



**Group of the Progressive Alliance of
Socialists & Democrats
in the European Parliament**

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European Commission President

Ursula von der Leyen

Brussels, 9 September 2020

Dear President, dear Ursula,

We are living in extraordinary times and we will be judged on our efforts to emerge from this crisis stronger and having helped those who need it the most. Let me firstly welcome the determined and dedicated work of the Commission to provide a coordinated European response to the COVID-19 outbreak, albeit in extremely difficult circumstances. Despite the slow initial response, this crisis has been a wake-up call and the EU institutions are showing they have learned the lessons from past crises. The Next Generation EU proposal is a clear example of that, with a step forward towards more integration and solidarity. Ahead of the State of the Union debate and the adoption of the Commission Work Programme 2021, I would like to set out the key political priorities that the S&D Group believes should be included.

Tensions in the international arena, which are at their highest point since the end of the Cold War, have added to global uncertainty. The EU has a unique duty to defend the multilateral system and international law in the face of increasing geopolitical competition. Supporting the legitimate democratic aspirations of our neighbourhood, including those expressed by the Belarusian people, is paramount to our value-driven foreign policy. So is our continued commitment to the European perspective of the Western Balkans. The Union as a whole needs to stay united, remain dedicated to the protection of human rights, and wield its power across the world more strategically.

We also need more unity to ensure a resilient and sustainable recovery. Going back to the *status quo ante* is not an option. Future-oriented investments and policies should focus on the green and digital transitions, and on a strong social Europe. We have the opportunity to change course and set the path for a more sustainable Europe that puts people and their well-being first.

This starts with health, and right now, we need the Commission to lead coordinated action to tackle the COVID-19 pandemic in line with our values of human dignity and solidarity. In the medium term we need to build a Health Union, while in the short term this means maintaining the Schengen area as an area without internal border controls. We need to protect freedom of movement and avoid uncoordinated travel restrictions.

A resilient society requires trust between citizens and institutions. We can no longer accept the situation in countries such as Poland or Hungary. The next MFF and the NGEU have to include the creation of a clear-cut rule of law conditionality regulation addressing the full scope of Article 2 TEU. We urge you to put forward a legislative proposal on a Rule of Law Mechanism to monitor democracy, fundamental rights and the rule of law, with a link to financial sanctions and a strong focus on judicial independence. We must live up to our values. The fight against racism and the rise of the far right has to be at the forefront of our political action. The Framework Decision on combating racism and xenophobia as well as the Race Equality Directive should be fully implemented and we urgently need an agreement on the horizontal anti-discrimination directive.

A resilient society also means more inclusion and solidarity. When it comes to the situation at the EU's borders, our Group has always insisted on a rights-based approach for those seeking protection. The respect of EU and international law, notably the Charter of Fundamental Rights and the EU Convention on Human Rights must be at the core of our policies and our actions. We can no longer postpone a humane solution for the millions of refugees at our borders and we are still waiting for meaningful reform of the Common European Asylum System.

As we had requested, the Commission presented the European Green Deal and committed itself to implementing the United Nations Sustainable Development Goals (UN SDGs). However, so far, the SDGs are only partially integrated into the policy agenda. They should be translated into specific measures in the ecological, social and economic domains.

Climate change and global warming are pushing human civilisation into uncharted waters and scientific evidence shows the need for ambitious and legally binding targets. The Commission should concentrate on policies in the European Green Deal: Energy Transition, Industrial Transition, Zero pollution Strategy (air, water and soil) which includes health and the fight against biodiversity loss. The European Climate Law should also have legally binding

goals for reaching net-zero greenhouse gas emissions by 2050. These goals must be aligned with the future CAP which should ensure food security, autonomy and territorial cohesion.

A good balance between the environmental and the social dimensions are crucial to reducing inequalities. They are two sides of the same coin and must go together. We urgently need a strong social agenda within the Recovery Plan. If our action is not bold enough, the health crisis will become a social crisis with unpredictable political consequences. As unemployment rises, especially amongst young people, and poverty grows exponentially, we need to put in place a proper anti-poverty strategy that includes the Child Guarantee, the strengthening of the Youth Guarantee and the Framework Directive on minimum wages. We must also promote social dialogue, the autonomy of the social partners and collective bargaining, in particular sectoral collective bargaining. Some people are left without a job or any income. By building on the programme of the German EU presidency, we rely on your commitment to launch a common EU framework for minimum income schemes. There is also a risk that the gender gap widens further. We need concrete proposals to implement the EU Gender Equality Strategy, notably to cope with the pandemic, to eradicate gender-based violence and eliminate the gender pay gap. It is not acceptable that in some EU countries, LGBTI rights are at stake, but this demonstrates the urgent need for the launch of an effective LGBTI Equality Strategy. The confinement measures put the education of many students at risk, showing the need for an effective European agenda for digital education.

Finally, we need to discuss "how". How to deliver and finance this agenda. It is clear that we need to further reform the economic governance framework, to ensure that the recovery goes hand in hand with a green and just transition.

Refocusing the European semester to include the UN SDGs requires further initiatives. When looking at the economy, it is time to see the people behind the numbers. The conventional macro-economic models and the foreseen GDP drop only hides the human suffering. Suspending the fiscal rules until 2022 was a good first step by the Commission to mitigate the pain, as was the openness to develop a possible "golden rule" for investment. However, we need a deeper discussion on how to reform the current fiscal framework, taking into account the COVID-19 impact and the ecological and social transition.

Cohesion Policy deserves special attention. It is hard to understand the proposed cuts to the Just Transition Fund in the next MFF because we need to ensure that this first concrete piece of the European Green Deal enjoys public support. Otherwise, we risk not only the wellbeing of people but also citizens' support for the reforms.

With growing challenges and fewer resources, the EU needs to strengthen its own budget by collecting new own resources. This can be done by targeting tax evaders, speculators and big polluters, and by taxing the digital giants. Let's find solutions that unite us in our way out of this crisis. With the full basket of all the own resources that the S&D is promoting, we could raise more than €200 billion per year. A solid Financial Transaction Tax would account for more than €50 billion.

Finally, we need to move away from the intergovernmental approach and back to the Community method. The Parliament should be allowed to exercise democratic and parliamentary scrutiny when EU budget resources are involved. To face Brexit and COVID-19 the EU needs more Community responses, as well as better accountability of the EU institutions to citizens.

We count on your commitment to see that these proposals are reflected in your priorities for the State of the Union and in the next Commission Work Programme.

Kind regards,



Iratxe García Pérez

President

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