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**PARLIAMENTARY HIGHLIGHTS FROM THE S&D GROUP IN THE EUROPEAN PARLIAMENT** • May 2013

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### **EU SUMMIT OUTCOME - THE FIGHT AGAINST TAX EVASION & TAX HAVENS IS ONLY BEGINNING!**

The European Council of heads of state and government convened to discuss energy policy and taxation. The leaders signalled progress on several files previously blocked in the Council of the EU, but failed to deliver a new framework for the fight against tax evasion. Hannes Swoboda, president of the S&D Group in the European Parliament, commented on the outcome of the summit:

"Once again, we witness heads of state and government paying lip service to the fight against tax evasion, fraud and havens – but when given the opportunity to agree a more efficient framework, inaction wins over progress. I deplore that the Council fails to mention the need for a clear definition of tax havens and for an EU blacklist, as well as the need to agree the headline target of halving the tax gap by 2020. These items were all agreed by an overwhelming majority in the European Parliament just."

"However, we do welcome the European Council's signal that progress is likely on the Taxation Savings Directive, the Quick Reaction Mechanism and the automatic exchange of information. It is essential that those countries which have blocked advances until now – notably Austria and Luxembourg – accept the unequivocal necessity of lifting banking secrecy for EU non-residents. We will certainly press the Council and the Commission to implement these promises swiftly and not add action evasion to tax evasion."

## **S&D GROUP URGE COMMISSION TO WAKE UP ON SOCIAL POLICY**

Following a debate in Strasbourg with Commissioner Olli Rehn, S&D MEPs voiced concerns over the Commission's lack of commitment to easing the social effects of austerity policies across Europe. S&D Member and chairwoman of the employment and social affairs committee, Pervenche Berès said:

"We were expecting the Commission to come up with realistic proposals to strengthen the social dimension of the economic and monetary union, after they were given a mandate by EU heads of state and government. But Mr Rehn obviously had nothing to announce – only empty words. No proposals, no roadmap, no calendar. This is not acceptable.

"The Commission doesn't seem to realise how dramatic the unemployment situation is in Europe – there are more than 19.2 million people out of a job just in the eurozone. This Commission is not up to the challenge. It has nothing to offer to change this situation but austerity – and allowing a brain drain of young people leaving Europe. We are calling for the introduction of a European minimum unemployment benefit in eurozone countries to help those who have lost their job to survive".

The S&D Group has recently adopted proposals to strengthen the social dimension of the EMU. They can be found [here](#).

([http://www.socialistsanddemocrats.eu/gpes/media3/documents/4264\\_EN\\_economic\\_monetary\\_social\\_union\\_en\\_130429.pdf](http://www.socialistsanddemocrats.eu/gpes/media3/documents/4264_EN_economic_monetary_social_union_en_130429.pdf))

## **S&D CALL ON THE EU TO TAKE RESOLUTE ACTION TO GUARANTEE MEDIA FREEDOM AND PLURALISM**

With media freedom and independence under threat in a number of EU countries, the S&D Group backed a Parliament report urging EU countries to do more to prevent intimidation of the media and to improve their national laws on pluralism and conflicts of interest. In addition, European lawmakers also called on the EU to monitor the situation closely and produce a yearly report on media freedom in Europe, and to take adequate action against violations, including opening infringement procedures. Following the vote, S&D vice-president Sylvie Guillaume told the media in Strasbourg:

"Politicians must do more to guarantee media freedom and – first and foremost – they must leave the press free to do its job. Media freedom is an essential element in strengthening our democracies. That is why the Socialists and Democrats strongly support any action aimed at establishing criteria for the appointment of public media executives and combating excessive concentrations of ownership in the sector. Given the economic downturn which is also affecting the media industry, we ask to the Commission to monitor it closely to prevent any threat to this vital sector, so that our citizens can fully exercise their rights." S&D rapporteur on media freedom, Hungarian MEP Kinga Göncz also said:

"We are not proposing excessive regulation; indeed, the report explicitly acknowledges the role of self-regulatory media bodies. However, the attacks on press freedom in Hungary and other member states have clearly indicated that EU action is necessary. We believe the time has come for the Audiovisual Media Services Directive (AMSD) to be revised to ensure that media freedom and pluralism are legally upheld everywhere in Europe. We also call on the EU to support and promote investigative journalism and urge EU countries to improve the working conditions of media professionals."

### **S&D TO PROTECT SENSITIVE AREAS IN THE EU-US TRADE AGREEMENT**

The S& D Group supported a resolution passed by the House which will allow negotiations to begin for a free trade agreement with the United States. The S&D Group's president, Hannes Swoboda:

"We fully acknowledge the potentially positive impact the Transatlantic Trade and Investment Partnership could have on growth and jobs, which could add around 0.5% to the EU's annual economic output - or around €119 billion. However, our objective is to negotiate higher, not lower, standards for jobs and growth. This is why the S&D Group has stressed the need to safeguard workers and social rights, environmental and food quality standards, data protection and cultural diversity. In general, I want to call on the Commission not to repeat the mistakes of the Anti-Counterfeiting Trade Agreement (ACTA): we expect transparency during the negotiations and we need Parliament's concerns to be taken into seriously consideration if a positive consent is to be found." Negotiations will start in June and the agreement reached by the European Commission will require the consent of the European Parliament before it comes into force.

### **S&D GROUP JOIN NEW PROGRESSIVE ALLIANCE - A NETWORK OF PROGRESSIVE FORCES FOR THE 21st CENTURY**

The Progressive Alliance of social-democratic parties and political groups from across the globe will be founded on May 22 in Leipzig, as the German Social Democratic Party (SPD) celebrated its 150th anniversary. Commenting on the new alliance and the role of the S&D Group, S&D Group president Hannes Swoboda said: "We welcome the foundation of this grand alliance of progressive forces at international level. We fully support this initiative and are looking forward to working together with the various groups involved. The challenges we face today are immense and we are in the middle of an economic, political and social crisis not just in Europe but worldwide. The damaging results of the harsh austerity measures imposed in Europe and internationally have shown that we are on the wrong path and need to invest in growth, jobs and education."

"The challenges vary from international financial co-operation – where action is urgently needed – to co-operation on the environment, on development issues, on the challenges of the internet and most importantly on social standards. Taking action to fight against tax evasion for example, could save €1 trillion each year which could be invested in creating jobs and growth. Our Group therefore fully agrees with the aim of making the 21st century a 'century of democratic, social and ecological progress'."

He concluded by stressing the S&D Group's continued commitment to the Socialist International:

"As president of the S&D Group in the European Parliament, I want to make it clear that this alliance is not intended as an alternative to the Socialist International. But when there is such a great need for reform it is time to join with more forces and strengthen our alliances. The creation of this new alliance should be taken by the Socialist International as an encouragement for internal reform and greater effectiveness. By supporting this alliance, we want to see Europe working together with parties outside the EU to influence developments globally. Europe cannot do this on its own but must join with other international players with the same objectives to ensure a better future for the people."

## **IN SHORT**

**EP Backs EU banking Supervisory system** - Draft laws setting up a single EU bank supervisory system were approved in a plenary vote in Strasbourg. The European Central Bank will supervise the eurozone's largest banks directly and have a say in supervising other banks. However, Parliament will give its final seal of approval only later, to allow time for parallel talks with the ECB on detailed accountability arrangements.

**Taxpayers should not bail out Banks in Future** - S&D MEPs backed new rules to rescue failing banks in the future during a vote that took place in the European Parliament's economic and monetary committee in Strasbourg. S&D Group spokeswoman and negotiator Elisa Ferreira told the press:

"We have reached a reasonable compromise. As Socialists and Democrats, our main concern was to ensure banks in trouble are not rescued with taxpayers' money. We don't want a repetition of the Cyprus case. At one point, the Cyprus government was ready to bail out two banks through a levy on all deposits. This was absolutely unacceptable for us. The new rules will mean member states will have to set up national resolution funds financed by all financial institutions according to the risks they present. The fund should amount to at least 1.5% of the deposits of all credit institutions. In case of a major crisis, the agreement sets out a clear hierarchy for who will pay in a failing bank. First shareholders, junior bondholders and senior bondholders will support losses. The resolution Fund, not tax payers' money, will be used to manage those procedures. "

**Pensions Must Ensure decent Living Standards** - The economic crisis and the challenges of an ageing population have revealed the vulnerability of both funded and public pension schemes, MEPs say in a resolution passed in Strasbourg. They ask EU member states to introduce or maintain diversified pension schemes and highlight the role of public pensions in ensuring decent living standards for all, urging the member states to safeguard them.

**European Elections to be Brought Forward to May 2014** - The 2014 European Parliament elections are to be held from 22 to 25 May, instead of 5-8 June, according to a decision

endorsed by the full House in Strasbourg. Bringing the elections forward would give the new Parliament more time to prepare for the election of the European Commission President in July 2014.

**Greater protection for victims of violence across Europe** - The Chamber adopted a resolution on 'mutual recognition of measures in civil matters'. The resolution aims to establish an efficient system to ensure national measures to protect victims of violence can be applied throughout the EU.

**Political groups in the European Parliament unite against racist and sexist insults from Italian MEP Mario Borghezio** - On the initiative of the Socialists and Democrats Group, the five main political groups in the Parliament met in Strasbourg to voice their solidarity with Italian minister for integration Cécile Kyenge Kashetu, in response to racist and sexist comments made by far-right MEP Mario Borghezio. The political leaders received a petition with 130,000 signatures from Stefano Corradino of Articolo 21, which launched [an online petition \(http://www.change.org/it/petizioni/fuori-borghezio-dal-parlamento-europeo-iostoconcecilekyenge\)](http://www.change.org/it/petizioni/fuori-borghezio-dal-parlamento-europeo-iostoconcecilekyenge) calling for Borghezio's resignation.

"I welcome the broad agreement between our groups, who have joined forces against racism, discrimination and sexism today", said Hannes Swoboda, president of the Socialists and Democrats Group. Paradoxically enough, Borghezio is also a member of the European Parliament's committee on civil liberties, justice and home affairs. Our five political groups will together ask the chair of the committee to invite Italian minister Cécile Kyenge Kashetu to the European Parliament immediately to present her policy proposals and receive our firm support.

Martin Schulz, president of the European Parliament, joined the group leaders in their call for solidarity: "I reiterate my personal strong condemnation for the declarations of MEP Borghezio. They are unacceptable and a shame for our house. The civic response with which these statements have been countered in Italy is comforting: it conveys a clear message of solidarity to Minister Kyenge and states clearly that racism has no place in Italy or Europe."

**EP Calls for Binding Renewable Energy Target for 2030** - European lawmakers supported a call launched by the Socialists and Democrats for the Commission to come forward with a binding renewable energy target for 2030 without delay. The S&Ds got support from other political groups to pass the amendment, part of an own-initiative report about the current challenges and opportunities for renewable energy in the European market which was voted in Strasbourg. The S&Ds vowed to push for a target of up to 45% renewables in the EU energy mix.

**Tougher Safety rules for Offshore Drilling** - MEPs approved stricter safety standards for offshore oil and gas operations. The aim is to reduce the risk of major accidents and limit the consequences if such accidents do take place. The new rules will set minimum European standards for offshore oil and gas safety, regulating licensing, emergency plans and the decommissioning of platforms.