisation **and to combating social dumping**, by promoting decent work and labour standards, **not only in its Member States, but also** internationally, either directly vis-à-vis third countries or indirectly through cooperation with international organisations. Accordingly, suitable relations need to be developed with third countries not participating in the Programme in order to help achieve its objectives, having regard to any agreements of relevance between such countries and the Union. This may involve the attendance of representatives of these third countries at events of mutual interest (such as conferences, workshops and seminars) that take place in countries participating in the Programme. In addition, cooperation should be developed with the international organisations concerned, in particular the International Labour Organisation (ILO) **and other relevant United Nations bodies**, the Council of Europe, and the Organisation for Economic Cooperation and

account.

Development (OECD), with a view to implementing the Programme in a way that takes the role of such organisations into account.

**Amendment 21**  
**Proposal for a regulation**  
**Recital 11**

*Text proposed by the Commission*

(11) In accordance with Articles 45 and 46 **of the Treaty**, Regulation (EU) No 492/2011 lays down provisions intended to achieve freedom of movement for workers by ensuring close cooperation between the Member States and with the Commission. EURES should promote better functioning of the labour markets by facilitating transnational geographical mobility of workers, providing greater transparency on the labour market, ensuring **the clearance of vacancies and applications for employment and supporting activities in the areas of recruitment**, advice and **guidance** services at national and cross-border level, thereby contributing to the objectives of the Europe 2020 Strategy.

*Amendment*

(11) In accordance with Articles 45 and 46 **TFEU**, Regulation (EU) No 492/2011 lays down provisions intended to achieve freedom of movement for workers by ensuring close cooperation between the Member States and with the Commission. EURES should promote **the** better functioning of the labour markets by facilitating **the voluntary** transnational geographical mobility of workers, providing greater transparency on the labour market, ensuring **equal treatment for cross-border workers both in social and in tax-related terms** and supporting advice, **guidance** and **placement** services at national and cross-border level **for mobile workers and employers**, thereby contributing to the objectives of the Europe 2020 Strategy. **However, the Commission itself should not act as an employment service.**

**Amendment 22**  
**Proposal for a regulation**  
**Recital 12**

*Text proposed by the Commission*

(12) EURES' scope should be widened to **develop** and support targeted mobility schemes at Union level with a view to filling vacancies where labour market shortcomings have been identified. In accordance with Article 47 of the Treaty, the scheme should facilitate mobility

*Amendment*

(12) EURES' scope should be widened to **include developing and supporting** targeted mobility schemes at Union level with a view to filling vacancies where labour market shortcomings have been identified **and developing further and increasing the number of cross-border**

among young workers.

***EURES partnership projects. In the light of high youth unemployment and in accordance with Article 47 of the Treaty, the scheme should facilitate voluntary mobility among young workers in the Union. Targeted mobility schemes, such as 'Your first EURES job', should make it easier for young people to access employment opportunities and take up a job in another Member State, as well as encourage employers to create job openings for young mobile workers. Nevertheless, mobility schemes should not discourage the Union and Member States from helping young people find a first job in their home country.***

**Amendment 23**  
**Proposal for a regulation**  
**Recital 12 a (new)**

*Text proposed by the Commission*

*Amendment*

***(12a) In many border regions EURES cross-border partnerships play an important tool in developing a genuine European labour market. EURES cross-border partnerships involve each, at least two Member States or a Member State and another participating country, and consequently have a clear horizontal nature and added value at Union level. EURES cross-border partnerships should therefore continue to be supported through horizontal Union activities, which could be complemented by national resources or by the ESF.***

**Amendment 24**  
**Proposal for a regulation**  
**Recital 12 b (new)**

*Text proposed by the Commission*

*Amendment*

***(12b) The evaluation of EURES activities***

*should take qualitative and quantitative criteria into account. Therefore the Commission, the Member States and the social partners should develop common indicators to assess the quality of employment and working conditions with regard to EURES jobs. As outgoing placements in one Member State means incoming placements in another, depending on the ever changing labour market situations and related mobility patterns, the evaluation focus should not only be on incoming or outgoing placements in individual countries but especially on aggregated figures at Union level. Furthermore, counselling does not necessarily result in measurable mobility or job placements.*

**Amendment 25**  
**Proposal for a regulation**  
**Recital 14**

*Text proposed by the Commission*

(14) Lack of access to credit is one of the main obstacles to business creation, especially among people furthest from the labour market. Union and national efforts in this area need to be stepped up in order to increase the supply of microfinance and meet demand from those who need it most, and in particular unemployed and vulnerable people who wish to start up or develop a micro-enterprise, including on a self-employed basis, but do not have access to credit. As a first step, in 2010 the European Parliament and the Council set up the Facility.

*Amendment*

(14) Lack of access to credit, ***equity or quasi equity*** is one of the main obstacles to business creation, especially among people furthest from the labour market. Union and national efforts in this area need to be stepped up in order to increase the supply of microfinance, ***facilitate access to borrowing*** and meet demand from those who need it most, and in particular ***the*** unemployed, ***women*** and vulnerable people who wish to start up or develop a micro-enterprise, including on a self-employed basis, but do not have access to credit. ***Similarly, small undertakings and micro-enterprises make up the majority of newly-formed companies in the Union and it should be possible for microcredits to provide a means of obtaining added value and concrete results rapidly.*** As a first step, in 2010 the European Parliament and the Council set up the Facility.  
***Communication activities on***

*microfinance opportunities at Union and Member State level should be improved to better reach those in need of micro-finance.*

**Amendment 26**  
**Proposal for a regulation**  
**Recital 14 a (new)**

*Text proposed by the Commission*

*Amendment*

*(14a) Microfinancing and support to social entrepreneurship should have a long-lasting impact and should reach the potential beneficiaries. It should contribute to a high level of quality and sustainable employment and serve as a catalyser for both economic and local development policies. In order to maximise the opportunities for creating viable micro-enterprises, the actions involving microfinance and social entrepreneurship should be accompanied with mentoring and training programmes that should be regularly updated and made accessible through centralised information points. For this purpose, it is essential that an adequate part of the budget be assigned to such measures.*

**Amendment 27**  
**Proposal for a regulation**  
**Recital 15**

*Text proposed by the Commission*

*Amendment*

(15) Making microfinance more available on the Union's young microfinance market ***calls for*** the institutional capacity of microfinance providers, and in particular non-bank microfinance institutions, to be stepped up in line with the Commission Communication 'A European Initiative for the development of micro-credit'.

(15) Making microfinance more available on the Union's young microfinance market ***requires*** the institutional capacity of microfinance providers, and in particular ***of*** non-bank microfinance institutions, to be stepped up in line with the Commission Communication 'A European Initiative for the development of micro-credit' ***and the Commission report on 'Promotion of***

*Women Innovators and Entrepreneurship'. Improving the availability and accessibility of microfinance on the Union's market also requires that the rules governing cross-border operations of microfinance providers are set in such a way as to facilitate micro-financing within the single market.*

**Amendment 28**  
**Proposal for a regulation**  
**Recital 16**

*Text proposed by the Commission*

(16) Social enterprises are a cornerstone of Europe's pluralist social market economy. They can act as drivers of social **change** by offering innovative solutions, and therefore make a valuable contribution to meeting the objectives of the Europe 2020 Strategy. **The** programme should improve social enterprises' access to finance and thereby contribute to the Social Business Initiative launched by the Commission.

*Amendment*

(16) Social enterprises are a cornerstone of Europe's pluralist social market economy, **and play an important role in ensuring greater social convergence in Europe.** They can act as drivers of social **progress** by offering innovative solutions, and therefore make a valuable contribution to meeting the objectives of the Europe 2020 Strategy, **as well as promoting inclusive labour markets and social services accessible to all. Within its limited scope** the programme should improve social enterprises' access to finance and thereby contribute to the Social Business Initiative launched by the Commission.

**Amendment 29**  
**Proposal for a regulation**  
**Recital 17**

*Text proposed by the Commission*

(17) In order to capitalise on the experience of international financial institutions, and in particular the European Investment Bank Group, action involving microfinance and social entrepreneurship should be implemented by the Commission indirectly by entrusting budget implementations tasks to financial institutions in accordance with

*Amendment*

(17) In order to capitalise on the experience of international financial institutions, and in particular the European Investment Bank Group, action involving microfinance and social entrepreneurship should be implemented by the Commission indirectly by entrusting budget implementations tasks to financial institutions in accordance with

the financial regulation. Using Union resources concentrates leverage from *international* financial institutions and other investors, unifies approaches and thus improves access to finance *for micro-enterprises, including the self-employed and* social enterprises. The Union contribution thus assists in the development of the emerging social business sector and the microfinance market in the Union and encourages cross-border activities.

the financial regulation. Using Union resources concentrates leverage from financial institutions and other investors, *creates synergies between Member State and Union action*, unifies approaches and thus improves *the* access to finance *of, and the outreach of microfinance to particular at-risk groups and young people, as well as access to finance for* social enterprises. The Union contribution thus assists in the development of the emerging social business sector and the microfinance market in the Union and encourages cross-border activities. *The Union's actions should be complementary to the Member States' use of financial instruments for microfinance and social entrepreneurship. The entities entrusted with the implementation of the actions should ensure added value and avoid duplication of financing through Union resources.*

**Amendment 30**  
**Proposal for a regulation**  
**Recital 17 a (new)**

*Text proposed by the Commission*

*Amendment*

*(17a) In accordance with the Europe 2020 Strategy, the Programme should tackle the pressing problem of youth unemployment. European youth suffers most from the economic crisis; youth unemployment rates are high in many Member States, in some of them reaching more than 40%. Although the situation in European countries differs considerably, the average youth unemployment rate in the Union is more than twice as high as the adult unemployment rate. Moreover there are large regional disparities. Especially in rural areas, youth unemployment is rising. Young people aged under 25 should therefore be given a future and the prospect to playing a key role in developing society and economy in*

***Europe, which is of particular importance  
in time of crises.***

*(Linked to the Youth Initiative Axis)*

**Amendment 31**  
**Proposal for a regulation**  
**Recital 17 b (new)**

*Text proposed by the Commission*

*Amendment*

***(17b) By tackling youth unemployment and the precariousness of young workers it should be possible not only to reduce societal costs but also to promote social inclusion. Therefore, the Programme should put a special focus on youth employment, by introducing a Youth Initiative axis, which aims to improve the transition from education to decent employment as well as working conditions of young people, and to reduce early school leaving.***

*(Linked to the Youth Initiative Axis)*

**Amendment 32**  
**Proposal for a regulation**  
**Recital 17 c (new)**

*Text proposed by the Commission*

*Amendment*

***(17c) The Commission and the Member States should take a rights-based approach to training and employment. The qualitative aspect of decent work for young people, including remuneration for internships and apprenticeships, should not be compromised, and the core labour standards and other standards related to the quality of work, such as working time, wages, social security, and occupational health and safety, should be central considerations to the efforts that are made.***



**Amendment 33**  
**Proposal for a regulation**  
**Recital 17 d (new)**

*Text proposed by the Commission*

*Amendment*

*(17d) The actions of the Programme should support the Member States in creating efficient incentives for young people that will guarantee decent living and working conditions. Such incentives should encourage public and private employers to hire and train young people, to invest both in quality job creation for young people and in continuous training and upgrading of their skills during employment and to support entrepreneurship as a choice among youth. The Programme should also point to the special role and importance of small enterprises regarding training, expertise and traditional know-how, as well as ensure that young people have access to microfinance. The Programme should facilitate the exchange of best practice between the Member States in all these areas.*

**Amendment 34**  
**Proposal for a regulation**  
**Recital 17 e (new)**

*Text proposed by the Commission*

*Amendment*

*(17e) Actions of the Programme should support the Member States and labour market actors in their implementation of the Youth Guarantee ensuring that young people are either in a job, education or (re-)training within four months of leaving school, especially for early leavers from education and training and other vulnerable youth. The Programme should facilitate the exchange of best practice between the Member States in this area.*

**Amendment 35**  
**Proposal for a regulation**  
**Recital 18**

*Text proposed by the Commission*

(18) Pursuant to **Articles 8 and 10 of the Treaty**, the Programme **should support the mainstreaming of gender equality and anti-discrimination objectives in all its activities**. Regular monitoring and evaluation should be carried out to assess the way in which gender equality and anti-discrimination issues are addressed in the Programme's activities.

**Amendment 36**  
**Proposal for a regulation**  
**Recital 18 a (new)**

*Text proposed by the Commission*

**Amendment 37**  
**Proposal for a regulation**  
**Recital 18 b (new)**

*Amendment*

(18) Pursuant to **Article 3(3) TEU and Article 8 TFEU**, it is **necessary to ensure that the Programme contributes to the promotion of equality between women and men in all its axes and activities through gender mainstreaming and, where relevant, specific action to promote women's employment and social inclusion**. Regular monitoring and evaluation should be carried out to assess the way in which gender equality and anti-discrimination issues are addressed in the Programme's activities.

*Amendment*

**(18a) Pursuant to Article 10 TFEU, the Programme should ensure that the implementation of its priorities contributes to combating discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation and to fulfilling the obligation under the UN Convention on the Rights of Persons with Disabilities with regard inter alia to education, work and employment and accessibility. Regular monitoring and evaluation should be carried out to assess the way in which anti-discrimination issues are addressed in the Programme's activities.**

*Text proposed by the Commission*

*Amendment*

***(18b) Equality and anti-discrimination are not only legal questions but fundamental challenges for society. The Community Programme for Employment and Social Solidarity – Progress (the Progress Programme) included sections on 'Antidiscrimination and diversity' and 'Gender equality' that are to be continued and further developed under the Rights and Citizenship Programme. Furthermore, the mid-term evaluation of the Progress Programme underlined the need for more efforts and new initiatives with regard to equality and anti-discrimination. It is therefore of the utmost importance to maintain a strong focus on those issues in all relevant initiatives and actions covered by the Programme, especially in the fields of improving women's labour force participation, working conditions and promoting a better balance between professional and private life.***

**Amendment 38**  
**Proposal for a regulation**  
**Recital 18 c (new)**

*Text proposed by the Commission*

*Amendment*

***(18c) Pursuant to Article 3 TEU and Article 24 of the EU Charter of Fundamental Rights of the European Union, the Programme shall ensure the protection of children's rights.***

**Amendment 39**  
**Proposal for a regulation**  
**Recital 19**

*Text proposed by the Commission*

*Amendment*

(19) Pursuant to Article 9 ***of the Treaty***, the Programme should ***ensure that the***

(19) Pursuant to Article 9 ***TFEU and the objectives of the Europe 2020 Strategy***,

*requirements linked to the promotion of a high-level of employment, a guarantee of adequate social protection and the fight against social exclusion are taken into account in defining and implementing the Union's policies and activities.*

the Programme should *contribute to ensuring a high level of quality and sustainable employment, to guaranteeing adequate social protection and to combating poverty and* social exclusion.

**Amendment 40**  
**Proposal for a regulation**  
**Recital 19 a (new)**

*Text proposed by the Commission*

*Amendment*

*(19a) The Programme should complement other Union programmes, while acknowledging that each instrument should work according to its own specific procedures. Thus, the same eligible costs should not receive double funding. With the aim to achieve added value and substantial impact of Union funding, close synergies should be developed between the Programme, other Union programmes and the Structural Funds, especially the ESF.*

**Amendment 41**  
**Proposal for a regulation**  
**Recital 19 b (new)**

*Text proposed by the Commission*

*Amendment*

*(19b) The Programme should be implemented in such a way so as to facilitate participation by the competent authority or authorities of each Member State in meeting the Programme's objectives.*

**Amendment 42**  
**Proposal for a regulation**  
**Recital 20**

*Text proposed by the Commission*

(20) To ensure more efficiency in communication to the public at large and stronger synergies between the communication actions undertaken at the initiative of the Commission, the resources allocated to information and communication activities under this regulation shall also contribute to ***corporate communication*** of the political priorities of the European Union as far as they are related to the general objectives of this Regulation.

*Amendment*

(20) To ensure more efficiency in communication to the public at large and stronger synergies between the communication actions undertaken at the initiative of the Commission, the resources allocated to information and communication activities under this regulation shall also contribute to ***providing information on*** the political priorities of the European Union as far as they are related to the general objectives of this Regulation.

**Amendment 43**  
**Proposal for a regulation**  
**Recital 20 a (new)**

*Text proposed by the Commission*

*Amendment*

***(20a) The Programme should be monitored, evaluated and adjusted or amended where appropriate.***

**Amendment 44**  
**Proposal for a regulation**  
**Recital 23 a (new)**

*Text proposed by the Commission*

*Amendment*

***(23a) In order to ensure that the Programme is sufficiently flexible to respond to changing needs and corresponding policy priorities throughout its duration, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission in respect of the allocation of funds to the individual thematic sections within the axes of the Programme, the adoption of multiannual work plans, [and of the definition of areas for the use of unallocated funds]. It is of particular importance that the Commission carry out***

*appropriate consultations during its preparatory work, including at expert, social partners and civil society organisations level. The Commission, when preparing and drawing-up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and Council.*

*(The provision on the use of unallocated funds will be finalised once agreement is reached on the Financial Regulation)*

**Amendment 45**  
**Proposal for a regulation**  
**Recital 24**

*Text proposed by the Commission*

*Amendment*

*(24) Implementing powers should be conferred on the Commission with a view to ensuring there are uniform conditions for implementing actions under the EURES and the Microfinance and Social Entrepreneurship axes of the Programme.*

*deleted*

**Amendment 46**  
**Proposal for a regulation**  
**Recital 25**

*Text proposed by the Commission*

*Amendment*

*(25) The implementing powers relating to actions carried out under the Progress axis of the Programme should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers.*

*(25) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers.*

**Amendment 47**  
**Proposal for a regulation**  
**Recital 25 a (new)**

*Text proposed by the Commission*

*Amendment*

***(25a) With regard to the delivery, monitoring and evaluation of the Programme, the Commission should be assisted, in a consultative capacity, by a strategic advisory board chaired by the Commission and composed of representatives of Member States and other participating countries, trade unions, employers' organisations and civil society organisations and financing institutions, organised at Union level, which are directly or indirectly involved in the implementation of Programme activities.***

**Amendment 48**  
**Proposal for a regulation**  
**Article 1 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. This Regulation establishes a European Union Programme for Social ***Change*** and Innovation (hereinafter ‘the Programme’) which aims to contribute to the implementation of the Europe 2020 Strategy, its headline targets ***and*** Integrated Guidelines by providing financial support for the European Union's objectives in terms of promoting a high level of employment, guaranteeing adequate social protection, combating social exclusion and poverty ***and*** improving working conditions.

1. This Regulation establishes a European Union Programme for Social ***Progress***, Innovation ***and Employment*** (hereinafter ‘the Programme’) which aims to contribute, ***including by means of innovative action***, to the implementation of the Europe 2020 Strategy, its headline targets, Integrated Guidelines, ***flagship initiatives and the Youth Opportunities Initiative*** by providing financial support for the European Union's objectives in terms of promoting a high level of ***quality and sustainable*** employment, guaranteeing adequate ***and decent*** social protection, combating social exclusion and poverty, improving working conditions ***and enhancing the employment and***

*educational situation of young people.*

## **Amendment 49**

### **Proposal for a regulation**

#### **Article 2 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) 'Social enterprise' means an ***enterprise whose primary objective is to achieve social impact rather than generate profit for owners and stakeholders. It operates in the market through the production of goods and services in an entrepreneurial and innovative way, and uses surpluses mainly to achieve social goals. It is managed in an accountable and transparent way, in particular by involving workers, customers and stakeholders affected by its business activity.***

*Amendment*

(a) 'Social enterprise' means an ***undertaking, regardless of its legal form, which is not listed on a regulated market within the meaning of point (14) of Article 4(1) of Directive 2004/39/EC, and which:***

***(i) in accordance with its Articles of Association, Statutes or any other statutory document establishing the business, has as its primary objective the achievement of measurable, positive social impacts rather than generating profit for its owners, members and stakeholders, where the undertaking:***

***– provides innovative services or goods which generate a social return and/or***

***– employs an innovative method of production of goods or services and that method of production embodies its social objective;***

***(ii) reinvests its profits first and foremost to achieve its primary objective and has in place predefined procedures and rules for any circumstances in which profits are distributed to shareholders and owners, in order to ensure that any distribution of profits does not undermine the primary objective;***

***(iii) is managed in an entrepreneurial, accountable and transparent way, in***



*particular by involving workers, customers and/or stakeholders affected by its business activities.*

**Amendment 50**  
**Proposal for a regulation**  
**Article 2 – paragraph 1 – point d**

*Text proposed by the Commission*

(d) 'Microfinance' includes guarantees, counter-guarantees, microcredit, equity and quasi-equity extended to persons and micro-enterprises.

*Amendment*

(d) 'Microfinance' includes guarantees, counter-guarantees, microcredit, equity and quasi-equity extended to persons and micro-enterprises *that have no or insufficient credit standing*.

**Amendment 51**  
**Proposal for a regulation**  
**Article 2 – paragraph 1 – point d a (new)**

*Text proposed by the Commission*

*Amendment*

*(da) 'Social innovation' means ground-breaking social initiatives or projects that are social both in their ends and their means and are drawn up specifically to provide more effective, efficient, sustainable and just responses to social needs that are unmet or insufficiently met such as combating poverty and social exclusion, finding a first job, promoting a high level of quality employment, guaranteeing adequate and poverty-preventing social protection, guaranteeing access to health care for vulnerable people and improving working conditions, thereby contributing to social progress.*

**Amendment 52**  
**Proposal for a regulation**  
**Article 2 – paragraph 1 – point d b (new)**

*Text proposed by the Commission*

*Amendment*

*(db) 'Social policy experimentation' means project-based field testing of social innovations in order to gather evidence on their effectiveness and feasibility, such projects being limited in time and including a variety of actors.*

#### **Amendment 53**

##### **Proposal for a regulation**

##### **Article 3 – paragraph 1 – introductory part**

*Text proposed by the Commission*

*Amendment*

1. The Programme shall be made up of the following **three** complementarity axes:

1. The Programme shall be made up of the following **four** complementarity axes:

*(Linked to the Youth Initiative Axis)*

#### **Amendment 54**

##### **Proposal for a regulation**

##### **Article 3 – paragraph 1 – point a**

*Text proposed by the Commission*

*Amendment*

(a) The Progress axis, which shall support the development, implementation, monitoring and evaluation of Union employment **and** social **policy** and legislation **on working conditions** and shall promote evidence-based policy-making and innovation, in partnership with the social partners, civil society organisations and **other interested parties**;

(a) The Progress axis, which shall support the development, implementation, monitoring and evaluation of Union **policy in the fields of** employment, **working conditions**, social **protection**, social **inclusion** and **combating poverty as well as** legislation **in those areas**, and **which** shall promote evidence-based policy-making, **social** innovation, **social policy experimentation** and **social progress**, in partnership **and cooperation** with the social partners, civil society organisations and **public and private bodies**;

#### **Amendment 55**

##### **Proposal for a regulation**

##### **Article 3 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) The EURES axis, which shall support activities carried out by the EURES network, *i.e. the specialist services designated by the EEA Member States and the Swiss Confederation, together with* other interested parties, to develop information exchanges and dissemination and other forms of cooperation to promote *workers'* geographical mobility;

*Amendment*

(b) The EURES axis, which shall support activities carried out by the EURES network, ***together with the social partners*** and other interested parties, to develop information exchanges and dissemination and other forms of cooperation, ***such as cross-border partnerships, as well as the provision of individual counselling and information for jobseekers, mobile workers and employers*** to promote *voluntary* geographical mobility ***for workers on a fair basis and to contribute to a high level of quality and sustainable employment;***

**Amendment 56**

**Proposal for a regulation**

**Article 3 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) The Microfinance and Social Entrepreneurship axis, which shall *facilitate* access to *finance* for *entrepreneurs*, especially *those furthest from the labour market*, and social enterprises.

*Amendment*

(c) The Microfinance and Social Entrepreneurship axis, which shall ***promote*** access to, ***and increase the availability of, micro-financing*** for ***business start-ups***, especially ***with regard to unemployed, socially excluded and other vulnerable people, as well as existing micro-enterprises and*** social enterprises.

**Amendment 57**

**Proposal for a regulation**

**Article 3 – paragraph 1 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

***(ca) The Youth Initiative axis, which shall improve the employment and educational situation of young people, in particular those who are not in education, employment or training (NEET).***

*(Linked to the Youth Initiative Axis)*

**Amendment 58**  
**Proposal for a regulation**  
**Article 3 – paragraph 2**

*Text proposed by the Commission*

2. The common provisions laid down in Articles 1 to 14 shall apply to all **three** axes set out in points (a), (b) **and** (c) of paragraph 1, to each of which specific provisions shall also apply.

*Amendment*

2. The common provisions laid down in Articles 1 to 14, **and in Title IIa, shall, where appropriate,** shall apply to all **four** axes set out in points (a), (b), (c) **and (ca)** of paragraph 1, to each of which **shall also apply** specific provisions.

**Amendment 59**  
**Proposal for a regulation**  
**Article 4 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) Strengthen ownership of the Union objectives in the employment, social **and** working conditions **fields among key Union and national policy-makers,** as well as **other interested parties** in order to **bring about concrete and coordinated actions at both Union and Member State level;**

*Amendment*

(a) Strengthen ownership **among policy-makers at all levels, and bring about concrete and coordinated actions at both Union and Member State level, in respect** of the Union objectives in the **fields of** employment, social **protection and inclusion, combating poverty and improving** working conditions, **in close collaboration with the social partners** as well as **civil society organisations and public bodies** in order to **meet the social objectives of the Europe 2020 Strategy;**

**Amendment 60**  
**Proposal for a regulation**  
**Article 4 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) **Support** the development of adequate, **accessible** and efficient social protection systems and labour markets and facilitate policy reform, by promoting good governance, mutual learning and social

*Amendment*

(b) **Promote social governance by targeting greater social convergence and supporting** the development of adequate, **decent, inclusive** and efficient **high-quality** social protection systems and labour markets, **in order to ensure social**

innovation;

*inclusion and a high level of quality and sustainable employment and to facilitate policy reform, where necessary, by promoting participation of all relevant stakeholders, including non-governmental organisations and vulnerable people such as those experiencing poverty, unemployment and social exclusion as well as by promoting decent work, good governance, mutual learning and social innovation;*

#### **Amendment 61**

##### **Proposal for a regulation**

##### **Article 4 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) Modernise Union law in line with *the Smart Regulation* principles and ensure that Union law on matters relating to working conditions is effectively applied;

*Amendment*

(c) Modernise *and improve* Union law in line with *decent work* principles and ensure that Union law on matters relating to working conditions is effectively applied, *in order to achieve progress on the social and employment policy targets of the Europe 2020 Strategy;*

#### **Amendment 62**

##### **Proposal for a regulation**

##### **Article 4 – paragraph 1 – point c a (new)**

*Text proposed by the Commission*

*Amendment*

*(ca) Promote the creation of quality and sustainable 'green' and 'white' jobs and the anticipation and development of new skills and competencies towards that end by linking employment and social policies with industrial and structural policies supporting a transition towards a resource-efficient and low carbon economy and a environmental and social sustainable development;*

**Amendment 63**  
**Proposal for a regulation**  
**Article 4 – paragraph 1 – point d**

*Text proposed by the Commission*

(d) Promote workers' geographical mobility and boost employment opportunities by developing Union labour markets that are open and accessible to all;

*Amendment*

(d) Promote workers' ***voluntary*** geographical mobility ***on a fair basis, especially cross-border mobility***, and boost employment opportunities, ***including through initiatives on first jobs and returning the unemployed to work***, by developing ***high-quality and inclusive European*** Union labour markets that are open and accessible to all ***while respecting and guaranteeing freedom of movement and workers' rights throughout the Union***;

**Amendment 64**  
**Proposal for a regulation**  
**Article 4 – paragraph 1 – point d a (new)**

*Text proposed by the Commission*

*Amendment*

***(da) Promote workplaces offering various possibilities for workers to achieve a healthy balance between professional and private life;***

**Amendment 65**  
**Proposal for a regulation**  
**Article 4 – paragraph 1 – point e**

*Text proposed by the Commission*

(e) Promote employment and social inclusion by increasing the availability and accessibility of microfinance for vulnerable ***groups and*** micro-enterprises, and by increasing access to finance for social enterprises.

*Amendment*

(e) Promote employment and social inclusion by increasing the availability and accessibility of microfinance for vulnerable ***people who wish to start up a micro-enterprise as well as for existing*** micro-enterprises, and by increasing access to finance for social enterprises;

**Amendment 66**  
**Proposal for a regulation**  
**Article 4 – paragraph 1 – point e a (new)**

*Text proposed by the Commission*

*Amendment*

***(ea) Combat poverty and social exclusion by supporting the activities of social partners, civil society organisations, social enterprises and public and private bodies, focusing in particular on social innovation and social policy experimentation;***

**Amendment 67**  
**Proposal for a regulation**  
**Article 4 – paragraph 1 – point e b (new)**

*Text proposed by the Commission*

*Amendment*

***(eb) Improve the knowledge and understanding of the situation prevailing in the Member States and in other participating countries through analysis, evaluation and close monitoring of policies and their implementation;***

**Amendment 68**  
**Proposal for a regulation**  
**Article 4 – paragraph 1 – point e c (new)**

*Text proposed by the Commission*

*Amendment*

***(ec) Ensure a good transition from education to decent employment, prevent early-school leaving and promote quality of traineeships and apprenticeships.***

*(Linked to the Youth Initiative Axis)*

**Amendment 69**  
**Proposal for a regulation**  
**Article 4 – paragraph 2 – introductory part**

*Text proposed by the Commission*

2. In pursuing those objectives, the Programme shall *aim to*:

*Amendment*

2. In pursuing those objectives, the Programme shall:

**Amendment 70**

**Proposal for a regulation**

**Article 4 – paragraph 2 – point a**

*Text proposed by the Commission*

(a) Promote equality between women and men *and* combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation;

*Amendment*

(a) Promote equality between women and men *by implementing gender mainstreaming in all its axes and activities and putting into practice positive action to promote gender equality*, combat discrimination based on sex, racial or ethnic origin, *language*, religion or belief, disability, age or sexual orientation, *and contribute to fulfilling the obligations under the UN Convention on the Rights of Persons with Disabilities with regard, inter alia, to education, work and employment and accessibility*;

**Amendment 71**

**Proposal for a regulation**

**Article 4 – paragraph 2 – point b**

*Text proposed by the Commission*

(b) *Ensure that the requirements linked to the promotion of a high-level of employment, a guarantee of adequate social protection and the fight against social exclusion are taken into account in defining and implementing of the Union's policies and activities.*

*Amendment*

(b) *In defining and implementing the Union's policies and activities, promote a high level of quality and sustainable employment, guarantee adequate and decent social protection, combat long-term unemployment and fight against poverty and social exclusion.*

**Amendment 72**

**Proposal for a regulation**

**Article 4 a (new)**



*Text proposed by the Commission*

*Amendment*

**Article 4a**

**Partnership principle**

*To ensure that the Programme meets beneficiaries' needs and requirements and in order to promote good governance, mutual learning and social innovation, the Commission and the Member States shall apply the partnership principle at all levels throughout the lifecycle of the Programme. To that end, the Commission and the Member States shall ensure that those social partners and civil society organisations which represent the target groups of the Programme are regularly consulted and involved in strategic decisions concerning the development, implementation monitoring and evaluation of the Programme and its axes. A sufficient amount of financial resources shall be allocated to the effective application of the partnership principle, as well as to the capacity- and competence-building activities of the social partners and of civil society organisations which are directly or indirectly involved in implementing the activities of the Programme.*

**Amendment 73**

**Proposal for a regulation**

**Article 5 – paragraph 1**

*Text proposed by the Commission*

1. The **financial appropriations** for implementing the Programme over the period from 1 January 2014 to 31 December 2020 shall amount to EUR **958.19** million<sup>1</sup>.

*Amendment*

1. The **financial envelope within the meaning of point [...] of the Interinstitutional Agreement of XX/201Z between the European Parliament, the Council and the Commission on cooperation in budgetary matters and sound financial management, which constitutes the prime reference** for implementing the Programme over the

period from 1 January 2014 to 31 December 2020, shall amount to EUR [XXX million] *in current prices*.

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<sup>1</sup> *In current prices*.

*Justification*

*The financial envelope specified in the legislative proposal constitutes only an indication and will be finalised once agreement is reached on the regulation on the Multiannual Financial Framework.*

**Amendment 74**

**Proposal for a regulation**

**Article 5 – paragraph 2 – subparagraph 1 – introductory part**

*Text proposed by the Commission*

*Amendment*

*2. The following indicative percentages shall be allocated to the axes set out in Article 3 (1) as follows:*

*2. Over the entire period of the Programme, the financial breakdown allocated to the axes set out in Article 3(1) (a), (b) and (c) shall be as follows:*

**Amendment 75**

**Proposal for a regulation**

**Article 5 – paragraph 2 – subparagraph 1 – point a**

*Text proposed by the Commission*

*Amendment*

*(a) 60 % to the Progress axis, of which at least 17 % shall be allocated to promoting social experimentation as a method for testing and evaluating innovative solutions with a view to scaling them up;*

*(a) 60 % to the Progress axis;*

**Amendment 76**

**Proposal for a regulation**

**Article 5 – paragraph 2 – subparagraph 1 – point b**

*Text proposed by the Commission*

*Amendment*

*(b) 15 % to the EURES axis;*

*(b) 18 % to the EURES axis;*

**Amendment 77**  
**Proposal for a regulation**  
**Article 5 – paragraph 2 – subparagraph 2**

*Text proposed by the Commission*

*The remaining 5 % shall be apportioned among the axes on an annual basis **in line with policy priorities**.*

*Amendment*

***In order to make effective use of the funds and to enable them to be shifted between the axes in accordance with policy priorities, the remaining 2 % shall be apportioned among the axes on an annual basis **without prejudice to the prerogatives of the budgetary authority in the annual budget**.***

**Amendment 78**  
**Proposal for a regulation**  
**Article 5 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***2a. In addition to the financial appropriations mentioned in paragraph 1, funding shall be provided for the Youth Initiative axis set out in Article 3(1)(ca). Over the Programme period from 1 January 2014 to 31 December 2020, financial appropriations committed to this axis shall amount to EUR [XXX million].***

*(Linked to the Youth Initiative Axis)*

*Justification*

*In order to tackle the unacceptably high levels of youth unemployment a new 'Youth Initiative' axis is introduced, provided that the funding can be secured for this objective within the MFF 2014-2020.*

**Amendment 79**  
**Proposal for a regulation**  
**Article 5 – paragraph 2 b (new)**

*Text proposed by the Commission*

*Amendment*

***2b. A gender-sensitive approach, including gender budgeting and gender***

*impact assessment, shall where appropriate be used when allocating the funds.*

**Amendment 80**  
**Proposal for a regulation**  
**Article 5 – paragraph 3**

*Text proposed by the Commission*

3. The Commission may make use of the appropriations referred to paragraph 1 to finance technical and/or administrative assistance, in particular relating to auditing, outsourcing of translation, meetings of experts, and information and communication activities for the mutual benefit of the Commission and the beneficiaries.

*Amendment*

3. The Commission may make use of ***up to 3 % of*** the appropriations referred to paragraph 1, to finance technical and/or administrative assistance, in particular relating to auditing, outsourcing of translation, meetings of experts, ***cooperation with third countries*** and information and communication activities for the mutual benefit of the Commission and the beneficiaries, ***and strengthen checks on expenditure.***

**Amendment 81**  
**Proposal for a regulation**  
**Article 6 – paragraph 1 – point 1 – point a**

*Text proposed by the Commission*

(a) Gathering of data and statistics, as well as development of common methodologies, classifications, indicators and benchmarks;

*Amendment*

(a) Gathering of data and statistics, ***taking account of both qualitative and quantitative criteria,*** as well as development of common methodologies, classifications, indicators and benchmarks, ***where appropriate broken down by gender and age group;***

**Amendment 82**  
**Proposal for a regulation**  
**Article 6 – paragraph 1 – point 1 – point b**

*Text proposed by the Commission*

(b) Surveys, studies, analyses and reports, including through the funding of networks

*Amendment*

(b) Surveys, studies, analyses and reports, including through the funding of networks

*of experts;*

*and development of expertise on thematic priorities;*

### **Amendment 83**

#### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – point 1 – point c**

*Text proposed by the Commission*

*Amendment*

(c) Evaluations and impact assessments;

(c) ***Independent qualitative and quantitative*** evaluations and impact assessments ***carried out by both public and private bodies, as well as actions required to translate good practices and experimentation into ordinary social policy, including an appraisal of the effectiveness of measures relating to objectives in the areas of employment and social cohesion;***

### **Amendment 84**

#### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – point 1 – point d a (new)**

*Text proposed by the Commission*

*Amendment*

***(da) Monitoring of progress in Member States and other participating countries on key priorities in the fields of employment, social protection and inclusion, and combating poverty in line with the Europe 2020 targets as well as improving working conditions;***

### **Amendment 85**

#### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – point 1 – point d b (new)**

*Text proposed by the Commission*

*Amendment*

***(db) Monitoring the impact of policies implemented with regard to the most vulnerable groups;***

**Amendment 86**  
**Proposal for a regulation**  
**Article 6 – paragraph 1 – point 1 – point d c (new)**

*Text proposed by the Commission*

*Amendment*

***(dc) Monitoring the impact of policies implemented with regard to improving working conditions;***

**Amendment 87**  
**Proposal for a regulation**  
**Article 6 – paragraph 1 – point 1 – point e**

*Text proposed by the Commission*

*Amendment*

(e) Preparation and implementation of social experimentation as a method for testing and evaluating innovative solutions with a view to scaling them up;

(e) Preparation and implementation of social ***policy*** experimentation as a method for testing and evaluating innovative solutions with a view to scaling them up;

**Amendment 88**  
**Proposal for a regulation**  
**Article 6 – paragraph 1 – point 2 – point a**

*Text proposed by the Commission*

*Amendment*

(a) ***Exchanges*** and dissemination of good practice, innovative approaches and experience, peer reviews, benchmarking and mutual learning at European level;

(a) ***Focused and strategic exchanges, identification and*** dissemination of good practice, innovative approaches and experience, peer reviews, benchmarking and mutual learning at European level ***in order to enhance knowledge and make progress in achieving the Union's objectives of promoting a high-level of quality and sustainable employment, guaranteeing adequate and decent social protection, combating social exclusion and poverty and improving working conditions;***

**Amendment 89**  
**Proposal for a regulation**  
**Article 6 – paragraph 1 – point 2 – point b**

*Text proposed by the Commission*

*Amendment*

**(b) Council Presidency events,  
conferences and seminars;**

***deleted***

**Amendment 90**

**Proposal for a regulation**

**Article 6 – paragraph 1 – point 2 – point c**

*Text proposed by the Commission*

*Amendment*

(c) Training of legal and policy  
practitioners, **and** EURES advisers;

(c) Training of legal and policy  
practitioners, EURES advisers **and the  
actors of the EURES cross-border  
partnerships**;

**Amendment 91**

**Proposal for a regulation**

**Article 6 – paragraph 1 – point 2 – point d**

*Text proposed by the Commission*

*Amendment*

(d) Drafting and publication of guides,  
reports and educational material;

(d) Drafting and publication of guides,  
reports and educational materials **and  
measures relating to information,  
communication, and media coverage of  
initiatives supported by the Programme**;

**Amendment 92**

**Proposal for a regulation**

**Article 6 – paragraph 1 – point 2 – point f a (new)**

*Text proposed by the Commission*

*Amendment*

***(fa) Support for active engagement of all  
relevant actors in the follow up of already  
agreed Union priorities, such as active  
inclusion, combating homelessness and  
housing exclusion, child poverty, energy  
poverty and poverty amongst migrants  
and ethnic minorities;***

#### **Amendment 93**

##### **Proposal for a regulation**

##### **Article 6 – paragraph 1 – point 2 – point f b (new)**

*Text proposed by the Commission*

*Amendment*

***(fb) Enhancing knowledge and understanding amongst policy makers and other stakeholders regarding development and implementation of policies that promote quality employment, good working conditions, inclusive labour markets, social protection and inclusion, and combat of poverty;***

#### **Amendment 94**

##### **Proposal for a regulation**

##### **Article 6 – paragraph 1 – point 2 – point f c (new)**

*Text proposed by the Commission*

*Amendment*

***(fc) Fostering the prevention culture in the field of health and safety at work and promotion of both mental and physical health within a work setting.***

#### **Amendment 95**

##### **Proposal for a regulation**

##### **Article 6 – paragraph 1 – point 3 – point b**

*Text proposed by the Commission*

*Amendment*

(b) Capacity-building ***of national*** administrations and specialist services responsible for promoting geographical mobility designated by the Member States ***and*** microcredit providers,

(b) Capacity-building of ***the*** administrations and specialist services responsible for promoting geographical mobility designated by the Member States, ***as well as capacity-building of the*** microcredit providers ***and the providers of financing for social enterprises;***

#### **Amendment 96**

##### **Proposal for a regulation**

##### **Article 6 – paragraph 1 – point 3 – point b a (new)**



*Text proposed by the Commission*

*Amendment*

***(ba) Capacity-building of the social partner organisations, the civil society organisations and the actors of the social economy;***

**Amendment 97**

**Proposal for a regulation**

**Article 6 – paragraph 1 – point 3 – point b b (new)**

*Text proposed by the Commission*

*Amendment*

***(bb) Capacity-building and operational costs of EURES cross-border partnerships;***

**Amendment 98**

**Proposal for a regulation**

**Article 6 – paragraph 1 – point 3 - point c**

*Text proposed by the Commission*

*Amendment*

(c) Organisation of working groups of national officials to monitor the implementation of Union law;

(c) Organisation of ***transnational*** working groups of national, ***regional and local*** officials to monitor ***proper*** the implementation of Union law;

*Justification*

*The exchanges between public administrations should benefit all levels of governments as many public policies are shared and are not the sole competence of national administrations.*

**Amendment 99**

**Proposal for a regulation**

**Article 6 – paragraph 1 – point 3 – point d**

*Text proposed by the Commission*

*Amendment*

(d) Networking and cooperation among specialist bodies, national, regional and local authorities, and employment services

(d) Networking and cooperation among specialist bodies ***and other relevant stakeholders***, national, regional and local authorities, and employment services at

at European level;

European level;

#### **Amendment 100**

##### **Proposal for a regulation**

##### **Article 6 – paragraph 1 – point 3 – point e**

*Text proposed by the Commission*

*Amendment*

(e) Funding of European-level observatories;

(e) Funding of European-level, ***interregional and cross-border*** observatories, ***including on key thematic priorities***;

#### **Amendment 101**

##### **Proposal for a regulation**

##### **Article 6 – paragraph 1 – point 3 – point f**

*Text proposed by the Commission*

*Amendment*

(f) ***Exchange*** of personnel between national administrations.

(f) ***Transnational exchange*** of personnel between ***regional, local and*** national administrations.

#### *Justification*

*Monitoring the implementation of EU law must also take regional and local contexts into account and should, therefore, involve regional and local government representatives.*

#### **Amendment 102**

##### **Proposal for a regulation**

##### **Article 6 – paragraph 1 – point 4**

*Text proposed by the Commission*

*Amendment*

4. Actions to promote mobility of individuals in the Union, ***in particular the development of a*** multilingual digital platform for the clearance of job vacancies and applications, and targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and/or to help specific groups of workers such as young people.

4. Actions to promote ***voluntary*** mobility of individuals in the Union ***on a fair basis and to remove mobility obstacles***:

***(a) Provision of information and counselling for jobseekers, mobile***

*workers and cross-border workers, as well as organisations representing their interests, and employers;*

*(b) Development of the multilingual digital platform for the clearance of job vacancies and applications, and targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and/or to help specific groups of workers such as young people.*

#### **Amendment 103**

##### **Proposal for a regulation**

##### **Article 6 – paragraph 1 – point 5**

*Text proposed by the Commission*

5. Support to microfinance and social enterprises in particular through the financial instruments provided for under ***Title VIII of Part one of*** Regulation XXX/2012 [New Financial Regulation] on the financial rules applicable to the annual budget of the Union, and grants.

*Amendment*

5. Support to microfinance and social enterprises in particular through the financial instruments provided for under Regulation XXX/2012 [New Financial Regulation] on the financial rules applicable to the annual budget of the Union, and grants.

#### **Amendment 104**

##### **Proposal for a regulation**

##### **Article 6 a (new)**

*Text proposed by the Commission*

*Amendment*

##### **Article 6a**

##### ***Social Innovation and Social Policy Experimentation***

***1. The Programme shall support social innovation and social policy experimentation. It shall help identify, analyse and scale up innovative solutions and their practical implementation through social policy experimentation.***

***2. Social innovation shall aim to improve the quality of life and work. It shall not be judged primarily on the basis of economic***

*criteria but, rather, on the basis of its added value for society.*

*3. Social policy experimentation shall, where necessary, aim to assist the Member States to increase the efficiency of their labour markets and to further improve their social protection and inclusion policies. It shall aim to improve the life of beneficiaries through tailored services or products and shall be developed with the direct involvement of stakeholders and beneficiaries.*

*The results of the experiments shall help to determine whether and under what conditions it is possible to implement social innovations on a wider scale. Social policy experimentation shall therefore aim to ensure that effective approaches are scaled up, including with the support of the ESF.*

*4. The Commission shall facilitate capacity building for social innovation, in particular through supporting mutual learning, establishing networks, and disseminating good practices and methodologies.*

**Amendment 105**  
**Proposal for a regulation**  
**Article 8 – paragraph 1**

*Text proposed by the Commission*

1. The Commission, in cooperation with the Member States, shall ensure that activities carried out under the Programme are consistent with, and complementary to other Union action, in particular under the European Social Fund (ESF) ***and in such areas as social dialogue, justice and fundamental rights, education, vocational training and youth policy***, research and innovation, ***entrepreneurship, health, enlargement and external relations***, and ***general economic policy***.

*Amendment*

1. The Commission, in cooperation with the Member States, ***in accordance with the partnership principle***, shall ensure that activities carried out under the Programme are consistent with and complementary to other Union action, in particular under the European Social Fund (ESF) ***and the European Regional Development Fund (ERDF)***. ***The consistency and complementarity of those activities notably with the Rights and Citizenship Programme, the "Erasmus for All"***

*Programme, the Horizon 2020 programme for research and innovation, and the Programme for the Competitiveness of Enterprises and small and medium-sized enterprises shall also be ensured.*

**Amendment 106**  
**Proposal for a regulation**  
**Article 8 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

*1a. The activities shall be consistent with and complementary to other Union actions in areas such as social dialogue, justice and fundamental rights, equal opportunities, gender equality, education, vocational training, children's rights and well-being. The activities shall also be consistent with, and complementary to other Union policies, and in particular youth policy, migration policy, research and innovation, entrepreneurship, health, working conditions, enlargement and external relations, and general economic policy, as well as the needs of the internal market.*

**Amendment 107**  
**Proposal for a regulation**  
**Article 8 – paragraph 1 b (new)**

*Text proposed by the Commission*

*Amendment*

*1b. The Programme shall complement other Union programmes, while acknowledging that each instrument shall work according to its own specific procedures. The same eligible costs shall not receive double funding, and close synergies shall be developed between the Programme, other Union programmes and the Structural Funds, in particular the ESF.*

**Amendment 108**  
**Proposal for a regulation**  
**Article 8 – paragraph 2**

*Text proposed by the Commission*

2. The activities supported by the Programme shall comply with Union and national law, including state aid rules.

*Amendment*

2. The activities supported by the Programme shall comply with Union and national law, including state aid rules, ***and ILO Conventions.***

**Amendment 109**  
**Proposal for a regulation**  
**Article 8 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***2a. The actions that are implemented shall further comply with the Charter of Fundamental Rights of the European Union and the UN Convention on the Rights of Persons with Disabilities.***

**Amendment 110**  
**Proposal for a regulation**  
**Article 8 – paragraph 2 b (new)**

*Text proposed by the Commission*

*Amendment*

***2b. Consistency and complementarity shall also be ensured by means of the close involvement of local and regional authorities in the implementation of the Programme.***

**Amendment 111**  
**Proposal for a regulation**  
**Article 9 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. The Commission shall establish ***any relations needed with committees dealing***

1. The Commission shall establish ***the necessary links with the Employment***

*with policies, instruments and actions of relevance to the Programme* in order to ensure that they are regularly and appropriately informed of progress in implementing the Programme.

*Committee, the Social Protection Committee, the Advisory Committee on Health and Safety at Work and the Advisory Committee on Freedom of Movement of Workers* in order to ensure that they are regularly and appropriately **consulted and** informed of progress in implementing the Programme.

*The Commission shall also inform other committees dealing with policies, instruments and actions of relevance to the Programme.*

*Where appropriate, the Commission shall establish regular and structured cooperation between the strategic advisory board referred to in Article 26g, the committee referred to in Article 26i and monitoring committees established for other relevant policies, instruments and actions.*

**Amendment 112**  
**Proposal for a regulation**  
**Article 10 – paragraph 1**

*Text proposed by the Commission*

1. The results of the actions implemented under the Programme shall be suitably communicated and disseminated in order to maximise their impact, sustainability and Union added value.

*Amendment*

1. The results of the actions implemented under the Programme shall be **regularly and** suitably communicated and disseminated **to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, as well as the social partners and the public** in order to maximise their impact, sustainability and Union added value.

**Amendment 113**  
**Proposal for a regulation**  
**Article 10 – paragraph 2**

*Text proposed by the Commission*

2. Communication activities shall also

*Amendment*

2. Communication activities shall also

*contribute to corporate communication of* the political priorities of the European Union as far as they are related to the general objectives of this Regulation.

*provide information on* the political priorities of the European Union as far as they are related to the general objectives of this Regulation.

**Amendment 114**  
**Proposal for a regulation**  
**Article 11 – paragraph 2**

*Text proposed by the Commission*

2. Lump-sums *and scale of unit costs and flat-rate financing may be used* in respect of support awarded to programme participants, in particular in respect of mobility schemes referred to in Article 6(4).

*Amendment*

2. *The grant agreement shall specify which part of the Union financial contribution will be based on the reimbursement of eligible costs, and which part will be based on flat rates (including scale of unit costs) or* lump-sums in respect of support awarded to programme participants, in particular in respect of mobility schemes referred to in Article 6(4).

**Amendment 115**  
**Proposal for a regulation**  
**Article 12 – paragraphs 1 and 1a (new)**

*Text proposed by the Commission*

1. The Commission shall take appropriate preventive measures ensuring that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected against fraud, corruption and any other illegal activities, *by effective checks and*, if irregularities are detected, *by the recovery of amounts* wrongly paid and, where appropriate, by effective, proportional and deterrent penalties, in accordance with Article 325 of the Treaty, Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities' financial interests and the

*Amendment*

1. The Commission shall take appropriate preventive measures *and carry out effective checks* ensuring that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected against fraud, corruption and any other illegal activities.



*1a. If irregularities are detected, **amounts wrongly paid shall be recovered primarily by offsetting** and, where appropriate, **the protection of the financial interests of the Union** in accordance with Article 325 of the Treaty, Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities' financial interests and the Financial Regulation may include effective, proportional and deterrent penalties.*

**Amendment 116**  
**Proposal for a regulation**  
**Article 12 – paragraph 3**

*Text proposed by the Commission*

3. Without prejudice to paragraphs 1 and 2, decisions, agreements and contracts resulting from the implementation of this Regulation shall expressly entitle the Commission, including OLAF, and the Court of Auditors to conduct such audits, on-the-spot checks and inspections.

*Amendment*

3. Without prejudice to paragraphs 1 and 2, decisions, agreements and contracts resulting from the implementation of this Regulation shall expressly entitle the Commission, including OLAF, and the Court of Auditors to conduct such audits, on-the-spot checks and inspections **up to four years after the final payment.**

**Amendment 117**  
**Proposal for a regulation**  
**Article 13**

*Text proposed by the Commission*

With a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up biennial monitoring reports and send them to the European Parliament and the Council. **Such** reports shall cover the **Programme's**

*Amendment*

With a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up **an initial qualitative and quantitative monitoring report after one year and thereafter** biennial **qualitative and quantitative**

results and the extent to which gender equality and anti-discrimination considerations, including accessibility issues, have been addressed through its activities.

monitoring reports and send them to the European Parliament and the Council. *The reports shall also be transmitted, for information, to the European Economic and Social Committee and the Committee of the Regions. The monitoring reports shall cover the progress made in the implementation of the Programme and the results achieved and shall contain information on the impact and sustainability of its axes, including where appropriate, the total number of people assisted or placed and, if placed, still employed, as well as microenterprises and social enterprises still in business at the end of the period of support, as well as information on compatibility with other Union financial instruments, in particular the ESF. The monitoring reports shall also cover the extent to which the principles of gender equality and gender mainstreaming have been applied and how anti-discrimination considerations, including accessibility issues, have been addressed through its activities. The reports shall be made available to the public in order to enhance the Programme's transparency.*

**Amendment 118**  
**Proposal for a regulation**  
**Article 14 – paragraph 1**

*Text proposed by the Commission*

1. A mid-term evaluation of the Programme shall be carried out by *the end of 2017* to measure progress made in meeting its objectives, to determine whether its resources have been used efficiently and to assess its Union added value.

*Amendment*

1. A mid-term evaluation of the Programme *in cooperation with the Strategic Advisory Board referred to in Article 26g* shall be carried out by *mid-2017* to measure progress made in meeting its objectives, to determine whether its resources have been used efficiently and to assess its Union added value. *The Strategic Advisory Board shall be involved in the whole evaluation process. The outcome of the evaluation may be taken into account in the design of new programmes in the*

*area of employment and social affairs.*

**Amendment 119**  
**Proposal for a regulation**  
**Article 14 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. If any evaluation carried out pursuant to Article 19 of Decision No 1672/2006/EC or Article 9 of Decision No 283/2010/EU, or the evaluation referred to in paragraph 1 of this Article reveals major shortcomings of the Programme, the Commission shall consider presenting a proposal to the European Parliament and the Council, including appropriate amendments to the Programme.***

**Amendment 120**  
**Proposal for a regulation**  
**Article 14 – paragraph 1 b (new)**

*Text proposed by the Commission*

*Amendment*

***1b. Prior to any proposal for a prolongation of the Programme beyond 2020 the Commission shall present to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions an evaluation on the conceptual strengths and weaknesses of the 2014 to 2020 programme.***

**Amendment 121**  
**Proposal for a regulation**  
**Article 14 - paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. Two years after the expiry of the Programme at the latest, the Commission shall carry out an ex-post evaluation

2. Two years after the expiry of the Programme at the latest, the Commission shall carry out an ***independent*** ex-post

measuring its impact and Union added value and shall forward a report on that evaluation to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

evaluation measuring its impact and Union added value and shall forward a report on that evaluation to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. ***The report shall be made available to the public.***

**Amendment 122**  
**Proposal for a regulation**  
**Title II**

*Text proposed by the Commission*

Specific ***Provisions***

*Amendment*

***Provisions Specific to Programme Axes***

**Amendment 123**  
**Proposal for a regulation**  
**Article 14 a**

*Text proposed by the Commission*

*Amendment*

***Article 14a***

***Thematic sections and financing***

***1. The Progress axis shall support actions in one or more of the thematic sections listed in points (a), (b) and (c). Over the entire period of the Programme, the breakdown of the allocation referred to in Article 5(2)(a) between the different sections shall respect the following minimum percentages:***

***(a) employment, within which at least 50 % of the allocation to this section shall be spent to fight youth unemployment: 20 %;***

***(b) social protection, social inclusion and the reduction and prevention of poverty: 50 %;***

***(c) working conditions: 10 %.***

***2. Within the activities in the three thematic sections, at least 25 % of the allocation referred to in Article 5(2)(a) shall be spent on social policy***

*experimentation over the entire period of the programme.*

*3. The Commission shall be empowered to adopt delegated acts, in accordance with Article 26e, concerning the allocation of funds to individual sections within the axis. In particular, those delegated acts may decrease by up to 5 percentage points the allocations to sections (a), (b) and (c) referred to in paragraph 1, taking due account of specific needs and policy priorities in the areas covered by the Progress axis.*

*4. The Commission shall be empowered to adopt delegated acts in accordance with Article 26e defining the thematic sections for which unallocated funds may be used in accordance with the Financial Regulation.*

*(The provision on the use of unallocated funds will be finalised once agreement is reached on the Financial Regulation)*

#### **Amendment 124**

##### **Proposal for a regulation**

##### **Article 15 – paragraph 1 – introductory part**

###### *Text proposed by the Commission*

1. In addition to the general objectives set out in Article 4, the specific objectives of the Progress axis shall be to:

###### *Amendment*

1. In addition to the general objectives set out in Article 4, the specific objectives of the Progress axis shall be to ***support the implementation of the Europe 2020 Strategy, the Integrated Guidelines and the Flagships Initiatives, and to that end*** to:

#### **Amendment 125**

##### **Proposal for a regulation**

##### **Article 15 – paragraph 1 – point a**

###### *Text proposed by the Commission*

(a) Develop and disseminate high-quality comparative analytical knowledge in order to ensure that Union ***employment and***

###### *Amendment*

(a) Develop and disseminate high-quality comparative analytical knowledge in order to ensure that Union policy ***and legislation***

*social* policy *and* working conditions *legislation are* based on sound evidence and are relevant to needs, challenges and conditions in the individual Member States and the other participating countries;

*in the fields of employment, working conditions, social protection, social inclusion and combating poverty, including inter alia combating discrimination and multiple discrimination, combating housing exclusion, combating youth unemployment and youth poverty, poverty amongst migrants and ethnic minorities, child poverty and energy poverty is* based on sound evidence and are relevant to *people's* needs, *social* challenges and *social* conditions in the individual Member States and the other participating countries;

**Amendment 126**  
**Proposal for a regulation**  
**Article 15 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) Facilitate effective and inclusive information-sharing, mutual learning and dialogue *on Union employment* and social *policy* and working conditions legislation at Union, national and international level in order to assist the Member States and the other participating countries in developing their policies and in implementing Union law;

*Amendment*

(b) Facilitate effective and inclusive information-sharing, mutual learning and dialogue, *through the European Employment Strategy and the Open Method of Coordination in the field of social protection and inclusion and through networking amongst specialised bodies, including the social partners and civil society organisations, on Union policy including inter alia the fields of employment, working conditions, social protection, social inclusion combating discrimination and multiple discrimination, combating poverty and housing exclusion, protecting children's rights and well-being, helping the integration of migrants and the improvement of the situation of asylum seekers, combating youth unemployment and youth poverty, and on legislation in those areas,* at Union, national and international level in order to assist the Member States and the other participating countries in developing their policies and in implementing Union law;

**Amendment 127**  
**Proposal for a regulation**  
**Article 15 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) Provide ***policy-makers with*** financial support to test social and labour market policy reforms, build up the main actors' capacity to design and implement social experimentation, and make the relevant knowledge and expertise accessible;

*Amendment*

(c) Provide financial support to test social and labour market policy ***innovations, and, where necessary, to*** build up the main actors' capacity to design and implement social ***policy*** experimentation, and ***to*** make the relevant knowledge and expertise accessible, ***in order to better anticipate and develop the job creation potential and skills needed for environmentally and socially sustainable development and to ensure adequate and decent social protection, social inclusion, a reduction of poverty, a high level of quality and sustainable employment and better working conditions;***

**Amendment 128**  
**Proposal for a regulation**  
**Article 15 – paragraph 1 – point d**

*Text proposed by the Commission*

(d) Provide ***Union and national*** organisations with financial support to step up their capacity to develop, promote and support the implementation of Union ***employment and social policy and*** working conditions legislation.

*Amendment*

(d) Provide organisations with financial support to step up their capacity to develop ***innovative solutions, and to*** promote and support the implementation of Union policy ***in the fields of employment, working conditions, social protection, social inclusion and combating poverty as well as*** legislation ***in those areas.***

**Amendment 129**  
**Proposal for a regulation**  
**Article 15 a (new)**

***Article 15a***

***Specific actions***

***In addition to types of actions set out in Article 6, the following specific actions may be financed under the Progress axis:***

- (a) support for developing common strategies to produce real improvements in the employment, social and working conditions fields;***
- (b) support to social partners and civil society organisations at all levels for projects and research in the fields of employment and social inclusion;***
- (c) support for initiatives aimed at addressing labour shortages including the cooperation between schools and training centres with employment services;***
- (d) support for initiatives facilitating sustainable job creation;***
- (e) support for initiatives encouraging employers to apply social standards which are more ambitious than current statutory provisions, including the possibility to develop and obtain a designation such as a social label;***
- (f) support for fostering the prevention culture in the field of health and safety at work and for the promotion of both mental and physical health within a work setting;***
- (g) support for combating exclusion and poverty, not least by enabling the most deprived to gain or maintain access to health care;***
- (h) support for networks of business incubators providing technical and financial support for business start-ups.***



**Amendment 130**  
**Proposal for a regulation**  
**Article 16 – paragraph 2 – point e**

*Text proposed by the Commission*

(e) Non-governmental organisations, **and in particular those** organised at Union level;

*Amendment*

(e) Non-governmental organisations organised both at **national and** Union level;

**Amendment 131**  
**Proposal for a regulation**  
**Article 16 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**2a. For the purpose of implementing the Programme, the Commission shall cooperate closely with the Union agencies dealing with social affairs, in particular the European Training Foundation, the European Centre for the Development of Vocational Training, the European Agency for Health and Safety at Work, the European Foundation for the Improvement of Living and Working Conditions and the European Institute for Gender Equality.**

**Amendment 132**  
**Proposal for a regulation**  
**Article 16 – paragraph 3**

*Text proposed by the Commission*

3. The Commission may cooperate with international organisations, and in particular the Council of Europe, the OECD, the ILO and the World Bank.

*Amendment*

3. The Commission may cooperate with international organisations, and in particular the Council of Europe, the OECD, the ILO and **other United Nations bodies, and** the World Bank.

**Amendment 133**

**Proposal for a regulation**  
**Article 16 – paragraph 4**

*Text proposed by the Commission*

4. The Commission may cooperate with third countries not participating in the Programme. Representatives of such third countries may attend events of mutual interest (such as conferences, workshops and seminars) that take place in countries participating in the Programme and the cost of their attendance may be **covered** by the Programme.

*Amendment*

4. The Commission may cooperate with third countries not participating in the Programme. Representatives of such third countries may attend events of mutual interest (such as conferences, workshops and seminars) that take place in countries participating in the Programme and the cost of their attendance may be **co-financed** by the Programme.

**Amendment 134**  
**Proposal for a regulation**  
**Article 17**

*Text proposed by the Commission*

*Amendment*

**Article 17**

**deleted**

***Implementing powers conferred on the Commission***

***1. Measures relating to the following and which are necessary for the implementation of the Progress axis shall be adopted in accordance with the examination procedure referred to in Article 18(3):***

***(a) the multiannual work plans laying down medium-term policy and funding priorities;***

***(b) the annual work plans, including the criteria for the selection of beneficiaries following calls for proposals.***

***2. All other measures necessary for the implementation of the Progress axis shall be adopted in accordance with the advisory procedure referred to in Article 18(2).***

*(See amendment for Article 26 h.)*

**Amendment 135**  
**Proposal for a regulation**  
**Article 18**

*Text proposed by the Commission*

*Amendment*

**Article 18**

***deleted***

**Committee**

***1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.***

***2. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply.***

***3. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.***

*(See amendment for Article 26 i.)*

**Amendment 136**  
**Proposal for a regulation**  
**Article 19**

*Text proposed by the Commission*

*Amendment*

**Article 19**

***deleted***

**Transitional measures**

***Actions which are initiated before 1 January 2014 on the basis of Decision 1672/2006/EC (Sections 1, 2 and 3 referred to in Article 3 thereof) shall continue to be governed by that Decision. With regard to those actions, the Committee referred to in Article 13 of that Decision shall be replaced by the Committee provided for in Article 18 of this Regulation.***

*(See amendment for Article 26 j.)*

**Amendment 137**

**Proposal for a regulation**  
**Article 19 a (new)**

*Text proposed by the Commission*

*Amendment*

**Article 19a**

***Thematic sections and financing***

***1. The EURES axis shall support actions in one or more of the thematic sections listed in points (a), (b) and (c). Over the entire period of the Programme, the breakdown of the allocation referred to in Article 5(2)(b) between the different sections shall respect the following minimum percentages:***

***(a) Information services, counselling and job-matching for mobile workers and employers: 20 %;***

***(b) Targeted mobility schemes such as for young people: 20 %;***

***(c) Transnational, sectoral and cross-border cooperation: 40 %.***

***2. The Commission shall be empowered to adopt delegated acts in accordance with Article 26e, concerning the allocation of funds to individual sections within the axis. In particular, those delegated acts may decrease by up to 5 percentage points the allocations to sections (a), (b) and (c) in paragraph 1, taking due account of specific needs and policy priorities in the areas covered by the EURES axis.***

***3. The Commission shall be empowered to adopt delegated acts in accordance with Article 26e defining the thematic sections for which unallocated funds may be used in accordance with the Financial Regulation.***

*(The provision on the use of unallocated funds will be finalised once agreement is reached on the Financial Regulation)*

**Amendment 138**  
**Proposal for a regulation**  
**Article 20 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) Ensure that job vacancies and applications, and any related information **are** transparent for the potential applicants and the employers; this shall be achieved through their exchange and dissemination at transnational, interregional and cross-border level using standard interoperability forms;

*Amendment*

(a) Ensure that **information and advice on** job vacancies and applications, and any related information ***such as that concerning living and working conditions including social legislation, labour law and collective agreements in force, and that concerning opportunities to acquire new skills*** is transparent for the potential applicants and the employers; this shall be achieved through their exchange and dissemination at transnational, interregional and cross-border level using standard interoperability forms, ***as well as by individual counselling and mentoring, especially for the low skilled***;

**Amendment 139**

**Proposal for a regulation**

**Article 20 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) Develop services for the **recruitment and** placing of workers in employment through the clearance of job vacancies and applications at European level; this shall cover all phases of placement, ranging from pre-recruitment preparation to post-placement assistance with a view to the applicant's successful integration into the labour market; such services shall include targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and/or help particular groups of workers such as young people.

*Amendment*

(b) Develop **recruitment** services, ***including 'one-stop-shop' guidance and training***, for the placing of workers in ***quality and sustainable*** employment through the clearance of job vacancies and applications at European level; this shall cover all phases of placement, ranging from pre-recruitment preparation to post-placement assistance with a view to the applicant's successful integration into the labour market; such services shall include targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and/or help particular groups of workers such as young people.

**Amendment 140**

**Proposal for a regulation**

**Article 20 a (new)**

***Article 20a***

***Specific actions***

***In addition to types of actions set out in Article 6, the specific actions under the EURES axis may include:***

***(a) developing cross-border partnerships, where requested by services territorially responsible for the border regions; counselling and information opportunities before, during and after the mobility experience for jobseekers, mobile workers, including cross-border workers, seasonal workers, migrant workers, posted workers, and employers, in order to promote voluntary geographical mobility on a fair basis and drafting and dissemination of material informing jobseekers, mobile workers, employers and EURES advisers on labour law, social security and working conditions in cross-border regions and other Member States;***

***(b) developing and implementing targeted mobility schemes in cooperation with the Advisory Committee on Freedom of Movement of Workers;***

***(c) evaluating activities and placements facilitated by EURES, taking into account qualitative and quantitative criteria alike, focussing on incoming and outgoing placements in individual Member States as well as aggregated placement figures at Union level, thereby taking the changing labour market situations and related mobility patterns into account and developing indicators in cooperation between the Commission, the Member States and the social partners at Union level to evaluate the quality of employment and working conditions with regard to EURES jobs.***

**Amendment 141**  
**Proposal for a regulation**  
**Article 20 b (new)**

*Text proposed by the Commission*

*Amendment*

**Article 20b**

***Targeted mobility schemes***

***1. Targeted mobility schemes may be designed for specific groups of workers, sectors, occupations, countries or group of countries wherever a clear economic need is identified and there is potential for Union-wide recruitment to provide added value, for example in the area of "bottleneck vacancies" and "niche vacancies" for which recruitment difficulties have been identified. The Advisory Committee on Freedom of Movement of Workers will be regularly consulted with regard to the schemes.***

***2. Targeted mobility schemes shall be based on the principle of 'fair mobility', and shall fully respect applicable labour standards and legal requirements. Accordingly, the schemes shall ensure placement in quality and sustainable employment with adequate and decent salaries and working conditions on the basis of collective agreements and/or minimum wages.***

***3. The implementing organisations delivering services to jobseekers and employers in the framework of targeted mobility schemes shall be selected in an open call for proposals to which employment services may respond, provided that they are committed to the principle of fair mobility.***

***4. In accordance with Article 11(2), the call for proposals shall define the type of support measures offered under the targeted mobility schemes and shall include limited financial support to the jobseekers and the employers that accompany the services provided under***

*the targeted mobility schemes.*

*5. Financial incentives for employers shall be used for integration and qualification measures for the new employee, whereas financial incentives for employees shall be used for transition costs such as travel, housing and language courses.*

*6. In respect of targeted mobility schemes, strong coordination shall be ensured, as well as full compliance with applicable labour law and standards.*

**Amendment 142**  
**Proposal for a regulation**  
**Article 20 c (new)**

*Text proposed by the Commission*

*Amendment*

**Article 20 c**

***Monitoring of the Brain Drain***

*In order to detect and prevent negative effects of geographical mobility on individual Member States or specific economic sectors the Commission shall, in accordance with Article 12 of Regulation 492/2011, regularly monitor mobility patterns, especially those of skilled workers. In the event of emerging labour market distortions, the Commission shall consider presenting proposals to the European Parliament and Council to counteract such developments.*

**Amendment 143**  
**Proposal for a regulation**  
**Article 21 – paragraph 2 – introductory part**

*Text proposed by the Commission*

*Amendment*

2. The EURES axis shall be open to all ***public and private*** bodies, actors and institutions designated by a Member State

2. The EURES axis shall be open to all bodies, actors and institutions designated by a Member State or the Commission



or the Commission which fulfil the conditions for participating in the EURES network, as set out in Commission Decision 2003/8/EC<sup>19</sup>. Such bodies and organisations shall include in particular:

which fulfil the conditions for participating in the EURES network, as set out in Commission Decision 2003/8/EC<sup>19</sup>. Such bodies and organisations shall include in particular:

#### **Amendment 144**

##### **Proposal for a regulation**

##### **Article 21 – paragraph 2 – point c**

*Text proposed by the Commission*

(c) Social partner organisations and ***other interested*** parties.

*Amendment*

(c) Social partner organisations and ***relevant*** parties ***including regional and local authorities***.

#### **Amendment 145**

##### **Proposal for a regulation**

##### **Article 21 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***2a. The Commission shall put in place an accreditation and monitoring system in order to ensure that all participants comply with the EURES principles in general and the principle of fair mobility in particular.***

#### **Amendment 146**

##### **Proposal for a regulation**

##### **Article 21 a (new)**

*Text proposed by the Commission*

*Amendment*

##### ***Article 21a***

##### ***Thematic sections and financing***

***1. The Microfinance and Social Entrepreneurship axis shall support actions in one or more of the sections listed in points (a) and (b). Over the entire period of the Programme, the breakdown of the allocation referred to in Article***

*5(2)(c) between the different sections shall respect the following minimum percentages:*

*(a) Microfinance for vulnerable groups and micro-enterprises: 45 %;*

*(b) Social entrepreneurship: 45 %.*

*2. The Commission shall be empowered to adopt delegated acts, in accordance with Article 26e, concerning the allocation of funds to individual sections within the axis. In particular, those delegated acts may decrease by up to 5 percentage points the allocations to sections (a) and (b) referred to in paragraph 1, taking due account of specific needs and policy priorities in the areas covered by the Microfinance and Social Entrepreneurship axis.*

*3. The Commission shall be empowered to adopt delegated acts in accordance with Article 26e defining the thematic sections for which unallocated funds may be used in accordance with the Financial Regulation.*

*(The provision on the use of unallocated funds will be finalised once agreement is reached on the Financial Regulation)*

#### **Amendment 147**

#### **Proposal for a regulation**

#### **Article 22 – paragraph 1 – point 1 – point a**

*Text proposed by the Commission*

(a) persons who have lost or are at risk of losing their **jobs**, or **who** have difficulty in entering or re-entering the labour market, **persons** at risk of social exclusion and **vulnerable persons who** are in a disadvantaged position with regard to access to the conventional credit market **and who wish to start up or develop their own micro-enterprises**;

*Amendment*

(a) **vulnerable** persons who **wish to start up or develop their own micro-enterprise, including through self-employment, and who** have lost or are at risk of losing their **job**, or have difficulty in entering or re-entering the labour market, **or are** at risk of social exclusion, **or are socially excluded**, and are in a disadvantaged position with regard to access to the conventional credit market;

#### **Amendment 148**

##### **Proposal for a regulation**

##### **Article 22 – paragraph 1 – point 1 – point b**

*Text proposed by the Commission*

(b) micro-enterprises, especially *those* which employ persons as referred to in point (a);

*Amendment*

(b) micro-enterprises *in both start-up and development phase*, especially *micro-enterprises* which employ persons as referred to in point (a);

#### **Amendment 149**

##### **Proposal for a regulation**

##### **Article 22 – paragraph 1 – point 2 a (new)**

*Text proposed by the Commission*

*Amendment*

*2a. Support the setting up and development of micro-enterprises benefiting from micro-finance, inter alia, by ensuring accompanying mentoring and training.*

#### **Amendment 150**

##### **Proposal for a regulation**

##### **Article 22 – paragraph 1 – point 3**

*Text proposed by the Commission*

3. Support the development of social *enterprises, in particular by facilitating* access to finance.

*Amendment*

3. Support the development of *the* social *investment market and facilitate* access to finance *for social enterprises that have an annual turnover not exceeding EUR 50 million, or an annual balance sheet total not exceeding EUR 43 million.*

#### **Amendment 151**

##### **Proposal for a regulation**

##### **Article 22 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

*1a. In order to ensure complementarity, the Commission and the Member States*

*shall, in their respective areas of competence, closely coordinate these actions with those undertaken in the framework of cohesion policy.*

**Amendment 152**  
**Proposal for a regulation**  
**Article 23 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) microfinance for persons and micro-enterprises;

*Amendment*

(a) microfinance for persons and micro-enterprises; ***and/or***

**Amendment 153**  
**Proposal for a regulation**  
**Article 23 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. The Commission shall ensure that the axis is accessible, without discrimination, to all public and private bodies in the Member States.***

**Amendment 154**  
**Proposal for a regulation**  
**Article 23 – paragraph 2**

*Text proposed by the Commission*

2. To reach out to the final beneficiaries and create ***competitive***, viable micro-enterprises, public and private bodies that carry out activities as referred to in paragraph 1(a) shall cooperate closely with organisations representing the interests of the final beneficiaries of microcredit and with organisations, in particular those supported by the ESF, which provide mentoring and training programmes to such final beneficiaries.

*Amendment*

2. To reach out to the final beneficiaries and create viable micro-enterprises, public and private bodies that carry out activities as referred to in paragraph 1(a) shall cooperate closely with organisations, ***including civil society organisations***, representing the interests of the final beneficiaries of microcredit and with organisations, in particular those supported by the ESF, which provide mentoring and training programmes to such final beneficiaries.

**Amendment 155**  
**Proposal for a regulation**  
**Article 23 – paragraph 3**

*Text proposed by the Commission*

3. Public and private bodies that carry out activities as referred to in paragraph 1(a) shall adhere to high standards concerning governance, management and customer protection in line with the principles of the European Code of Good Conduct for Microcredit Provision and shall seek to prevent persons and undertakings from becoming over-indebted.

*Amendment*

3. Public and private bodies that carry out activities as referred to in paragraph 1(a) shall adhere to high standards concerning governance, management and customer protection in line with the principles of the European Code of Good Conduct for Microcredit Provision and shall seek to prevent persons and undertakings from becoming over-indebted ***as a result of the granting of loans to them at very high interest rates or on terms likely to result in their insolvency.***

**Amendment 156**  
**Proposal for a regulation**  
**Article 24 – paragraph 1**

*Text proposed by the Commission*

1. Except in the case of joint actions, the financial appropriations allocated to the Microfinance and Social Entrepreneurship axis shall cover the full cost of the actions implemented through financial instruments, including payment obligations towards financial intermediaries, such as losses from guarantees, management fees for the ***international*** financial institutions managing the Union's contribution and any other eligible costs.

*Amendment*

1. Except in the case of joint actions, the financial appropriations allocated to the Microfinance and Social Entrepreneurship axis shall cover the full cost of the actions implemented through financial instruments, including payment obligations towards financial intermediaries, such as losses from guarantees, management fees for the financial institutions managing the Union's contribution and any other eligible costs.

**Amendment 157**  
**Proposal for a regulation**  
**Article 25 – paragraph 1**

*Text proposed by the Commission*

1. In order to implement the instruments and grants referred to in Article 6(5), the Commission may conclude agreements with the entities listed in Article 55(1) (b)

*Amendment*

1. In order to implement the instruments and grants referred to in Article 6(5), the Commission may conclude agreements with the entities listed in Article 55(1) (b)

(iii) and (iv) of Regulation XXX/2012 [New Financial Regulation 2012] on the financial rules applicable to the annual budget of the Union, and in particular with the European Investment Bank and the European Investment Fund. Such agreements shall set out detailed provisions on implementing the tasks entrusted to those financial institutions, including provisions specifying the need to ensure additionality and coordination with existing Union and national financial instruments and to apportion the resources in a balanced way among the Member States and the other participating countries. Financial instruments, *such as* risk-sharing instruments, equity instruments and debt instruments, may be ***delivered through investment in a dedicated investment vehicle***.

(iii) and (iv) of Regulation XXX/2012 [New Financial Regulation 2012] on the financial rules applicable to the annual budget of the Union, and in particular with the European Investment Bank and the European Investment Fund. Such agreements shall set out detailed provisions on implementing the tasks entrusted to those financial institutions, including provisions specifying the need to ensure additionality and coordination with existing Union and national financial instruments and to apportion the resources in a balanced way among the Member States and the other participating countries. Financial instruments - *that is, funded* risk-sharing instruments, ***guarantees and counter-guarantees***, equity instruments and debt instruments - may be ***provided by a fund, which can be co-financed by financial institutions, or by direct conversion of the Programme funds into financial instruments such as guarantees***.

#### **Amendment 158**

##### **Proposal for a regulation**

##### **Article 25 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. The fund shall provide loans, risk-sharing instruments and equity capital for intermediaries or direct financing for social enterprises or both. Equity capital can be provided inter alia in the form of open equity participations, dormant holdings, shareholder loans and combinations of different types of equity participations issued to the investors.***

#### **Amendment 159**

##### **Proposal for a regulation**

##### **Article 25 – paragraph 1 b (new)**

***1b. The conditions, such as interest rates, for micro-credits directly or indirectly supported in the framework of this axis shall be reasonable and proportionate with regard to underlying risks and the actual costs related to a credit.***

**Amendment 160**  
**Proposal for a regulation**  
**Article 25 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. Agreements as referred to in paragraph 1 of this Article shall provide for an obligation on the ***international*** financial institutions to re-invest the resources and proceeds, including dividends and reimbursements, in actions as referred to in Article 6(5) for a period of ten years from the starting date of the Programme.

2. Agreements as referred to in paragraph 1 of this Article shall provide for an obligation on the financial institutions to re-invest the resources and proceeds, including dividends and reimbursements, in actions as referred to in Article 6(5) for a period of ten years from the starting date of the Programme.

**Amendment 161**  
**Proposal for a regulation**  
**Article 25 – paragraph 3**

*Text proposed by the Commission*

*Amendment*

3. In accordance with ***Article 18(2)*** of the Financial Regulation, revenues and payments generated by one financial instrument shall be assigned to that financial instrument. For financial instruments already set up in the previous multiannual financial framework, revenues and payments generated by operations started in the previous period shall be assigned to the financial instrument in the current period.

3. In accordance with ***the relevant provisions*** of the Financial Regulation, revenues and payments generated by one financial instrument shall be assigned to that financial instrument, ***as long as that financial instrument is in place***. For financial instruments already set up in the previous multiannual financial framework, revenues and payments generated by operations started in the previous period shall be assigned to the financial instrument in the current period.

**Amendment 162**  
**Proposal for a regulation**  
**Article 25 – paragraph 4**

*Text proposed by the Commission*

4. On the expiry of the agreements concluded with the **international** financial institutions or after the termination of the investment period of the specialised investment vehicle, the proceeds and balance due to the Union shall be paid into the general budget of the Union.

*Amendment*

4. On the expiry of the agreements concluded with the financial institutions or after the termination of the investment period of the specialised investment vehicle, the proceeds and balance due to the Union shall be paid into the general budget of the Union.

**Amendment 163**  
**Proposal for a regulation**  
**Article 25 – paragraph 5**

*Text proposed by the Commission*

5. The **international** financial institutions and, where relevant, the fund managers shall conclude written agreements with the public and private bodies referred to in Article 23. Such agreements shall lay down the obligations of the public and private providers to use the resources made available under the Microfinance and Social Entrepreneurship axis in accordance with the objectives set out in Article 22 and to provide information for drafting the annual reports provided for in Article 26.

*Amendment*

5. The financial institutions and, where relevant, the fund managers shall conclude written agreements with the public and private bodies referred to in Article 23. Such agreements shall lay down the obligations of the public and private providers to use the resources made available under the Microfinance and Social Entrepreneurship axis in accordance with the objectives set out in Article 22 and to provide information for drafting the annual reports provided for in Article 26.

**Amendment 164**  
**Proposal for a regulation**  
**Article 26 – paragraph 1**

*Text proposed by the Commission*

1. The **international** financial institutions and, where relevant, the fund managers shall send the Commission annual implementation reports setting out the activities granted support and covering their financial implementation and the allocation and accessibility of funding and

*Amendment*

1. The financial institutions and, where relevant, the fund managers shall send the Commission annual implementation reports setting out the activities granted support and covering their financial implementation and the allocation and accessibility of funding and investment by



investment by sector and type of beneficiary, applications accepted or rejected and contracts concluded by the public and private bodies concerned, actions funded and the results, including in terms of social impact, employment creation and sustainability of the businesses support granted.

sector, ***geographical area*** and type of beneficiary. ***Those implementation reports shall also set out the*** applications accepted or rejected ***with regard to each specific objective*** and ***the*** contracts concluded by the public and private bodies concerned, ***the*** actions funded and the results, including in terms of ***its*** social impact, employment creation and sustainability, of the businesses support granted. ***The Commission shall send those reports to the European Parliament for information.***

**Amendment 165**  
**Proposal for a regulation**  
**Article 26 – paragraph 2**

*Text proposed by the Commission*

2. The information provided in these annual implementation reports shall feed into the ***biennial*** monitoring reports provided for in Article 13. Such monitoring reports shall include the annual reports provided for in Article 8(2) of Decision No 283/2010/EU.

*Amendment*

2. The information provided in these annual implementation reports shall feed into the monitoring reports provided for in Article 13. Such monitoring reports shall include the annual reports provided for in Article 8(2) of Decision No 283/2010/EU ***and detailed information on communication activities.***

**Amendment 166**  
**Proposal for a regulation**  
**Chapter III a (new)**

*Text proposed by the Commission*

*Amendment*

***Chapter III a (new)***  
***Youth Initiative Axis***

*(Youth Initiative Axis)*

**Amendment 167**  
**Proposal for a regulation**  
**Article 26 a (new)**

**Article 26a**

***Thematic sections and financing***

***1. The Youth Initiative axis for people aged under 25 shall support actions in one or more of the thematic sections listed in points (a), (b), (c) and (d). Over the entire period of the Programme, the breakdown of the allocation referred to in Article 5(2a) between the different sections shall respect the following minimum percentages:***

***(a) Preventing early-school leaving especially through reintegration into training: 30 %;***

***(b) Developing skills that are relevant to the labour market in order to bring together more closely the worlds of employment, education and training: 20 %;***

***(c) Supporting access to the labour market through obtaining a first job and on-the-job training in order to offer the opportunity to young people to acquire both relevant skills and work experience: 20 %;***

***(d) Improving quality of traineeships and apprenticeships: 20 %;***

***2. Within the activities in the three thematic sections, at least 25 % of the allocation referred to in Article 5(2a) shall be spent on social policy experimentation over the entire period of the programme.***

***3. The Commission shall be empowered to adopt delegated acts, in accordance with Article 26e, concerning the allocation of funds to individual sections within the axis. In particular, those delegated acts may decrease by up to 5 percentage points the allocations to sections (a), (b), (c) and (d) in paragraph 1, taking due account of***

*specific needs and policy priorities in the areas covered by the Youth Initiative axis.*

*4. The Commission shall be empowered to adopt delegated acts in accordance with Article 26e defining the thematic sections for which unallocated funds may be used in accordance with the Financial Regulation.*

*(Youth Initiative Axis)*

*(The provision on the use of unallocated funds will be finalised once agreement is reached on the Financial Regulation)*

**Amendment 168**  
**Proposal for a regulation**  
**Article 26 b (new)**

*Text proposed by the Commission*

*Amendment*

**Article 26b**

**Specific objectives**

*In addition to the general objectives set out in Article 4, the specific objectives of the Youth Initiative axis shall be to:*

*(a) Support the creation of specific innovative programmes in order to fight youth unemployment and promote the transition of young people from education to decent employment in particular in deprived areas and regions with exceptionally high youth unemployment, paying special attention to young people with fewer opportunities, including young women, young people not in education, employment or training (NEET) and young people from ethnic minorities, who might all face multiple discrimination;*

*(b) Support the exchange of best practice and mutual learning in the field of fighting youth unemployment, including the possibility of introducing a youth guarantee which would offer every young person in Europe a job, further education or work-focused training, at the latest four months after leaving education or*

*after becoming unemployed, thereby improving the quality of traineeships and apprenticeships and reducing early school leaving;*

*(c) Provide policy-makers with financial support to test social and labour market policy approaches designed to fight youth unemployment, to promote the transition of young people from education to decent employment, improve the quality of traineeships and apprenticeships, reduce early school leaving and make the relevant knowledge and expertise accessible;*

*(d) Provide Union, national and regional organisations with financial support to increase their capacity to develop, promote and support activities in order to fight youth unemployment, to promote the transition of young people from education to decent employment, improve the quality of traineeships and apprenticeships, reduce early school leaving and make the relevant knowledge and expertise accessible.*

*(Youth Initiative Axis)*

**Amendment 169**  
**Proposal for a regulation**  
**Article 26 c (new)**

*Text proposed by the Commission*

*Amendment*

**Article 26c**

**Participation**

***1. Participation in the Youth Initiative axis shall be open to the following countries:***

***(a) Member States;***

***(b) EFTA and EEA member countries, in accordance with the EEA Agreement;***

***(c) Candidate and potential candidate countries, in accordance with the general principles and the general terms and***

*conditions laid down in the framework agreements concluded with them on their participation in Union programmes.*

*2. The Youth Initiative axis shall be open to all public and/or private bodies, actors and institutions, and in particular:*

*(a) National, regional and local authorities;*

*(b) Public employment services;*

*(c) The social partners;*

*(d) Youth organisations and other non-governmental organisations at all levels;*

*(e) Higher education institutions and research institutes;*

*(f) Experts in evaluation and in impact assessment;*

*3. For the purpose of the implementation of the Youth Initiative axis, the Commission shall establish cooperation with the Union Agencies referred to in Article 16(2a). The Commission may also establish cooperation with the international organisations that are referred to in Article 16(3) and with third countries not participating in the Programme, as provided for in Article 16(4).*

*(Youth Initiative Axis)*

**Amendment 170**  
**Proposal for a regulation**  
**Title II a (new)**

*Text proposed by the Commission*

*Amendment*

**Title IIa**

***Delegated and implementing powers and final provisions***

**Amendment 171**

**Proposal for a regulation**  
**Article 26 d (new)**

*Text proposed by the Commission*

*Amendment*

**Article 26d**

***Multiannual work plans and Annual work programmes***

***1. The Commission shall be empowered to adopt delegated acts, in accordance with Article 26f establishing multiannual work plans for the Programme. The multiannual work plans shall lay down medium-term policy and funding priorities.***

***2. Commission shall adopt implementing acts, establishing annual work programmes to carry out the multiannual work plans. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 26i(3).***

***3. The multiannual work plans and annual work programmes shall cover all axes of the Programme.***

**Amendment 172**  
**Proposal for a regulation**  
**Article 26 e (new)**

*Text proposed by the Commission*

*Amendment*

**Article 26e**

***Allocation of funds to the individual thematic sections within the axes***

***The Commission shall be empowered to adopt delegated acts, in accordance with Article 26f, concerning the allocation of funds to the individual thematic sections within the axes as stipulated in Articles 14a, 19a, 21a and 26a, [and the definition of areas for the use of unallocated funds in accordance with the Financial Regulation].***

*(The provision on the use of unallocated funds will be finalised once agreement is reached on the Financial Regulation)*

**Amendment 173**  
**Proposal for a regulation**  
**Article 26 f (new)**

*Text proposed by the Commission*

*Amendment*

**Article 26f**

***Exercise of the delegation***

- 1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.***
- 2. The power to adopt delegated acts referred to in Articles 26d and 26e shall be conferred on the Commission for a period of seven years from ...\*.***
- 3. The delegation of power referred to in Articles 26d and 26e may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or on a later date specified therein. It shall not affect the validity of any delegated acts already in force.***
- 4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.***
- 5. A delegated act adopted pursuant to Articles 26d and 26e shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will***

*not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.*

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*\* OJ please insert the date of entry into force of this Regulation.*

**Amendment 174**  
**Proposal for a regulation**  
**Article 26 g (new)**

*Text proposed by the Commission*

*Amendment*

**Article 26g**

***Strategic Advisory Board***

***1. The Commission shall establish a strategic advisory board to advise it, in a consultative capacity, in steering the implementation of the Programme, as well as its monitoring and evaluation. Where necessary the advisory board may set up working groups on specific aspects of the Programme.***

***2. The strategic advisory board and the working groups shall be chaired by the Commission and composed of representatives of Member States and other participating countries, trade unions, employers' organisations and civil society organisations, organised at Union level, which are directly or indirectly involved in the implementation of Programme activities.***

***3. Each Member State, other participating country and relevant organisation of trade unions, employers and civil society, organised at Union level, shall appoint a representative and an alternate to represent it on the strategic advisory board. In the absence of one member, the alternate shall be automatically entitled to take part in the proceedings.***

***4. The members and alternates shall be appointed for the period referred to in***



*Article 1(2).*

*5. Where appropriate, the Commission shall endeavour to convene the meetings of the strategic advisory board in combination with the meetings of the committee referred to in Article 26i.*

*6. The strategic advisory board and the working groups shall:*

*(a) deliver its opinion on the draft multiannual work plans;*

*(b) deliver its opinion on draft annual work programmes;*

*(c) advise the Commission with regard to monitoring and evaluating the Programme, as set out in Articles 13 and 14 respectively.*

*7. The Commission may consult the strategic advisory board on questions other than those referred to in paragraph 6.*

**Amendment 175**  
**Proposal for a regulation**  
**Article 26 h (new)**

*Text proposed by the Commission*

*Amendment*

**Article 26h**

***Implementing powers conferred on the Commission***

***1. The annual work programme referred to in Article 26d shall be adopted in accordance with the examination procedure referred to in Article 26i(3).***

***2. All other measures necessary for the implementation of the Programme shall be adopted in accordance with the advisory procedure referred to in Article 26i(2).***

**Amendment 176**

**Proposal for a regulation**  
**Article 26 i (new)**

*Text proposed by the Commission*

*Amendment*

**Article 26i**

**Committee procedure**

**1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.**

**2. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply.**

**3. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.**

**Amendment 177**  
**Proposal for a regulation**  
**Article 26 j (new)**

*Text proposed by the Commission*

*Amendment*

**Article 26j**

**Transitional measures**

**Actions referred to in Articles 4, 5 and 6 of Decision No 1672/2006/EC, which are initiated before 1 January 2014 shall continue to be governed by that Decision. With regard to those actions, the Commission shall be assisted by the Committee referred to in Article 26i of this Regulation.**

**Amendment 178**  
**Proposal for a regulation**  
**Article 27 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. The Commission shall carry out a specific final evaluation of the Microfinance and Social Entrepreneurship

2. The Commission shall carry out a specific final evaluation of the Microfinance and Social Entrepreneurship

axis no later than one year after the expiry of the agreements with the *international* financial institutions.

axis no later than one year after the expiry of the agreements with the financial institutions.

## EXPLANATORY STATEMENT

The Commission's proposed Programme for Social Change and Innovation combines three existing programmes – Progress, EURES and the microfinance facility – into one new programme.

The development and coordination of EU policy is supported by the current PROGRESS financial instrument in the areas of employment, social protection and social integration, working conditions, antidiscrimination and gender equality. PROGRESS finances analysis, mutual learning, awareness-raising and dissemination activities, and also assistance for the main players.

EURES focuses on cross-border employee mobility. The EURES network has the job of providing information, advice and mediation (matching job offers with job seekers) for mobile workers and employers and all citizens wishing to avail themselves of the right to freedom of movement. EURES plays an important mediation and support role in solving problems – particularly in European border regions – faced by workers and employers in connection with cross-border employment.

The PROGRESS Microfinance Facility was established in 2010 and facilitates access to microcredit in order to set up and promote micro-enterprises. The facility does not itself finance micro-entrepreneurs but makes it possible for selected microcredit providers in the EU to obtain more loans.

The Commission is wide of the mark with its proposal to combine the three programmes starting in 2014. Instead of optimising and organising the three separate programmes more effectively, objectives and measures will be watered down. The contents of the three instruments will not be merged together. Although common provisions are set out in Part I, explicit reference is also made to three separate sub-programmes.

The rapporteur considers that combining the three programmes will create no direct added value for European citizens, apart from lightening the Commission's administrative load.

Lumping together the objectives and content of the three sub-programmes creates the immediate impression that essential elements such as promoting a high level of employment, guaranteeing adequate social protection, combating social exclusion and poverty and improving working conditions are of secondary importance.

The Commission proposal is also extremely vague in many places, thereby giving the Commission considerable leeway in programme implementation and organisation. The rapporteur therefore believes that these gaps should be filled. It must be clear what the funds of some EUR 1 billion will be used for and how the programmes will function.

The rapporteur also believes that the proposal for a regulation should take into account a number of problems specific to the programme, as set out below.

1. A programme which supports employment and social policy in the Member States should be given the proper title. A programme for social change does not achieve this objective, as no guidance is provided. The term 'social change' describes both positive and negative aspects and is therefore not purely positive. The objectives of social progress and employment should therefore be clear from the title.

2. One focus of the Commission proposal is social innovation and social experimentation. 17% of the Progress sub-programme financing has been earmarked by the Commission for social experimentation. However, no clear definitions of social innovation or social experimentation have been provided. The rapporteur therefore proposes defining social innovation and social experimentation in the programme and establishing a clear link to the areas of employment, social integration and combating poverty.

3. A programme which supports employment and social policy should include social partners and civil society organisations at all levels. The rapporteur therefore calls for the firm application of the partnership principle. At European level she proposes that a strategic advisory panel be set up. This would comprise representatives from the Commission, the Member States, the social partners and NGOs and would support the Commission with the implementation, monitoring and evaluation of the programme at EU level.

4. The programme has a budget of EUR 958.10 million. In accordance with the European Parliament Resolution of 8 June 2011 on a new Multiannual Financial Framework for a competitive, sustainable and inclusive Europe, the rapporteur proposes a 5% increase in the overall budget. Social and employment programmes are particularly important at times of economic crisis and the need for consolidation in the Member States.

In order to make the distribution of the percentages across the three sub-programmes comply with the new framework conditions, the rapporteur proposes a minor redistribution and specific focuses.

The Progress sub-programme should also ensure that the majority of the funding is used for social integration, social protection and combating poverty. Given the increasing problems faced by young people in the job market and the increasing youth unemployment, the rapporteur proposes using at least 10% for combating youth unemployment. She welcomes the fact that the Commission has set aside a percentage for social experimentation and proposes that this be increased in order to finance more specific projects.

It must be ensured, with regard to the EURES sub-programme, that targeted mobility programmes, cross-border partnerships and training and qualifications for EURES staff will be funded.

With regard to the microfinancing and social entrepreneurship sub-programme, it must be ensured that both instruments will be properly funded.

5. The Progress sub-programme receives the most funding and should give financial support to the development of the European Union's objectives in employment and social affairs. The

rapporteur therefore proposes that the connection with employment, working conditions, social protection, social integration and combating poverty be made clearer.

6. The Commission is proposing large-scale changes regarding the EURES sub-programme. Whilst the programme covers the funding of horizontal measures, national EURES measures should in future be funded by the European Social Fund (ESF).

The rapporteur regrets that the Commission envisages no funding of EURES cross-border partnerships under the programme. With Europe growing much closer together, advising mobile workers and employers in border regions is becoming crucial.

In order to ensure funding for cross-border partnerships beyond 2013, the rapporteur proposes including such partnerships in the EURES strand of the programme. There should be clear rules for 'fair mobility' with regard to the Commission's target group-oriented mobility programmes, which constitute a supply-and-demand means of job placement.

7. The microfinancing and social entrepreneurship sub-programme also requires a detailed definition. The rapporteur welcomes the change proposed by the Commission whereby funding will in future also be made available for social enterprises. Nevertheless, there must be clear procedures and rules for the allocation of funding in the area of social entrepreneurship. Care must be taken when allocating microcredit to members of groups and micro-enterprises at risk to ensure that applicants are provided with the necessary care and supervision as they move towards self-sufficiency.

5.6.2012

## **OPINION OF THE COMMITTEE ON BUDGETS**

for the Committee on Employment and Social Affairs

on the proposal for a regulation of the European Parliament and of the Council on a European Union Programme for Social Change and Innovation  
(COM(2011)0609 – C7-0318/2011 – 2011/0270(COD))

Rapporteur: Estelle Grelier

### **SHORT JUSTIFICATION**

Seeking to pursue the goals charted in the Europe 2020 strategy to combat unemployment and poverty, the Commission is proposing a 'Programme for Social Change and Innovation' that will serve to implement three of the flagship initiatives, namely 'Youth on the move', 'An agenda for new skills and jobs', and the 'European platform against poverty and social exclusion'.

The new programme, covering the period from 2014 to 2020, is intended to combine three instruments for the years 2007 to 2013: the Progress programme, EURES, and the European Progress Microfinance Facility, which has existed only since 2010.

By grouping these instruments together in this way, the Commission is attempting to achieve the goals of simplification implied in the 2014-2020 multiannual financial framework by making access to the schemes simpler for recipients, cutting red tape, standardising the financial rules, providing a high degree of flexibility as regards implementation, and facilitating synergies between the different strands of the programme and other EU programmes (including the European Social Fund).

Several articles in the Commission's proposed text have thus been drafted with simplification in mind.

Greater use of lump-sum or flat-rate financing options, for example, should help to lighten the administrative burden both for Commission managing departments and for recipients, especially where the implementation of mobility schemes is concerned.

Similarly, a 'one-stop shop' is to be set up in order to offer microfinance providers the necessary funding for microcredit, technical assistance, and the wherewithal for capacity building; this should enable them to do their job and develop more easily.

However, the fact that a single programme is to serve as the umbrella for the three systems that have existed to date, in which the aims, the ultimate recipients, the stakeholders, and the modes of operation are different in each case, could undermine the coherence of the proposal, make the machinery more unwieldy, and make synergy between the subprogrammes concerned here and other EU funds a more difficult goal to achieve. Some of the Commission's suggestions will therefore need further thought or more detailed examination if the programme is to be implemented in such a way as to afford the greatest possible benefit to the ultimate recipients and to intermediaries of whatever size.

Projects should be supported not so much according to their scale as to their European added value. 'Small' Union projects can generate real European added value, as the operation of the microfinance facility has shown.

The rapporteur for this opinion is proposing an allocation formula (to determine the percentage shares for the three subprogrammes) different from the initial Commission figures, but in line with the proposals of the main rapporteur, the object being to guarantee the necessary resources for each of the subprogrammes while allowing for their specific characteristics.

She also suggests that Commission administrative expenditure for programme management purposes should account for no more than 2% of the total appropriations.

She welcomes the 5% reserve, which will enable adjustments to be made annually according to policy priorities and changing needs, but considers that the budgetary authority (Parliament and the Council) must be allowed to exercise its prerogatives in the matter of implementation.

One question giving cause for disquiet is whether genuine synergy can be achieved between the Programme for Social Change and Innovation and other EU measures in the social sphere, especially those financed by the European Social Fund or encompassed within projects under the new 'Erasmus for All' and 'Fundamental rights and citizenship' programmes, in particular where gender equality and action against discrimination are concerned, both having been removed from the scope of the Progress subprogramme.

Particular attention must be brought to bear on assessment of the programme, especially when the Commission carries out the mid-term review in 2017, in order to determine what changes need to be made at the time of the 2018 budget procedure.

The rapporteur wishes to draw attention more specifically to the need to support and consolidate the microfinance facility, one of the innovative financial instruments that the Commission intends to implement in the 2014-2020 period. The needs of the unemployed (especially those who are far removed from the labour market), poor workers, and micro-entrepreneurs seeking to develop their business extend to financial services (microcredit, microcapital, and, wherever possible, microinsurance) and to back-up services. The Commission proposal does give access, to some extent, to financial services, but it has failed to provide the necessary link to back-up services, which in many cases are financed by the European Social Fund.

The programme must be made fully transparent; to that end, revenue and payments generated by a given financial instrument should, as the Commission is proposing, be reassigned to that

instrument.

All in all, the Commission appears to be proposing, subject to verification, that the programme funding allocation should remain constant compared with the preceding period, on the understanding that the ‘gender equality and discrimination’ aspects will be dealt with in 2014-2020 under the ‘Fundamental rights and citizenship’ programme (heading 3). Given the state of play in the interinstitutional discussions on the next multiannual financial framework, the rapporteur suggests that the vote on the amount to be allocated to the programme be postponed until the general agreement on the 2014-2020 MFF has been concluded. However, in paragraph 163 of its resolution of 8 June 2011 entitled ‘Investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and inclusive Europe’, Parliament declared itself to be ‘convinced that at least a 5% increase of resources is needed for the next MFF’ ‘compared with the 2013 level’. Proceeding from that premise, the programme will need to be provided with the means required for its proper implementation.

## AMENDMENTS

The Committee on Budgets calls on the Committee on Employment and Social Affairs, as the committee responsible, to incorporate the following amendments in its report:

### Amendment 1

#### Draft legislative resolution Paragraph 1a (new)

*Text proposed by the Commission*

*Amendment*

***1a. Points out that the financial envelope specified in the legislative proposal constitutes only a proposal to the budgetary authority and that it cannot be fixed until agreement is reached on the regulation on the Multiannual Financial Framework (MFF);***



## *Justification*

### **Amendment 2**

#### **Draft legislative resolution Paragraph 1b (new)**

*Text proposed by the Commission*

*Amendment*

***1b. Reiterates its position that sufficient additional resources are needed in the next MFF to enable the Union to fulfil its existing policy priorities and the new tasks provided for by the Treaty of Lisbon, notably social inclusion, as well as to respond to unforeseen events; points out that Parliament called in its resolution of 8 June 2011 on "Investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and inclusive Europe" for an increase in the level of resources for the next MFF of at least 5 % compared to the 2013 level; challenges the Council, if it does not share this approach, to clearly identify which of its political priorities or projects could be dropped altogether, despite their proven European added value;***

## *Justification*

### **Amendment 3**

#### **Proposal for a regulation Recital 5**

*Text proposed by the Commission*

*Amendment*

(5) In line with the Europe 2020 Strategy, the Programme should pursue a coherent approach to promoting employment and combating social exclusion and poverty. Its implementation should be rationalised and simplified, notably through a set of common provisions including, *inter alia*,

(5) In line with the Europe 2020 Strategy, the Programme should pursue a coherent approach to promoting employment and combating social exclusion and poverty. Its implementation should be rationalised and simplified, notably through a set of common provisions including, *inter alia*,

general objectives, typology of actions, monitoring and evaluation arrangements. The Programme should also focus on large projects with clear EU added value *in order to reach critical mass and reduce administrative burden for both the beneficiaries and the Commission*. In addition, greater use should be made of simplified cost options (lump-sum and flat-rate financing) in particular for the implementation of mobility schemes. The Programme should be a one-stop shop for microfinance providers, providing financing for micro-credit, capacity building and technical assistance. Lastly, the Programme should provide for budgetary flexibility through the establishment of a reserve to be allocated on an annual basis in order to respond to policy priorities.

general objectives, typology of actions, monitoring and evaluation arrangements. The Programme should also focus on *small, medium and large projects alike* with clear EU added value *and equally support projects which would not be financed otherwise. It should aim to ensure that the administrative burden is at the lowest possible level for both the beneficiaries and the Commission*. In addition, greater use should be made of simplified cost options (lump-sum and flat-rate financing) in particular for the implementation of mobility schemes. The Programme should be a one-stop shop for microfinance providers, providing financing for micro-credit, capacity building and technical assistance. Lastly, the Programme should provide for budgetary flexibility through the establishment of a reserve to be allocated on an annual basis, *while fully respecting the prerogatives of the budgetary authority in the annual budget*, in order to respond to policy *priorities and shift funds between the axes of the Programme, if deemed to be appropriate*.

#### *Justification*

*It should be emphasised that the reserve spending will be decided by the budgetary authority.*

#### **Amendment 4**

##### **Proposal for a regulation Recital 14**

###### *Text proposed by the Commission*

(14) Lack of access to credit is one of the main obstacles to business creation, especially among people furthest from the labour market. Union and national efforts in this area need to be stepped up in order to increase the supply of microfinance and meet demand from those who need it most, and in particular unemployed and

###### *Amendment*

(14) Lack of access to credit, *equity or quasi equity* is one of the main obstacles to business creation, especially among people furthest from the labour market. Union and national efforts in this area need to be stepped up in order to increase the supply of microfinance and meet demand from those who need it most, and in particular

vulnerable people who wish to start up or develop a micro-enterprise, including on a self-employed basis, but do not have access to credit. As a first step, in 2010 the European Parliament and the Council set up the Facility.

unemployed and vulnerable people who wish to start up or develop a micro-enterprise, including on a self-employed basis, but do not have access to credit. As a first step, in 2010 the European Parliament and the Council set up the Facility.

## Amendment 5

### Proposal for a regulation

#### Recital 16

##### *Text proposed by the Commission*

(16) Social enterprises ***are a cornerstone of*** Europe's pluralist social market economy. They can act as drivers of social change by offering innovative solutions, and therefore make a valuable contribution to meeting the objectives of the Europe 2020 Strategy. The programme should improve social enterprises' access to finance and thereby contribute to the Social Business Initiative launched by the Commission.

##### *Amendment*

(16) Social enterprises ***play a role in*** Europe's pluralist social market economy. They can act as drivers of social change by offering innovative solutions, and therefore make a valuable contribution to meeting the objectives of the Europe 2020 Strategy. The programme should improve social enterprises' access to finance and thereby contribute to the Social Business Initiative launched by the Commission.

## Amendment 6

### Proposal for a regulation

#### Recital 18

##### *Text proposed by the Commission*

(18) Pursuant to Articles 8 and 10 of the Treaty, the Programme should support the mainstreaming of gender equality and anti-discrimination objectives in all its activities. Regular monitoring and evaluation should be carried out to assess the way in which gender equality and anti-discrimination issues are addressed in the Programme's activities.

##### *Amendment*

(18) Pursuant to Articles 8 and 10 of the Treaty, the Programme should support the mainstreaming of gender equality and anti-discrimination objectives in all its activities. Regular monitoring and evaluation should be carried out to assess the way in which gender equality and anti-discrimination issues are addressed in the Programme's activities ***and gender and anti-discrimination spending should be moved to the Rights and Citizenship Programme.***

## *Justification*

*The total figure of EUR 958m proposed in the draft regulation 2014 - 2020 does not appear to be significantly greater than the current expenditure of around EUR 932m for 2007 - 2013. However, that increase may be far more substantial as the current spending of EUR238m on Gender Equality & Antidiscrimination under the existing PROGRESS programme has been stripped out of the proposed new programme and moved to a different budget (Rights & Citizenship Programme) - this needs to be made clear.*

## **Amendment 7**

### **Proposal for a regulation Recital 22 a (new)**

*Text proposed by the Commission*

*Amendment*

***(22a) According to Parliament's resolution of 8 June 2011 "Investing in the future: a new Multiannual Financial Framework (MFF) for a competitive, sustainable and inclusive Europe"<sup>1</sup>, "one of the great challenges facing the European Union is that of maintaining its competitiveness, increasing growth, combating high unemployment, focusing on properly functioning labour markets and on social conditions to improve employment performance, promoting decent work, guarantee workers' rights throughout Europe as well as working conditions and reducing poverty";***

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<sup>1</sup> *Texts adopted, P7\_TA(2011)0266.*

## **Amendment 8**

### **Proposal for a regulation Article 1 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. This Regulation establishes a European Union Programme for Social Change and Innovation (hereinafter ‘the Programme’) which aims to contribute to the

1. This Regulation establishes a European Union Programme for Social Change and Innovation (hereinafter ‘the Programme’) which aims to contribute to the

implementation of the Europe 2020 Strategy, its headline targets and Integrated Guidelines by providing financial support for the European Union's objectives in terms of promoting a high level of employment, guaranteeing adequate social protection, combating social exclusion and poverty and improving working conditions.

implementation of the Europe 2020 Strategy, its headline targets, ***flagship initiatives*** and Integrated Guidelines by providing financial support for the European Union's objectives in terms of promoting a high level of employment, guaranteeing adequate social protection, combating social exclusion and poverty and improving working conditions.

## Amendment 9

### Proposal for a regulation

#### Article 4 – paragraph 1 – point c

*Text proposed by the Commission*

c) Modernise Union law in line with the Smart Regulation principles and ensure that Union law on matters relating to working conditions is effectively applied;

*Amendment*

(c) Modernise Union law in line with the Smart Regulation principles and ensure that Union law on matters relating to working conditions is effectively applied, ***with due weight being given to the division of responsibilities between legislators and the social partners;***

## Amendment 10

### Proposal for a regulation

#### Article 4 – paragraph 1 – point c a (new)

*Text proposed by the Commission*

*Amendment*

***(ca) Construct and promote systems and rules which support the development of the SME sector;***

## Amendment 11

### Proposal for a regulation

#### Article 5 – paragraph 1

*Text proposed by the Commission*

*Amendment*

1. The ***financial appropriations*** for implementing the Programme over the

1. The ***prime reference financial envelope within the meaning of point [...] of the***

period from 1 January 2014 to 31 December 2020 shall amount to EUR 958.19 million.

***"Interinstitutional Agreement of .../.... between the European Parliament, the Council and the Commission on cooperation in budgetary matters and sound financial management" for implementing the Programme over the period from 1 January 2014 to 31 December 2020 shall amount to EUR [958.19 million] in current prices.***

*Justification*

*The financial envelope specified in the legislative proposal constitutes only an indication and can not be fixed until agreement is reached on the regulation on the Multannual Financial Framework.*

**Amendment 12**

**Proposal for a regulation**

**Article 5 – paragraph 2 – subparagraph 2**

*Text proposed by the Commission*

The remaining 5% shall be apportioned among the axes on an annual basis ***in line with policy priorities***.

*Amendment*

***In order to make effective use of the funds and to enable the shifting of funds between the axes in line with policy priorities***, the remaining 5 % shall be apportioned among the axes on an annual basis ***while fully respecting the prerogatives of the budgetary authority in the annual budget***.

*Justification*

*The decision on the use of the 5% margin shall be taken by the European Parliament and the Council.*

**Amendment 13**

**Proposal for a regulation**

**Article 5 – paragraph 2 – subparagraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

***The indicative percentages may be***

*modified for the second half of the programming period, following a mid-term evaluation of the Programme by the Commission, to be published in mid-2017.*

*Justification*

*As the concrete development in all three axes cannot be precisely forecasted until 2020, the overall allocation between the axes shall be reviewed in 2017.*

**Amendment 14**

**Proposal for a regulation**

**Article 6 – introductory sentence**

*Text proposed by the Commission*

*Amendment*

The following types of actions may be financed under the Programme:

*Does not affect the English version.*

*Justification*

*Linguistic correction in the French version.*

**Amendment 15**

**Proposal for a regulation**

**Article 6 – point 2 – point b**

*Text proposed by the Commission*

*Amendment*

(b) Council Presidency events, conferences and seminars;

(b) ***Only those*** Council Presidency events, conferences and seminars ***that directly correspond to the goals of the programme.***

**Amendment 16**

**Proposal for a regulation**

**Article 6 – point 3 – point d**

*Text proposed by the Commission*

*Amendment*

(d) Networking and cooperation among specialist bodies, national, regional and local authorities, and employment services

(d) Networking and cooperation among specialist bodies, national, regional and local authorities, ***civil society*** and ***social***

at European level;

*partner organisations and* employment services at European level;

## Amendment 17

### Proposal for a regulation Article 7

#### *Text proposed by the Commission*

Actions eligible under the Programme may be implemented jointly with other Union instruments, provided that such actions meet the objectives of both the Programme and the other instruments concerned.

#### *Amendment*

Actions eligible under the Programme may be implemented jointly with other Union instruments, provided that such actions meet the objectives of both the Programme and the other instruments concerned. ***The Commission, in cooperation with the Member States, shall ensure that clear demarcation lines are established between interventions under other instruments (for example, the ESF or the ERDF) and the Programme in order to avoid support that overlaps and to ensure synergy.***

## Amendment 18

### Proposal for a regulation Article 8 – paragraph 1

#### *Text proposed by the Commission*

1. The Commission, in cooperation with the Member States, shall ensure that activities carried out under the Programme are consistent with, and complementary to other Union action, in particular under the European Social Fund (ESF) ***and*** in such areas as social dialogue, justice and fundamental rights, education, vocational training and youth policy, research and innovation, entrepreneurship, health, enlargement and external relations, and general economic policy.

#### *Amendment*

1. The Commission, in cooperation with the Member States, shall ensure that activities carried out under the Programme are consistent with, and complementary to other Union action, in particular under the European Social Fund (ESF), ***especially in order to provide assistance to the beneficiaries of the microfinance facility. Consistency and complementarity shall also be ensured*** in such areas as social dialogue, justice and fundamental rights, ***notably through the multi annual programme 2014-2020 "Rights and Citizenship", in*** education, vocational training and youth policy, ***notably through the multi annual programme 2014-2020***



*"Erasmus for all", and in research and innovation, entrepreneurship, health, enlargement and external relations, and general economic policy.*

### *Justification*

*A social innovation approach to microfinance would strengthen the role of partnerships and strong linkages of microfinance institutions with providers of business development services, facilitate their integration in employment and social inclusion initiatives.*

## **Amendment 19**

### **Proposal for a regulation Article 13**

#### *Text proposed by the Commission*

With a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up biennial monitoring reports and send them to the European Parliament and the Council. Such reports shall cover the ***Programme's results*** and the extent to which gender equality and anti-discrimination considerations, including accessibility issues, have been addressed through its activities.

#### *Amendment*

With a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up biennial monitoring reports and send them to the European Parliament and the Council. Such reports shall cover the ***progress made in the implementation of the Programme, the results achieved*** and the extent to which gender equality and anti-discrimination considerations, including accessibility issues, have been addressed through its activities.

## **Amendment 20**

### **Proposal for a regulation Article 14 – paragraph 1**

#### *Text proposed by the Commission*

1. A mid-term evaluation of the Programme shall be carried out ***by the end of 2017*** to measure progress made in meeting its objectives, to determine whether its resources have been used efficiently and to assess its Union added value.

#### *Amendment*

1. A mid-term evaluation of the Programme shall be carried out ***by mid-2017*** to measure progress made in meeting its objectives, to determine whether its resources have been used efficiently and to assess its Union added value. ***The Commission may, on the basis of the***

*evaluation, present a proposal on the transfer of appropriations between the Programme's axes.*

#### *Justification*

*To be able to decide on changes to the Programme for the second half of the MFF as suggested in Amendment 3, the evaluation needs to be presented earlier than proposed by the Commission.*

### **Amendment 21**

#### **Proposal for a regulation**

#### **Article 22 – point 1 – point a**

##### *Text proposed by the Commission*

a) persons who have lost or are at risk of losing their jobs, or who have difficulty in entering or re-entering the labour market, persons at risk of social exclusion and vulnerable persons who are in a disadvantaged position with regard to access to the conventional credit market and who wish to start up or develop their own micro-enterprises;

##### *Amendment*

(a) persons who have lost or are at risk of losing their jobs, or who have difficulty in entering or re-entering the labour market, persons at risk of social exclusion and vulnerable persons who are in a disadvantaged position with regard to **accessing** the conventional credit market **or holding the necessary equity or semi-equity** and who wish to start up or develop their own micro-enterprises;

### **Amendment 22**

#### **Proposal for a regulation**

#### **Article 23 – paragraph 3**

##### *Text proposed by the Commission*

3. Public and private bodies that carry out activities as referred to in paragraph 1(a) shall adhere to high standards concerning governance, management and customer protection in line with the principles of the European Code of Good Conduct for Microcredit Provision and shall seek to prevent persons and undertakings from becoming over-indebted.

##### *Amendment*

3. Public and private bodies that carry out activities as referred to in paragraph 1(a) shall adhere to high standards concerning governance, management and customer protection in line with the principles of the European Code of Good Conduct for Microcredit Provision, **and access to equity or quasi equity**, and shall seek to prevent persons and undertakings from becoming over-indebted.

## Amendment 23

### Proposal for a regulation Article 25 – Paragraph 3

#### *Text proposed by the Commission*

3. In accordance with **Article 18(2)** of the Financial Regulation, revenues and payments generated by one financial instrument shall be assigned to that financial instrument. For financial instruments already set up in the previous multiannual financial framework, revenues and payments generated by operations started in the previous period shall be assigned to the financial instrument in the current period.

#### *Amendment*

3. In accordance with ***the relevant provisions*** of the Financial Regulation, revenues and payments generated by one financial instrument shall be assigned to that financial instrument, ***as long as that financial instrument is in place***. For financial instruments already set up in the previous multiannual financial framework, revenues and payments generated by operations started in the previous period shall be assigned to the financial instrument in the current period.

## PROCEDURE

<b>Title</b>	EU Programme for Social Change and Innovation						
<b>References</b>	COM(2011)0609 – C7-0318/2011 – 2011/0270(COD)						
<b>Committee responsible</b> Date announced in plenary	EMPL 25.10.2011						
<b>Opinion by</b> Date announced in plenary	BUDG 25.10.2011						
<b>Rapporteur</b> Date appointed	Estelle Grelier 6.2.2012						
<b>Date adopted</b>	31.5.2012						
<b>Result of final vote</b>	<table> <tr> <td>+:                   </td><td>25</td></tr> <tr> <td>–:                   </td><td>3</td></tr> <tr> <td>0:                   </td><td>0</td></tr> </table>	+:	25	–:	3	0:	0
+:	25						
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<b>Members present for the final vote</b>	Richard Ashworth, Francesca Balzani, Zuzana Brzobohatá, Jean-Luc Dehaene, Göran Färm, José Manuel Fernandes, Salvador Garriga Polledo, Jens Geier, Lucas Hartong, Jutta Haug, Sidonia Elżbieta Jędrzejewska, Ivailo Kalfin, Sergej Kozlik, Jan Kozłowski, Alain Lamassoure, Giovanni La Via, Claudio Morganti, Juan Andrés Naranjo Escobar, Nadezhda Neynsky, Dominique Riquet, Alda Sousa, László Surján, Jacek Włosowicz						
<b>Substitute(s) present for the final vote</b>	Alexander Alvaro, Jürgen Klute, Paul Rübig, Peter Šťastný, Gianluca Susta						

31.5.2012

## OPINION OF THE COMMITTEE ON BUDGETARY CONTROL

for the Committee on Employment and Social Affairs

on the proposal for a regulation of the European Parliament and of the Council on a European Union Programme for Social Change and Innovation  
(COM(2011)0609 – C7-0318/2011 – 2011/0270(COD))

Rapporteur: Jens Geier

### AMENDMENTS

The Committee on Budgetary Control calls on the Committee on Employment and Social Affairs, as the committee responsible, to incorporate the following amendments in its report:

#### Amendment 1

##### Proposal for a regulation

##### Recital 5

###### *Text proposed by the Commission*

(5) In line with the Europe 2020 Strategy, the Programme should pursue a coherent approach to promoting employment and combating social exclusion and poverty. Its implementation should be rationalised and simplified, notably through a set of common provisions including, *inter alia*, general objectives, typology of actions, monitoring and evaluation arrangements. The Programme should **also** focus on large projects with clear EU added value in order to reach critical mass and reduce administrative burden for both the

###### *Amendment*

(5) In line with the Europe 2020 Strategy, the Programme should pursue a coherent approach to promoting employment and combating social exclusion and poverty. Its implementation should be rationalised and simplified, notably through a set of common provisions including, *inter alia*, general objectives, typology of actions, monitoring and evaluation arrangements. The Programme should focus on large projects with **a clear exemplary character and** EU added value in order to reach critical mass and reduce administrative

beneficiaries and the Commission. In addition, greater use should be made of simplified cost options (lump-sum and flat-rate financing) in particular for the implementation of mobility schemes. The Programme should be a one-stop shop for microfinance providers, providing financing for micro-credit, capacity building and technical assistance. **Lastly**, the Programme should provide for budgetary flexibility through the establishment of a reserve to be allocated on an annual basis in order to respond to policy priorities.

burden for both the beneficiaries and the Commission. In addition, greater use should be made of simplified cost options (lump-sum and flat-rate financing) in particular for the implementation of mobility schemes. The Programme should be a one-stop shop for microfinance providers, providing financing for micro-credit, capacity building and technical assistance. **Within its limited scope**, the Programme should provide for budgetary flexibility through the establishment of a reserve to be allocated on an annual basis in order to respond to policy priorities.

## Amendment 2

### Proposal for a regulation Recital 5 a (new)

*Text proposed by the Commission*

*Amendment*

***(5a) Taking into account the limited funds available to the programme and the pre-allocation of these funds to the various axes, funding priority should be given to the development of structures with a clear multiplier effect which will benefit further activities and initiatives. Appropriate measures should also be put in place to avoid any possibility of overlap and/or double-financing with other funds or programmes, in particular the European Social Fund.***

## Amendment 3

### Proposal for a regulation Recital 5 b (new)

*Text proposed by the Commission*

*Amendment*

***(5b) The extensive objectives and the great importance given to this programme***

*are in contradiction with the very limited financial means allocated, which could potentially disappoint stakeholders' expectations of this programme.*

#### **Amendment 4**

##### **Proposal for a regulation Recital 12**

###### *Text proposed by the Commission*

(12) EURES' scope should be widened to develop and support targeted mobility schemes at Union level with a view to filling vacancies where labour market shortcomings have been identified. In accordance with Article 47 of the Treaty, the scheme should facilitate mobility among young workers.

###### *Amendment*

(12) EURES' scope should be widened to develop and support targeted mobility schemes at Union level with a view to filling vacancies where labour market shortcomings have been identified. In accordance with Article 47 of the Treaty, the scheme should facilitate mobility among young workers. ***To enable EURES to achieve its objectives, it would be advisable for the three axes that make up the programme to retain a degree of financial independence.***

#### **Amendment 5**

##### **Proposal for a regulation Recital 16**

###### *Text proposed by the Commission*

(16) Social enterprises are a cornerstone of Europe's pluralist social market economy. They can act as drivers of social change by offering innovative solutions, and therefore make a valuable contribution to meeting the objectives of the Europe 2020 Strategy. The programme should improve social enterprises' access to finance and thereby contribute to the Social Business Initiative launched by the Commission.

###### *Amendment*

(16) Social enterprises are a cornerstone of Europe's pluralist social market economy. They can act as drivers of social change by offering innovative solutions, and therefore make a valuable contribution to meeting the objectives of the Europe 2020 Strategy. ***Within a limited budgetary framework,*** the programme should improve social enterprises' access to finance and thereby contribute to the Social Business Initiative

launched by the Commission.

## Amendment 6

### Proposal for a regulation Article 5 – paragraph 3

#### *Text proposed by the Commission*

3. The Commission may make use of the appropriations referred to paragraph 1 to finance technical and/or administrative assistance, in particular relating to auditing, outsourcing of translation, meetings of experts, and information and communication activities for the mutual benefit of the Commission and the beneficiaries.

#### *Amendment*

3. The Commission may make use of **up to 3 % of** the appropriations referred to *in* paragraph 1, to finance technical and/or administrative assistance, in particular relating to auditing, outsourcing of translation, meetings of experts, **cooperation with third countries** and information and communication activities for the mutual benefit of the Commission and the beneficiaries.

## Amendment 7

### Proposal for a regulation Article 6 – paragraph 2 – point b

#### *Text proposed by the Commission*

(b) **Council Presidency events**, conferences and seminars;

#### *Amendment*

(b) **Events**, conferences and seminars;

## Amendment 8

### Proposal for a regulation Article 6 – point 4

#### *Text proposed by the Commission*

4. Actions to promote mobility of individuals in the Union, in particular the

#### *Amendment*

4. **Financially feasible** actions to promote mobility of individuals in the Union, in



development of a multilingual digital platform for the clearance of job vacancies and applications, and targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and/or to help specific groups of workers such as young people.

particular the development of a multilingual digital platform for the clearance of job vacancies and applications, and targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and/or to help specific groups of workers such as young people.

## **Amendment 9**

### **Proposal for a regulation Article 6 – point 5**

#### *Text proposed by the Commission*

5. Support to microfinance and social enterprises in particular through the financial instruments provided for under ***Title VIII of Part one of*** Regulation XXX/2012 [New Financial Regulation] on the financial rules applicable to the annual budget of the Union, and grants.

#### *Amendment*

5. Support to microfinance and social enterprises in particular through the financial instruments provided for under Regulation XXX/2012 [New Financial Regulation] on the financial rules applicable to the annual budget of the Union, and grants.

## **Amendment 10**

### **Proposal for a regulation Article 11 – paragraph 2**

#### *Text proposed by the Commission*

2. Lump-sums ***and scale of unit costs and flat-rate financing may be used*** in respect of support awarded to programme participants, in particular in respect of mobility schemes referred to in Article 6(4).

#### *Amendment*

2. ***The grant agreement shall specify which part of the Union financial contribution will be based on the reimbursement of eligible costs, and which part will be based on flat rates (including scale of unit costs) or*** lump-sums in respect of support awarded to programme participants, in particular in respect of mobility schemes referred to in Article 6(4).

## Amendment 11

### Proposal for a regulation Article 12 – paragraph 1

#### *Text proposed by the Commission*

1. The Commission shall take appropriate preventive measures ensuring that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected against fraud, corruption and any other illegal activities, **by effective checks and**, if irregularities are detected, **by the recovery of amounts** wrongly paid and, where appropriate, by effective, proportional and deterrent penalties, in accordance with Article 325 of the Treaty, Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities' financial interests and the Financial Regulation.

#### *Amendment*

1. The Commission shall take appropriate preventive measures **and carry out effective checks** ensuring that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected against fraud, corruption and any other illegal activities.

**1a.** If irregularities are detected, **amounts wrongly paid shall be recovered primarily by offsetting** and, where appropriate, **the protection of the financial interests of the Union** in accordance with Article 325 of the Treaty, Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities' financial interests and the Financial Regulation may include effective, proportional and deterrent penalties.

## Amendment 12

### Proposal for a regulation Article 12 – paragraph 3

*Text proposed by the Commission*

3. Without prejudice to paragraphs 1 and 2, decisions, agreements and contracts resulting from the implementation of this Regulation shall expressly entitle the Commission, including OLAF, and the Court of Auditors to conduct such audits, on-the-spot checks and inspections.

*Amendment*

3. Without prejudice to paragraphs 1 and 2, decisions, agreements and contracts resulting from the implementation of this Regulation shall expressly entitle the Commission, including OLAF, and the Court of Auditors to conduct such audits, on-the-spot checks and inspections ***up to four years after the final payment.***

## Amendment 13

### Proposal for a regulation Article 13

*Text proposed by the Commission*

With a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up ***biennial*** monitoring reports and send them to the European Parliament and the Council. Such reports shall cover the Programme's results and the extent to which gender equality and anti-discrimination considerations, including accessibility issues, have been addressed through its activities.

*Amendment*

With a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up ***annual*** monitoring reports and send them to the European Parliament and the Council. Such reports shall cover the Programme's results and the extent to which gender equality and anti-discrimination considerations, including accessibility issues, have been addressed through its activities.

## Amendment 14

### Proposal for a regulation Article 14 – paragraph 1

*Text proposed by the Commission*

1. A mid-term evaluation of the Programme shall be carried out by the end of 2017 to measure progress made in meeting its objectives, to determine whether its resources have been used efficiently and to assess its Union added value.

*Amendment*

1. A mid-term evaluation of the Programme shall be carried out by the end of 2017 to measure progress made in meeting its objectives, to determine whether its resources have been used efficiently and to assess its Union added value. ***The outcome of the evaluation may be taken into account in the design of new programmes in the area of employment and social affairs.***

**Amendment 15**

**Proposal for a regulation  
Article 26 – paragraph 2**

*Text proposed by the Commission*

2. The information provided in these annual implementation reports shall feed into the ***biennial*** monitoring reports provided for in Article 13. Such monitoring reports shall include the annual reports provided for in Article 8(2) of Decision No 283/2010/EU.

*Amendment*

2. The information provided in these annual implementation reports shall feed into the ***annual*** monitoring reports provided for in Article 13. Such monitoring reports shall include the annual reports provided for in Article 8(2) of Decision No 283/2010/EU.

## PROCEDURE

<b>Title</b>	EU Programme for Social Change and Innovation
<b>References</b>	COM(2011)0609 – C7-0318/2011 – 2011/0270(COD)
<b>Committee responsible</b> Date announced in plenary	EMPL 25.10.2011
<b>Opinion by</b> Date announced in plenary	CONT 25.10.2011
<b>Rapporteur</b> Date appointed	Jens Geier 6.12.2011
<b>Date adopted</b>	30.5.2012
<b>Result of final vote</b>	+: 24 –: 1 0: 0
<b>Members present for the final vote</b>	Marta Andreasen, Jean-Pierre Audy, Inés Ayala Sender, Zigmantas Balčytis, Andrea Češková, Tamás Deutsch, Martin Ehrenhauser, Jens Geier, Ingeborg Gräßle, Cătălin Sorin Ivan, Iliana Ivanova, Jan Mulder, Eva Ortiz Vilella, Crescenzo Rivellini, Paul Rübig, Petri Sarvamaa, Theodoros Skylakakis, Bart Staes, Michael Theurer
<b>Substitute(s) present for the final vote</b>	Zuzana Brzobohatá, Jorgo Chatzimarkakis, Derk Jan Eppink, Véronique Mathieu, Markus Pieper
<b>Substitute(s) under Rule 187(2) present for the final vote</b>	Joachim Zeller

9.5.2012

## OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY

for the Committee on Employment and Social Affairs

on the proposal for a regulation of the European Parliament and of the Council on a European Union Programme for Social Change and Innovation  
(COM(2011)0609 – C7-0318/2011 – 2011/0270(COD))

Rapporteur: Inês Cristina Zuber

### AMENDMENTS

The Committee on Industry, Research and Energy calls on the Committee on Employment and Social Affairs, as the committee responsible, to incorporate the following amendments in its report:

#### Amendment 1

##### Proposal for a regulation

##### Recital 4

###### *Text proposed by the Commission*

(4) The European Platform against Poverty and Social Exclusion and the Innovation Union flagship initiatives identify social innovation as a powerful tool for addressing the social challenges arising from population ageing, poverty, unemployment, new work patterns and life styles, and citizens' expectations regarding social justice, education and health care. The Programme should support action to step up social innovation in policy areas falling within its scope in the public, private and third sectors, taking due account of the role of regional and local

###### *Amendment*

(4) The European Platform against Poverty and Social Exclusion and the Innovation Union flagship initiatives identify social innovation as a powerful tool for addressing the social challenges arising from population ageing, poverty, unemployment, new work patterns and life styles, and citizens' expectations regarding social justice, education and health care. The Programme should support action to step up social innovation in policy areas falling within its scope in the public, private and third sectors, taking due account of the role of regional and local

authorities. In particular, it should help identify, *evaluate* and scale up innovative solutions and practice through social experimentation to assist the Member States more effectively in reforming their labour markets and social protection policies. It should also act as a catalyst for transnational partnerships and networking between public, private and third-sector actors as well as supporting their involvement in designing and implementing new approaches to tackling pressing social needs and challenges.

authorities. In particular, it should help identify, *analyse* and scale up innovative solutions and practice through social experimentation to assist the Member States more effectively in reforming their labour markets, *enterprise policy* and social protection policies. It should also act as a catalyst for transnational partnerships and networking between public, private and third-sector actors as well as supporting their involvement in designing and implementing new approaches to tackling pressing social needs and challenges.

## Amendment 2

### Proposal for a regulation Recital 5

*Text proposed by the Commission*

(5) *In line with the Europe 2020 Strategy, the* Programme should pursue a coherent approach to promoting employment and combating social exclusion and poverty. Its implementation should be rationalised and simplified, notably through a set of common provisions including, inter alia, general objectives, typology of actions, monitoring and evaluation arrangements. The Programme should also focus on large projects with clear EU added value in order to reach critical mass and reduce administrative burden for both the beneficiaries and the Commission. In addition, greater use should be made of simplified cost options (lump-sum and flat-rate financing) in particular for the implementation of mobility schemes. The Programme should be a one-stop shop for microfinance providers, providing financing for micro-credit, *capacity building* and technical assistance. Lastly, the Programme should provide for budgetary flexibility through the

*Amendment*

(5) The Programme should pursue a coherent approach to promoting employment and combating social exclusion and poverty. Its implementation should be rationalised and simplified, notably through a set of common provisions including, inter alia, general objectives, typology of actions, monitoring and evaluation arrangements. The Programme should also focus on large projects with clear EU added value in order to reach critical mass and reduce administrative burden for both the beneficiaries and the Commission. In addition, greater use should be made of simplified cost options (lump-sum and flat-rate financing) in particular for the implementation of mobility schemes. The Programme should be a one-stop shop for microfinance providers, *fostering capacity building, technological improvement and modernisation and* providing financing for micro-credit and technical assistance. Lastly, the Programme should provide for

establishment of a reserve to be allocated on an annual basis in order to respond to policy priorities.

budgetary flexibility through the establishment of a reserve to be allocated on an annual basis in order to respond to policy priorities.

### *Justification*

*Funding for SMEs should enable them to update and modernise technologically, so that they can address the difficulties and barriers facing them and, in particular, the obstacles associated with the concentration and monopolisation of industrial, productive and distribution sectors.*

## **Amendment 3**

### **Proposal for a regulation Recital 5 a (new)**

*Text proposed by the Commission*

*Amendment*

***(5a) It is necessary to consolidate the social dimensions of the single market. Given the need to enhance confidence in the single market and the free movement of services by ensuring respect for workers' rights, it is necessary to ensure that the rights of both workers and entrepreneurs to freedom of movement throughout the Union are accorded equal status.***

## **Amendment 4**

### **Proposal for a regulation Recital 12**

*Text proposed by the Commission*

*Amendment*

(12) EURES' scope should be widened to develop and support targeted mobility schemes at Union level with a view to filling vacancies where labour market shortcomings have been identified. In accordance with Article 47 of the Treaty, the scheme should facilitate mobility among young workers.

(12) EURES' scope should be widened to develop and support targeted mobility schemes at Union level with a view to filling vacancies where labour market shortcomings have been identified. ***In the light of high youth unemployment and in accordance with Article 47 of the Treaty, the scheme should especially facilitate mobility among young workers in the Union.***



## Amendment 5

### Proposal for a regulation Recital 14

*Text proposed by the Commission*

(14) Lack of access to credit is one of the main obstacles to business creation, especially among people furthest from the labour market. Union and national efforts in this area need to be stepped up in order to increase the supply of microfinance and meet demand from those who need it most, and in particular unemployed and vulnerable people who wish to start up or develop a micro-enterprise, including on a self-employed basis, but do not have access to credit. As a first step, in 2010 the European Parliament and the Council set up the Facility.

*Amendment*

(14) Lack of access to credit is one of the main obstacles to business creation, especially among people furthest from the labour market. Union and national efforts in this area need to be stepped up in order to increase the supply of microfinance and meet demand from those who need it most, and in particular unemployed and vulnerable people who wish to start up or develop a micro-enterprise, including on a self-employed basis, but do not have access to credit. As a first step, in 2010 the European Parliament and the Council set up the Facility. ***It is also important for the credit that is offered to be made more flexible through non-bank institutions and for it to be adequate to cover the technological modernisation and improvements needed to safeguard the liquidity and independence of micro, small and medium-sized enterprises.***

## Amendment 6

### Proposal for a regulation Article 2 – point d a (new)

*Text proposed by the Commission*

*Amendment*

***(da) 'Social experimentation' means experiments that aim to provide innovative responses to social needs. It takes place in defined contexts, enabling monitoring and evaluation, thereby reducing social costs as well as the risks of investment.***

## Amendment 7

### Proposal for a regulation

#### Article 3 – paragraph 1 – point a

*Text proposed by the Commission*

(a) The Progress axis, which shall support the development, implementation, monitoring and evaluation of Union employment and social policy and legislation on working conditions and shall promote evidence-based policy-making and innovation, in partnership with the social partners, civil society organisations and other interested parties;

*Amendment*

(a) The Progress axis, which shall support the development, implementation, monitoring and evaluation of Union employment and social policy and legislation on working conditions and shall promote evidence-based policy-making and innovation, in partnership with the social partners, civil society organisations and other interested parties. ***It shall focus on developing common European strategies that produce real improvements in employment and social policy and in working conditions in Europe;***

## Amendment 8

### Proposal for a regulation

#### Article 3 – paragraph 1 – point c

*Text proposed by the Commission*

(c) The Microfinance and Social Entrepreneurship axis, which shall facilitate access to finance for entrepreneurs, especially those furthest from the labour market, and social enterprises.

*Amendment*

(c) The Microfinance and Social Entrepreneurship axis, which shall facilitate access to finance for entrepreneurs, especially those furthest from the labour market, and social enterprises, ***especially cooperatives, mutual societies and micro-enterprises.***

## Amendment 9

### Proposal for a regulation

#### Article 4 – paragraph 1 – point b

*Text proposed by the Commission*

(b) Support the development of adequate, ***accessible*** and efficient social protection systems and labour markets and facilitate

*Amendment*

(b) Support the development of adequate, ***increasingly flexible*** and efficient social protection systems and labour markets and

policy reform, by promoting good governance, mutual learning and social innovation;

facilitate policy reform, by promoting good governance, mutual learning and social innovation;

## **Amendment 10**

### **Proposal for a regulation**

#### **Article 4 – paragraph 1 – point d**

*Text proposed by the Commission*

(d) Promote workers' geographical mobility and boost employment opportunities by developing Union labour markets that are open and accessible to all;

*Amendment*

(d) ***Consolidate the single market by promoting*** workers' geographical mobility and boost employment opportunities by developing Union labour markets that are open and accessible to all, ***by respecting and guaranteeing freedom of movement and workers' rights throughout the Union;***

## **Amendment 11**

### **Proposal for a regulation**

#### **Article 4 – paragraph 1 – point e**

*Text proposed by the Commission*

(e) Promote employment and social inclusion by increasing the availability and accessibility of microfinance for vulnerable groups and micro-enterprises, and by increasing access to finance for social enterprises.

*Amendment*

(e) Promote employment and social inclusion by increasing the availability and accessibility of microfinance for vulnerable groups and micro-enterprises and by increasing access to finance for social enterprises, ***as a means of improving their liquidity and independence.***

## **Amendment 12**

### **Proposal for a regulation**

#### **Article 4 – paragraph 1 – point e a (new)**

*Text proposed by the Commission*

*Amendment*

***(ea) Encourage the creation of jobs with decent employment rights and the anticipation and development of new***

*skills for new, quality jobs, linking employment and social policies to industrial and structural policies which support the transition to a low-carbon, resource-efficient economy.*

## **Amendment 13**

### **Proposal for a regulation**

#### **Article 5 – paragraph 2 –point a**

*Text proposed by the Commission*

(a) **60** % to the Progress axis, of which at least 17 % shall be allocated to promoting social experimentation as a method for testing and evaluating innovative solutions with a view to scaling them up;

*Amendment*

(a) **50** % to the Progress axis, of which at least 17 % shall be allocated to promoting social experimentation as a method for testing and evaluating innovative solutions with a view to scaling them up;

*Justification*

*See amendment of Article 5 – paragraph 2 – point (c).*

## **Amendment 14**

### **Proposal for a regulation**

#### **Article 5 – paragraph 2 –point c**

*Text proposed by the Commission*

(c) **20** % to the Microfinance and Social Entrepreneurship axis.

*Amendment*

(c) **30** % to the Microfinance and Social Entrepreneurship axis.

*Justification*

*One of the main problems encountered when setting up and operating SMEs is the difficulty of obtaining funding, which is why we propose strengthening the microfinance axis.*

## **Amendment 15**

### **Proposal for a regulation**

#### **Article 5 – paragraph 3**

*Text proposed by the Commission*

3. The Commission may make use of the

*Amendment*

3. The Commission may make use of the

appropriations referred to paragraph 1 to finance technical and/or administrative assistance, in particular relating to auditing, outsourcing of translation, meetings of experts, and information and communication activities for the mutual benefit of the Commission and the beneficiaries.

appropriations referred to paragraph 1 to finance technical and/or administrative assistance, in particular relating to auditing, outsourcing of translation, meetings of experts, and information and communication activities for the mutual benefit of the Commission and the beneficiaries, ***thereby ensuring that the control of spending is strengthened.***

## **Amendment 16**

### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – point c**

*Text proposed by the Commission*

(c) ***Evaluations*** and impact assessments;

*Amendment*

(c) ***Independent evaluations*** and impact assessments;

## **Amendment 17**

### **Proposal for a regulation**

#### **Article 6 – paragraph 2 – point a**

*Text proposed by the Commission*

(a) Exchanges and dissemination of good practice, innovative approaches and experience, peer reviews, benchmarking and mutual learning at European level;

*Amendment*

(a) Exchanges, ***identification*** and dissemination of good practice, innovative approaches and experience, peer reviews, benchmarking and mutual learning at European level;

## **Amendment 18**

### **Proposal for a regulation**

#### **Article 6 – paragraph 2 – point b**

*Text proposed by the Commission*

(b) Council Presidency events, conferences and seminars;

*Amendment*

(b) ***Important*** Council Presidency events, conferences and seminars, ***provided that they are duly justified;***

## Amendment 19

### Proposal for a regulation

#### Article 6 – paragraph 3 – point c

*Text proposed by the Commission*

(c) Organisation of working groups of national officials to monitor the implementation of Union law;

*Amendment*

(c) Organisation of working groups of national officials to monitor the **proper** implementation of Union law;

## Amendment 20

### Proposal for a regulation

#### Article 6 – paragraph 3 – point d

*Text proposed by the Commission*

(d) Networking and cooperation among specialist bodies, national, regional and local authorities, and employment services at European level;

*Amendment*

(d) Networking and cooperation among specialist bodies **and other relevant stakeholders**, national, regional and local authorities, and employment services at European level;

## Amendment 21

### Proposal for a regulation

#### Article 8 – paragraph 1

*Text proposed by the Commission*

1. The Commission, in cooperation with the Member States, shall ensure that activities carried out under the Programme are consistent with, and complementary to other Union action, in particular under the European Social Fund (ESF) and in such areas as social dialogue, justice and fundamental rights, education, vocational training and youth policy, research and innovation, entrepreneurship, health, enlargement and external relations, and general economic policy.

*Amendment*

1. The Commission, in cooperation with the Member States, shall ensure that activities carried out under the Programme are consistent with, and complementary to other Union action, in particular under the European Social Fund (ESF) and in such areas as social dialogue, justice and fundamental rights, education, vocational training and youth policy, research and innovation, entrepreneurship, health, enlargement and external relations, and general economic policy, **as well as the needs of the internal market, thereby strengthening its good functioning**.

## Amendment 22

### Proposal for a regulation Article 13

#### *Text proposed by the Commission*

With a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up **biennial** monitoring reports and send them to the European Parliament and the Council. Such reports shall cover the Programme's results and the extent to which gender equality and anti-discrimination considerations, including accessibility issues, have been addressed through its activities.

#### *Amendment*

With a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up **annual** monitoring reports and send them to the European Parliament and the Council. Such reports shall cover the Programme's results and the extent to which gender equality and anti-discrimination considerations, including accessibility issues, have been addressed through its activities. ***The report shall be published and made available to the public in the interests of greater transparency.***

## Amendment 23

### Proposal for a regulation Article 14 – paragraph 1

#### *Text proposed by the Commission*

1. A mid-term evaluation of the Programme shall be carried out by the end of 2017 to measure progress made in meeting its objectives, to determine whether its resources have been used efficiently and to assess its Union added value.

#### *Amendment*

1. A mid-term evaluation of the Programme shall be carried out by the end of 2017 to measure progress made in meeting its objectives, to determine whether its resources have been used efficiently and to assess its Union added value. ***The report shall be forwarded after that evaluation to the European Parliament and to the Council. The report shall be published and made available to the public in the interests of greater transparency.***

## Amendment 24

### Proposal for a regulation Article 14 – paragraph 2

*Text proposed by the Commission*

2. **Two years** after the expiry of the Programme at the latest, the Commission shall carry out an ex-post evaluation measuring its impact and Union added value and shall forward a report on that evaluation to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

*Amendment*

2. **One year** after the expiry of the Programme at the latest, the Commission shall carry out an **independent** ex-post evaluation measuring its impact and Union added value and shall forward a report on that evaluation to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. ***Following the evaluation, the Commission may recommend continuation of the programme, two years after expiry thereof at the latest. The report shall be published and made available to the public in the interests of greater transparency.***

**Amendment 25**

**Proposal for a regulation  
Article 15 – point b**

*Text proposed by the Commission*

(b) Facilitate effective and inclusive information-sharing, mutual learning and dialogue on Union employment and social policy and working conditions legislation at Union, national and international level in order to assist the Member States and the other participating countries in developing their policies and in implementing Union law;

*Amendment*

(b) Facilitate effective and inclusive information-sharing, mutual learning and dialogue on Union employment and social policy and working conditions legislation at Union, national and international level in order to assist the Member States and the other participating countries in developing their policies and in ***properly*** implementing Union law;

**Amendment 26**

**Proposal for a regulation  
Article 15 – point d a (new)**

*Text proposed by the Commission*

*Amendment*

***(da) Develop common European strategies to produce real improvements in employment and social policy and in***



*working conditions in Europe.*

## **Amendment 27**

### **Proposal for a regulation**

#### **Article 16 – paragraph 2 – point d**

*Text proposed by the Commission*

(d) The social partners;

*Amendment*

(d) The social partners **and relevant business interests**;

## **Amendment 28**

### **Proposal for a regulation**

#### **Article 16 – paragraph 4**

*Text proposed by the Commission*

4. The Commission may cooperate with third countries not participating in the Programme. Representatives of such third countries may attend events of mutual interest (such as conferences, workshops and seminars) that take place in countries participating in the Programme and the cost of their attendance may be **covered** by the Programme.

*Amendment*

4. The Commission may cooperate with third countries not participating in the Programme. Representatives of such third countries may attend events of mutual interest (such as conferences, workshops and seminars) that take place in countries participating in the Programme and the cost of their attendance may be **co-financed** by the Programme.

## **Amendment 29**

### **Proposal for a regulation**

#### **Article 17 – paragraph 1 – point b**

*Text proposed by the Commission*

(b) the annual work plans, including the criteria for the selection of beneficiaries following calls for proposals.

*Amendment*

(b) the annual work plans, including the criteria for the selection of beneficiaries following calls for proposals. **The criteria for the selection of beneficiaries should take into account the requirements of the internal market.**

## **Amendment 30**

**Proposal for a regulation**  
**Article 20 – point b a (new)**

*Text proposed by the Commission*

*Amendment*

***(ba) Provide full and timely information to those seeking work in another Member State regarding legislation and recruitment conditions.***

**Amendment 31**

**Proposal for a regulation**  
**Article 23 – paragraph 2**

*Text proposed by the Commission*

*Amendment*

2. To reach out to the final beneficiaries and create competitive, viable micro-enterprises, public and private bodies that carry out activities as referred to in paragraph 1(a) shall cooperate closely with organisations representing the interests of the final beneficiaries of microcredit and with organisations, in particular those supported by the ESF, which provide mentoring and training programmes to such final beneficiaries.

2. To reach out to the final beneficiaries and create competitive, viable micro-enterprises, public and private bodies that carry out activities as referred to in paragraph 1(a) shall cooperate closely with organisations representing the interests of the final beneficiaries of microcredit and with organisations, in particular those supported by the ESF, which provide mentoring and training programmes to such final beneficiaries. ***The training programmes should take into account the requirements of the internal market.***

**Amendment 32**

**Proposal for a regulation**  
**Article 26 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. The international financial institutions and, where relevant, the fund managers shall send the Commission annual implementation reports setting out the activities granted support and covering their financial implementation and the allocation and accessibility of funding and investment by sector and type of

1. The international financial institutions and, where relevant, the fund managers shall send the Commission annual implementation reports setting out the activities granted support and covering their financial implementation and the allocation and accessibility of funding and investment by ***Member State***, sector and

beneficiary, applications accepted or rejected and contracts concluded by the public and private bodies concerned, actions funded and the results, including in terms of social impact, employment creation and sustainability of the businesses support granted.

type of beneficiary, applications accepted or rejected and contracts concluded by the public and private bodies concerned, actions funded and the results, including in terms of social impact, employment creation and sustainability of the businesses support granted.

### **Amendment 33**

#### **Proposal for a regulation Article 26 – paragraph 2**

##### *Text proposed by the Commission*

2. The information provided in these annual implementation reports shall feed into the ***biennial*** monitoring reports provided for in Article 13. Such monitoring reports shall include the annual reports provided for in Article 8(2) of Decision No 283/2010/EU.

##### *Amendment*

2. The information provided in these annual implementation reports shall feed into the ***annual*** monitoring reports provided for in Article 13. Such monitoring reports shall include the annual reports provided for in Article 8(2) of Decision No 283/2010/EU.

## PROCEDURE

<b>Title</b>	EU Programme for Social Change and Innovation
<b>References</b>	COM(2011)0609 – C7-0318/2011 – 2011/0270(COD)
<b>Committee responsible</b> Date announced in plenary	EMPL 25.10.2011
<b>Committee(s) asked for opinion(s)</b> Date announced in plenary	ITRE 25.10.2011
<b>Rapporteur(s)</b> Date appointed	Inês Cristina Zuber 20.12.2011
<b>Date adopted</b>	8.5.2012
<b>Result of final vote</b>	+: 55 –: 1 0: 0
<b>Members present for the final vote</b>	Amelia Andersdotter, Josefa Andrés Barea, Jean-Pierre Audy, Zigmantas Balčytis, Ivo Belet, Bendt Bendtsen, Jan Březina, Maria Da Graça Carvalho, Giles Chichester, Jürgen Creutzmann, Pilar del Castillo Vera, Dimitrios Droutsas, Adam Gierek, Norbert Glante, Robert Goebbels, András Gyürk, Fiona Hall, Edit Herczog, Kent Johansson, Romana Jordan, Krišjānis Kariņš, Lena Kolarska-Bobińska, Béla Kovács, Judith A. Merkies, Angelika Niebler, Jaroslav Paška, Aldo Patriciello, Vittorio Prodi, Miloslav Ransdorf, Herbert Reul, Michèle Rivasi, Paul Rübig, Salvador Sedó i Alabart, Francisco Sosa Wagner, Konrad Szymański, Britta Thomsen, Evžen Tošenovský, Marita Ulvskog, Vladimir Urutchev, Kathleen Van Brempt, Alejo Vidal-Quadras, Henri Weber
<b>Substitute(s) present for the final vote</b>	Antonio Cancian, Ioan Enciu, Françoise Grossetête, Roger Helmer, Jolanta Emilia Hibner, Seán Kelly, Bernd Lange, Werner Langen, Zofija Mazej Kukovič, Silvia-Adriana Țicău, Inês Cristina Zuber
<b>Substitute(s) under Rule 187(2) present for the final vote</b>	Anne E. Jensen, Nicole Kiil-Nielsen, Norica Nicolai

6.6.2012

## **OPINION OF THE COMMITTEE ON REGIONAL DEVELOPMENT**

for the Committee on Employment and Social Affairs

on the proposal for a regulation of the European Parliament and of the Council on a European Union Programme for Social Change and Innovation  
(COM(2011)0609 – C7-0318/2011 – 2011/0270(COD))

Rapporteur: Tomasz Piotr Poręba

### **SHORT JUSTIFICATION**

As part of the legislative package for 2014-2020 the Commission has submitted a proposal for a regulation establishing a European Union Programme for Social Progress and Employment (hereinafter ‘the Programme’).

The regulation establishing the Programme has been included in the spending package coming under heading 1 (Smart and inclusive growth) of the new multiannual financial framework for the period 2014-2020.

The Programme is intended to play a part in implementing the Europe 2020 strategy and meeting its smart, sustainable growth and social inclusion objectives by supporting a range of measures, including analytical activities, mutual learning activities, the provision of support to the main actors responsible for meeting the Programme’s objectives, the promotion of worker mobility within the Union and the provision of support to micro-enterprises, aimed at fostering a high level of employment, guaranteeing adequate social protection, fighting against social exclusion and poverty and improving working conditions.

The Commission is proposing to combine three existing instruments – the Progress programme, the EURES programme and the Progress Microfinance Facility for employment and social inclusion – into a single programme for social progress and employment.

The aim of the Community Programme for Employment and Social Solidarity (Progress), which was set up in 2006, is to provide support for EU employment policy action by monitoring policy developments, fostering mutual learning, developing statistical tools and methods, supporting the main actors and promoting networking and awareness raising and dissemination. The main recipients of funding are local and regional authorities, social partners and non-governmental organisations.

The European Employment Services (EURES) network was set up in 2002. The network’s aim is to facilitate the geographical mobility of workers within the EU. EURES supports the

establishment of cross-border partnerships which serve both as a point of contact between public employment services and social partners and as a source of advice on matters relating to workers' rights and obligations.

The Progress Microfinance Facility for employment and social inclusion was set up in 2010 to facilitate access to assistance in the form of micro-loans for people who have difficulty in gaining access to the traditional credit market (people who are unemployed, at risk of social exclusion, etc.) and wish to start up or further develop their own business. The Facility does not provide funds directly to such persons but instead helps microfinance institutions in Member States to grant loans to people wishing to start up or develop their own business.

The regulation establishing a European Union Programme for Social Progress and Employment would enter into force on the date of expiry of the current programmes (1 January 2014) and run until 31 December 2020.

The Commission is proposing that the financial appropriations for implementing the Programme during the period from 1 January 2014 to 31 December 2020 should be set at EUR 958.19 million.

The rapporteur would point out that the Commission provides no indication of the added value of combining the three programmes that are already in place.

Furthermore, it fails to show the demarcation between the activities provided for under the new Programme and the support available under cohesion policy funds (ESF, ERDF), as well as to ensure effective coordination between the two. This results in duplication in some areas. The support for the design and implementation of social experimentation that is to be available under the Progress axis of the new Programme overlaps with the support for social innovation provided for under the proposal for a regulation on the ESF. What is more, the regulation governing the operation of the ERDF also provides for support for social enterprises. In view of this, it needs to be clearly established how the new instrument will be integrated with the complementary instruments in place in the cohesion policy field.

Although it allocates 17% of the funding available under the Progress access to promoting social experimentation, the Commission fails to indicate precisely what the specific aims of social innovation and experimentation are. The rapporteur believes that the fixed percentage set by the Commission for social experimentation should be made more flexible, and stresses that the social innovation objectives should be pursued only in support of national social systems, and must not take their place. A broad-based political debate would need to be held before any other approach could be adopted.

In the current economic climate, of the three instruments, microfinance is the most likely to produce tangible results. Close to 99% of new businesses set up in the EU are small enterprises or micro-enterprises, and one third of them are set up by people who were previously unemployed. Accordingly, microfinance's percentage share of the budget for the new Programme should be increased and the essential role it plays in the fight against exclusion should be emphasised.

In view of the current economic crisis and the severe budget restrictions introduced in the Member States, the rapporteur is opposed to an increase in administrative costs (Article 5.3) and to the 5% budget reserve, whose use is not clearly specified by the Commission.

With reference to the part to be played by regional and local authorities in implementing the new Programme, attention should be drawn to the need for them to be involved in all the

operational stages of programme implementation.

Priority should also be given to tailoring EURES activities to the needs of young people, more than 20% of whom are out of work. The rapporteur is regrettably obliged to draw attention to the lack of a thorough assessment of the effectiveness of the EURES programme and of figures showing the number of people who have found work as a result of the programme.

## AMENDMENTS

The Committee on Regional Development calls on the Committee on Employment and Social Affairs, as the committee responsible, to incorporate the following amendments in its report:

### Amendment 1

#### Proposal for a regulation Recital 4

##### *Text proposed by the Commission*

(4) The European Platform against Poverty and Social Exclusion and the Innovation Union flagship initiatives identify social innovation as a powerful tool for addressing the social challenges arising from population ageing, poverty, unemployment, new work patterns and life styles, and citizens' expectations regarding social justice, education and health care. The Programme should support action to step up social innovation in policy areas falling within its scope in the public, private and third sectors, taking due account of the role of regional and local authorities. In particular, it should help identify, evaluate and scale up innovative solutions and **practice** through social experimentation to assist the Member States more effectively in reforming their labour markets and social protection policies. It should also act as a catalyst for transnational partnerships and networking between public, private and third-sector actors as well as supporting their involvement in designing and implementing new approaches to tackling

##### *Amendment*

(4) The European Platform against Poverty and Social Exclusion and the Innovation Union flagship initiatives identify social innovation as a powerful tool – **particularly at this time of economic crisis in the Union and its regions** – for addressing the social challenges arising from population ageing, poverty, unemployment, new work patterns and life styles, and citizens' expectations regarding social justice, education and health care. The Programme should support action to step up social innovation in policy areas falling within its scope in the public, private and third sectors, taking due account of the role of regional and local authorities. In particular, it should help identify, evaluate and scale up innovative solutions and **their practical implementation** through social experimentation to assist the Member States more effectively in reforming their labour markets and social protection policies, **so as, in particular, to boost growth and balanced development in regions of the Union**. It should also act as

pressing social needs and challenges.

a catalyst for transnational partnerships and networking between public, private and third-sector actors as well as supporting their involvement in designing and implementing new approaches to tackling pressing social needs and challenges. ***The Programme should also help to identify, evaluate and scale up innovative solutions and practice through social policy experimentation to assist the Member States to increase the efficiency of their labour markets and further improve their social protection and inclusion policies, where necessary. The Programme should also pay attention to the territorial dimension of poverty and exclusion, and especially to increasing inequalities between and within regions and between regions and cities.***

## **Amendment 2**

### **Proposal for a regulation**

#### **Recital 4 a (new)**

*Text proposed by the Commission*

*Amendment*

***(4a) The open method of coordination, which has proved its flexibility and operational effectiveness in social policy areas, should be used in a holistic manner in areas of interest to individual Member States. It should therefore be used more widely, not least in order to improve the Programme and make it more effective.***

## **Amendment 3**

### **Proposal for a regulation**

#### **Recital 6**

*Text proposed by the Commission*

*Amendment*

(6) The Union should equip itself with a sound analytical basis to support policy-making in the employment and social area. Such an evidence base adds value to

(6) The Union should equip itself with a sound analytical basis to support policy-making in the employment and social area. Such an evidence base adds value to



national action by providing a Union dimension and comparison for data-gathering and the development of statistical tools and methods and common indicators with a view to composing a full picture of the situation in the fields of employment, social policy and working conditions across the Union and ensuring high-quality evaluation of the efficiency and effectiveness of programmes and policies.

national action by providing a Union dimension and comparison for data-gathering and the development of statistical tools and methods and common indicators with a view to composing a full picture of the situation in the fields of employment, social policy and working conditions across the Union and ensuring high-quality evaluation of the efficiency and effectiveness of programmes and policies.

***In particular, a better understanding of the territorial dimension of socio-economic disadvantage could add value substantially to the efforts to develop more sustainable and integrated approaches to tackling such disadvantage.***

#### **Amendment 4**

##### **Proposal for a regulation Recital 7**

*Text proposed by the Commission*

(7) The Union is uniquely placed to provide a Union platform for policy exchanges and mutual-learning between the Member States in the employment and social areas. Knowledge of policies applied in other countries and of their results broadens the range of options available to policy-makers, triggers new policy developments and encourages national reform.

*Amendment*

(7) The Union is uniquely placed to provide a Union platform for policy exchanges and mutual-learning between the Member States ***by encouraging examples of good practice*** in the employment and social areas. Knowledge of policies applied in other countries and of their results broadens the range of options available to policy-makers, triggers new policy developments and encourages national reform.

#### **Amendment 5**

##### **Proposal for a regulation Recital 8 a (new)**

*Text proposed by the Commission*

*Amendment*

***(8a) Action should also be taken to promote investment in healthcare and social facilities with a view not merely to***

*reducing inequalities and discrimination but also to fostering growth, wellbeing and development at national, regional and local level;*

## Amendment 6

### Proposal for a regulation

#### Recital 9

*Text proposed by the Commission*

(9) Civil society organisations active at various levels can play an important role in meeting the objectives of the Programme, by participating in the policy-making process and contributing to social innovation.

*Amendment*

(9) Civil society organisations active at various levels can play an important role in meeting the objectives of the Programme, by participating in the policy-making process and contributing to social innovation. ***In this connection, ongoing dialogue should be promoted between national, regional and local authorities, civil society representatives and social partners, with a view to ensuring the effective introduction of integrated actions.***

## Amendment 7

### Proposal for a regulation

#### Recital 11

*Text proposed by the Commission*

(11) In accordance with Articles 45 and 46 of the Treaty, Regulation (EU) No 492/2011 lays down provisions intended to achieve freedom of movement for workers by ensuring close cooperation between ***the Member States*** and with the Commission. EURES should promote better functioning of the labour markets by facilitating transnational geographical mobility of workers, providing greater transparency on the labour market, ensuring the clearance of vacancies and applications for employment and supporting activities in the areas of

*Amendment*

(11) In accordance with Articles 45 and 46 of the Treaty, Regulation (EU) No 492/2011 lays down provisions intended to achieve freedom of movement for workers by ensuring close cooperation between ***national employment services*** and with the Commission. EURES should promote better functioning of the labour markets by ***actively identifying job opportunities***, facilitating transnational geographical mobility of workers, ***particularly of young workers***, providing greater transparency on the labour market, ensuring the clearance of vacancies and

recruitment, advice and guidance services at national and cross-border level, thereby contributing to the objectives of the Europe 2020 Strategy.

applications for employment and supporting activities in the areas of recruitment, advice and guidance services at national and cross-border level, thereby contributing to the ***implementation of flexicurity policies and*** the objectives of the Europe 2020 Strategy. ***It must be stressed that the Commission cannot act as an employment service.***

## Amendment 8

### Proposal for a regulation Recital 14

#### *Text proposed by the Commission*

(14) Lack of access to credit is one of the main obstacles to business creation, especially among people furthest from the labour market. Union and national efforts in this area need to be stepped up in order to increase the supply of microfinance and meet demand from those who need it most, and in particular unemployed and vulnerable people who wish to start up or develop a micro-enterprise, including on a self-employed basis, but do not have access to credit. As a first step, in 2010 the European Parliament and the Council set up the Facility.

#### *Amendment*

(14) Lack of access to credit is one of the main obstacles to business creation, especially among people furthest from the labour market. Union and national efforts in this area need to be stepped up, ***in particular by making administrative formalities more flexible, so as, in particular, to simplify administrative procedures for microfinance operations and make appropriate information sessions available to prospective entrepreneurs,*** in order to increase the supply of microfinance and meet demand from those who need it most, and in particular unemployed and vulnerable people who wish to start up or develop a micro-enterprise, including on a self-employed basis, but do not have access to credit. ***Similarly, since small undertakings and micro-enterprises make up the majority of newly-formed companies in the European Union, microcredits could be the most rapid means of obtaining added value and concrete results.*** As a first step, in 2010 the European Parliament and the Council set up the Facility.

## Amendment 9

**Proposal for a regulation**  
**Recital 17 a (new)**

*Text proposed by the Commission*

*Amendment*

***(17a) In accordance with the Europe 2020 strategy, the Programme should tackle the problem of youth unemployment.***

**Amendment 10**

**Proposal for a regulation**  
**Recital 17 b (new)**

*Text proposed by the Commission*

*Amendment*

***(17b) Tackling youth unemployment and the precariousness of youth employment would not only reduce social costs but also promote social inclusion.***

**Amendment 11**

**Proposal for a regulation**  
**Recital 17 c (new)**

*Text proposed by the Commission*

*Amendment*

***(17c) The microfinance facility should have a long-lasting impact, reaching potential beneficiaries and serving as a proactive element for both economic and local development policies. The actions involving microfinance and social entrepreneurship should be accompanied by mentoring and training programmes in order to maximise the chances of creating viable micro-enterprises. For this purpose a fixed part of the budget needs to be assigned to such measures.***

## Amendment 12

### Proposal for a regulation Recital 19

#### *Text proposed by the Commission*

(19) Pursuant to Article 9 of the Treaty, the Programme should ensure that the requirements linked to the promotion of a high-level of employment, a guarantee of adequate social protection and the fight against social exclusion are taken into account in defining and implementing the Union's policies and activities.

#### *Amendment*

(19) Pursuant to Article 9 of the Treaty, the Programme should ensure that the requirements linked to the promotion of a high-level of employment, a guarantee of adequate social protection and the fight against social exclusion are taken into account in defining and implementing the Union's policies and activities. ***Local and regional authorities should promote institutions devoted to research and industry and encourage and support investment by industrial undertakings in research and development. With a view to simplifying the management system, implementing the Programme activities and generating genuine added value, it is essential for the new instrument to be properly integrated with the complementary instruments in place in the cohesion policy field (ESF, EFRD).***

## Amendment 13

### Proposal for a regulation Recital 21

#### *Text proposed by the Commission*

(21) Since the objectives of this Regulation cannot be sufficiently achieved ***at Member State level*** and can therefore, by reason of their scale and effects, be better achieved at Union level, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary to achieve those objectives.

#### *Amendment*

(21) Since the objectives of this Regulation cannot be sufficiently achieved ***by all Member States, in particular at regional level***, and can therefore, by reason of their scale and effects, be better achieved at Union level, the Union may adopt measures ***within the limits of its competences and*** in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article,

*and with due regard for the institutional systems of the Member States, this Regulation does not go beyond what is necessary to achieve those objectives.*

#### **Amendment 14**

##### **Proposal for a regulation Recital 22 a (new)**

*Text proposed by the Commission*

*Amendment*

*(22a) Effective implementation of the Programme's objectives can be achieved by means of the closest possible involvement of regional and local authorities in all the operational stages of the implementation process. Regional authorities should be involved from the planning stage and in the allocation of funding. The regions are now leading players, including in the social policy field, and can help to design ground-breaking social innovations.*

#### **Amendment 15**

##### **Proposal for a regulation Recital 25 a (new)**

*Text proposed by the Commission*

*Amendment*

*(25a) The competent authorities should offer financial incentives to employers who provide training for under-qualified staff, thereby assisting their labour market entry.*

## Amendment 16

### Proposal for a regulation

#### Article 2 – paragraph 1 – point a

##### *Text proposed by the Commission*

(a) ‘Social enterprise’ means an enterprise whose primary objective is to achieve social impact rather than generate profit for owners and stakeholders. It operates in the market through the production of goods and services in an entrepreneurial and innovative way, and **uses** surpluses mainly to achieve social goals. It is managed in an accountable and transparent way, in particular by involving workers, customers and stakeholders affected by its business activity.

##### *Amendment*

(a) ‘Social enterprise’ means an enterprise whose primary objective is to achieve **a positive** social impact rather than generate profit for owners and stakeholders. It operates in the market through the production of goods and services in an entrepreneurial and innovative way, and uses surpluses mainly to achieve appropriate social goals, **in particular in the context of local needs**. It is managed in an accountable and transparent way, in particular by involving workers, customers and stakeholders affected by its business activity.

## Amendment 17

### Proposal for a regulation

#### Article 3 – paragraph 1 – point a

##### *Text proposed by the Commission*

(a) The Progress axis, which shall support the development, implementation, monitoring and evaluation of Union employment and social policy and legislation on working conditions and shall promote evidence-based policy-making and innovation, in partnership with the social partners, civil society organisations and other interested parties;

##### *Amendment*

(a) The Progress axis, which shall support the development, implementation, monitoring and evaluation of Union employment and social policy and legislation on working conditions and shall promote evidence-based policy-making and innovation, in partnership with **local and regional governments**, the social partners, civil society organisations and other interested parties;

##### *Justification*

*Achieving the objectives of the Europe 2020 Strategy must be based on all levels of government being responsible for them.*

## Amendment 18

### Proposal for a regulation

#### Article 3 – paragraph 1 – point c

*Text proposed by the Commission*

(c) The Microfinance and Social Entrepreneurship axis, which shall facilitate access to finance for entrepreneurs, especially those furthest from the labour market, and social enterprises.

*Amendment*

(c) The Microfinance and Social Entrepreneurship axis, which shall facilitate access to finance for entrepreneurs, especially those furthest from the labour market, ***young people*** and social enterprises.

## Amendment 19

### Proposal for a regulation

#### Article 4 – paragraph 1 – point a

*Text proposed by the Commission*

(a) Strengthen ownership of the Union objectives in the employment, social and working conditions fields among key Union ***and*** national policy-makers, as well as other interested parties in order to bring about concrete and coordinated actions at both Union and Member State level;

*Amendment*

(a) Strengthen ownership of the Union objectives in the employment, social and working conditions fields among key Union, national, ***regional and local*** policy-makers, as well as other interested parties in order to bring about concrete and coordinated actions at both Union and Member State level, ***thereby boosting public and comprehensive stakeholder confidence***;

#### *Justification*

*Achieving the objectives of the Europe 202 Strategy must be based on all levels of government being responsible for them. It is therefore crucial to strengthen the capacity of local authorities to support the implementation of the EU policies through mutual learning, producing evidence and capacity building.*



## Amendment 20

### Proposal for a regulation

#### Article 4 – paragraph 1 – point d

*Text proposed by the Commission*

(d) Promote workers' geographical mobility and boost employment opportunities by developing Union labour markets that are open and accessible to all;

*Amendment*

(d) Promote workers' geographical mobility and boost employment opportunities by developing Union labour markets that are open, ***fair, high quality*** and accessible to all, ***with particular attention being paid to young people facing serious difficulties in finding a job opportunity***;

## Amendment 21

### Proposal for a regulation

#### Article 4 – paragraph 2 – point b a (new)

*Text proposed by the Commission*

*Amendment*

***(ba) focus the activities conducted under the Programme on young people, who are particularly hard-hit by the crisis, and long-term job seekers.***

## Amendment 22

### Proposal for a regulation

#### Article 6 – paragraph 1 – point 1 - point c

*Text proposed by the Commission*

*Amendment*

(c) Evaluations and impact assessments;

(c) Evaluations, ***including, in particular, quantitative and qualitative*** impact assessments

## Amendment 23

### Proposal for a regulation

#### Article 6 – paragraph 1 – point 1 – point d a (new)

*Text proposed by the Commission*

*Amendment*

***(da) Monitoring the impact of policies implemented with regard to the most vulnerable groups;***

## **Amendment 24**

### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – point 1 – point d b (new)**

*Text proposed by the Commission*

*Amendment*

***(db) Monitoring of the impact of implemented policies with regards to improving working conditions;***

## **Amendment 25**

### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – point 3 – point b**

*Text proposed by the Commission*

*Amendment*

(b) Capacity-building of national administrations ***and*** specialist services responsible for promoting geographical mobility designated by the Member States and microcredit providers,

(b) Capacity-building of ***regional, local and*** national administrations ***as well as*** specialist services responsible for promoting geographical mobility designated by the Member States and microcredit providers,

### *Justification*

*The capacity building is essential to support local and regional authorities efforts to tackle poverty and exclusion. It helps test new approaches, learn from peers and share experiences.*

## **Amendment 26**

### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – point 3 – point c**

*Text proposed by the Commission*

*Amendment*

(c) Organisation of working groups of

(c) Organisation of working groups of

national officials to monitor the implementation of Union law;

national, **regional and local** officials to monitor the implementation of Union law;

*Justification*

*The exchanges between public administrations should benefit all levels of governments as many public policies are shared and are not the sole competence of national administrations.*

**Amendment 27**

**Proposal for a regulation**

**Article 6 – paragraph 1 – point 3 – point f**

*Text proposed by the Commission*

(f) Exchange of personnel between national administrations.

*Amendment*

(f) Exchange of personnel between **regional, local and** national administrations.

*Justification*

*Monitoring the implementation of EU law must also take regional and local contexts into account and should, therefore, involve regional and local government representatives.*

**Amendment 28**

**Proposal for a regulation**

**Article 6 – paragraph 4**

*Text proposed by the Commission*

4. Actions to promote mobility of **individuals** in the Union, in particular the development of a multilingual digital platform for the clearance of job vacancies and applications, and targeted mobility schemes to fill vacancies where labour market shortcomings have been identified **and/or** to help specific groups of workers such as young people.

*Amendment*

4. Actions to promote mobility of **workers** in the Union, in particular the development of a multilingual digital platform for the clearance of job vacancies and applications, and targeted mobility schemes to fill vacancies where labour market shortcomings have been identified **and** to help specific groups of workers such as young **and** elderly people.

**Amendment 29**

**Proposal for a regulation**

**Article 7**

*Text proposed by the Commission*

Actions eligible under the Programme may be implemented jointly with other Union instruments, provided that such actions meet the objectives of both the Programme and the other instruments concerned.

*Amendment*

Actions eligible under the Programme may be implemented jointly with other Union instruments, ***in particular financial instruments***, provided that such actions meet the objectives of both the Programme and the other instruments concerned. ***In this connection, due account shall be taken of synergies with the Union Structural Funds, with specific reference to the complementarity between the Programme and the European Social Fund, in particular with a view to achieving the goal of inclusive growth and eradicating poverty.***

**Amendment 30**

**Proposal for a regulation  
Article 8 – paragraph 1**

*Text proposed by the Commission*

1. The Commission, in cooperation with the Member States, shall ensure that activities carried out under the Programme are consistent with, and complementary to other Union action, in particular under the European Social Fund (ESF) and ***in*** such areas as social dialogue, justice and fundamental rights, education, vocational training and youth policy, research and innovation, entrepreneurship, health, enlargement and external relations, and general economic policy.

*Amendment*

1. The Commission, in cooperation with the Member States, ***in accordance with the partnership principle***, shall ensure that activities carried out under the Programme are consistent with and complementary to other Union action, in particular under the ***cohesion policy funds, with special reference to the*** European Social Fund (ESF) and ***the European Fund for Regional Development (EFRD) and*** such areas as social dialogue, justice and fundamental rights, education, vocational training and youth policy, research and innovation, entrepreneurship, health, enlargement and external relations, and general economic policy.

**Amendment 31**

**Proposal for a regulation**  
**Article 8 – paragraph 2**

*Text proposed by the Commission*

2. The activities supported by the Programme shall comply with Union and national law, including state aid rules.

*Amendment*

2. The activities supported by the Programme shall comply with Union and national law, including state aid rules, **and ILO Conventions**.

**Amendment 32**

**Proposal for a regulation**  
**Article 8 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**2a. Consistency and complementarity shall also be ensured by means of the close involvement of local and regional authorities in the implementation of the Programme.**

**Amendment 33**

**Proposal for a regulation**  
**Article 10 – paragraph 1**

*Text proposed by the Commission*

*Amendment*

1. The results of the actions implemented under the Programme shall be suitably communicated and disseminated in order to maximise their impact, sustainability and Union added value.

1. The results of the actions implemented under the Programme shall be suitably communicated and disseminated **to all stakeholders** in order to maximise their impact, sustainability and Union added value.

**Amendment 34**

**Proposal for a regulation**  
**Article 15 – paragraph 1 – point b**

*Text proposed by the Commission*

*Amendment*

(b) Facilitate effective and inclusive

(b) Facilitate effective and inclusive

information-sharing, mutual learning and dialogue on Union employment and social policy and working conditions legislation at Union, national and international level in order to assist the Member States and the other participating countries in developing their policies and in implementing Union law;

information-sharing, mutual learning and dialogue on Union employment and social policy and working conditions legislation at Union, national, **regional, local**, and international level in order to assist the Member States and the other participating countries in developing their policies and in implementing Union law;

## Amendment 35

### Proposal for a regulation

#### Article 15 – paragraph 1 – point d

*Text proposed by the Commission*

(d) Provide Union **and** national organisations with financial support to step up their capacity to develop, promote and support the implementation of Union employment and social policy and working conditions legislation.

*Amendment*

(d) Provide Union national, **regional and local** organisations with financial support to step up their capacity to develop, promote and support the implementation of Union employment and social policy and working conditions legislation.

## Amendment 36

### Proposal for a regulation

#### Article 16 – paragraph 2 – point e

*Text proposed by the Commission*

(e) Non-governmental organisations, **and in particular** those organised at Union level;

*Amendment*

(e) Non-governmental organisations, **including those organised at national level and** those organised at Union level;

## Amendment 37

### Proposal for a regulation

#### Article 20 – paragraph 1 – point a

*Text proposed by the Commission*

(a) Ensure that job vacancies and applications, and any related information are transparent for the potential applicants and the employers; this shall be achieved

*Amendment*

(a) Ensure that job vacancies and applications, and any related information are transparent for the potential applicants and the employers; this shall be achieved

through their exchange and dissemination at transnational, interregional and cross-border level using standard interoperability forms;

through *the identification and ongoing compilation of new job opportunities at European level in the public or private sector, promoting* their exchange and dissemination at transnational, interregional and cross-border level using standard interoperability forms; *the EURES network should become the true European portal for citizens' geographical mobility;*

## Amendment 38

### Proposal for a regulation

#### Article 22 – paragraph 1 – point 1 – introductory part

*Text proposed by the Commission*

1. Increase access to, and the availability of, microfinance for:

*Amendment*

1. *Minimise administrative obstacles and burdens in order to* increase access to, and the availability of, microfinance, *while cutting administrative bureaucracy,* for:

## Amendment 39

### Proposal for a regulation

#### Article 22 – paragraph 1 – point 1 – point a

*Text proposed by the Commission*

(a) persons who have lost *or are at risk of losing* their jobs, or who have difficulty in entering or re-entering the labour market, persons at risk of social exclusion and vulnerable persons who are in a disadvantaged position with regard to access to the conventional credit market and who wish to start up or develop their own micro-enterprises;

*Amendment*

(a) persons who have lost their jobs, or who have difficulty in entering or re-entering the labour market, *young people, as well as* persons *who are* at risk of social exclusion and vulnerable persons who are in a disadvantaged position with regard to access to the conventional credit market and who wish to start up or develop their own micro-enterprises, *including self-employment, without any discrimination as to age;*

## Amendment 40

**Proposal for a regulation**  
**Article 22 – paragraph 1 a (new)**

*Text proposed by the Commission*

*Amendment*

***1a. In order to ensure complementarity, these actions will be closely coordinated with those undertaken in the framework of cohesion policy.***

**Amendment 41**

**Proposal for a regulation**  
**Article 23 – paragraph 3**

*Text proposed by the Commission*

*Amendment*

3. Public and private bodies that carry out activities as referred to in paragraph 1(a) shall adhere to high standards concerning governance, management and customer protection in line with the principles of the European Code of Good Conduct for Microcredit Provision and shall seek to prevent persons and undertakings from becoming over-indebted.

3. Public and private bodies that carry out activities as referred to in paragraph 1(a) shall adhere to high standards concerning governance, management and customer protection in line with the principles of the European Code of Good Conduct for Microcredit Provision and shall seek to prevent persons and undertakings from becoming over-indebted ***as a result of loans granted at very high interest rates and on terms likely to result in their insolvency.***



## PROCEDURE

<b>Title</b>	EU Programme for Social Change and Innovation						
<b>References</b>	COM(2011)0609 – C7-0318/2011 – 2011/0270(COD)						
<b>Committee responsible</b> Date announced in plenary	EMPL 25.10.2011						
<b>Opinion by</b> Date announced in plenary	REGI 25.10.2011						
<b>Rapporteur</b> Date appointed	Tomasz Piotr Poręba 23.11.2011						
<b>Discussed in committee</b>	26.4.2012						
<b>Date adopted</b>	29.5.2012						
<b>Result of final vote</b>	<table> <tr> <td>+:                   </td><td>39</td></tr> <tr> <td>–:                   </td><td>0</td></tr> <tr> <td>0:                   </td><td>2</td></tr> </table>	+:	39	–:	0	0:	2
+:	39						
–:	0						
0:	2						
<b>Members present for the final vote</b>	François Alfonsi, Luís Paulo Alves, Jean-Paul Basset, Victor Boştinaru, Alain Cadec, Nikos Chrysogelos, Tamás Deutsch, Rosa Estaràs Ferragut, Danuta Maria Hübner, Vincenzo Iovine, María Irigoyen Pérez, Seán Kelly, Mojca Kleva, Constanze Angela Krehl, Petru Constantin Luhan, Ramona Nicole Mănescu, Vladimír Maňka, Riikka Manner, Iosif Matula, Erminia Mazzoni, Ana Miranda, Jens Nilsson, Jan Olbrycht, Wojciech Michał Olejniczak, Markus Pieper, Tomasz Piotr Poręba, Monika Smolková, Ewald Stadler, Georgios Stavrakakis, Nuno Teixeira, Lambert van Nistelrooij, Oldřich Vlasák, Kerstin Westphal, Hermann Winkler, Joachim Zeller, Elżbieta Katarzyna Łukacijewska						
<b>Substitute(s) present for the final vote</b>	Ivars Godmanis, Lena Kolarska-Bobińska, Ivari Padar, László Surján, Giommaria Uggias						

4.6.2012

## **OPINION OF THE COMMITTEE ON WOMEN'S RIGHTS AND GENDER EQUALITY**

for the Committee on Employment and Social Affairs

on the proposal for a regulation of the European Parliament and of the Council on a European Union Programme for Social Change and Innovation  
(COM(2011)0609 – C7-0318/2011 – 2011/0270(COD))

Rapporteur: Barbara Matera

### **AMENDMENTS**

The Committee on Women's Rights and Gender Equality calls on the Committee on Employment and Social Affairs, as the committee responsible, to incorporate the following amendments in its report:

#### **Amendment 1**

##### **Proposal for a regulation Recital 3**

###### *Text proposed by the Commission*

(3) In accordance with Article 148(4) of the Treaty on the Functioning of the European Union, the Council adopted guidelines for employment policies on 21 October 2010, which, together with the broad guidelines for the economic policies of the Member States and of the Union adopted in accordance with Article 121 of the Treaty, comprise the Europe 2020 integrated guidelines. The Programme should contribute to applying the Europe 2020 integrated guidelines, and in

###### *Amendment*

(3) In accordance with Article 148(4) of the Treaty on the Functioning of the European Union, the Council adopted guidelines for employment policies on 21 October 2010, which, together with the broad guidelines for the economic policies of the Member States and of the Union adopted in accordance with Article 121 of the Treaty, comprise the Europe 2020 integrated guidelines. The Programme should contribute to applying the Europe 2020 integrated guidelines, and in

particular Guidelines 7, 8 and 10, while supporting implementation of the flagship initiatives, with special regard to the European Platform against Poverty and Social Exclusion, an Agenda for New Skills and Jobs, and Youth on the Move.

particular Guidelines 7, 8 and 10, while supporting implementation of the flagship initiatives, with special regard to the European Platform against Poverty and Social Exclusion, an Agenda for New Skills and Jobs, *the European Strategy for Gender Equality 2010-2015* and Youth on the Move.

## Amendment 2

### Proposal for a regulation Recital 4 a (new)

*Text proposed by the Commission*

*Amendment*

*(4a) In line with the European Strategy for Gender Equality 2010-2015, the Union should make better use of women's potential, thereby contributing to the Union's overall economic and social goals by getting more women into the labour market and into good quality jobs. In particular the employment rates of older women, single parents, disabled women, migrant women and women from ethnic minorities are still relatively low and there is therefore a need for remaining gender gaps to be reduced in both quantitative and qualitative terms. Recent reports presented by the Commission itself on the extent of compliance with the Charter of Fundamental Rights, as well as governance and sustainability studies by the World Bank and the United Nations, show that the incorporation of women into the labour market and, in particular, equality in political decision-making, encourage transparency and participation and reduce corruption. Thus, the participation of women in enterprise and decision-making in the economic and business spheres is a proven factor in improving competitiveness, productivity and innovation.*

### Amendment 3

#### Proposal for a regulation Recital 5

*Text proposed by the Commission*

(5) ***In line with the Europe 2020 Strategy***, the Programme should pursue a coherent approach to promoting employment and combating social exclusion and poverty. Its implementation should be rationalised and simplified, notably through a set of common provisions including, inter alia, general objectives, typology of actions, monitoring and evaluation arrangements. The Programme should also focus on large projects with clear EU added value in order to reach critical mass and reduce administrative burden for both the beneficiaries and the Commission. In addition, greater use should be made of simplified cost options (lump-sum and flat-rate financing) in particular for the implementation of mobility schemes. The Programme should be a one-stop shop for microfinance providers, providing financing for micro-credit, capacity building and technical assistance. Lastly, the Programme should provide for budgetary flexibility through the establishment of a reserve to be allocated on an annual basis in order to respond to policy priorities.

*Amendment*

(5) The Programme should pursue a coherent approach to promoting employment and combating social exclusion and poverty, ***while keeping sight of the objective of gender equality and in gender mainstreaming***. Its implementation should be rationalised and simplified, notably through a set of common provisions including, inter alia, general objectives, typology of actions, monitoring and evaluation arrangements. The Programme should also focus on large projects with clear EU added value in order to reach critical mass and reduce administrative burden for both the beneficiaries and the Commission. In addition, greater use should be made of simplified cost options (lump-sum and flat-rate financing) in particular for the implementation of mobility schemes. The Programme should be a one-stop shop for microfinance providers, providing financing for micro-credit, capacity building and technical assistance. Lastly, the Programme should provide for budgetary flexibility through the establishment of a reserve to be allocated on an annual basis in order to respond to policy priorities.

### Amendment 4

#### Proposal for a regulation Recital 8

*Text proposed by the Commission*

(8) Ensuring that minimum standards are in

*Amendment*

(8) Ensuring that minimum standards are in

place and that working conditions improve constantly in the Union is a central feature of Union social policy. The Union has an important role to play both in ensuring that the legislative framework is adapted, in line with ‘Smart Regulation’ principles, to evolving work patterns and new health and safety risks and in financing measures to improve compliance with Union rules on the protection of workers' rights.

place and that working conditions improve constantly in the Union is a central feature of Union social policy. The Union has an important role to play both in ensuring that the legislative framework is adapted, in line with ‘Smart Regulation’ principles, to evolving work patterns and new health and safety risks and in financing measures to improve compliance with Union rules on the protection of workers’ rights, ***without forgetting the need for both men and women to reconcile their professional life and family life.***

## **Amendment 5**

### **Proposal for a regulation Recital 8 a (new)**

*Text proposed by the Commission*

*Amendment*

***(8a) The Programme should take into account that improving working conditions also involves making working hours and forms of employment more flexible, creating services to support family life, improving leave conditions and other mechanisms to support working parents.***

## **Amendment 6**

### **Proposal for a regulation Recital 14**

*Text proposed by the Commission*

*Amendment*

(14) Lack of access to credit is one of the main obstacles to business creation, especially among people furthest from the labour market. Union and national efforts in this area need to be stepped up in order to increase the supply of microfinance and meet demand from those who need it most, and in particular unemployed and vulnerable people who wish to start up or

(14) Lack of access to credit is one of the main obstacles to business creation, especially among people furthest from the labour market. Union and national efforts in this area need to be stepped up in order to increase the supply of microfinance and meet demand from those who need it most, and in particular unemployed and vulnerable people who wish to start up or

develop a micro-enterprise, including on a self-employed basis, but do not have access to credit. As a first step, in 2010 the European Parliament and the Council set up the Facility.

develop a micro-enterprise, including on a self-employed basis, but do not have access to credit *with particular attention being given to boosting entrepreneurship among women, noting that in the Union only 1 in 10 women are entrepreneurs as opposed to 1 in 4 men. In this context, female entrepreneurship, made possible through easier access to microcredit via funding opportunities, such as the European Progress Microfinance Facility, could make a significant contribution towards achieving the target of 75% female employment, as defined by the Europe 2020 Strategy.* As a first step, in 2010 the European Parliament and the Council set up the Facility.

#### **Amendment 7**

##### **Proposal for a regulation Recital 15**

###### *Text proposed by the Commission*

(15) Making microfinance more available on the Union's young microfinance market calls for the institutional capacity of microfinance providers, and in particular non-bank microfinance institutions, to be stepped up in line with the Commission Communication 'A European Initiative for the development of micro-credit'.

###### *Amendment*

(15) Making microfinance more available on the Union's young microfinance market calls for the institutional capacity of microfinance providers, and in particular non-bank microfinance institutions, to be stepped up in line with the Commission Communication 'A European Initiative for the development of micro-credit' *and the Commission report on 'Promotion of Women Innovators and Entrepreneurship'<sup>1</sup>.*

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<sup>1</sup> *DG Enterprise and Industry, European Commission of 25 July 2008*

#### **Amendment 8**

##### **Proposal for a regulation Recital 18**

*Text proposed by the Commission*

(18) Pursuant to Articles 8 and 10 of the Treaty, ***the Programme should support*** the mainstreaming of gender equality and anti-discrimination objectives in all its activities. Regular monitoring and evaluation should be carried out to assess the way in which gender equality and anti-discrimination issues are addressed in the Programme's activities.

*Amendment*

(18) Pursuant to Articles 8 and 10 of the Treaty ***on the Functioning of the European Union, the Commission and the Member States should ensure that*** the mainstreaming of gender equality and anti-discrimination objectives ***help to promote equality between men and women*** in all ***the programme's axes and*** activities, ***and that the European Pact for Gender Equality (2011-2020) is also taken into consideration***. Regular monitoring and evaluation should be carried out to assess the way in which gender equality and anti-discrimination issues are addressed in the Programme's activities. ***Effective application of the principle of gender equality should include gender-aggregated data and indicators and objectives and criteria focused on gender equality.***

**Amendment 9**

**Proposal for a regulation  
Recital 18 a (new)**

*Text proposed by the Commission*

*Amendment*

***(18a) The 'gender equality' and 'non-discrimination' sections of the Community Programme for Employment and Social Solidarity – Progress are incorporated into the Rights and Citizenship Programme. However, the European Union Programme for Social Change and Innovation should, in its activities, aim to improve women's labour force participation, working conditions and promoting a better balance between professional and private life.***

**Amendment 10** Proposal for a regulation

## Article 1– paragraph 1

### *Text proposed by the Commission*

1. This Regulation establishes a European Union Programme for Social Change and Innovation (hereinafter ‘the Programme’) which aims to contribute to the implementation of the Europe 2020 Strategy, its headline targets and Integrated Guidelines by providing financial support for the European Union’s objectives in terms of promoting a high level of employment, guaranteeing adequate social protection, combating social exclusion and poverty **and** improving working conditions.

### *Amendment*

1. This Regulation establishes a European Union Programme for Social Change and Innovation (hereinafter ‘the Programme’) which aims to contribute to the implementation of the Europe 2020 Strategy, its headline targets and Integrated Guidelines by providing financial support for the European Union’s objectives in terms of promoting a high level of employment, guaranteeing adequate social protection, combating social exclusion and poverty, improving working conditions ***and promoting a better balance between professional and private life, while always keeping sight of the objective of gender equality and gender mainstreaming.***

## Amendment 11

### Proposal for a regulation

#### Article 4 – paragraph 1 – point a

### *Text proposed by the Commission*

(a) ***Strengthen ownership of the Union objectives in the employment, social and working conditions fields*** among key Union and national policy-makers, as well as other interested parties in order to bring about concrete and coordinated actions at both Union and Member State level;

### *Amendment*

(a) ***Promote strategies***, among key Union and national policy-makers, as well as other interested parties, ***to increase employment and safeguard social and labour rights, while always keeping sight of the objective of gender equality and gender mainstreaming***, in order to bring about concrete and coordinated actions at both Union and Member State level;



## Amendment 12

### Proposal for a regulation

#### Article 4 – paragraph 1 – point d a (new)

*Text proposed by the Commission*

*Amendment*

***(da) Promote workplaces offering various possibilities for workers to achieve a healthy balance between professional and private life;***

## Amendment 13

### Proposal for a regulation

#### Article 4 – paragraph 1 – point e

*Text proposed by the Commission*

*Amendment*

(e) Promote employment and social inclusion by increasing the availability and accessibility of microfinance for vulnerable groups and micro-enterprises, and by increasing access to finance for social enterprises.

(e) Promote employment and social inclusion by increasing the availability and accessibility of microfinance for vulnerable groups, and micro-enterprises ***with a particular attention to boosting entrepreneurship among women***, and by increasing access to finance for social enterprises.

## Amendment 14

### Proposal for a regulation

#### Article 4 – paragraph 2 – point a

*Text proposed by the Commission*

*Amendment*

(a) Promote equality between women and men ***and*** combat discrimination based on ***sex***, racial or ethnic origin, religion or belief, disability, age or sexual orientation;

(a) Promote equality between women and men. ***To this end, the objectives outlined in the European Strategy for Gender Equality 2010-2015 shall be applied, particularly with regard to promoting women's economic independence by encouraging self-employment and the creation by women of businesses; possibilities for reconciliation shall be encouraged and particular emphasis placed on equality in decision making on***

*political and business-related economic issues. These are useful and specific ways in which to counter gender discrimination and should be accompanied by measures to combat discrimination based on racial or ethnic origin, religion or belief, disability, age or sexual orientation. In order to efficiently tackle poverty within the Union and specifically among the most vulnerable, such as women, and particularly specific categories of women, integrated actions should be promoted. To this end, the phenomenon of poverty should be challenged by promoting inventive measures at all levels, investment in social infrastructures and enhanced exchange of good practices*

#### **Amendment 15**

##### **Proposal for a regulation**

##### **Article 5 – paragraph 2 a (new)**

*Text proposed by the Commission*

*Amendment*

**2a. Where it is appropriate, a gender-sensitive approach shall be used at the allocation of the funds.**

#### **Amendment 16**

##### **Proposal for a regulation**

##### **Article 5 – paragraph 3 a (new)**

*Text proposed by the Commission*

*Amendment*

**3a. Funding for programmes and activities that promote women's rights and gender equality is key to ensuring that the Union programmes reflect the Union's Treaty commitments to equality between women and men, hence the Union, the Commission and Member States should make sure that gender budgeting, gender analyses and gender impact are thoroughly taken into consideration in all**

*phases of the process, including projects, definition, implementation, monitoring and evaluation.*

## **Amendment 17**

### **Proposal for a regulation**

#### **Article 6 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) Gathering of data and statistics, as well as development of common methodologies, classifications, indicators and benchmarks;

*Amendment*

(a) Gathering of data and statistics, as well as development of common methodologies, classifications, indicators and benchmarks, *where appropriate broken down by gender and age group*;

## **Amendment 18**

### **Proposal for a regulation**

#### **Article 6 – paragraph 4**

*Text proposed by the Commission*

4. Actions to promote mobility of individuals in the Union, in particular the development of a multilingual digital platform for the clearance of job vacancies and applications, and targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and/or to help specific groups of workers such as young people.

*Amendment*

4. Actions to promote mobility of individuals in the Union, in particular the development of a multilingual digital platform for the clearance of job vacancies and applications, and targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and/or to help specific groups of workers such as young people, *single parents and women and men doing part-time work due to care responsibilities*.

## **Amendment 19**

### **Proposal for a regulation**

#### **Article 8 – paragraph 1**

*Text proposed by the Commission*

1. The Commission, in cooperation with the Member States, shall ensure that

*Amendment*

1. The Commission, in cooperation with the Member States, shall ensure that

activities carried out under the Programme are consistent with, and complementary to other Union action, in particular under the European Social Fund (ESF) and in such areas as social dialogue, justice and fundamental rights, education, vocational training and youth policy, research and innovation, entrepreneurship, health, enlargement and external relations, and general economic policy.

activities carried out under the Programme are consistent with, and complementary to other Union action, in particular under the European Social Fund (ESF) and in such areas as social dialogue, justice and fundamental rights, education, vocational training and youth policy, research and innovation, entrepreneurship, health, enlargement and external relations, and general economic policy. ***Bearing in mind the important role of social and employment policies in promoting gender equality, the Commission and the Member States should also ensure that the Programme's activities conform to the Union's gender equality policies.***

## Amendment 20

### Proposal for a regulation Article 13

#### *Text proposed by the Commission*

With a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up biennial monitoring reports and send them to the European Parliament and the Council. Such reports shall cover the Programme's results and the extent to which gender equality and anti-discrimination considerations, including accessibility issues, have been addressed ***through its*** activities.

#### *Amendment*

With a view to regular monitoring of the Programme and making any adjustments needed to its policy and funding priorities, the Commission shall draw up biennial monitoring reports and send them to the European Parliament and the Council. Such reports shall cover the Programme's results and the extent to which ***the principles of*** gender equality and ***gender mainstreaming have been respected and*** anti-discrimination considerations, including accessibility issues, have been addressed ***in all the Programme's axes and*** activities. ***Wherever possible, data shall be gender-aggregated.***

## Amendment 21

### Proposal for a regulation Article 15 – point a

*Text proposed by the Commission*

(a) Develop and disseminate high-quality comparative analytical knowledge in order to ensure that Union employment and social policy and working conditions legislation are based on sound evidence and are relevant to needs, challenges and conditions in the individual Member States and the other participating countries;

*Amendment*

(a) Develop and disseminate high-quality comparative analytical knowledge ***which is properly designed to also measure the impact of horizontal policies, such as the promotion of gender equality***, in order to ensure that Union employment and social policy and working conditions legislation are based on sound evidence and are relevant to needs, challenges and conditions in the individual Member States and the other participating countries;

**Amendment 22**

**Proposal for a regulation  
Article 15 – point d a (new)**

*Text proposed by the Commission*

*Amendment*

***(da) Provide social partners and civil society organisations at Union and national level with financial support for gender equality-related projects and research in the field of employment and social inclusion.***

**Amendment 23**

**Proposal for a regulation  
Article 16 – paragraph 2 – point c**

*Text proposed by the Commission*

*Amendment*

(c) Specialist bodies provided for under Union law;

(c) Specialist bodies provided for under Union law, ***with particular focus on sectoral agencies linked to youth, training or gender equality issues, such as the European Agency for Safety and Health at Work or the European Institute for Gender Equality***;

**Amendment 24**

**Proposal for a regulation**  
**Article 18 – paragraph 1**

*Text proposed by the Commission*

1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.

*Amendment*

1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011. ***The composition of the committee shall reflect gender balance.***

**Amendment 25**

**Proposal for a regulation**  
**Article 20 – point b**

*Text proposed by the Commission*

(b) Develop services for the recruitment and placing of workers in employment through the clearance of job vacancies and applications at European level; this shall cover all phases of placement, ranging from pre-recruitment preparation to post-placement assistance with a view to the applicant's successful integration into the labour market; such services shall include targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and/or help particular groups of workers such as young people.

*Amendment*

(b) Develop services for the recruitment and placing of workers in employment through the clearance of job vacancies and applications at European level; this shall cover all phases of placement, ranging from pre-recruitment preparation to post-placement assistance with a view to the applicant's successful integration into the labour market; such services shall include targeted mobility schemes to fill vacancies where labour market shortcomings have been identified and/or help particular groups of workers such as young people, ***single parents and women and men doing part-time work due to care responsibilities.***

**Amendment 26**

**Proposal for a regulation**  
**Article 22 – paragraph 1 – point a**

*Text proposed by the Commission*

(a) persons who have lost or are at risk of losing their jobs, or who have difficulty in entering or re-entering the labour market,

*Amendment*

(a) persons who have lost or are at risk of losing their jobs, or who have difficulty in entering or re-entering the labour market,

persons at risk of social exclusion and vulnerable persons who are in a disadvantaged position with regard to access to the conventional credit market and who wish to start up or develop their own microenterprises;

persons at risk of social exclusion and vulnerable persons who are in a disadvantaged position with regard to access to the conventional credit market and who wish to start up or develop their own microenterprises *with particular attention being given to boosting entrepreneurship among women*;

## PROCEDURE

<b>Title</b>	EU Programme for Social Change and Innovation						
<b>References</b>	COM(2011)0609 – C7-0318/2011 – 2011/0270(COD)						
<b>Committee responsible</b> Date announced in plenary	EMPL 25.10.2011						
<b>Opinion by</b> Date announced in plenary	FEMM 25.10.2011						
<b>Rapporteur</b> Date appointed	Barbara Matera 22.11.2011						
<b>Discussed in committee</b>	23.4.2012						
<b>Date adopted</b>	30.5.2012						
<b>Result of final vote</b>	<table> <tr> <td>+:                   </td><td>21</td></tr> <tr> <td>–:                   </td><td>0</td></tr> <tr> <td>0:                   </td><td>2</td></tr> </table>	+:	21	–:	0	0:	2
+:	21						
–:	0						
0:	2						
<b>Members present for the final vote</b>	Regina Bastos, Andrea Češková, Iratxe García Pérez, Mikael Gustafsson, Mary Honeyball, Lívia Járóka, Teresa Jiménez-Becerril Barrio, Nicole Kiil-Nielsen, Silvana Koch-Mehrin, Rodi Kratsa-Tsagaropoulou, Astrid Lulling, Elisabeth Morin-Chartier, Siiri Oviir, Antonyia Parvanova, Joanna Katarzyna Skrzydlewska, Britta Thomsen, Angelika Werthmann, Inês Cristina Zuber						
<b>Substitute(s) present for the final vote</b>	Vilija Blinkevičiūtė, Minodora Cliveti, Ana Miranda, Norica Nicolai, Antigoni Papadopoulou						



## PROCEDURE

<b>Title</b>	EU Programme for Social Change and Innovation			
<b>References</b>	COM(2011)0609 – C7-0318/2011 – 2011/0270(COD)			
<b>Date submitted to Parliament</b>	6.10.2011			
<b>Committee responsible</b> Date announced in plenary	EMPL 25.10.2011			
<b>Committee(s) asked for opinion(s)</b> Date announced in plenary	BUDG 25.10.2011	CONT 25.10.2011	ITRE 25.10.2011	REGI 25.10.2011
	CULT 25.10.2011	FEMM 25.10.2011		
<b>Not delivering opinions</b> Date of decision	CULT 23.1.2012			
<b>Rapporteur(s)</b> Date appointed	Jutta Steinruck 27.10.2011			
<b>Discussed in committee</b>	29.2.2012	26.3.2012	31.5.2012	21.6.2012
<b>Date adopted</b>	10.7.2012			
<b>Result of final vote</b>	+: –: 0:	30 1 0		
<b>Members present for the final vote</b>	Regina Bastos, Edit Bauer, Heinz K. Becker, Phil Bennion, Pervenche Berès, Vilija Blinkevičiūtė, Philippe Boulland, David Casa, Ole Christensen, Minodora Cliveti, Emer Costello, Frédéric Daerden, Karima Delli, Sari Essayah, Marian Harkin, Nadja Hirsch, Stephen Hughes, Danuta Jazłowiecka, Ádám Kósa, Jean Lambert, Veronica Lope Fontagné, Olle Ludvigsson, Thomas Mann, Csaba Öry, Sylvana Rapti, Elisabeth Schroedter, Jutta Steinruck			
<b>Substitute(s) present for the final vote</b>	Georges Bach, Kinga Göncz, Anthea McIntyre, Antigoni Papadopoulou			
<b>Date tabled</b>	20.8.2012			