

Brussels, 27.5.2011

CRIS SECRETARIAT

CRIS Compromise Proposals

(Final version as annex to the voting list)

This document includes the compromise package negotiated by the Coordinators and Shadow Rapporteurs in its meeting on 23 May 2011 and discussed in full committee on 25 May 2011. Compromises for which separate votes or split votes have been requested are highlighted in separate boxes.

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

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

The European Parliament,

- having regard to its decision of 7 October 2009 on setting up a Special Committee on the Financial, Economic and Social Crisis (CRIS committee), and its powers, numerical composition and term of office, adopted under Rule 184 of its Rules of Procedure¹,
- having regard to its decision of 16 June 2010 to prolong the mandate of the CRIS committee until 31 July 2011,
- having regard to its resolution of 20 October 2010 on the financial, economic and social crisis: recommendations concerning measures and initiatives to be taken (mid-term report)²,
- having regard to its resolution of 8 March 2011 on innovative financing at global and European level³,
- having regard to the ongoing legislative agenda of the European Union, notably with regard to treaty change, economic governance, the Single Market Act and energy policies,
- having regard to its conclusions following the proposals of its Special Committee on the Policy Challenges and Budgetary Resources for a Sustainable EU (SURE) on the new multiannual financial framework,
- having regard to the contributions from the following Houses of the national parliaments: the Austrian Bundesrat, the Belgian Senate and Chamber of Deputies, the National Assembly of Bulgaria, the Senate of the Czech Republic, the Danish Folketinget, the Finnish Eduskunta, the German Bundestag, the Greek Vouli Ton Ellinon, the National Assembly of Hungary, the Italian Chamber of Deputies, the Latvian Saeima, the Lithuanian Seimas, the Assembly of the Republic of Portugal, the National Assembly of the Republic of Slovenia, the Swedish Riksdagen, and the UK House of Lords and House of Commons,
- having regard to Rule 48 of its Rules of Procedure,
- having regard to the report of the Special Committee on the Financial, Economic and Social Crisis (A7-0000/2011),

¹ Texts adopted, P7_TA(2009)0025.

² Texts adopted, P7_TA(2010)0376.

³ Texts adopted, P7_TA-PROV(2011)0080.

RECITALS:

- A. whereas the social costs of the crisis are high, with employment falling in the EU by 1.8%, resulting in 23 million economically active people unemployed (9.6% of the total), a youth unemployment rate of 21 %, uncertain prospects of an upturn in employment recovery levels and 17% of EU citizens at risk of falling into poverty,⁴
- B. whereas *the popular uprisings* on the southern shores *of the Mediterranean Sea and in the Middle East* may be seen as a consequence, *amongst others*, of *economic and social deficiencies, inequalities and high unemployment affecting especially the younger educated generation* and whereas they serve as a reminder of the value of democracy as *evidence that globalisation demands comprehensive responses concerning the recognition and observance of basic rights and freedoms and the righting of inequalities between countries and between different levels of society in each country*, [Covering Ams 3 Garcia Margallo, 4 SD/Cofferati and 7 EPP/Karas, if adopted 5, 6, 8 fall)
- C. whereas three years after the collapse of Lehman Brothers, *some steps have been taken to counter the financial crisis, however:*
- *further work is needed to establish a sustainable financial sector*, which should be *able to cope with excessive speculative behaviour and to finance the real economy, preferably through funding* long-term investment needs, *the creation of jobs*;
 - the economic governance reforms have not *sufficiently* addressed the issue of imbalances at global and EU level efficiently enough, (Covering Ams. 10 EPP/Karas, 11 ECR/Swinburne and 12 GUE/Chountis)
- D.a. (new) whereas the financial crisis has triggered an economic and social crisis leading in some countries to a political crisis*, [Covering Am. 14 Canfin)
- D. whereas by 2013, output growth *is forecasted by the European Commission* to fall by about 4.8% of GDP and, over the next decade, to be significantly lower than over the last 20 years,⁵
- E. whereas the crisis reveals a lack of trust, confidence and vision within the EU, (if adopted 17 falls)

⁴ Eurostat, Statistics in focus, 9/2010, Population and social conditions, (http://epp.eurostat.ec.europa.eu/cache/ITY_PUBLIC/3-18012010-AP/EN/3-18012010-AP-EN.PDF) and European Commission, Employment in Europe in 2010; (http://ec.europa.eu/employment_social/eie/executive_summaries_en.html#top)
European Commission, occasional papers, Impact of the current Economic and Financial crisis on potential output, Occasional papers 49, June 2009, Table V, Page 33, http://ec.europa.eu/economy_finance/publications/publication15479_en.pdf

F.a. new whereas further building on the Social Market Economy and its values is an essential goal of the European Union, (Covering Am. 22 Pietikäinen, Engel, Karas)

SEPARTE VOTE: RAPPORTEUR

F.b. new **whereas the number of people living in relative prosperity has increased while simultaneously economic and social gaps have widened,** (Covering Am. 24 Hökmark, Karins, Bendtsen)

F.c. new ***(former F.a. Add., as proposed by Rapporteur)***

whereas the global financial crisis has had a severe impact on the progress towards the Millennium Development Goals and in particular the goal to halve global poverty by 2015, (Covering Am. 23 Pietikäinen, Mitchell, Karas)

E. a. ***whereas the crisis has made clear the need for progress towards genuine economic governance of the Union, consisting of a systematic set of policies designed to ensure sustainable growth, good stable jobs, budgetary discipline, the correction of excessive macro-economic imbalances, competitiveness and productivity in the EU's economy, and stricter regulation and supervision of financial markets, as well as a suitable mechanism for resolving the financial crisis,***(Covering Am. 19 Garcia-Margallo)

SPLIT VOTE: ECR

E. b. (new) ***[split vote:" whereas for sustainable growth to be guaranteed in the Union and the objectives of the Europe 2020 Strategy achieved it would be necessary:***

I) to redeploy unused payment appropriations to joint programmes targeting growth, competitiveness and employment, and" split end]

II) to [split vote: "leverage EIB loans and" split end] set up a project bond market that attracts public and private investors and can be used to fund joint projects of interest to the Union as a whole (bonds for specific projects),

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

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

1. Recalls the triangle of inter-linked vulnerabilities, where **unbalanced fiscal policy** of some Member States has ***amplified the pre-crisis public deficits and the financial crisis that*** contributed significantly to a ***further*** ballooning of these deficits, followed by tensions in sovereign debt markets in **some Member States**; (if adopted 28-33 fall)
2. Stresses that ***following the downgrading of sovereign debt of Greece, Ireland and Portugal by credit rating agencies there has been a spill over effect across Eurozone countries and a shift in portfolios reflecting speculative and*** risk-averse behaviour by investors and that, as a consequence of this, market funding at sustainable rates became inaccessible to Greece and Ireland, resulting in the provision of financial assistance under EU-IMF programmes; (if adopted 37-42 fall)
 2. a. new ***Considers that ILO should be involved within the EU-IMF programmes for financial assistance;***
 2. b. new ***Recalls that CRAs played a significant role in the build-up to the financial crisis through the assignment of faulty ratings to structured finance instruments which had to be downgraded on average three to four notches during the crisis; agrees with the principles set out by the Financial Stability Board in October 2010 giving general guidance on how to reduce reliance on external credit ratings, and calls on the Commission to take into due consideration the public consultation that ended in January 2011;***
 2. c. new Calls for a **transparent** audit of public debt to be conducted in order to determine its origin and ascertain the identity of the main holders of debt securities and the amounts involved; (Covering Am. 46, Chountis)
3. Notes that bilateral or multilateral approaches by Member States pose a threat to economic integration, ***financial stability and the credibility of the Euro***, and welcomes the principle of the European Semester of economic policy coordination ***to contribute to overcome excessive internal imbalances within the EU***; (Covering Ams. 51 Garcia Margallo and 52 ECR/Swinburne, if adopted 48 - 50, 53 - 54 fall)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR**

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

policies for crisis management and economic convergence; (Covering Ams. 64 Canfin, 65 EPP/Karas and 63 Kratsa, if adopted 55 - 62 and 66 fall)

4. a. new *Highlights the necessity to rationalise Member States expenditures through the EU budget notably in areas where the EU has more added value than national budgets;* (Covers Am. 67 PPE/Karas)
4. b. new *Underlines that Member States growth perspectives should be considered as a crucial element when defining the relative level of interest rates attached to that sovereign debt, in particular, with respect to the assistance provided by the European Financial Stability Facility and from 2013 by the European Stability Mechanism;* (Covers Am. 68 SD/Cofferati)
5. Recognises the efforts towards budget consolidation and structural reforms being made by the highly indebted Member States; (if adopted 69 - 71 fall)
5. a. new Stresses that parent banks originating in Member States of the eurozone bear also their share of responsibility for the irresponsible lending practices conducted by their subsidiary banks in other EU Member States, which, for instance, contributed to the real estate bubbles in Spain, Ireland and Latvia, and resulting budgetary difficulties experienced by these Member States at present; notes, therefore, that provision of financial assistance to these indebted Member States, if it becomes needed, would serve not only their particular interest, but also the very interest of those eurozone Member States whose parent banks failed to develop responsible lending practices in their subsidiary banks in the first place;
6. *Underlines that all Member States have systemic importance;* calls for a comprehensive, socially inclusive and cohesive reform package addressing *the weaknesses of the financial system and* the fundamental underlying causes of the public debt crisis, to *develop* the concept of a European Treasury strengthening the economic pillar of EMU; calls, furthermore, for measures to overcome the current lack of competitiveness through appropriate structural reforms *addressing the objectives of the EU2020 Strategy and the fundamental underlying causes of the public debt crisis*, wherever necessary; points out that the Member States need to return to sustainable public finances *and growth rates, based on sound policies for quality public expenditure and fair and efficient revenue collection;* (Covering Ams. 83 EPP/Karas, 86 SD/Cofferati and 89 Kratsa, if adopted 76 - 82, 84, 85, 87, 88 fall)
7. Calls *on the Commission to carry out an investigation into a future system* of Eurobonds, *with a view to determining the conditions under which such a system would be beneficial to all participating Member States and to the eurozone as a whole; points out that Eurobonds would offer a viable alternative to the US Dollar Bond market, could foster integration of the European sovereign debt market,* greater

liquidity and lower borrowing costs, **greater budgetary discipline and** compliance with the Stability and Growth Pact (SGP), together with coordinated structural reforms, and **could** make capital markets more stable and support the idea of the euro as a global ‘safe haven’; recalls that the common issuance of Eurobonds requires a further move towards a common economic and fiscal policy and should be done in such a way as to be beneficial to all participating Member States and to the eurozone as a whole; (Covering Ams. 99 ALDE/Schmidt, 100 EPP/Karas and 101 Garcia Margallo, if adopted 91 - 98 fall)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR**

8. **Stresses**, therefore, that **when Eurobonds are to be issued**, the issuance of Eurobonds should be limited to a debt ratio of 60% of GDP under **joint** and several liability as senior sovereign debt and should be linked to incentives to reduce sovereign debt to this level; suggests that the overarching aim of Eurobonds should be to reduce sovereign debt, avoid moral hazard **and prevent speculation against the Euro**; notes that **access to such Eurobonds would require measurable programmes of debt reduction to be agreed and implemented**; (Covering Am. 108 Schmidt/Klinz Am. 110 EPP/Karas, Am. 111 Portas, if adopted 102 - 107 and 109 fall)

9. Notes that there is political agreement on revising Article 125 of the Treaty on the Functioning of the European Union (TFEU) in order to change the temporary EFSF system into a permanent European Stability Mechanism (ESM) by 2013; calls for the ESM to be converted into an European Debt Agency at a later stage **and for a consistent role of the European Parliament in this modification of the Treaty**; (Covering Ams. 121 EPP/Karas, if adopted 114 - 120, 122 - 123 fall)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR**

9. b. new **Regrets the lack of social responsibility demonstrated by professionals of the financial service industry by not forfeiting part of their bonuses of at least one year for a social project, such as the alleviation of youth unemployment in the Union**; (Covering Am. 129 Schmidt, Klinz)

II. Global imbalances and global governance

10. Recalls that the USA and China are the two main contributors to global imbalances, and calls for China to become an active participant in the global economic governance system; (if adopted 130 falls)
11. Stresses that rebalancing global demand requires an asymmetric approach: countries with large external surpluses (e.g. China) need to diversify the drivers of growth and boost internal demand, whereas countries with large deficits (e.g. the USA) need to increase domestic savings and complete structural reforms; (if adopted 131-132 fall)
- 11.a. new* ***Stresses that the financial markets have to serve a sustainable development of the real economy***; (Covering Am. 139, Pietikäinen, Hohlmeier, Karas)
12. Supports the G20 in its efforts to regulate commodity derivatives markets; calls on the Commission to address price volatility in agricultural markets, ***to fully implement all framework-measures agreed upon at G20 level and to combat excessive and harmful speculation notably through the EU upcoming financial market legislation, MAD and MIFID***; (Covering Am. 136 Canfin, Am. 137 Schmidt, if adopted 134-135 and 138 fall)

SPLIT VOTE: ALDE

13. Recalls the importance of raw materials for the European Union, as well as food security and food price stability ***worldwide, and, in particular***, for developing countries, and the inflationary pressures ***food scarcity and price instability*** cause ***globally***; ***calls therefore on the European Union to step up efforts to decrease dependency on raw materials by speedily improving efficiency standards as well as to enhance the production and use of renewable materials; notes that in order to contribute to food security and food price stability, sustainable modes of production need to be generalised while supply side management mechanisms need to be re-introduced; [split vote as of here: "in this sense, calls for further transparency and reciprocity in trade; warns, furthermore, against protectionist tendencies in the field of strategic raw materials"]***; (if adopted 140-142 fall)
14. Calls for better regulation of credit default swaps; (if adopted 143 falls)
15. Takes note of the tendency for very large amounts of private investment to go into emerging economies, with inward flows of close to USD 1 trillion expected in 2011; ***calls on the IMF to develop a framework to prevent the formation of speculative bubbles by supervising global capital flows and to take appropriate measures in***

order to prevent harmful developments; recognises that capital controls are no replacement for appropriate economic policies and should only be employed as a last resort; stresses the need for countries to take measures in parallel against the formation of such bubbles; (Covering Am. 145 Schmidt on behalf of ALDE, if adopted 144, 146 -148 fall)

16. Notes the possible risks in terms of non-optimal conditions for long-term financing of the real economy of the ongoing concentration of financial market actors, *including financial institutions and exchanges; calls in this respect on the ESRB to closely monitor the development of any systemic risks as a result of concentration in the financial markets;* (if adopted 149 - 153 fall)
17. Underlines the fact that the EU has a balanced current account and does not contribute to global imbalances, but would be strongly affected by a disorderly correction of imbalances through a depreciation of the US dollar; notes that the EU must coordinate its policies on trade and currency imbalances closely with the USA with a view to avoiding a rapid depreciation of the dollar; *urges the USA, as well as major world actors, to ensure that currency management needs to become a multilateral endeavour involving all major world currencies; welcomes that indicators for global imbalances have been announced and calls for such indicators to be fully taken into account when devising macro-economic policies;* (if adopted 154-156 fall)

**Agreed by S&D, ALDE, ECR
SPLIT VOTE REQUESTS
EPP: ALTERNATIVE PROPOSAL**

17 a. new Considers that Europe should aim at achieving a [split vote on word: "balanced"] [split vote on word: "free"] and fair global trade agreement in order to reduce contrasts between emerging economies and developed ones; [split vote for the last sentence: " calls for the dismantling of trade barriers;]

ALTERNATIVE PROPOSAL EPP AS ADDITION TO 17 a. new:

. Considers that not having a global trade agreement is a major handicap, as emerging economies are blocked by developed ones on agricultural export projects and emerging ones block services from the advanced economies, ;

17 b. new Stresses the need for opening up public procurement markets on a transparent and reciprocal basis; (ex 22a new - Covering Am. 194 Marfil)

17. b. a. new Notes that the share of the global economy that is outside the EU, USA and Japan is more than half, this being a recent and

unprecedented reversal; (Covering Am. 158 Pietikäinen, Engel, Karas)

18. Stresses that the EU needs to address a number of challenges in order to improve its role as a global player, these being: *lack of competitiveness and convergence, insufficient financial stability; weak internal rate of employment and growth*, internal imbalances increasing with the deepening of the internal market and EMU, and a lack of political weight at international level *due, among others, to the lack of coherence of its representation in international organisations which could be improved by implementing measures to ensure the unified representation of the euro internationally, as stated in the Treaty;* (Covering Am. 160 Schmidt on behalf of ALDE, Am. 161 Pietikäinen, Lamassoure, Karas] and covering part of Am. 159, Hökmark, Karins, Bendsen, if adopted 159 (partly), 162-163 fall)

**Agreed by EPP, S&D, ALDE, ECR
GREENS: SPLIT VOTE**

19. Recalls that the EU must ‘speak with one voice’ and, where appropriate, fully represent Member States, and globally *advocate* democracy, human rights, *rule of law*, decent work *and living* conditions, good governance, sustainable development and *[split vote on word "free"]* and fair trade, *climate goals*, in keeping with its internal agenda, as well as fighting against corruption, tax fraud, *tax evasion* and tax havens; (if adopted 164-168 fall)

19. a. new. Stresses the importance of the spirit of reciprocity and mutual benefits in the EU's relations with its main strategic partners; in this regard, the EU should ask itself whether it might not be advisable to equip itself with tools with which to examine the state aid-related economic practices of third countries and to assess any behaviour which might have the aim of transferring key technologies outside EU territory; (Am. 260 Pallone) *(To be placed after para. 19)*

19. b. new Notes that at present the International Accounting Standards Board (IASB) requires combined balancing of accounts only at regional level; calls for accounting rules; requiring all businesses and foundations to keep accounts per country, and for promotion of international tax cooperation by means of agreements between authorities on exchanging information; (Covering Am. 165 Jäättenmäki)

20. Recalls its insistence on a far-reaching reform of global economic and financial governance, in order to promote transparency and accountability and to ensure coherence between the policies of the international economic and financial institutions; calls for integration of the Bretton Woods institutions into the UN system, where they

should engage with the WTO, the ILO and with a world *climate* organisation that needs to be created; (Covering Am. 173 Pietikäinen, Engel, Karas, if adopted 169 - 172 fall)

**Agreed by S&D, ALDE, Greens
NOT BY EFD
EPP and ECR: SPLIT VOTE**

21. Calls for the G20 *countries to promptly adopt global and coordinated policy action in order to contribute to strong, stable and balanced global sustainable growth; [split vote following sentence: believes that the G20 should be transformed [split vote: "into a World Economic Council"] in the framework of the UN System;] calls for the involvement of respective parliaments to increase legitimacy and accountability*; calls, furthermore, for a reform of, and more financial resources for, the IMF in order *to enhance its transparency and accountability and render it more democratic, while strengthening its* role in the economic and financial surveillance of its members, with a view **to** setting up a credible safety net to combat global imbalances; (Covering AM. 180 Canfin, Am. 181 Schmidt, if adopted 174 - 179 fall)

ORAL AMENDMENT EPP AND ALDE:

Second sentence, which reads: "*believes that the G20 should be transformed into a World Economic Council in the framework of the UN System*" shall be replaced by: "*calls for the establishment of a global economic governance structure [Groups to confirm: integrating the G20] within the UN framework*"

- 21 a. new Underlines the fact that the EU should have a single representative on the IMF board in the mid-term;*
22. Calls for new financial assistance arrangements to be introduced, as follows:
- a reformed IMF could act as global lender of last resort and could counteract the need of individual countries to accumulate currency reserves if its ability to deliver short-term liquidity and stronger financial safety nets was strengthened; (if adopted 183 falls)
 - Millennium Development Goals (MDGs): the current crisis has highlighted the need to create incentives for financial markets to *promote* long-term investment and sustainable development; the financial role for the multilateral *and bilateral* development banks *and organisations* should be updated and upgraded in response to the increased financing demands from developing countries; *revenues from the* financial transaction tax (FTT) *could be used in part* for

financing the MDGs *and will be needed to meet climate change commitments; the importance of other financing for development instruments* should be *continuously explored, especially debt restructuring and cancellation of the poorest countries and promotion of remittance flows; the commitments for the foreseeable official development assistance (ODA) should be reiterated and additional innovative sources of financing to close the financing gap caused by shrinking economies in the developing world should be explored; calls for a re-affirmation of the pledging of 0.7% of Member States' GNI to development aid* for financing the MDGs; (Covering. Am. 184 Pietikäinen, Engel, Mitchell, Karas, Am. 190, Schmidt, 192 Canfin, if adopted 185 - 189 and 191 fall)

new indent *The EU must identify political priorities and agree on funding for closer Euro-Mediterranean cooperation following the popular uprisings and accompanying developments in the South Mediterranean partner countries; in this context, stresses the need for European project bonds to be extended to Euro-Mediterranean projects in the fields of education, sustainable transport and energy, with added value for both sides of the Mediterranean;* (Covering Am. 193 Krasta)

III. The case for a new monetary system

23. Recalls that *no country or block of countries would benefit from a currency war that* could reverse any efforts made by EU citizens in response to the need to reduce sovereign debt and engage in structural reforms; *notes that the euro has prevented the outburst of a currency crisis of the kind historically often associated with financial crises;* recalls that the multilateral trade system (WTO) rules do not cover capital flows and are not matched by a multilateral monetary system; (Covering Am. 195, Hökmark, Karins, Bendtsen, if adopted 196-197 fall)
24. *Recalls the Korea G20 goal to build a more stable and resilient International Monetary System (IMS);* recognises the global concern about the functioning of the international monetary system and calls for a major leap forward to be taken as a matter of urgency; requests, therefore *the reform of the* IMS aimed at systematic and comprehensive macroeconomic cooperation with sustainable and balanced global growth; (Covering Am. 199, Schmidt, if adopted 198, 200 - 201 fall)
25. Stresses that the IMS should address *inter alia*: [entire para: if adopted 202-203 fall)
- Exchange rates: the first step would be to pursue policies that allow exchange rates to gradually *sufficiently* adjust to macroeconomic fundamentals, (if adopted 204-207 fall)

- Reserve currency: reforms to the international reserve system would be needed to avoid reserves leading to global imbalances; the current dollar-based international reserve system could gradually be replaced by a multilateral system *centered on* Special Drawing Rights (SDRs) *representing a broad basket of* currencies *from across the globe, notably the Chinese Renminbi and the Brazilian real*; (if adopted 208 - 211 fall)
- Capital flows: a multilateral system of rules would need to be adopted to favour long-term movements of capital, to facilitate *non speculative* capital outflows and to avoid disruptive effects in fragmented securities markets and ensure transparent, open and smooth functioning of treasury bond markets, *while avoiding their misuse as mercantilist or beggar-thy-neighbour policies*; (Covering Am. 214 Cofferati, Berès; Am. 215 Schmidt, on behalf of ALDE, if adopted 212 - 213 fall)
- 26. Calls, furthermore, for thought to be given - in the long term – to the possibility of creating a global reserve currency **initially** based on the development and transformation of SDRs and of the IMF; (Covering Am. 218 Schmidt on behalf of ALDE, if adopted 216 - 217 and 219 fall)
- IV. **Increasing the competitiveness and sustainability of the EU, implementing the EU 2020 strategy by fostering innovation and long-term investment for jobs and growth** (if adopted 220-221 fall)

Competitiveness, convergence and the EU 2020 strategy

- 27. Calls for full and consistent account to be taken of the EU 2020 strategy *objectives* and *the need to overcome* all EU internal imbalances when defining the content of the European Semester; (Covering Am. 226, Cofferati S&D, if adopted 222 - 225 fall)
- 27. a new *Emphasizes the importance of mutually supportive Union policies in fulfilling the EU2020 strategy of smart, sustainable and inclusive growth and jobs, backed up by the diverse tools of, inter alia, future oriented education, environment, climate and energy strategies, resource efficiency, renewed agricultural policy, cohesion policy, innovation and R&D strategies, renewed EU budget and more aligned national budgets in support of these common goals*; (Am. 230 EPP/Karas)
- 27. b new. *Stresses that the sustainability element of the Europe 2020 strategy needs to be mainstreamed across all relevant policy fields for the EU to regain leadership; underlines that a vital key for Europe to stay competitive in the global economy is to take the lead in the eco friendly transformation towards a resource efficient sustainable society; emphasizes that large-scale investments in eco friendly infrastructures, renewable energies and energy efficiency are an excellent way of stimulating the recovery and promoting long-term*

growth and job creation; (Covering Ams. 227 Green/Canfin and 237 S&D/Cofferati)

PARTLY AGREED EPP, S&D, ALDE

- SPLIT VOTE

27. c. new

Recalls that the full potential of the Single Market has not yet been realised, and that renewed political determination and resolute action is required for unlocking its full potential for sustainable and socially inclusive growth and jobs, [as of here split vote] calls for the need to further develop the European service sector and enhance trade in services; [Second Part of Am. 159, Hökmark, Karins, Bendtsen]

28. Emphasises that the success of the EU 2020 strategy depends on *the commitment of the EU as a whole, on* ownership by Member States, national parliaments, local and regional authorities and social partners, recalls the importance of a strong *and well functioning* social dialogue and collective *agreements* within the framework of the EU 2020 strategy, as well as the promotion of a genuine European social dialogue on macroeconomic policies and measures; *notes that these measures should be pursued in order to achieve broad consensus on the way forward;* (Covering Ams. 231 EPP/Karas, 233 S&D/Cofferati and 234 ALDE/Schmidt, if adopted 232 falls)
- 28. a new.* *Notes the growing powers and responsibilities of regional and local authorities; recalls that two thirds of public investment in Europe remain at sub-national level; notes that the choice of the level at which public investment is made and executed greatly impacts its efficiency; stresses therefore the importance of ensuring that public investment is done at the most efficient level of governance;* (Am. 236 EPP/Karas)
- 28. b new.* *Urges the national parliaments and governments of the Member States to act in their national decision making in a Community responsible manner towards the EU and to include the EU dimension in their national discussions;* (Am. 235 S&D/Cofferati)
29. Stresses that fiscal consolidation must be accompanied by medium- and long-term targets such as those identified by the Europe 2020 strategy, especially with regard to *job creation, social inclusion* as well as investment in infrastructure, *resource efficiency, ecological transformation of the economy* and the knowledge based-economy *so as to increase competitiveness and social and territorial cohesion*; notes that the various national and EU policies should provide coherent

support for the strategy, and that budget discipline *can, if imposed without a well-defined strategy, undermine growth prospects, reduce competitiveness and seriously harm the economy in the long run; recalls that - as the open method of coordination has failed - the EU2020 strategy should include binding targets drawn up by the Commission for Member States with maximum and minimum values to be applied to certain macro-economic aspects of their economies;* (Covering Ams. 239 ECR, 240 ALDE/Schmidt, 244 Kratsa, 245 EPP/Karas, 246 Green/Canfin and 247 S&D/Cofferati, if adopted 238 241 - 243 fall).

29. b new. *Calls for a strict financial audit initiated by the Commission with close cooperation of Eurostat of all Member States to determine their actual financial status to allow fact-based decisions with regard to EU2020, regional and cohesion projects; calls for a scrutiny of all funding programs in the European Union as well as national and regional subsidies, recommends the intensification of those the success of which is vital and in turn the eradication of ineffectual subsidies and economic development schemes;* (Am. 251 ALDE/Schmidt)

29. c new. *Points to the fact that women, in particular, are at greater risk of experiencing poverty; notes that child poverty has increased in a number of Member States during the crisis; underlines that this is unacceptable and that the negative trends must be reversed; calls, therefore, notably the existing NGOs to be developed into a solid network for eradicating child poverty by means of child-centered approaches, child-specific targets and a strong focus on children's rights;* (Am. 249 S&D/Cofferati)

PARTLY AGREED - SPLIT VOTE

29. d new. *Notes that solid welfare systems are important economic stabilisers in bad times; ; stresses, therefore, that while there is a need to consolidate public finances, there is also a convincing case for safeguarding [split vote on the word: essential] public sector services and maintaining existing levels of social protection; calls therefore for measures aiming at reducing income inequalities, in particular by tackling youth unemployment;* (Covering Am. 126 Goulard and 250 S&D/Cofferati).

Agreed by EPP, S&D, ALDE, Greens NOT BY ECR

29. e new. *Underlines that the economic downturn should not slow down progress on reconciliation policies concerning work-life-balance, particularly those facilitating women's access to the labour market;* (Am. 254 S&D/Cofferati)

30. Notes the challenges arising from the crisis, with a major downturn in economic activity, a decline in the growth rate, brought about by a strong rise in structural and long-term unemployment, and a fall in public and private investment rates, as well as increased competition from emerging economies;
31. Recognises that, to overcome the current imbalances inside the EU, a ‘one-size-fits-all’ approach will not be enough and that, in order to be effective, economic policy coordination will need to take proper account of the starting points of the different EU *national economies and their specificities; stresses the need for economic coordination and progress in restoring sound finances*; (Covering Am. 258 EPP/Karas, if adopted 255 - 257 and 259 fall).
32. Calls for greater compatibility and complementarity between national budgets and the EU budget; takes the view that the next multiannual financial framework must focus on the key priority areas of the EU 2020 strategy and should ensure the adequate financing of the flagship initiatives in the fields in which the EU has shared competence with Members States, which can provide strong European added value; (if adopted 261 - 267 fall)
33. Emphasises that both agricultural and cohesion policies must play a key role in support of the EU 2020 strategy; *is convinced that the reform of the CAP has to be pursued while addressing global challenges*; believes *that the success of the EU 2020 strategy is premised on ensuring the coherence of EU policies, including* such diverse aspects as aligning the national and EU budgets, including the CAP, and the Cohesion Funds, e.g. by guaranteeing a fair allocation of resources between *Member States and regions, based on clear aims to enhance convergence, foster competitiveness, while putting emphasis on those Member States and regions in greatest need, and policies such as* education, innovation and R&D spending; (Covering Ams. 270, EPP/Karas, 272 ECR Swinburne and 273 S&D/Cofferati, if adopted 268, 269, 271 fall)
34. Recalls, furthermore, that the EU 2020 strategy will only be credible if it is backed up by adequate financial resources, and therefore supports: (if adopted 276 fall)
- 1 – consistent conclusions of the next multiannual financial framework and an EU budget focusing on policies that contribute to the achievement of the EU 2020 strategy objectives; (if adopted 277-278 fall)
- 2 – the *attribution* of EU funds on the basis of their economic, social *and environmental relevance and* effectiveness; funds not taken up by Members States *could* be reallocated to *sustainable* public investment at EU level *for joint projects or programmes promoting growth, competitiveness and employment such as investment in* infrastructure, education *and training*, innovation, research and development; (Covering Ams. 279 Garcia Margallo, 282 Green/Canfin, 283 Kratsa, 284 EPP/Karas, if adopted 280 -281 fall)

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

3 a new indent

- a more prominent role for the EIB in enhancing the catalytic role and leverage function of structural funds; (Am. 288 EPP/Karas)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR**

- 4 – **the** further development and optimum use of innovative financing instruments, involving **notably** the EIB and EIF, as well as the EBRD (e.g. blending grants and loans, venture capital instruments, new forms of risk sharing and guarantees); (Covering Am. 287 EPP/Karas, if adopted 286 fall)

4 a new indent:

- drive private savings towards long-term investment through appropriate incentives and mechanisms; (Am. 285 S&D/Cofferati)

4 b new indent:

- development of innovative long term investment financing involving both public and private funds; (Covering Am.248 Schmidt/ALDE; 276 EPP)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR**

4 c new indent

- the introduction of project bonds in order to tap private capital to meet the needs of Europe's infrastructural challenge; (Am. 289 EPP/Karas)

- 5 – action to ensure the availability of significantly larger amounts of venture capital linked to long-term investment; (if adopted 290 fall)

- 6 – action to ensure easier access to funding **and less red tape, especially for the SMEs while upholding strict transparency standards;** (Covering Ams. 292 EPP/Karas and 296 ECR/Swinburne, if adopted 291, 293 - 295 fall)

Energy and transport policies, and the internal market (Ams. Kratsa 297 and 422 Garcia Margallo)

35. Considers the establishment of a European Energy Community as a key political project to fulfil the EU 2020 goals, and to further the goal of the transition to renewable energies while maximising energy efficiency to increase energy independence of the EU **to establish a genuine interconnected energy market;** emphasises the importance of

its external dimension;(Covering Am. 299 Green/Canfin, 305 Garcia Margallo and 308 Paksas)

35. b new Believes that relationships between oil and natural gas producing countries and consumer countries, first of all the European ones, should be reinforced, also taking into account the recent evolution in the political landscape in the Mediterranean, considers it urgent to implement a common policy for sustainable energy and procurement of raw material, so as to avoid adverse effect that could delay the recovery and the future development of European economy; (Am. 301 S&D/Cofferati)
35. a new *Emphasizes the key role that streamlining the principles of resource efficiency into all EU policies plays in ensuring EU competitiveness, including the development of innovative new products and services, new ways to reduce inputs, minimise waste, improve management of resource stocks, change consumption patterns, improve logistics; ensure that production processes, management and business methods are being optimised to make sure the life cycle approach of designing products and services in a ‘cradle to grave’ manner is being fulfilled;* (Am. 302 EPP/Karas)
35. c new. *Stresses that close attention must be given to sustainable transport policy, in particular extension of the European transport networks, while improved access to these networks for less-favoured regions with the help of the Structural Funds and the Cohesion Fund would contribute substantially to consolidating the single market; underlines the importance of having an efficient and interconnected transport system that facilitates the free movement of people, goods and services and promotes growth; underlines the importance of Trans-European transport networks (TEN-T) in order to provide important European Added Value as they contribute to removing bottlenecks, eliminating physical barriers such as different rail gauge, and assure cross-border infrastructure;* (Ams. Kratsa 298, 312 Garcia Margallo and Am. 337 ALDE/Schmidt)
35. d new *Considers the Single Market Act to be a key political initiative that underpins the foundations of the EU 2020 goals and the flagship initiatives to fully exploit the Internal Market’s growth potential and complete the single market in the spirit of the Monti report; underlines that the crisis has clearly shown the importance of strengthening the EU’s industrial base and innovation potential by facilitating market access and mobility and combating social and territorial fragmentation throughout the EU;* (35 Ams. 304 Green/Canfin and 303 ALDE/Schmidt)
36. Recalls that access to energy and raw materials, as well as *the* efficient use thereof, *is vital* to *ensure* the *overall* competitiveness of the EU; *stresses that in order to stay competitive in the long run, the EU must be a world-leader in the promotion of energy savings and efficiency,*

the research on and investment in new eco friendly technologies, the diversification and rationalisation of energy supply as well as the development and increased use of renewable sources of energy; recalls that decreasing dependency on imports of energy and raw materials contribute to ensuring the competitiveness of the EU, while also helping to achieve the EU inflation targets;(Covering Ams. 306 ECR/Swinburne, 307 Schmidt/ALDE, 310 S&D/Cofferati and 314 Green/Canfin, if adopted 305, 308, 309 fall)

Mobility and Migration (Am. 405 EPP/Karas)

**AGREEMENT BY S&D, ALDE, Greens, ECR
NOT BY EFD**

37. Emphasises that both the major *uprisings* in our *neighbouring* regions and demographic developments within the EU call for a common migration policy; stresses that greater *access to labour markets and* mobility must be encouraged by granting equal employment and social conditions and rights for all, *including the recognition of professional qualifications and diplomas across the EU*, together with the *transferability of social security rights* and the portability of pension rights, *in order to strengthen the European single market;* (Covering Ams 316 EPP/Karas, 317 ECR/Swinburne, 318 SD/Cofferati and 319 ALDE/Schmidt, if adopted 315 falls)

PROPOSAL RAPPORTEUR - SEPARATE VOTE

- 37 a a new* *Considers that Schengen remains an exceptional achievement for EU citizens that should be safeguarded and demands that the cooperation should be further strengthened; expresses its [split vote on word: "great"] concern over hypothetical changes to the Schengen rules, insists on the necessity for the European Parliament to be duly associated to the legislative process [split vote on: "and stresses the importance of preventing Member states from taking any unilateral decisions in that field;"] recalls that the adoption of Schengen was a step in favour of a greater EU integration and that the principle of free-movement of people must be safeguarded; ;*

**AGREEMENT BY S&D, ALDE, Greens, ECR
NOT BY EFD**

37. *a new* ***Calls for a common EU immigration policy and welcomes the Commission proposals to open up more legal ways to come to the EU to work; stresses the need for a reform of the current Blue Card system (by expanding it to a far greater number of jobs and professions) and notes that employers in the EU are increasingly dependent on people from countries outside of Europe to take up jobs in sectors such as agriculture, horticulture, tourism, elderly care and nursing, as fewer and fewer EU citizens are available for this type of work; believes the Commission proposal on seasonal workers needs to provide these workers, who are often vulnerable and exposed, with better conditions and a secure legal status in order to protect them from exploitation;* (Am. 320 ALDE/Schmidt)**

**AGREEMENT BY S&D, ALDE, Greens
EPP and ECR: SPLIT VOTE**

38. COMP. Recommends that the Commission should encourage and facilitate more equity funding for SMEs, through either venture capital or share listing, *[split vote: "including the promotion of a European network of dedicated stock exchanges" end split vote], more assistance from the structural funds, and less reliance on debt, especially in high-tech start-up companies, which are in great need of capital for R&D; stresses the need for strengthening the CIP guarantee instrument and for simplifying the accessibility of funding for SMEs; points to need of particularly encouraging and supporting women entrepreneurs;* (Covering Ams. 323 ALDE/Schmidt, 324 S&D/Cofferati and 325 Kratsa, if adopted 322 and 326 fall)

38. *a new* ***Recognises the role of social economy (Third Sector) in Europe and its significance in innovation; emphasizes the need for strategic green and resource efficient public procurement policies in Europe for the support of equal and competitive innovation sector;* (Am. 327 EPP/Karas)**

39. Urges giving the European Investment Bank/European Investment Fund (EIB/EIF) ***a leading*** role ***at the European level*** in freeing up funds for SMEs by using more streamlined and clearer procedures, ***thereby working with the financial institutions of the Member States, avoiding the establishment of schemes parallel to already existing structures on the national level*** so that SMEs can easily find their ***accustomed*** point of entry; recommends that the EIB/EIF should act as a filter, focusing on priority sectors within the EU 2020 strategy ***strengthening the economy, employment, environmental sustainability and resource efficiency***, and as a mentor to selected groups of SMEs, taking part in discussions with banks and their risk

management teams with a view helping SMEs to obtain long-term loans; ***calls for full use to be made of the EIB's capacity to provide funding***; (Covering Ams. 329 ALDE/Schmidt, 331 GUE/Chountis, 332 EPP/Karas and 328 Garcia Margallo, if adopted 330 falls)

40. Stresses that the next generation of EU funding programmes must systematically support ***innovative and job creating*** SMEs within the internal market and globally; ***highlights the need to facilitate the swift creation of undertakings using new technologies, improve their funding, reduce administrative burdens and promote their internationalisation***; ***Takes the view that it would be highly desirable to recognize the key role played by the system of industrial cooperative and retail banks, which ensure the optimisation of the strategy to assist and provide real support to the SME sector***; (Covering Am. 333 Garcia Margallo, Am. 334 Paksas; Ams. 336 S&D/Cofferati; Am. 338 Borghezio, if adopted 335 falls)

- 40. a. new*** ***Calls upon the Member States to accelerate their process of implementation of the measures set in the Small Business Act (2008) and in its Review, published on 23 February 2011 by the Commission, in order to reduce administrative burdens, facilitate SMEs' access to financing and support the internationalisation of SMEs***;

Agreed by S&D, Greens

NOT BY ECR

SPLIT VOTE REQUEST

EPP: ALTERNATIVE PROPOSAL

PARAGRAPH TO BE SPLIT IN TWO PARAGRAPHS

Taxation

Vote on first part of paragraph (paragraph to be split in two paragraphs):

41. COMP. 1st paragraph

Stresses that both EMU and the internal market require a stronger coordination of national tax policies [split vote request:" and harmonization in some aspects", to improve the effectiveness of national actions and to limit regulatory and tax fragmentation that would distort the competition within the internal market;

41. EPP 1st paragraph alternative

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

Vote on second part of paragraph:

41 COMP. 2nd paragraph (to become paragraph 42)

Supports the Commission in its efforts to tackle harmful tax competition, tax avoidance or fraud and tax havens both in the EU and at international level, to improve tax collection systems and to introduce a *[/split vote on the word "mandatory"] common consolidated corporate tax base [split vote request: "with tax ranges as well as"]/[split vote alternative: "with subsequent indicative tax ranges as well as] a specific and simplified taxation system for SMEs*; welcomes the VAT strategy that is to be presented by the Commission with a view to finding a fraud-proof system; (Covering Ams. 344 EPP/Karas, 345 Cofferati, 346 Goulard, 348 ALDE/Schmitt, 350 Belder and 351 Green/Canfin, 352 Duff, if adopted 341 - 343, 347 and 349 fall)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR AND EFD**

41. a new COMP.

Emphasises that taxation should be improved to provide the right incentives for employment, innovation and long-term investment; asks the Commission to analyse, in the context of the European Semester, the resilience of the Member States tax systems so that their tax reforms are resistant to economic fluctuations and do not unnecessarily rely on tax bases that are very cyclical or known to be prone to bubbles; (Part of Am. 344 EPP/Karas)

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

**Agreed by EPP, S&D, ALDE, Greens
SPLIT VOTE REQUEST ECR**

42. Believes such a move to be critical in the current context, in which Member States need to consolidate their budgets; notes that tax competition is acceptable as long as it does not jeopardise the capacity of Member States to collect the revenue they may fairly expect *[split vote as of here: "and recalls that solutions should be devised to minimise harmful tax competition;]* (Covering Am. 353 EPP/Karas, 355 ALDE/Schmidt and 357 EPP/Karas, if adopted 354 and 356 fall)

**Agreed by S&D, ALDE
SEPARATE VOTE**

- 43 COMP. Believes that EU fund *attribution* should take into account the taxation strategy of Member States and their willingness to cooperate in combating tax evasion and promoting *closer tax coordination*; (On the basis of Am. 363 ALDE/Schmidt, if adopted 358 - 362 and 364 fall)

**Agreed by EPP, S&D, ALDE, Greens
ECR: SPLIT VOTE**

- 43 b new* *Recognises the absence of a common definition of tax havens; [split vote: "calls for at least a single European agreed definition" end split vote], until such a time as a definition has been agreed at global level;* (Am. 366 ALDE/Schmidt)

Employment (if adopted 368 falls)

44. Stresses that *new jobs and better jobs are* a precondition for achieving fair, green and smart growth *strategy*, and accordingly calls for: (if adopted 369-370 fall)
- 1 – new jobs to be created in sectors based on innovation, research and development, such as the energy and environmental sectors; *and stresses the need to ensure a gender-balanced approach*; (if adopted 371-372 fall)

1 a new indent:

- *improve the effectiveness of existing EU support for direct job creation available to Member States under the European Social Fund;*
- 2 – actions *making it easier* to participate *in the labour market* for women (*in particular through a consistent increase of affordable childcare services*), older workers (*without affecting their retirement and social rights*) and *regular immigrants*, and to reduce

unemployment, *especially* among young people; (if adopted 374-376 fall)

2 a new indent:

- the upgrade of the quality of education and vocational training, and the effective promotion of life-long-learning, entrepreneurship with a view to strengthen employability of workers and develop a competitive human capital;

**Agreed by EPP, S&D, ALDE, Greens, ECR
NOT BY EFD**

3 – the development of employment opportunities and social inclusion programmes for the most vulnerable groups, *such as the Roma and people with disabilities*; (if adopted 379 falls)

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

4 a new indent:

- action against undeclared work; (Covering Ams. 369 Portas, 372 S&D/Cofferati, 373 ECR/Swinburne, 374 GUE/Chountis, 375 S&D/Cofferati, 376 Canfin, 377 S&D/Cofferati, 379 S&D/Cofferati, 380 Garcia-Margallo, 383 Garcia Margallo)

**Agreement by EPP, S&D, ALDE, Greens, ECR:
TO BE PUT TO THE VOTE (SEPARATE VOTE)**

Para. 44. a. new.

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

Para .44. b. new

Notes that as a result of the current crisis, the EU labour market could remain fragmented in the long-run with, on the one hand, a concentration of high quality labour in Member States with balanced current accounts, and, on the other hand, high unemployment rates and shortage of competitive labour supply in those Member States

most hardly hit by the crisis and also most heavily indebted; (Am. 384,386 Zile, Swinburne)

**Agreed by EPP, S&D, ALDE, Greens
ECR TO CONFIRM**

45 COMP. Believes there is still a need to address the issue of corporate governance as regards management incentives for long-term investment and job creation; suggests that an annual report assessing corporate social *and environmental* responsibility for *all listed* companies with over 250 employees and a turnover of more than EUR 50 million should be produced; (Covering Ams. 392 ALDE/Schmidt and 393 S&D/Cofferati, if adopted 388, 389, 390, 391 fall)

Education strategy

**Agreed by EPP, S&D, ALDE, ECR
NOT BY THE GREENS**

46. Stresses the importance of childhood, vocational, university and adult education for innovation, growth *and stresses the importance of proper implementation of flexicurity*; underlines the need for adapting education and training systems in order to better equip people with the knowledge and skills needed to secure higher employment levels, productivity, growth and competitiveness; (if adopted 399 - 402 fall)

47. Proposes the establishment of *an EU internship programme* in the *analogy* of the Erasmus programme, *with full involvement of the private sector*; takes the view that such a *programme* should involve clusters of universities, *universities of applied sciences, institutions for professional training*, industry, financial *markets* and SMEs and *large companies and* should give *citizens*, including vulnerable groups, access to training, in particular in transferable skills in the knowledge-based economy *to foster lifelong learning*; (if adopted 407 - 411 fall)

48. Strongly supports increasing the *quality* of *higher education* in Europe *also* by *further* reducing barriers to *student* mobility, improving the links between academia and business and fostering a more entrepreneurial mind-set in society; proposes the introduction of a European innovation scholarship that should contribute to fostering knowledge and skills employed in innovating sectors, while allowing the establishment of EU networks and cooperation; *such a scholarship would address youth in vocational educational programmes, established and specifically implemented in each of the Member States*; (if adopted 412 - 415 fall)

**SEPARATE VOTE: EPP
GROUPS TO CONFIRM S&D SUGGESTIONS FOR REDRAFTING AND AM
421**

- 48 a. *Stresses the need to create conditions, at European and national level, for the private **and public** sector to increase R&D investment; notes that university funding takes place predominantly through national budgets, already under pressure of consolidation; encourages therefore Member States ~~to reform~~ **to ensure that their respective systems of university funding to avoid the risk of a severe reduction of are designed to enhance** Europe's capacity for technological development, innovation **and job creation**; (Covering Am 416, EPP/Pietikäinen, Hübner, Karas)*

AME 421 - voted in addition to 48 a as new subsequent paragraph

in order to encourage Member States to invest more in the educational domain, special consideration should be given to public spending of education, research and vocational training when assessing Member states' medium term budgetary objective;

49. Supports the call by the European University Association (EUA) to raise public investment in higher education to 3% of GDP; believes that this target requires a qualitative evaluation of such expenditure when assessing the SGP; (if adopted 417 - 419 fall)

49 b new.

***Calls for the improvement of education for jobs not requiring university studies by the development of apprenticeship**"; (Am. 420 Green/Canfin)*

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

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR AND EFD**

50. Emphasises that the European Union is at a crossroads: either the Member States decide to join the efforts to deepen the integration or, owing to stagnation at decision-making level and divergences at the economic level, the EU could **drift** apart; (Covering Am. 428 EPP/Karas, if adopted 423 - 427 fall)

Agreed by EPP, S&D, ALDE, Greens

NOT BY EFD

50 a new.

Warns of the risks of retreating into a fragmented Union vulnerable to protectionism and populism; (Am. 431 ALDE/Schmidt)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR AND EFD**

51 COMP. Calls for a deeper *democratic* political union in which the Union's institutions are given a stronger role in both the design and the *implementation* of common policies; *emphasises the importance of strengthening the democratic legitimacy and control of the Union;* (Covering Ams. 438 Duff, 439 ALDE/Schmidt, 440 Portas and 441 S&D/Cofferati, if adopted 432 - 437 fall)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR**

51 a new.

Stresses the importance of respecting the principles of the European project: equality of Member States, solidarity, cohesion and cooperation; draws attention to the need to stick to these principles by effectively addressing internal imbalances and moving towards substantial convergence through coordination between Euro zone and non- Euro zone Member States; (Am. 443 S&D/Cofferati)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR**

51 b new. *Underlines the need of a stronger European Commission made more accountable to the Parliament that should play a major role as the main voice of the citizens, especially when it comes to providing an arena to allow public cross border debates, taking into account the spill over of national decisions in fields such as economic and social governance;*(Ams. 444 ALDE/Schmidt, 445 ALDE/Schmidt)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR AND EFD**

52 COMP. Stresses that economic governance, with converging economic, fiscal and social policies, must be organised using the Community method and steered by the Union institutions ***with national parliaments being fully involved***; (Covering Am. 450 EPP/Karas, if adopted 446 -449 fall)

53. Considers the new legislation on the European Systemic Risk Board (ESRB) and the three European Supervisory Authorities to be a first step in the right direction, but believes that further progress is required in order ***notably*** to ensure direct EU-level supervision of systemic institutions such as highly leveraged entities ***and the enforcement of a single rulebook***; stresses the need to provide the new ***authorities with adequate human resources***, and financial resources commensurate with their growing responsibilities; (Covering Ams. 452 ECR/Swinburne and 453 S&D/Cofferati, 455 Canfin, if adopted 451, 454 fall)

54. Believes that, alongside surveillance aimed at ensuring financial stability, there is a need for surveillance ***and prevention mechanism*** of potential bubbles and for optimum allocation of capital in the light of the macroeconomics challenges and objectives ***and towards investments in the real economy*** and that taxation policy needs to be used as a tool for this purpose as well; (Covering Ams. 458 ECR/Swinburne and 461 S&D/Cofferati, if adopted 457, 459 - 460 fall)

55. Asks the Commission to put forward ***additional*** proposals for the regulation of financial market structures whose size, ***systemic integration, complexity or interconnectedness*** can be a threat to ***financial stability***, to the capacity of regulators to resist their demands ***and for supervisors to have an overview of their activities, including the shadow banking system and their level of leverage***; ***calls on the Commission to look into regulatory options like capping or disincentivising size, as well as business models***; (Covering Ams. 464 Green/Canfin, 465 EPP/Karas and 466 ALDE/Schmidt, if adopted 462 - 463, 467 fall)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR AND EFD**

56. Stresses that tackling the public debt crisis and increasing the EU's competitiveness, convergence and solidarity require a shift of competences and spending towards the Union; (if adopted 468 - 475 fall)

**Agreed by EPP, S&D, Greens
NOT BY EFD**

SPLIT VOTE REQUEST

57 COMP. [1st split vote on first part of text: "Concludes that, in *order* to deepen *democratic* political union and economic integration matching monetary *Union, all relevant expenditures of the EU budget must be effectively streamlined with the aim to raise the competitiveness of the EU as a whole and the less competitive regions in order to maximize Europe's economic strength in the interest of its citizens, while preserving or regaining a fair social balance;* [split vote on "believes therefore that the EU budget needs to be raised to a level between 5 and 10% of the Union's GDP"]; [split vote alternative: "*believes therefore that the EU budget needs to be raised to an adequate level*"] [split vote on rest of text: "asks that in parallel to the rise of the EU budget on the basis of own resources - to finance policies and measures in the fields of foreign and security policy, the energy and transport sectors, development cooperation and R&D - *the national budgets should be reduced to ensure tax neutrality for citizens;*"] (Covering Ams. 483 S&D/Cofferati and 487 Green/Canfin, 488 Schmidt/ALDE, if adopted 476 - 482, 484 - 486, 489 fall).

ALTERNATIVE PHRASE FOR SECOND PART OF PARAGRAPH - VOTE ONLY IF SECOND SPLIT VOTE ON "... 5 - 10 % GDP" IS REJECTED

[split vote on alternative text: " and that the EU budget needs to be adequately financed through own resources, - to finance policies and measures in the fields of foreign and security policy, the energy and transport sectors, development cooperation and R&D - and a corresponding reduction in national budgets to insure tax neutrality for citizens;]

Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR

58 COMP. Emphasises the need to strike a better balance between economic and social policies, including *the reinforcement* and *institutionalisation* of the Macroeconomic Social Dialogue; (Covering Am. 492 S&D/Cofferati, if adopted 490 - 491, 493 fall)

NO AGREEMENT - SPLIT VOTE

59 COMP. Recalls that the European Union derives its legitimacy from the democratic values it projects, the aims it pursues and the powers, instruments **and institutions** it possesses; takes the view that deepening European economic integration **is necessary to ensure** the stability of the eurozone and of the Union as a whole **and that this** will require further **developments** regarding: the external representation of the eurozone, *[split vote on: "[qualified majority voting on corporate tax base"]*, combating tax evasion **and tax avoidance**; possible mutual issuance of sovereign debt and Eurobonds **that would stimulate fiscal discipline**, the EU's borrowing capacity, a better balance between economic and social policies, own resources for the EU budget and the roles of national parliaments and the European Parliament; (Covering Ams. 500 Klinz/Schmidt/Duff, 502 Goulard, Verhofstadt, Tremosa i Balcells and 504 EPP/Karas, if adopted 494 - 499, 501, 503, 505 fall)

**Agreed by EPP, S&D, ALDE, Greens
NOT BY ECR**

59 a new. Believes that political decisions on economic governance should not endanger the commitments agreed at the EU level reflecting the goals and interests of all Member States and such decisions should be anchored in the Treaty and be pursued with the full institutional involvement and scrutiny of the European Commission and the European Parliament; (Am. 507 EPP/Karas)

AGREED BY EPP AND S&D

59 b new

Calls for a comprehensive strategy in the response to the challenges facing the Union, with reinforced economic governance as the cornerstone of the EU response; also calls for maintaining resolve in pursuing fiscal consolidation, sustainable growth enhancing structural reforms and banking sector repair; takes note of the Euro Plus Pact proposed by the Council as one element of the Economic Governance Package under negotiations between the European Parliament and the Council; 60.. Calls for the Euratom Treaty to be **superseded by** a European Energy Community with responsibility for new power-generation capacities **in a view of an effective energy mix, including** renewable energies, energy efficiency, transmission grids, storage facilities and supply security, negotiations with third countries and the provision of universal services at affordable prices; (Covering Am. 509 Canfin, 512 ECR/Swinburne, if adopted 510 - 511)

fall)

61. Considers that, alongside the treaty changes for the stability mechanism, these interconnected issues should be dealt with within a Convention, in accordance with Article 48(3) of the Treaty on European Union; (if adopted 513 - 517 fall)
62. Believes that, if they are not, it will be necessary to move to enhanced cooperation under Article 329 of the TFEU, in order to enable the eurozone to function in a democratic and efficient manner; (if adopted 519 - 521 fall)

Agreed by S&D, ALDE, Greens

NOT BY ECR

ALTERNATIVE PROPOSALS BY S&D and EPP with ALDE

62 a new. Emphasizes that a true response to the crisis must be based in even greater steps towards European integration and must represent a New European Deal; its success will depend on the ability to enhance strong economic recovery, to fully achieve the objectives of the EU 2020 strategy, to guarantee the sustainability of public finances, to restore soundness in the financial system and to bring all European citizens around an advanced Social Pact for job creation, increased competitiveness and productivity, and further development of a European social model respecting the social dialog, more robust, updated and efficient Welfare State and an active contribution to environmental responsibility and the development of global governance; (Am. 522 S&D/Cofferati)

S&D ALTERNATIVE PROPOSAL

62 a new. Emphasizes that a true response to the crisis must be based in even greater steps towards European integration and must represent a New European Deal to rally all citizens around the European project; its success will depend on the ability to enhance strong economic recovery, to fully achieve the objectives of the EU 2020 strategy including the full implementation of the Single market Act and the creation of a European Energy Community, to guarantee the sustainability of public finances, to restore soundness in the financial system and to develop an advanced Social Dimension for job creation, increased competitiveness and productivity, and further development of the European social model respecting the social dialogue, more robust, updated and efficient Welfare State and an active contribution to environmental responsibility and the development of global governance;

EPP, ALDE ALTERNATIVE PROPOSAL, REDRAFTING SUGGESTION BY S&D PENDING GROUPS AGREEMENT

Recalls that an European response to the crisis shall be based on deepening European integration, the pursuit of the community method, the consolidation of interparliamentary dialogue, the promotion of social dialogue, the strengthening of the Welfare State by supporting social inclusion, job creation and sustainable growth and the further building of the Social Market Economy and its values, as an essential goal of the European Union, to rally all citizens around the European project based upon the values upon enshrined in the Treaties and the European Charter of Fundamental Rights 63. Instructs its President to forward this resolution to the Council, the Commission, the President of the European Council, the President of the Eurogroup, the European Central Bank, *the European Investment Bank, the European Bank for Reconstruction and Development*, the Economic and Social Committee, the Committee of the Regions, the governments and parliaments of the Member States and the social partners.