



EUROPEAN PARLIAMENT

2009 - 2014

Committee on Development

2010/2105(INI)

22.11.2010

AMENDMENTS

1 - 37

Draft opinion
Nirj Deva
(PE454.566v02-00)

on innovative financing at a global and European level
(2010/2105(INI))

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PE454.359v01-00

EN

United in diversity

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Amendment 1
Vincent Peillon

Draft opinion
Paragraph 1

Draft opinion

1. Recalls that *at the last High-Level Summit on the Millennium Development Goals (MDGs) governments reaffirmed their commitment to achieving the development goals by 2015, but that the reality is that a much more concerted effort has to be made*; underlines that it is not acceptable that innovative financing mechanisms (IFMs) might be seen as an encouragement for certain countries to renounce Official Development Assistance (ODA);

Amendment

1. Recalls that *\$300 billion will be necessary to achieve the Millennium Development Goals in 2015; regrets that, despite their recent statements at the September 2010 UN Summit on the Millennium Development Goals, most of the industrialised countries are failing to honour their 2005 commitments to increase public development aid; therefore considers that the use of innovative financing is essential to achieve the Millennium Development Objectives*; underlines that it is not acceptable that innovative financing mechanisms (IFMs) might be seen as an encouragement for certain countries to renounce Official Development Assistance, *which must on the contrary be extended to them*;

Or. fr

Amendment 2
Enrique Guerrero Salom

Draft opinion
Paragraph 1

Draft opinion

1. Recalls that at the last *High-Level Summit on the Millennium Development Goals (MDGs) governments reaffirmed their commitment to achieving the development goals by 2015, but that the reality is that a much more concerted effort has to be made*; underlines that it is not

Amendment

1. Recalls that at the last *High Level Summit on the Millennium Development Goals (MDGs), governments reaffirmed their commitment to achieving the development goals by 2015, but the reality is that a much more concerted effort has to be done*; underlines that it is not acceptable

acceptable that innovative financing mechanisms (IFMs) might be seen as an encouragement for certain countries to renounce Official Development Assistance (ODA);

that innovative financing mechanisms (IFMs) might be seen as an encouragement for certain countries to renounce *to* Official Development Assistance (ODA); ***stresses that ODA commitments and Innovative Financing Mechanisms must be seen as essential and complementary in the fight against poverty;***

Or. en

Amendment 3
Kriton Arsenis

Draft opinion
Paragraph 1

Draft opinion

1. Recalls that at the last High-Level Summit on the Millennium Development Goals (MDGs) governments reaffirmed their commitment to achieving the development goals by 2015, but that the reality is that a much more concerted effort has to be made; underlines that it is not acceptable that innovative financing mechanisms (IFMs) might be seen as an encouragement for certain countries to renounce Official Development Assistance (ODA);

Amendment

1. Recalls that at the last High-Level Summit on the Millennium Development Goals (MDGs) governments reaffirmed their commitment to achieving the development goals by 2015, but that the reality is that a much more concerted effort has to be made; underlines that it is not acceptable that innovative financing mechanisms (IFMs) might be seen as an encouragement for certain countries to renounce Official Development Assistance (ODA); ***calls the EU and the 27 Member States to commit that any new funding is additional to ODA commitments;***

Or. en

Amendment 4
Kriton Arsenis

Draft opinion
Paragraph 1 a (new)

Draft opinion

Amendment

1a. Stresses that public supervision and transparency of innovative systems of

finance is a sine qua non condition for their introduction, incorporating the lessons of the recent financial and food crisis;

Or. en

Amendment 5

Franziska Keller, Catherine Grèze on behalf of the Verts/ALE Group

Draft opinion Paragraph 2

Draft opinion

2. Stresses the urgent need to improve EU coordination on wealth-creation measures in local markets and that the principal method of promoting innovative financing is *not* to be found in **increasing taxation, but in** augmenting domestic capital formation, **best achieved through the implementation and protection of property rights and land mapping;**

Amendment

2. Stresses the urgent need to improve EU coordination on wealth-creation measures in local markets and that the principal method of promoting innovative financing is to be found in augmenting domestic capital formation;

Or. en

Amendment 6 Enrique Guerrero Salom

Draft opinion Paragraph 2

Draft opinion

2. Stresses the urgent need to improve EU coordination on **wealth-creation** measures in local markets and that **the principal method of** promoting innovative financing **is not to be found in increasing taxation, but in augmenting** domestic capital formation, **best achieved through the implementation and protection of property rights and land mapping;**

Amendment

2. Stresses the urgent need to improve EU coordination on **wealth creation** measures in local markets and that promoting innovative financing **for development has to go hand by hand with enhancing domestic revenue by improving the business and investment environment of developing countries;**

Amendment 7
Kriton Arsenis

Draft opinion
Paragraph 2

Draft opinion

2. Stresses the urgent need to improve EU coordination on wealth-creation measures in local markets and that the principal method of promoting innovative financing *is not to be found in* increasing taxation, but *in* augmenting domestic capital formation, best achieved through the *implementation* and protection of property rights *and land mapping*;

Amendment

2. Stresses the urgent need to improve EU coordination on wealth-creation measures in local markets and that the principal method of promoting innovative financing *should not be restricted to* increasing taxation, but *also to explore other paths such as* augmenting domestic capital formation, best achieved through the *recognition* and protection of property rights;

Amendment 8

Franziska Keller, Catherine Grèze on behalf of the Verts/ALE Group

Draft opinion
Paragraph 2 a (new)

Draft opinion

Amendment

2a. Recalls that major pandemic diseases – AIDS, tuberculosis and malaria – which strike developing countries, sub-Saharan Africa in particular, constitute a major challenge for the Millennium Development Goals; recalls in this context that a solidarity contribution levied on air tickets is an important financial tool to address health problems that needs to be further developed; in particular, calls on the Commission to examine further financing mechanisms to address global

health issue, and to facilitate access to medicine in poor countries;

Or. en

Amendment 9
Vincent Peillon

Draft opinion
Paragraph 2 a (new)

Draft opinion

Amendment

2a. Considers it fair that activities which benefit substantially from trade globalisation, such as the financial and transport sectors, should contribute to the protection of global public goods and the resolution of major global challenges, in particular development and measures to combat climate change;

Or. fr

Amendment 10
Kriton Arsenis

Draft opinion
Paragraph 2 a (new)

Draft opinion

Amendment

2a. Notes that a financial transaction tax of 0.05% could raise billion of Euros which could be used towards the fulfilment of MDGs, mitigation and adaptation to climate change; an initial unilateral move within the EU could act as a global catalyst;

Or. en

Amendment 11
Michèle Striffler

Draft opinion
Paragraph 3

Draft opinion

3. Notes that the fundamental objective of IFMs is the allocation of additional financial resources to meet the major global challenges in the areas of climate change and development policy;

Amendment

3. Notes that the fundamental objective of IFMs, ***such as an international tax on financial transactions***, is the allocation of additional financial resources, ***on top of public development aid***, to meet the major global challenges in the areas of climate change and development policy, ***thereby possibly helping to achieve the Millennium Development Objectives (MDOs)***;

Or. fr

Amendment 12
Vincent Peillon

Draft opinion
Paragraph 3

Draft opinion

3. Notes that the fundamental objective of IFMs is the allocation of additional financial resources to meet the major global challenges in the areas of climate change and development policy;

Amendment

3. Notes that the fundamental objective of IFMs is the allocation of additional financial resources to meet the major global challenges in the areas of climate change and development policy; ***notes that these mechanisms, which have the advantage of providing more stable and predictable resources than public development aid, are particularly well adapted to funding non-commercial services, such as health and education systems***;

Or. fr

Amendment 13
Kriton Arsenis

Draft opinion
Paragraph 3

Draft opinion

3. Notes that the fundamental objective of IFMs is the allocation of additional financial resources to meet the major global challenges in the areas of climate change and development policy;

Amendment

3. Notes that the fundamental objective of IFMs is the allocation of additional financial resources to meet the major global challenges in the areas of climate change and development policy; ***states that a share of revenues generated by carbon emission auctions could help developing countries in coping with climate change and further fulfilling MDGs;***

Or. en

Amendment 14
Vincent Peillon

Draft opinion
Paragraph 3 a (new)

Draft opinion

Amendment

3a. Welcomes the fact that the Final Declaration of the UN Summit on the Millennium Development Objectives, adopted on 22 September 2010, for the first time refers specifically to the role of innovatory financing in order to fulfil the MDOs;

Or. fr

Amendment 15
Vincent Peillon

Draft opinion
Paragraph 3 b (new)

Draft opinion

Amendment

3b. Underlines the success of innovatory

financing mechanisms to date, in particular the UNITAID international facility for the purchase of drugs, the International Finance Facility for Immunisation (IFFIm) and the advance market commitment (AMC) for vaccination against pneumococcal disease, which have to date raised over \$2 billion; notes that other innovative financing mechanisms have also proved effective, for example debt-for-nature or debt-for-health swaps or bunker fuel taxes;

Or. fr

Amendment 16
Vincent Peillon

Draft opinion
Paragraph 3 c (new)

Draft opinion

Amendment

3c. Stresses that a global tax of 0.05% on financial transactions would generate income of over \$500 billion, which could be used to fund development and measures to combat climate change in southern countries;

Or. fr

Amendment 17
Vincent Peillon

Draft opinion
Paragraph 3 d (new)

Draft opinion

Amendment

3d. Notes that a number of Member States have come out in favour of a tax on financial services;

Or. fr

Amendment 18
Vincent Peillon

Draft opinion
Paragraph 3 e (new)

Draft opinion

Amendment

3e. Recalls the firm support given by a number of European Heads of State for the implementation of a tax on financial transactions at the UN Summit on the Millennium Development Objectives in September 2010 and expects decisive action from them in support of this commitment;

Or. fr

Amendment 19
Vincent Peillon

Draft opinion
Paragraph 3 f (new)

Draft opinion

Amendment

3f. Supports firmly the implementation of a tax on international and European financial transactions; urges the Commission accordingly to promote this measure actively within the G20 and to present without delay legislative proposals for the introduction of this tax at European level;

Or. fr

Amendment 20
Vincent Peillon

Draft opinion
Paragraph 3 g (new)

Draft opinion

Amendment

3g. Calls on the Member States which have not yet done so to join the pilot group on innovatory financing set up in 2006 and participate in all existing mechanisms, including the solidarity contribution on airline tickets;

Or. fr

**Amendment 21
Vincent Peillon**

**Draft opinion
Paragraph 3 h (new)**

Draft opinion

Amendment

3h. Urges the Commission to propose the implementation of innovative development financing mechanisms at EU level;

Or. fr

**Amendment 22
Vincent Peillon**

**Draft opinion
Paragraph 3 i (new)**

Draft opinion

Amendment

3i. Calls on the institutions and EU governments to examine closely the possibility of creating a worldwide lottery to fund measures to combat hunger, as proposed by the World Food Programme, in the form of the Food Project;

Or. fr

Amendment 23
Enrique Guerrero Salom

Draft opinion
Paragraph 4

Draft opinion

4. Takes the view that ODA will fail to eradicate poverty if G20, the EU and financial institutions do not take a ***determined stance in opposing corrupt administrations in recipient countries;***

Amendment

4. Takes the view that ODA will fail to eradicate poverty, if G20, the EU and financial institutions do not take ***as a very important step for development to enhance tax administrations and promoting good governance in tax matters;***

Or. en

Amendment 24
Kriton Arsenis

Draft opinion
Paragraph 4

Draft opinion

4. Takes the view that ODA will fail to eradicate poverty if G20, the EU and financial institutions do not take a determined stance in ***opposing corrupt administrations*** in recipient countries;

Amendment

4. Takes the view that ODA will fail to eradicate poverty if G20, the EU and financial institutions do not take a determined stance in ***further improving governance*** in recipient countries;

Or. en

Amendment 25

Franziska Keller, Catherine Grèze on behalf of the Verts/ALE Group

Draft opinion
Paragraph 4

Draft opinion

4. Takes the view that ODA will fail to eradicate poverty if G20, the EU and financial institutions do not take a

Amendment

4. Takes the view that ODA will fail to eradicate poverty if G20, the EU and financial institutions do not take a

determined stance in opposing corrupt administrations in recipient countries;

determined stance in opposing corrupt administrations in recipient countries;
stresses therefore upon the need to upgrade EU's assistance regarding the strengthening of tax authorities, judiciary and anticorruption agencies in developing countries; urges the EU Member States to combat bribery committed by companies domiciled in their jurisdictions but which have operations in developing countries;

Or. en

Amendment 26
Corina Crețu

Draft opinion
Paragraph 5

Draft opinion

5. Considers that an estimated EUR 800 billion is lost annually from developing countries through illicit means, prevention of which ***could prove decisive in*** achieving MDGs;

Amendment

5. Considers that an estimated EUR 800 billion is lost annually from developing countries through illicit means, ***the reduction and*** prevention of which ***is essential for*** achieving MDGs; ***insists that the EU take firmer action against corruption and the squandering of funds and calls for greater involvement of the authorities of the recipient countries in combating the embezzlement of funds intended for development;***

Or. ro

Amendment 27
Kriton Arsenis

Draft opinion
Paragraph 5

Draft opinion

5. Considers that an estimated EUR 800 billion is lost annually from developing countries through ***illicit means***, prevention

Amendment

5. Considers that an estimated EUR 800 billion ***i.e. 10 times ODA***, is lost annually from developing countries through

of which could prove decisive in achieving MDGs;

unlawful capital flows and tax evasion, prevention of which could prove decisive in achieving MDGs;

Or. en

Amendment 28

Franziska Keller, Catherine Grèze on behalf of the Verts/ALE Group

Draft opinion Paragraph 5

Draft opinion

5. *Considers* that an estimated EUR 800 billion is lost annually from developing countries through illicit means, prevention of which could prove decisive in achieving MDGs;

Amendment

5. *Stresses* that *the introduction of innovative financing mechanisms are essential for developing countries to meet Millennium Development Goals; but recalls that* an estimated EUR 800 billion is lost annually from developing countries through illicit means, prevention of which could prove decisive in achieving MDGs; *therefore, reiterates equally its call for making corruption, the fight against tax havens and harmful tax structures an overriding priority of the EU's agenda in international finance and development institutions so as to enable developing countries to raise domestic revenues;*

Or. en

Amendment 29 Enrique Guerrero Salom

Draft opinion Paragraph 5

Draft opinion

5. Considers that an estimated EUR 800 billion is lost annually from developing countries through illicit means, *prevention* of which could prove decisive in achieving

Amendment

5. Considers that an estimated EUR 800 billion is lost annually from developing countries through illicit means, *retention* of which could prove decisive in achieving

MDGs;

MDGs; urges the EU and its Member States to work in all international fora to combat tax havens and illicit capital flows;

Or. en

Amendment 30

Franziska Keller, Catherine Grèze on behalf of the Verts/ALE Group

**Draft opinion
Paragraph 5 a (new)**

Draft opinion

Amendment

5a. Recalls the collective responsibility of the G20 to mitigate the impact of the crisis on developing countries, which have been hard hit by indirect effects of the crisis; recalls also that although the financial crisis of 2008 was triggered off by a lack of regulation and excesses in the financial sector, financial services are exempted from VAT; welcomes accordingly the proposal of the Commission to consider in its work programme 2011 a Financial Activities Tax (FAT) to respond to global and European challenges; however, takes the view that any initiative in favour of bank levies should be complementary, and not exclusive, to the setting-up of a Financial Transaction Tax, whose advantages are i.e.: to ensure that the financial sector will pay its part for the economic recovery; to roughly compensate for the distorting exemption of financial services from VAT; to stabilise financial markets by skewing incentives towards long term investments and away from short term speculation and to raise revenue for funding development and address climate change;

Or. en

Amendment 31

Franziska Keller, Catherine Grèze on behalf of the Verts/ALE Group

Draft opinion

Paragraph 5 b (new)

Draft opinion

Amendment

5b. Emphasises that a Financial Transaction Tax has the potential to generate a lot of revenues at even low level of tax rate (0.05% or 0.01%), given the enormous volume of the tax base provided by all kind of financial assets; but insists upon the need to introduce a Financial Transaction Tax that will cover all transactions of financial assets, as a means not to discriminate against specific types of markets and to address tax avoidance through financial innovation;

Or. en

Amendment 32

Franziska Keller, Catherine Grèze on behalf of the Verts/ALE Group

Draft opinion

Paragraph 5 c (new)

Draft opinion

Amendment

5c. Regrets that the Commission supports the idea of a Financial Transaction Tax provided that it is implemented at the global level; takes the view that a financial transaction tax, whose revenues should be allocated to meet development goals and climate change, should be introduced at the EU level as a first step; emphasises in this context that an EU financial transaction tax would solve the

problems that individual EU Member States have with their national financial transaction taxes, considering that it is becoming increasingly difficult to tax financial transaction tax in an effective way nationally in the context of the single financial market;

Or. en

Amendment 33
Kriton Arsenis

Draft opinion
Paragraph 6

Draft opinion

6. Urges that, in order to achieve transparency in ODA, accountability be promoted through the strengthening of national control mechanisms and parliamentary scrutiny of aid;

Amendment

6. Urges that, in order to achieve transparency in ODA, accountability be promoted through the strengthening of national control mechanisms and parliamentary scrutiny of aid; ***calls the EU and the G20 to pursue their agenda to crack down on tax havens and tax secrecy, promoting country-by-country reporting;***

Or. en

Amendment 34
Enrique Guerrero Salom

Draft opinion
Paragraph 6 a (new)

Draft opinion

Amendment

6a. Calls the Council and the Commission to promote and work towards the implementation of the following innovative financing instruments for development: a financial transaction tax, transport levies, the fight against illicit capital flows, the reduction or alleviation of the remittances costs, and the debt

moratorium or cancellation.

Or. en

Amendment 35
Kriton Arsenis

Draft opinion
Paragraph 6 a (new)

Draft opinion

Amendment

6a. Notes that the economic and financial crisis will throw many developing countries in a new debt crisis, and calls the European Commission and the Member States to renew their efforts towards alleviating the debt burden on developing countries; calls for an interest-free moratorium until 2015 on debt payments for the Least Developed Countries (LDCs);

Or. en

Amendment 36
Corina Crețu

Draft opinion
Paragraph 7

Draft opinion

Amendment

7. Recalls that developing countries are the least well equipped to deal with climate change; urges implementation of the EU financial pledge under the Copenhagen Accord and the Global Climate Change Alliance.

7. Recalls that developing countries are the least well equipped to deal with climate change, ***and are, generally speaking, likely to be the principal victims of this phenomenon, which is caused by specific geo-climatic conditions;*** urges implementation of the EU financial pledge under the Copenhagen Accord and the Global Climate Change Alliance; ***urges the EU to assume a pivotal role regarding joint initiatives by the industrialised countries in making a larger and more specific contribution to supporting***

development in the third world, to which they have a historic responsibility, not least because of their colonial past.

Or. ro

Amendment 37
Andreas Mölzer

Draft opinion
Paragraph 7

Draft opinion

7. Recalls that developing countries are the least well equipped to deal with *climate change*; *urges implementation of the EU financial pledge under the Copenhagen Accord and the Global Climate Change Alliance.*

Amendment

7. Recalls that developing countries are the least well equipped to deal with *environmental problems of all kinds.*

Or. de