PES
SOCIALISTS & DEMOCRATS

A Progressive Vision for the Future of Europe

Conclusion report of the High Level Working Group on the future of Europe

FOREWORD

Maria Joao Rodrigues
President of the European Foundation of Progressive Studies (FEPS)

The European Union is going through a historic moment. Today more than ever before we need a strong EU to meet the challenges of our societies: the changes brought by the digital revolution on our living and working conditions, the threat of climate change, the changes in the global order and the decline of the multilateral system and many more. These challenges cannot be met by any country on its own, and this is why we must preserve the unity and strength of our union.

Yet at the same time the many overlapping crises – economic, social, institutional, dem-ocratic - are growing, and leaving European citizens feeling unprotected. Growing ine-qualities among individuals, within countries and member states are leading many to question the value of the EU itself.

What is needed is stronger policies to shape globalisation, and to regulate the market and the digital revolution. Europe has to protect its citizens and fight social inequalities , in particular those involving young people and workers in the digital economy. This is why it is crucial that the twenty principles of the European Pillar of Social Rights are translated into actual policies that bring tangible results for all in Europe.

We need to propose a growth model for Europe that is led by sustainable development goals and powered by a strong investment strategy. The EU must focus its efforts on completing the EMU, equipping it with a fiscal capacity while reinforcing its social dimension. Tackling tax evasion and taxing financial transactions or carbon companies would bring new sources of benefits aimed at rebalancing European integration.

These are some of the ideas that can lead Europe towards a better future. We have to fight for our values and policies at local, national, European and international level. The EU must become a key multinational player on the international scene. Europe's political weight enables us to negotiate fairer trade deals respectful of sustainable development goals, build comprehensive partnerships and respond to the challenges of migration, terrorism and climate change.

Our political family is committed to turn the European Union into a union of social justice, democratic accountability, ecological development, and economic strength. The EU is so much more than a single market and a monetary zone. Only social-democrats have the capacity to reinvigorate the EU and lead it with a progressive perspective.

FOREWORD

Sergei Stanishev
President
Party of European Socialists

In 2017 we decided with leaders from our PES political family to set up a High Level Working Group on the future of Europe, for a strategic discussion on the foundations and direction of our movement. Together with representatives of our political family, we ex-changed on a wide range of policies, and defined a comprehensive vision for the future of Europe.

At its core, our conclusion is that the fundamental question is not so much "more or less Europe?", but "what kind of Europe do we want for the future generations?" Our answer is clear: a Europe that fights for equality and solidarity, that leads the global battle against climate change, that promotes peace and security, that is democratic and respectful of the rule of law. In other words, a progressive and social Europe which cares for the wellbeing of its citizens.

In this brochure, we establish the key priorities to give a new direction to Europe.

Our direction is towards a social Europe. Thanks to the efforts of our political family we have succeeded in proclaiming the European Pillar of Social Rights. But to guarantee the social protection of all workers, the EU needs to implement a fully-fledged Social Action Plan that provides the means for the Pillar's principles to deliver tangible results.

Our direction is towards a Europe that invests in its youth. The EU must equally prioritise the fight for children and youth, securing the rights to education, training, jobs and cul-ture. And here I highlight the necessity to implement the policies of the PES European Youth Plan.

Our direction is towards a cohesive Europe. Europe must continue investing in cohesion policy, a fundamental tool for reducing gaps in wages, employment, investment and growth.

Our direction is towards a Europe that doesn't follow the path of austerity. It is funda-mental to have a paradigm shift in economics in order to reduce the gap between the rich and poor, fight against austerity, to bring sustainable economic growth, to end tax fraud and ensuring fair tax systems. It means promoting social justice and our social model.

Our direction is towards a green Europe. We will continue promoting the protection of our environment, to fight against climate change and energy poverty so that no one has to choose between heating and eating. It means recognising that sustainable development is not only an ecological but also a social duty.

Our direction is towards a progressive Europe. Together with the presidents of the S&D Group in the European Parliament, Udo Bullmann, and of the Foundation for European Progressive Studies, Maria Joao Rodrigues, we are presenting in this brochure the con-clusions of the PES High Level Working Group on the Future of Europe. In this docu-ment, we are defining the framework, the main political lines and policy priorities that will help us move towards a more social, prosperous, green and inclusive Europe.

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REVIVING THE EUROPEAN IDEAL

Last year marked the 60th anniversary of the European integration project which has brought peace, progress and stability to a continent once dominated by xenophobia, nationalism and war. We want to recall that Europe is where democracy was born, laying the foundations for the fight against obscurantism and state arbitrariness. It is where the first acts of tolerance were issued, where cultural diversity could flourish and the social state was born. This achievement was mostly made possible by the will of millions of citizens to unite and work together towards building a better future for the next generations of Europeans, as well as by courageous political leadership.

This anniversary comes at a time of deep societal changes that affect all aspects of life. Unregulated globalisation, the digital revolution, demographic changes, continued urbanisation, environmental challenges, decarbonisation, global financial instability, deep divisions between rich and poor, changes in energy production and consumption: these all continue to change the way people live, work and interact. By their nature, all these changes are disruptive: at the same time as they open opportunities for fair progress they also create enormous challenges. Their benefits are not equally divided among everyone and often they create more obstacles than opportunities. In particular, the financial crisis affected women more than men, as austerity and cuts in public sector funding hit women hardest. The growing influence and economic power of corporations are disrupting the way nation states operate. We need to shift the balance so that neoliberal globalisation does not prevail. We have a vision for Europe that is socially just, ecological and sustainable. It must be egalitarian and inclusive. Our collective political answer cannot ignore that and it must not be based upon solutions of the past.

First, we have to acknowledge that some of the challenges our societies are facing are the direct consequences of some of the policies we have not opposed enough in the last decades. Our collective belief in the need for growth-oriented policies, notably through ever-increasing deregulation measures and the depletion of natural resources has unfortunately led to a spreading and deepening of inequalities of all sorts. Income, wealth, social and ecological inequalities as well as inequalities of opportunity are bigger than ever. This has resulted in more inequalities not only between countries, but also within countries and between our cities and the rest of our countries: pockets of poverty are unfortunately flourishing even within our wealthiest regions. According to some recent estimates, 123 million people are at risk of poverty or social exclusion, representing almost a quarter of the EU population, while almost 50 million people live in severe material deprivation without enough money to heat their homes or cope with unforeseen circumstances.

These structural changes have benefited a few people at the expense of many more, meaning that European societies are now more polarised than ever. The consolidation of inequalities together with the shift in the international balance has generated a feeling of social, economic, alimentary, and political and climate insecurity among the people. At the end of the day, it is the very idea of democracy, which is in danger, and many people, because of our collective failure to address the root causes of inequality, are finding senses of hope in hate-speech spread by extremists forces.

The rise of the far-right is not a theoretical possibility, but a real threat that all democratic forces must address. In many parts of our continent, neofascist and neo-Nazi parties are gaining in power. Today the far right is in government in several countries, and this is extremely worrying. They feed on the fears of people, but they can only bring division, hate and misery. As the Party of European Socialists we will fight against this, with a real progressive programme to promote open, inclusive and equal societies for a better life for all citizens.

We are firmly pro-European. We are the pro-Europe left. We know that no country can solve these issues on its own. National governments alone cannot create the policies that will promote social justice in their country. National welfare states are the guarantor of social justice and solidarity amongst people, but we also need the EU to protect and support these welfare states against a neoliberal global order, social, fiscal and ecological dumping. Those who propose a nationalist withdrawal to solve global problems are selling false hopes that will ultimately harm their own countries and in particular those who are most in need. These challenges can only be addressed if we have a strong and united Europe. The scale, weight, and ideals of the EU are our best hope to build a better future.

It takes political will to frame these changes so that they benefit society as a whole, rather than just the few. That goal should guide the EU. Unfortunately, the neoliberal ideology and the austerity-only policies created by the conservative domination of European politics have created big inequalities and undermined the role of the European Union. They have put forward a punitive approach that has alienated citizens and undermined the sense that the EU is built on the very principle of solidarity. The handling of the Eurozone crisis was the most prominent example of this. It was a costly and painful experience, whose repercussion are still being felt today. The actions imposed by the Troika (European Commission, ECB and IMF) and the adjustment programmes in particular left deep scars in citizens' lives and perceptions of the EU. Thanks to the efforts of our political family, we avoided the disaster of the dismantling of the eurozone and the expulsion of Greece from it. We fought in all the European institutions to move away from the conservative approach, but much remains to be done.

Recent years have also seen the biggest refugee challenge in Europe since the Second World War. Thousands of people risked their lives and the lives of their children in perilous journeys in order to flee violence, discrimination, political repression and wars.

Europe should have done more to provide collective assistance to people in need. The current century must be the one where Europe re-establishes that European construction is above all to be built upon solidarity. It is high time that Europe showed its relevance and delivered on these challenges in solidarity and in full respect of its values. It is the duty of our political family to engage the Member States in a deep reflection on how to tackle this challenge.

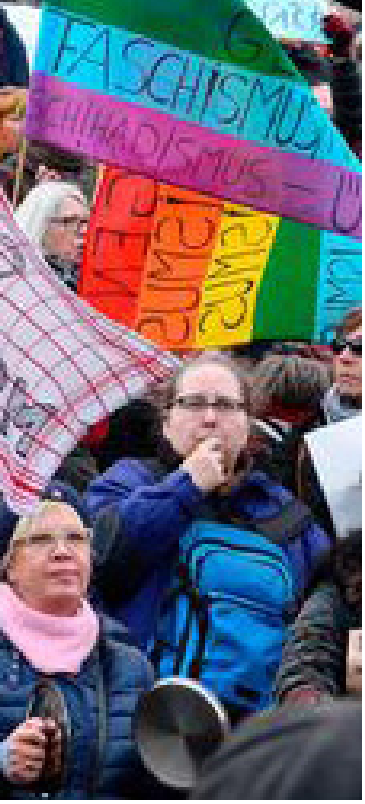
Terrorism constitutes a real threat to democracy, the rule of law and the enjoyment of human rights. Many cities have suffered large-scale civilian casualties. Countries of the EU must collaborate closely, with both preventive and coercive measures, to combat terrorism successfully. Europe needs to equip itself with strong security policies, more thorough controls at its external borders and better cooperation between law enforcement agencies. At the same time, it must go beyond security-only policies and counteract the dangerous rhetoric of extremists, analyse properly and fight radicalisation, while ensuring the full respect of individual fundamentals rights. Poorly implemented or overly draconian counter-terrorism measures can be counterproductive. While law enforcement operations aimed at terrorists are necessary and justified, counter-terrorism measures should not go beyond what is necessary to maintain peace and security, nor should they subvert the rule of law and democracy in the cause of trying to save it.

Furthermore, open challenges to the rule of law by conservative governments have been on the rise in Europe. In various countries, the judiciary, the press, and the state institutions have come under attack, from governments which turn a blind eye to common European values such as respect for human dignity, freedom, equality, democracy, human rights, including women's rights and gender equality, and the rule of law.

The existing framework has been insufficient to provide the necessary strong legal and political response. In parallel, we are on the verge of witnessing for the first time the departure of a Member State from the European project. Although we were opposed to the prospect of Brexit, the will of the British people has to be respected. While the departure of the United Kingdom from the Union will certainly have a negative impact on the rest of the Union, it is also clear that those who hoped for a domino effect of dissolution have been proven wrong. In fact, Brexit is an opportunity for further integration. The question now is which direction we want Europe to take.

Women make up half of the European population but they are poorly represented in the economic and political decisions. They do not enjoy the same opportunities as men and they receive lower salaries and pensions. Furthermore, one-third of all women in Europe have been victims of gender-based violence at least once during their lives. In addition, human rights and especially gender equality issues are facing a strong backlash in several Member States. This backlash conflicts with our social democratic values.

As a result of all these, many citizens doubt the ability of the EU to deliver solutions and protections for their way of life, social justice, security, jobs and rights. For instance, people do not see the EU fulfilling its role of bringing more economic and social convergence. In 2018, nine EU countries have salaries lower than in 2010. Too many people in particular young people, are still unemployed, and still too many are at risk of poverty.



“Being a socialist means being a feminist.

The current model of development is not equipped to promote an equitable and sustainable Europe. In a time of risk of “secular stagnation”, economic growth cannot be the only objective of a society. A yearly growth of GDP of 2% in the EU will not be able to eliminate unemployment and poverty. This is even more critical considering that most growth will be generated by industrial innovation towards automation (causing further pressure on employment). We must shape these challenges according to our values of equality and social progress. We have a vision for Europe that is social, ecological, sustainable, and fair for all.

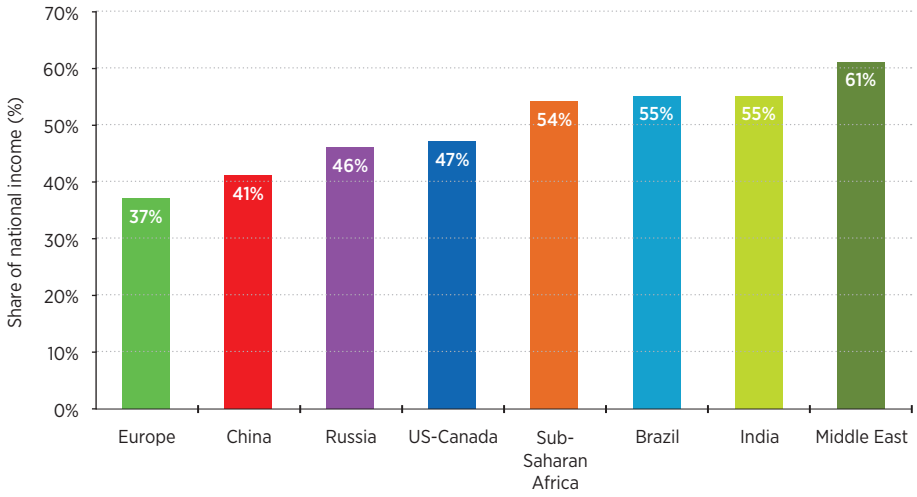
Our answer is clear:
The European Union and the Socialist forces must be on the frontline in promoting a sustainable and equitable model of development against any form of inequality, exploitation and injustice. The new model of development we are calling for must take into account the economic, social and environmental dimensions at the same time.

We want to replace the conservative view of a Europe of unbridled competition with our Europe of solidarity and equality. Conservatives promote a Europe that is little more than an economic and financial market, putting workers and countries in competition with one another to the benefit of businesses. This is not the Europe that we want. We propose a pro-European left alternative. The social democratic family has always fought to bring market forces under control and promote efficient welfare states. We stand for a Europe that must be first and foremost a project for and by its citizens: every student, every worker, every small and medium-sized enterprise, every farmer, every woman and man in Europe.

Our calls for more investments have finally been heard and growth has finally picked up after the 2008 financial crisis. Nevertheless, growth is not an end in itself. It can lead to further inequalities and deprivation of natural resources. Much remains to be done to ensure that our growth model is based on a long-term vision that will benefit ultimately to all. In line with the sustainable development agenda, we need to continue working together in order to promote upward economic and social convergence, ensure that public investments increases, improve territorial cohesion and create new quality jobs. Closing the investment gap is one of our key priorities for reinstating growth and economic recovery in Europe. In contrast with the false passive idea of a “trickle down” effect, we propose proactive policies that promote social justice, and equality.

We want fair redistributive policies that promote social equality and provide the state with the means to carry out its social action. This is why we share the strong belief that the battle against tax evasion, tax fraud and tax optimisation, including between Member States, has to be at the core of EU priorities. In today’s globalised world, the fight against these practices can only be successful with strong European action. We cannot accept that large multinationals avoid paying their share while normal citizens do contribute as they should. We can no longer tolerate a situation that allows some

Top 10% income shares across the worlds, 2016



Source: WID.world (2017). See wir2018.wid.world for data series and notes.
In 2016, 37% of national income was received by the Top 10% in Europe against 61% in the Middle-East.

of the richest companies and individuals to hide their money to avoid contributing to the collectivity. Ensuring that everyone pays their fair share is not only a matter of social justice and equity, but also an absolute necessity to preserve the European social model. We are determined to put an end to fiscal injustice.

Being a socialist today means fighting both for the planet and its people. We must protect our planet to ensure that everyone can enjoy good living conditions, with good quality air, water, food, housing and health. The most vulnerable populations and regions are the first to feel the negative impact of climate change and environmental disasters. That means we must take concrete actions against global warming and energy poverty, and for the green transition. Social policy and ecological policy are not antithetical but go hand in hand. We are convinced that the needed ecological transformation of our societies is a powerful social lever if we are able to frame it correctly. We want to harness the new opportunities opened by the ecological transition, the circular economy, and new technologies linked to a sustainable development.

Being a socialist has always meant and continues to mean being a feminist. Fighting for women's rights and gender equality is part of our political family's DNA. Gender equality is not only a fundamental human right. It means that we must provide equal opportunities and decision-making power for every woman and man in the EU, protect women from all types of gender-based violence, and allow full access to sexual and reproductive health services. There must be a common understanding that gender equality touches all areas of life, and thus should be mainstreamed and cross-cut through all policy fields. Not only women but society as a whole benefit from such an approach as women's well-being and equal participation in the labour market and in economic and political decision-making contribute to sustainable social and economic development at all levels of society.

We believe that the UN 2030 Agenda for sustainable development as signed by the EU itself and all our member states should be our new political drive. The Sustainable Development Goals provide the right framework for fighting inequalities and poverty, for creating sustainable and decent jobs, for fighting climate change and changing our model of production and consumption in light of the circular economy, for innovation, health and education, for making our cities and infrastructure sustainable as well as for international cooperation.

In our vision of Europe, societies are diverse, open and free of all sorts of discrimination.

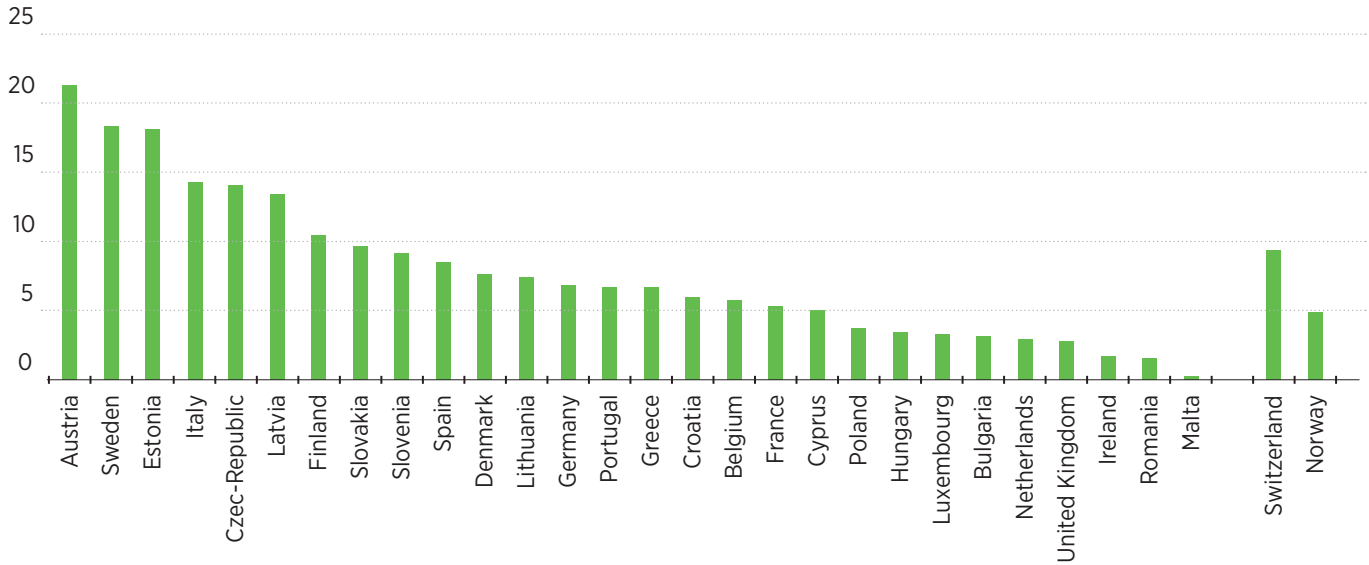
Everyone's fundamental rights must be fully guaranteed. We want a Europe that promotes culture and its common cultural heritage and cherishes its cultural diversity. We believe in societies where our

citizens feel secure, protected and enjoy the same opportunities. To achieve this, we must meet the special needs of some groups of citizens such as people with disabilities, minorities, immigrants, senior citizens, people with low incomes, etc. We want to fight for greener societies, ensuring Europeans' right to live in a healthy and sustainable environment, address the demographic crisis and ensuring healthy ageing for all. We want affordable and good quality health services to be accessible to all, for citizens to know that they are protected from harmful chemicals, and that the food they eat is safe,healthy and of high quality throughout the continent.

The main role of our agriculture is to feed the population with quality products, whilst preserving the planet's ecosystems and the vitality of our rural areas. We need a new approach to agriculture, integrating it in a holistic approach to society.

Our globalised world seems to be shrinking as climate events increasingly affect us all and international trade grows more dominant, so we need to strengthen our own agriculture systems in Europe and make them more resilient and better able to meet our citizens' basic need for food. Farmers, as the custodians of our countryside, deliver public goods as well as our food. Nutritious, quality food should be available to all, and lower income households should not be pushed into buying lower quality goods or be left unable to buy sufficient food. Our agricultural policies should be designed to make highly nutritional food from agro-ecological or quality and sustainable production systems accessible to more people, through food support measures if needed. We need to speed up the process whereby economically viable agriculture becomes more sustainable and able to meet environmental and climate challenges, as well as our food needs.

> **"Socialism today means fighting for both the planet and its people.**



Organic Agriculture in Europe by country, as percentage of total production (2016).

The PES wants a Europe that protects its citizens. We are fighting for a Europe of values, equal opportunities, social justice and workers' rights. The positive changes that we brought about in our countries and in Europe have made a difference to citizens' daily lives. But it is clear that we need to step up and strengthen our efforts. It is our duty to learn from our achievements and failures to build a more sustainable and fair Europe.

Europe must give a future to its youth. We believe in youth and we believe that every child and young person should be given all the chances to succeed. Yet about one in six young Europeans is without a job. This is unacceptable. We risk creating a generation that is disillusioned and alienated from its societies. As PES, we have been fighting to put Europe's youth at the centre of the political agenda. Ensuring their prosperity ensures the sustainability of the European project.

We succeeded in introducing the Youth Guarantee that has benefited millions and contributed to the lowering of youth unemployment. The EU must invest more in the Youth Guarantee. Likewise, we cannot accept that today 25% of children are at risk of poverty and social exclusion in Europe. This is why we are fighting for a European Child Guarantee which ensures that every European child at risk of poverty has universal access to quality healthcare, childcare, education, decent housing and adequate nutrition.

We want Europe to be a leader in research and innovation as the basis of the EU's competitiveness. European research and innovation policy must prioritise multidisciplinary and collaborative research. It should not focus merely on competitivenessbut also on strengthening environmental and social projects. Collaboration with the private sector need to be evaluated against key indicators of equity, sustainability, quality job creation, academic freedom and social fairness. The development of artificial intelligence and other new technologies can change deeply our societies, and we must harness them. The development of broadband through all our regions, the wide spreading use of ecological transportation and the construction of environmentally friendly housing are proposals that bring benefits to all European citizens.

> **"We need to manage change so that it benefits society as a whole.**

In the deteriorating global context, Europe must be a champion of peace, stability, and justice on the international stage. Our relations with some of the biggest powers are changing deeply, and a stronger EU is needed today more than ever. Important parts of our neighbourhood remain places of instability and violence, and we must be proactive to meet these challenges. At the same time, we want to enhance our cooperation with the African continent and support their development efforts. The enlargement process of the EU remains a strategic investment for us that we want to pursue to promote the ideals of the union.

With less than one year to go until the crucial 2019 European elections, our political family must continue fighting for the ideals which cemented the European project. We are against pitting one European against another.
There must be no North-South divide, no East-West divide, no geographical divide of any kind. The only way to stay together is to come together around a fundamental European choice for democracy, the rule of law and the welfare state. We are united in our fight, and we speak with one voice, the voice of European social-democracy.

By adopting this agenda wholeheartedly, we are convinced that we can regenerate the European dream of an ever-closer union between Member States, of lasting peace and upward convergence between the inhabitants of Europe. We are convinced that we can bring more protection to our people.

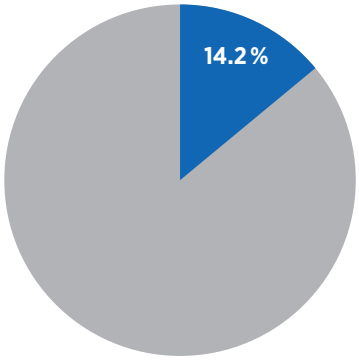
We are proud of what our political family has achieved, in our local communities, cities, regions, countries, and in all the European institutions. Our S&D group in the European Parliament, our Commissioners, our PES group in the Committee of the Regions, our ministers and our prime ministers have fought a difficult battle in the face of a conservative-liberal majority. To implement the ideals and proposals we are fighting for, we need a new strategy for building credible and effective alliances. We need to promote a Europe where citizens' voices are truly heard, based on a long-term vision for a progressive society where economic, social and environmental issues are treated in an holistic and integrated way, as proposed in the 17 goals set out in the 2030 UN sustainable development agenda. By adopting this agenda, we will ensure that democracy and the respect of everybody's fundamental rights and freedoms are at the core of the European project. We want to strengthen European citizenship in order to create a European demos. For us European identity means to be open, solidary, and united in diversity. This requires progress on many fronts, such as creating a European public media space, encouraging the development of a transnational civil society in Europe and reinforcing European consciousness through education and formation regarding the origins of the integration project, the values it embodies, their own rights, and the functioning and powers of the institutions.

Our task is to set the foundations for our shared vision of Europe. We want to define, restate, develop and defend the principles that will ensure that the EU answers to the concerns of its people. As PES, we will fight for the renewal of Europe to create a brighter and more progressive future for its citizens. In this document, the PES Working Group on the future of Europe defines our values and vision that we want the EU to translate into concrete actions. In order to reach these goals and make Europe fairer, more prosperous and safer, we have structured our analysis around 4 key axes:

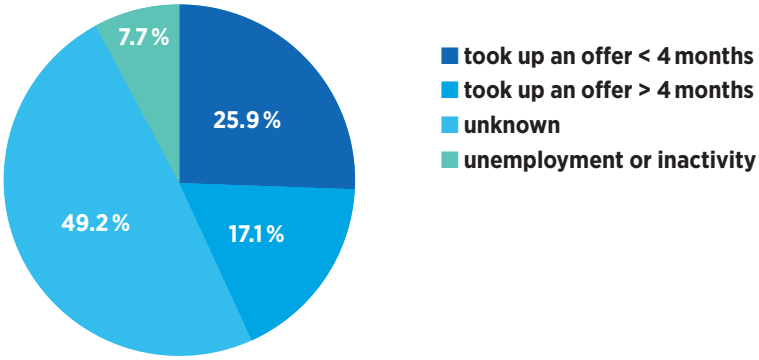
- **Chapter 1: Social, Economy and Green societies**
- **Chapter 2: Dynamic democracies respectful of the Rule of Law**
- **Chapter 3: For a safer and more diverse Europe**
- **Chapter 4: The EU as a global progressive actor**

YG monitoring data 2016

Proportion of Neets covered by the YG, 2016
% NEET population aged 15-24



Out of all young people that exited the YG in 2016...



Source: DP EMPL, YG monitoring database 2016

FAIR TAXATION

WELL-BEING

SOCIAL MARKET ECONOMY

PUBLIC INVESTMENT

PUBLIC PENSIONS

PUBLIC HIGH EDUCATION

INFRASTRUCTURE

RESEARCH & DEVELOPMENT

UNEMPLOYMENT SUPPORT

KINDERGARTEN

PUBLIC HEALTHCARE

AFFORDABLE HOUSING

PUBLIC SCHOOLING

CULTURE

1. SOCIAL, ECONOMY AND GREEN SOCIETIES

1.1. A Social Union for everyone

As socialists we have always striven for fair societies which guarantee quality employment, upward social convergence, equality, wellbeing and better lives for all, leaving no-one behind. We fight for a Europe that respects everybody's rights and ends discrimination; a Europe that meets its moral and legal obligations; a Europe that enables everyone to lead a fulfilling life, empowering all people equally to exercise their rights and seize opportunities in every sphere and at every stage of life; a Europe where everyone benefits from decent wages and working conditions, and where everyone enjoys a good work-life balance.

In our vision of the future of Europe, **the economy must always serve the people and not vice versa.** This must be clearly reflected in Europe's priorities and integrated into primary law at the next treaty change. Economic freedoms and competition rules must never prevail over fundamental social rights. In the event of conflict, **fundamental social rights must prevail.** We want a Europe that prioritises social investments, with budgets that support strong social safety nets, secure access to social services and infrastructure for universal access to quality education, health, housing, etc.

The European Pillar of Social Rights is the first step in this direction and it must mark Europe's long-awaited social turn. The European Charter of Fundamental Rights was integrated in the treaties after its proclamation in 2000. Now that the European Pillar of Social Rights has been proclaimed we want it to follow the same path. The European Union needs to regain peoples' trust. Social Europe plays a key role in this context to ensure Europe's future.

However, the proclamation of the Pillar cannot be an end in itself. In order to ensure improvements in social conditions, the EU absolutely needs to act today, through a **fully fledged Social Action Plan** that provides accurate tools, concrete measures and legally binding elements allowing each of the Pillar's 20 principles to deliver tangible results.

We propose a Social Action Plan that **extends the social acquis to all forms of employment,** whether online or not. A Social Action Plan that guarantees **equal access to social protection for all** in Europe. A Social Action Plan that **ensures wages are above the poverty threshold** across the EU and that work remains a way out of poverty.

A Social Action Plan that provides the means for an **effective social security net** to be deployed in hard times and that further supports the European social model. A Social Action Plan that contributes to **closing the gender pay and gender pension gaps.** A Social Action Plan **which does not only focus on the availability but also on** the quality of jobs. A Social Action Plan **that puts an end to all forms of exploitation and exclusion.** While the responsibility for strong welfare societies rests with national governments, inequalities, poverty and social exclusion must be addressed using all available tools, policies, legislation and funding. The Social Action Plan must emphasize this and complement governments' action to reach these aims.

Furthermore, a **strong social dialogue and collective rights** must be at the core of the Social Union. Development and implementation of policies and legislative measures must **directly involve social partners through a strong social dialogue**, that does not forget self-employed and freelance workers, and that includes a better gender-balance in bargaining teams. Agreements of social partners at EU and national level need to be respected, taking into account national specificities. The objective must always be the upward convergence of labour standards.

We stand for fair mobility, meaning equal pay for equal work at the same place. For us this means ensuring freedom of movement and dignity of workers, preventing exploitation, social dumping and unfair competition. It means **upward convergence and nondiscrimination, ensuring equal pay and social security contributions for equal work at the same place.** Therefore, we were the driving force behind the **fair revision of the Posting of Workers Directive** and we want it to conclude within the next few months. A strong European Labour Authority must contribute to the respect, implementation and enforcement of mobility rules.

The integration of the EU's internal market for workers, goods, services and capital is a big chance to facilitate EU citizens' and companies' access to work and offer business across borders. But any attempt to deepen the internal market must always respect social and labour standards. This integration can be done by creating new opportunities for consumers and businesses, promoting modernisation and innovation and ensuring practical benefits for citizens in their daily lives. Any loopholes in the internal market that can lead to forum shopping, social dumping, the creation of letterbox companies, bogus self-employment and the undermining of social and labour standards need to be closed.

Based on European best practices, such as the German rules on Mitbestimmung or the Swedish model of codetermination, the PES will explore and define a new model of European companies which will implement a genuine democracy in ruling an enterprise. Such new governance will imply principles and rules of codetermination, workers participation in companies, SMEs, cross-border moves, splits and mergers, transaction and fiscal transparency, territorial dialogue.

More needs to be done to support the social economy, to support companies that set their own objectives beyond shareholders' profit. Cooperatives, foundations, mutuals and other social economy actors create many jobs but also have a unique contribution to society. They promote a different vision of work that is more inclusive, sustainable, and socially aware. This must be better acknowledged and their access to financing, and public procurement made easier.

We oppose the introduction of the country of origin principle. The rules of the country where economic activity is taking place have to apply. Host countries must retain the full ability to control the economic activities of service providers and companies on their own soil.

"We urgently need a social action plan, to protect labour standards both online and offline.

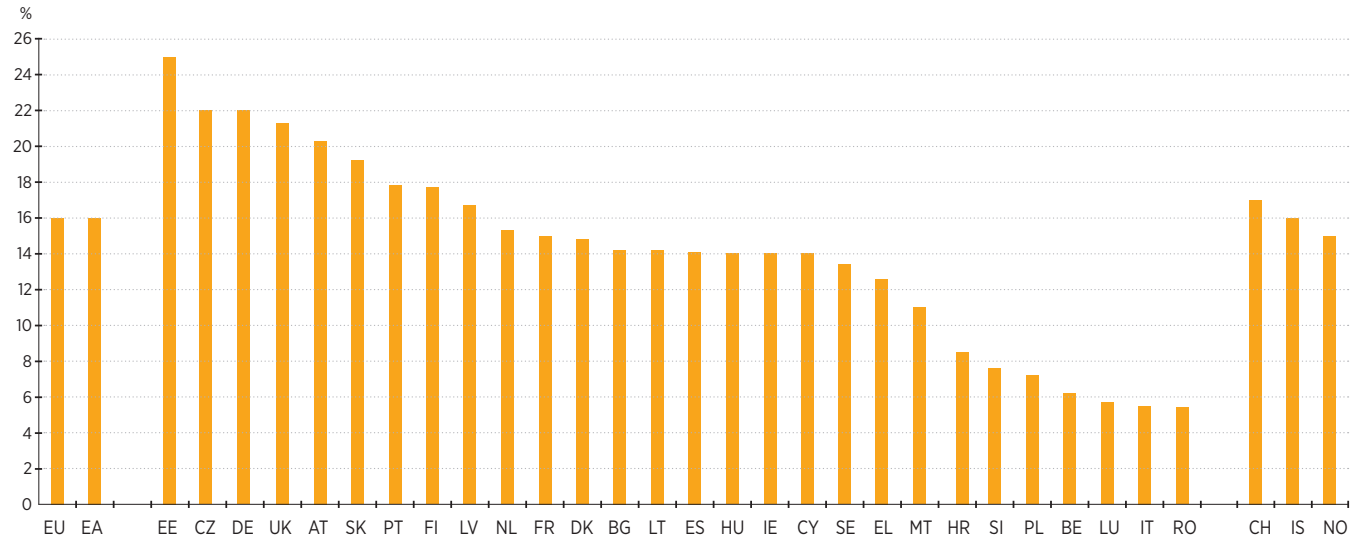
1.2 Promoting Women's rights and gender equality

We continue to fight for democratic societies, respectful of citizens' rights, that guarantee equal opportunities for all and are free of discrimination based on the grounds of race, religion, origin, disability, gender, gender identity and sexual orientation.

Under the Beijing Declaration and Platform for Action in 1995, 189 governments adopted a roadmap aiming for at least half of all parliamentarians, university students, CEOs, and civil society leaders to be women. But progress on this issue globally and in many EU Member States has been unacceptably slow, with areas of stagnation and regression. **The EU has to guarantee that this internationally set target for gender parity will be met**, and also that women have an equal share in political and economic decision-making and the glass ceiling is broken once and for all. We call for a **strong and binding European Gender Equality Strategy as promised by the European Commission** and requested by the Council and we will maintain pressure on EU institutions and national governments to deliver on clear targets and goals for gender equality by gender mainstreaming all EU policies and by implementing specific policies for achieving gender equality.

The EU must become a frontrunner in empowering women by **closing the gender pay and pension gap and by ensuring a fair work-life balance** that facilitates the integration of more women into the labour market and enables both women and men to share more equally paid and unpaid work, progressing towards and "equal earner/equal carer" model between women and men. We advocate sanctions against the private sector when it persists in not meeting legal requirements on equal pay. To fight the **gender pay gap**, we want binding measures to establish pay transparency and job evaluation tools with comparable indicators to access "value" in jobs and sectors. We want to raise wages in those sectors where women make up the majority of the work force, such as the education and care and paramedical health sector. We want "wage mapping" to create a culture of awareness which makes the gender pay gap in a sector or company unacceptable. We want to reopen the debate on EU legislation regarding paid maternity, paternity and parental leave schemes by submitting legislative proposals on maternity leave, paternity leave, parental leave, carers' leave, access to quality and affordable care services for children and other dependent persons and flexible working time arrangements.

The unadjusted gender pay gap, 2016 (difference between average gross hourly earnings of male and female employees as % of male gross earnings)



Women´s pro-choice protest on 'Black Friday', 23 March, 2018

“We want a Europe where the fundamental rights are protected.

We want a Europe where the fundamental rights and freedoms of everyone are protected and the safety of every citizen is guaranteed. In the face of the rise of conservatism, we need Europe to protect sexual and reproductive rights and promote the right to a safe and legal abortion in all and each of the EU State and take measures in the cases where this right is not respected or under threat. The EU must protect all women, girls and vulnerable groups in Europe and arriving in Europe and end all forms of violence. **Combating violence against women in the public, political and private sphere must remain a priority**, through legislative proposals and awareness-raising campaigns. Further, we reiterate our call to the European Commission to present an European Strategy to prevent and fight against gender-based violence that contains a binding legislative act and we call on all Member States to ratify and implement the Istanbul Convention to make Europe a safer place for all women by recognizing all forms of gender-based violence, and to take measures to prevent violence, protect its victims and prosecute the perpetrators through a holistic strategy, and an action plan and an EU monitoring observatory on gender-based violence. We call on the Council to identify gender-based violence as an area of crime and to tackle emerging forms of gender-based violence such as online harassment by expanding and unifying the definitions and by ensuring that the Code of Conduct on countering illegal online hate speech also covers these crimes.

Combating trafficking and sexual and labour exploitation of women and girls, and ending this lucrative market, must also be a European priority.

1.3 Priority for Youth Policies

Young people must be a priority for Europe. It is unacceptable that today too many young people are losing hope; therefore, we as progressives intend to be at the forefront of the battle for youth rights to quality education, training and jobs as well as to culture and sports, and to ensure the wellbeing of our children by guaranteeing them access to quality childcare, healthcare, housing and nutrition no matter their origins or background.

In our vision of the future of Europe, **youth policies are a priority on the European and national political agendas**.

Our political family will continue to fight for the **European Youth Plan** and ensure that Europe continues to invest in its youth to build a sustainable future. The first measure must be an ambitious new funding of the Youth Guarantee with €5 billion a year.

We have to make sure that our concrete policy demands in this field become a reality.
This can be achieved by stepping up our fight in the coming negotiations on the Multiannual Financial Framework where we demand a larger share of funds to be allocated to youth-related programmes.

In fact, for youth to be at the core of the Future of Europe process, and for the European Union to become an inclusive, accessible and democratic reality, we will propose committing funds to:

- **A stronger and better Erasmus + programme**, allowing **students, trainees and workers** to benefit from it, regardless of socio-economic situation and background.
- The further development of **EU scholarships.**
- A stronger European Solidarity Corps allowing young people under 30 years to experience a volunteering placement, traineeship or job in the solidarity sector. Increasing projects for **EU civil education including a common EU citizenship curriculum.**
- Stronger projects for strengthening dialogue with young people at EU level.

1.4 For a progressive health agenda

We share the belief that the protection, prevention and promotion of the highest standards of public health is at the core of social-democratic values. In our view, evidence based quality public health measures, eliminating social, environmental, behavioural and commercial determinants of health, as well as resilient and sustainable health care and cure systems, are a precondition for Europe to guarantee the healthy living and ageing of its citizens. Healthy choice should not be a privilege but must be made easily and affordably available to everyone.

We believe that sexual and reproductive health and rights are fundamental human rights and an essential element of gender equality and self-determination of women and men. We therefore want women and men to have access to voluntary family planning and the full range of reproductive and sexual health services, including contraception and abortion. We want these rights to be included in the EU Health Strategy.

Ensuring **timely access to affordable, preventive and curative healthcare of good quality** is fundamental in Europe's quest to obtain the highest level of social protection.
At the same time, further efforts must be undertaken in order to **reduce the persistent inequalities in health**. This can be achieved by promoting adequate nutrition for children at risk of poverty, ensuring full vaccination coverage and by tackling risk factors such as unhealthy eating, inactive lifestyles, alcohol misuse and tobacco. It can also be achieved through the development of digital care means and of vaccination.

In order to do this, we need to maintain and deepen cooperation on health in Europe. Pharmaceutical, food, alcohol and tobacco companies, which are global in nature, must be adequately regulated by the EU. Health Technology Assessments should be partially carried out at European level to improve equal access to treatments. Research and development efforts should be coordinated and development models should be improved to encourage the discovery of new antibiotics, which are urgently needed. In the meantime, concerted efforts must be made to put a stop to the misuse of antibiotics in humans and animals.

1.5 For a new sustainable economic model

A green and just transition

The increased use of fossil fuels and the consumption of natural resources in past centuries have seriously threatened our societies, the health of our citizens and our ecosystem. In order to protect the rights of the people in Europe and beyond to live in a healthy and sustainable environment, joint efforts must be undertaken at the global level to reverse the negative impacts of global warming.

In our vision of the future of Europe, **Member States and their regions, cities and local communities must act swiftly to make Europe greener and more sustainable**. One way to do this is by improving our waste management. We must move away from the current 'linear' model of production and consumption towards a circular economy where waste is recycled to make new products. We must change the mindset where we make, use and dispose, in favour of one where we keep resources in use for as long as possible.

Waste prevention, re-use, recycling, recovery and disposal, are ways to gain the maximum benefits from products and reduce waste generation. In this way, we would reduce dependency on our natural resources in favour of secondary raw materials. We must lead the fight against climate change at global level by dramatically reducing greenhouse gas emissions. We want to transform our economies and societies so that they promote renewables over carbon-based and nuclear-based energy sources and bring about more efficient use of energy.

We firmly **support the Paris Agreement on climate change and the United Nations' Sustainable Development Goals**. These commitments require the European Union to accelerate its transition to a cleaner, more energy-efficient and more resource-efficient economy.

We want to build an Energy Union with ambitious and binding climate and energy targets.We want to **decarbonize our societies by 2050**, based on renewable energies, the promotion of bio-industries and increased energy efficiency.

Low-carbon mobility will play a crucial role in achieving this goal. Thus, the future of the car industry is dependent on better and more sustainable batteries. In order to help European industry to be a major player in the international market for batteries to electrify the automobile fleet, we support the creation of the European Battery Alliance and crossborder industrial consortia, similar to the establishment of Airbus in the aviation sector.

Besides contributing to the fight against climate change and protecting the planet's biodiversity and natural resources, the greening of economies presents many **opportunities to achieve social progress**. If anticipated and managed properly, it can be a net generator of decent green jobs that contributes to poverty eradication and social inclusion while generating savings which drive new investments and employment.

Biofuel production

This is why the EU needs a **just transition** strategy based on a governance framework that involves social partners, promotes social dialogue and encourages Member States, regions and cities to anticipate changes facing the workforce due to decarbonisation, while offering financial support for this change. The EU and Member States need to work better with coal and carbon intensive regions in transition to accompany this big transformation at local level. We propose to integrate a Just Transition Fund in the cohesion policy framework[1], with financial support from the European Emissions Trading System. The just transition shall provide new employment opportunities and sustain the local economy in the low-carbon, resource-efficient future. In this transition, we are committed to **ending energy poverty** by providing affordable energy, better access to energy efficiency measures and strengthening information and rights of consumers, in particular the most vulnerable ones.

In the energy system of the future, Europeans will not only be energy consumers, but also energy producers: **Europeans will become energy prosumers**. We will make sure that energy prosumption will not be a privilege of the few. We support a decentralised energy system that enables everyone to participate in the production of energy, be it at home, for instance through solar photovoltaic panels on the rooftops, or through citizen-led energy cooperatives. This will decentralise the energy system, break the power of a few big energy companies, makes better use of local energy sources, activates the economy of local communities, lowers energy transmission costs and brings the benefits of the clean energy transition to people's everyday lives.

Towards a fair and sustainable economy

Our core priority is a swift economic recovery based on **promoting fair and sustainable growth** and safeguarding the viability of the European Social Model. We must shift away from austerity. The wellbeing of citizens must be put above economic freedoms. This means recognizing once and for all that "trickle-down economics" simply does not work.

This approach can only bring prosperity to the few, impoverishing the many, and ultimately threatening the viability of our welfare states.

Europe's economy will not thrive unless it becomes more democratic and promotes equality, solidarity and sustainability. Our agenda for the future of Europe's economy is based on these principles. **The reason we fight austerity policies, push for growth and investment and strive to make digitalisation work for everyone is to create a fair and sustainable economy.**

[1] *Saving Europe: for Youth and Progress. Resolution adopted by the PES Council in Prague on 3 December 2016*

1.6 For a European Digital Agenda

Technological progress and digitalisation are powerful tools to improve people's quality of life and welfare. Among other benefits, they can provide new job opportunities, reduce the human footprint on the environment, bring prosperity for communities and regions and further empower citizens. The EU should reap the full potential of digitalisation and shape it to address potential negative impacts that any change brings to our lives.

For this to happen, the EU first need to invest in key infrastructure to make the 5-Gigabyte society a reality. We all need to benefit from digitalisation. Our priority is to leave no-one behind: good broadband infrastructure and other basic digital services must be available to all, not only the powerful and wealthy. The benefits of the digital revolution must serve everyone, from large cities to small towns, paying particular attention for the most vulnerable, elders, the digitally unsavvy and people with disabilities.

The EU digital agenda should focus benefits on consumers not just big IT corporations.
Even as basic principles like the Open Internet are being challenged in the US but also by some conservatives in the EU, we must continue to fight for progressive values: consumers rights, openness, fairness, data protection and respect for privacy need to drive digital policy-making. This is an excellent opportunity for the EU to lead the world with human-centred technological progress which benefits everyone.

Europe must be receptive to technological changes if it wants to protect its citizens and allow them to take advantage of new opportunities. This is why we must continue working in the Digital Single Market, which establishes the foundations of a united and sustainable European digital society.

A fully functional Digital Union must work for everyone. All **workers, regardless of their status, must be protected and benefit from decent working conditions**. Everyone must have **equal access to the labour market and the capabilities and skills to seize the opportunities offered by new technologies**. We must also address the gender digital gap with special measures to train more girls and women in the use of digital and information tools and to encourage them to undertake careers in the ICT sector. Additional flexibility provided by new technologies must serve the people, not the other way around, and workers' **right to disconnect** must be protected.

European's personal data, as well as their integrity, must be protected on the internet.
Measures should be taken to tackle cyberbullying and to ensure the protection of minors.
Furthermore, all Europeans should benefit from media literacy measures in order to be able to identify fake news, to manage the mass of information, and to develop critical thinking.

A solid industrial basis is a cornerstone for sound economic recovery in the aftermath of the economic crisis. This is why an ambitious and innovative **EU needs a reindustrialisation strategy** to make Europe's industries fit for the challenges of the decades to come, such as climate and demographic change, resource scarcity, digitalisation and increasing global competition. Any EU industrial strategy must support workers and communities in the just transition of the economy to face these transformative challenges.

1.7 Restoring fiscal justice and fighting against tax fraud and evasion

We will continue to fight for redistributive and **progressive tax systems that promote fiscal fairness**.

It is crucial to create the right level playing field for taxing both traditional and digital business. We fully support the notion of taxing profits where they are generated and believe that this should also apply for businesses operating in the digital domain. It is about time that web giants such as Google, Amazon, Facebook and Apple contributed their fair share.

We will step up our fight **against tax evasion and fraud**. Every year € 1 trillion is lost due to these practices. Every undeclared and untaxed euro is taken away from the welfare state. We must take the lead on this crucial issue and set an international example. At EU level, we must coordinate our actions and make tax rulings and tax systems fully transparent. At international level, we must insist on the creation of multilateral tax agreements for the automatic exchange of tax-related information. Fiscal and social fairness is our driving factor. Our message is clear: **profits should be taxed where they are created**.

Progressive tax policy should be pursued to ensure fairness in tax systems and a socially and economically beneficial allocation of resources in the economy. Tax policies must include gender perspectives: we call for the individualisation of taxation and social security rights. Tax and benefit systems must be free of disincentives for so-called "second-earners" in order to encourage women to participate equality in the labour market. We will continue expressing our support for initiatives such as the Common Consolidated Corporate Tax Base (CCTB), the Financial Transaction Tax (FTT), and extensive measures to close the loopholes that allow for the exploitation of tax policies. A fraction of the CCCTB should become a new EU own resource. A clear framework to **discourage aggressive tax planning and close down tax havens** also needs to be formalised, based on a common European definition and a public blacklist of tax havens. There are several measures that can be deployed:

- Public country-by-country reporting by multinational enterprises must deliver real transparency.
- We must require that companies, trusts and foundations publish the requested data and their ultimate beneficial ownership in all countries and not only for EU Member States.
- We need to develop stronger sanctions for banks, legal entities and individuals that assist in tax fraud or evasion.
- We must offer whistle blowers full protection.
- We want to eliminate practices that result in a distortion of competition in the internal market through harmful tax policies and therefore, we call on the Commission to use Article 116 TFEU that allows it to act towards that goal.
- A tax to ensure that digital giants also pay their fair share, as proposed by Commissioner Moscovici.

TAX
HAVEN
PROFIT
BIG PROFIT
TAX HAVEN

1.8 Deepening the Economic and Monetary Union (EMU)

We believe in a **strong and effective Economic and Monetary Union** that delivers for all its members and that supports jobs, growth and solidarity. An EMU that is open and inclusive to all Member States and welcomes its new members on their own pace. An EMU that becomes the platform for **social and economic upward convergence**.

For this to happen, the current debate on deepening and reforming the EMU is very timely.
We must take advantage of this window of opportunity to strengthen the Eurozone's social dimension and make sure that the deepening of the EMU delivers on our progressive priorities.

"We want a Eurozone budget to promote investment and support national unemployment benefit schemes.

We want to boost growth and bridge social and economic inequalities across the EU. But it is a fact that different countries in the eurozone are growing at different speeds. If we ignore this reality, we run the risk of setting goals that are unrealistic or unsustainable, and that can exacerbate divergences. This is why it is important to examine the overall picture of the eurozone's economy (the so-called 'aggregate fiscal stance') to establish a more realistic image of the macroeconomic situation, to allow more coordinated and realistic targets that will promote convergence among our economies.

Furthermore, current rules mean that Member States can only be forced to make fiscal adjustments when they face excessive deficits. Other than that, there are no rules to enforce fiscal policies that would benefit the eurozone as a whole, even when countries have the fiscal space to do so. Changes to bring about such a possibility (the so-called positive fiscal stance) were proposed by

the European Commission in 2016 but blocked by certain governments. We need to bring back that proposal, so that countries with surpluses can be encouraged to pursue policies that will have positive spillover effects across the eurozone.

The eurozone in particular has suffered in recent years from big economic shocks. To protect the welfare of our citizens, it is important to develop the tools to better face any future shocks. The most important tool to develop is a Eurozone budget (or fiscal capacity). This budget could be used to reduce cyclical unemployment and keep public investment at a healthy level during economic downturns. In that way, it would reduce the impact of those shocks, protecting the short-term unemployed and sustaining domestic demand. Ultimately, we need to consider an unemployment insurance scheme that will complement national schemes, and support countries to address the problem.

Such a budget must be put under full democratic control and have as an explicit target to reduce social and economic imbalances and divergences. That can be achieved by developing a "convergence code" with taxation, labour market, investment, productivity, and social cohesion indicators, and setting targets based on the aggregate fiscal stance described above. The budget should also be available to provide pre-accession support for Member States committed to adopting the euro. This instrument would be additional to cohesion funds.

Equally important, there is a need to ensure the **democratic accountability and responsibility** of the eurozone and its institutions. A vital element in this democratisation process must be a shift from the current intergovernmental approach of governance to an interinstitutional one. Strengthening democratic legitimacy both in European and national level is key for the EU to function well. It is high time that all EU institutions actively participate in the ownership of European policy-making. This will strengthen trust in the euro area as a project and will promote ownership of reforms. The European Parliament — the only directly-elected European institution — must co-decide the shaping of the European Semester in order to ensure greater democratic accountability and legitimacy in European policy-making. National parliaments should able to take democratic ownership of national reform programmes, adapting them to the investment and reform needs of Member States. A European Finance Minister with a double hat, being a Commissioner and the President of the Eurogroup, would increase the coherence and efficiency of economic policy management. Existing instruments such as the European Stability Mechanism, and future instruments such as the Eurozone budget, must be integrated into the EU framework for the same reason.

Completing the Banking Union

Europe was not as ready to face the crisis as it should have been. As a result, citizens were forced to pick up the bill left behind by the banks. This can never be allowed to happen again. Everyone in Europe deserves to have their savings protected. To achieve this, Europe needs to move forward with the completion of the Banking Union – the mechanism that ensures that banks are stronger and better supervised.
While very important steps have been taken, it is crucial to continue the process until it is fully

completed. In particular, we want a European mechanism to protect the deposits of citizens (the so-called European deposit insurance scheme).

Furthermore, while mechanisms to support ailing banks have been put in place (the Single Resolution Fund), we need to have additional safeguards for cases in which this fund would be insufficient, in the form of a fiscal backstop. The European Stability Mechanism must play this role and should be integrated into the community method to become a European institution that could take the shape of a European Monetary Fund.

The Banking Union means pooling resources and efforts. It also means that Member States have an obligation to behave in a responsible manner. These two sides of the coin, risk sharing and risk reduction, should happen in parallel.

In addition, we need to support innovative investment platforms such as crowdfunding and facilitate access to private investors. The Capital Markets Union is the European framework where this can be done, using financial instruments to increase Europe's investment potential. At any rate, it is crucial that the Union is regulated to ensure access to transparent information and viable investment practices.

Reforming the Stability and Growth Pact and the European Semester

The Stability and Growth Pact (SGP) was set up to provide both strength and growth to the EU's economy. However, today the Pact gives more emphasis to the stability element and less to the growth element, and this needs to change. The stability dimension is indeed important but while fiscal responsibility is an aim it must not be used in a coercive manner. Fiscal responsibility must be seen as a tool to support sustainable economic growth and employment, as well as social and regional cohesion. The current imbalance in the SGP means that it needs to be revised. Europe's economic rules should allow for more flexibility, encourage public and private investment, support social investment and welfare states, and allow timely and progressive reforms.

A new set of indicators including social and environmental benchmarks should be taken into consideration when assessing the economic performance and future of national economic policies. We thus call for the implementation of a convergence code as mentioned above to bridge existing economic and social inequalities, using targets for Member States in areas such as social and ecological standards, taxation, the sustainability of growth, quality of air and biodiversity.

Together with the SGP, the convergence code would be the foundation of a reformed European Semester. Instead of being solely an implementing tool for sound fiscal policies, the new Semester will include sustainability in all its dimensions: fiscal, economic, social and environmental sustainability. According to the targets set in the convergence code, the Semester will monitor the sustainability performances of Member States and promote the implementation of "sustainable structural reforms" through the Country Specific Recommendations. This is a necessary step towards a Sustainable Semester Process in line with SDGs.

The SGP must also allow for enhanced flexibility. Positive moves in this direction have been made in recent years, through clarification of some of the existing rules by the Commission and the Council. But a **more concrete and wide-ranging revision of the rules themselves is needed**. A '**Golden Rule**' should be introduced so that net public investment is not included in the calculation of public deficits. This will open the way to EU to pursue an expansionary fiscal policy. Countries with more budgetary room for manoeuvre will indeed be able to spend more and support their domestic demand but also, importantly, create positive spillovers to the rest of the Union. This is especially important now when ECB interest rates are purposefully very low.

"We want to regulate the banking sector so people don't have to pick the bill left behind by banks.

1.9 Strengthening investments

The development of a European investment strategy is a great success for our political family. We have consistently campaigned against austerity and called for the implementation of a more expansionary economic agenda. We have pushed for investment to be at the heart of this policy shift. In 2015, the European Fund for Strategic Investment (EFSI) marked a great political success and a great step forward in bridging Europe's investment gap, because it allows investments in projects that are necessary but would otherwise struggle to be financed.

Unlike the Multiannual Financial Framework, which offers grants, the EFSI offers loans. This has a direct impact on the scale and nature of the projects that are chosen. This is a fundamental difference that means that the two are not interchangeable but must complement one another, not only to avoid unnecessary duplication, but because of their different natures and potential impacts. The EFSI, and in the future the InvestEU, is a crucial part of the EU's activities, but it should never be seen as a substitute for cohesion and structural funds and should therefore be exclusively financed by fresh appropriations, without redeploying resources from other programmes.

Beyond EFSI, we need to develop a truly comprehensive EU investment strategy including public and private investment to support the ecological transformation needed for the EU and reverse the current downward trend for public investment in the EU.

That being said, it is also important to examine the priorities and impact of the EFSI. The foundation for an ambitious investment strategy was set in 2015. But much needs to be done to use the EFSI effectively for the benefit of all.

In terms of policy goals, we call for a more balanced EFSI with a greater social impact, which invests in human capital, innovation and infrastructure projects, and in action to fight climate change.

In terms of geographical coverage, this crucial EU investment tool should not become a tool for de facto divergence between countries and regions. In its first year of operation, 92% of all EFSI investment was concentrated in the EU-15 while only 8% reached the EU- 13. We must ensure a more equitable **distribution, both geographically and among economic sectors**. A regional component must be at the core of the EFSI. We hope that the recently agreed budget for the EFSI 2.0 will help to improve the quality and diversity of private and public investments, enhance transparency during the selection procedure, and allocate additional money to reinforce the social dimension.

1.10 For a robust post-2020 cohesion policy

Cohesion policy is one of the biggest successes of European integration. It is the EU's main investment tool, and the expression of solidarity between Member States and between regions and citizens – the founding principle of European integration. For the past thirty years it has proved its efficiency in creating jobs supporting SMEs, stimulating innovation and promoting socio-economic convergence and territorial cohesion. During the recent economic and financial crisis, it played an important role in safeguarding public investment in regions suffering asymmetric economic shocks.

But there are still too many inequalities between and within regions, in wages, employment, investment and growth. Therefore, cohesion policy and the European Structural and Investment Funds must remain ambitious beyond 2020. They must continue to be a priority in the next multiannual framework, maintaining at least the same level of funding (at constant prices) as in the 2014-2020 budget.

Cohesion is an investment and solidarity tool for all. It benefits all regions and countries in the EU, and it must remain available to all of them in the future. This is a matter of principle for us, and also a matter of efficiency, of reaching out to all citizens. Structural funds must also be available to support a broad variety of projects from a broad variety of stakeholders, and grants are the best tool to do so.

When new priorities are put forward for the next EU budgetary framework, it is timely to recall that cohesion policy already covers 11 thematic objectives[2]. It addresses structural changes in our societies such as climate change, reception and social and economic integration of migrants and refugees, the digitalisation of societies and structural investment. Additional priorities such defence issues or border control should not be financed at the expense of solidarity. On the contrary, existing strands of cohesion policy should be further strengthened.

Given that cohesion policy funding is intended to boost investment, growth and employment throughout the EU, national co-funding of projects under cohesion policy in the post-2020 period should not be taken into account in deficit calculations under the Stability and Growth Pact rules.

We reiterate our strong opposition to any form of macroeconomic conditionality that harms regions for the choices of national governments. Conditionality should not equate to punishing local authorities, businesses and citizens for their policies of their central state.
Taking into account that demographic change is already one of the most serious challenges in the European Union, regions and the EU funds must be proactive in tackling the consequences of demographic change. The distribution of the EU funds through a system based on GDP per capita calculations do not always respond adequately to the social objectives and overlook the complexity of European territories. We support the use of other indicators, such as the Inclusive Development Index or the Social Progress Index, as well as the EU's social scoreboard, to distribute the EU funds taking into account a more precise overview of the social situation in each region.

The integrated, results-oriented nature of cohesion policy means that interventions in all policy areas do have a positive social impact. Improved infrastructure, including rail infrastructure and public transport, has a positive impact on society. Better access to ICTs can be helpful in accessing the labour market. Accompanying the just transition to a lowcarbon economy means a healthier environment, as well as opportunities for all citizens to benefit from that transition. In short, cohesion policy is a social investment and needs a bold financial commitment to match the ambitions of the European Pillar of Social Rights.

Together we will make sure that cohesion remains well-resourced, social, innovative, locally and regionally focused and citizen-oriented while made conditional on the respect of fundamental EU values and EU legislation.

[2] Enhancing access to, and use and quality of information and communication technologies (ICT); Enhancing the competitiveness of small and medium-sized enterprises (SMEs); Supporting the shift towards a low-carbon economy in all sectors; Promoting climate change adaptation, risk prevention and management; Preserving and protecting the environment and promoting resource efficiency; Promoting sustainable transport and removing bottlenecks in key network infrastructures; Promoting sustainable and quality employment and supporting labour mobility; Promoting social inclusion, combating poverty and any discrimination; Investing in education, training and vocational training for skills and lifelong learning.

1.11 European Budget: a tool for delivering common EU policies

Europe's future is at stake facing huge challenges. To address them we need an EU budget that is both well-funded and flexible. The strengthening of the Union's budget is essential in order to give it the necessary means to fulfil its ambitions.

The European budget is the main tool that Europe has at its disposal to deliver common policies and true European public goods. It has to be aligned with the priorities of the citizens in the context of a new sustainable and inclusive development model to actively encouraging social and economic convergence and regional cohesion. Its priorities need to be investing on human capital, infrastructure and innovation and address the climate change. It should be used as a complementary measure to reinforce European social policy. To do so the European budget has to be ambitiously capitalised to support political priorities efficiently and effectively. Therefore, we need an ambitious, serious and responsible future Multianual Financial Framework which sets the framework for the EU's annual budgets for the period 2021-2027. As socialists, we also call for this framework to be gender-responsive, including an increase in the amount allocated for achieving the objectives of gender-strategic engagement and a systematic gender impact assessment in the future EU budget.

To increase the predictability, transparency and the sustainability of EU revenue a reform on how the EU budget is funded is needed. We need a more sustainable way of funding the EU budget through lowering national contributions and introducing new EU own resources. These could take the form of taxes levied across the EU, such as green taxation, digital taxation, ECB profits, a percentage of CCCTB, a tax on multinational companies, carbon adjustment measures at EU borders and the Financial Transaction Tax.

2. DYNAMIC DEMOCRACIES RESPECTFUL OF THE RULE OF LAW

As socialists we strive to build societies that are diverse, open, and free of any sort of discrimination, where all identities are respected and welcomed, and where rights and duties are the same for all. We can reach this goal by strengthening democracy at all levels in our member states and throughout Europe.

2.1 Culture as a tool for enriching societies

Today, more than ever, our priority has to be the promotion of our common fundamental European values of diversity, pluralism, solidarity and human rights. In this context, it is vital to promote universal access to culture, in particular for Europe's youth. Culture is not a luxury. It is an invaluable source of wealth. Culture has a transformative power that can help promote social cohesion and engagement, and it fosters critical thinking, creativity and the understanding of the world's complexity. Culture is a source of identity and cohesion for all societies. Respecting and supporting cultural expressions contribute to the social capital of communities and fosters trust in public institutions. In short, culture has the potential to strengthen active citizenship, supporting citizens that are open-minded and critical members of society, which is the very essence of democracy. For us, the promotion of culture and universal access to it is an integral part our policy.

“ Culture encourages critical thinking.

2.2 A strong European democracy and enhanced citizens' participation

The constant decline in turnout for the European elections, combined with the high level of citizens' disenchantment with the EU's current functioning and culminating in the worrying rise of Eurosceptic or openly anti-European political forces, can only be addressed by **increasing the participation of citizens and civil society in decisionmaking processes**. We must put youth at the heart of our strategy in this field as they are the future of Europe and Euroscepticism is swiftly growing among them. In this regard, structured dialogue with young people should be strengthened at all levels.

The PES is committed to giving a stronger visibility to our political parties and to the European agenda by defining the common candidate ("Spitzenkandidat") process for the 2019 European elections, as adopted in the Lisbon PES Council in December 2017.

Further, we call on all Member States to ensure a more gender-balanced Commission by designating candidates of both genders for appointment to the post of Commissioner.

The European Citizen's Initiative is the first participatory mechanism implemented at transnational level. After 6 years of experience in its use, it needs to be reinforced. The PES calls for a greater role for the European Parliament in the decision-making process regarding these initiatives, now in the hands of the Commission alone, with participation of the promoters of the successful proposals in the legislatives debates taking place.

We will continue to debate how best to **reform the functioning of the European institutions, how to give the European Parliament and national parliaments a more decisive role in policy making, and how to reconnect with citizens by improving the link between EU decisions and citizens in towns, cities and regions. We want to improve women participation in politics and decision-making, including with zipsystems or quotas. We will strive to strengthen** the Community method in order to address the deficiencies of **the current intergovernmentalism and Council-based leadership**. We believe that there is a clear lack of accountability and transparency of policies coming from the Council and we wish to involve the European Parliament and civil society in these discussions. We believe that there is a need for much better regulation regarding the Code of Conduct for Commissioners and in particular we will call on the Commission to strengthen the restrictions on former Commissioners by extending the 'cooling-off' period.

In our vision of the future of Europe, a comprehensive dialogue is needed with European citizens and political parties at European level. Further, the PES remains committed to reinforcing European political parties as factors in European democracy, with their own organisational structures well-coordinated with the European Parliament's parliamentary groups.

2.3 Defending the rule of law

We believe that **democracy, the rule of law and respect for citizens' fundamental rights** are the essential components which make European democratic societies a model throughout the world. Unfortunately, due to recent developments in conservative-led Member States such as Poland and Hungary, we are seeing these ideals threatened on a daily basis. In more and more countries, we see serious backlashes and deterioration of women's rights, including sexual and reproductive health and rights, gender equality and a shrinking environment for civil society due to restrictive regulations and policies that significantly hinder NGOs and associations to do their legitimate work in society.

We call on the EU to **take action against the states breaching the rule of law** and ensure that the **values enshrined in the EU treaties are fully respected**. To this end, we need a binding EU mechanism to monitor and report annually on the state of democracy and respect for the rule of law in the EU Member States. A dedicated fund should provide targeted support to Civil Society Organisations, active at local, regional or national level within the EU in promoting and protecting these values. The key role of medial pluralism in building strong and healthy democracies should be strengthened. As free and independent journalists are called to play a fundamental role in this context and they should therefore be protected from harassment and violence. We must ensure a much better application and implementation of European Union law and of the Charter of Fundamental Rights.

"Fake news," in particular in the digital environment, poses dangers for the political process in the EU, and citizens' trust in democracy. We want strong EU action to enhance transparency of online news, promoting media and information literacy, supporting quality journalism and investing in the diversity of the news media. Online and social media platforms that allow spreading of fake news should be held accountable. The European Commission must follow up the recommendations of its High level group on fake news with concrete actions.

The EU's accession to the European Convention on Human Rights would add guarantees to citizens' rights established in the EU treaties. We therefore commit ourselves to solving as quickly as possible the remaining legal issues preventing the EU's accession to the Convention.

2.4 Protecting LGBTI rights

Human rights are universal and apply to all human beings, irrespective of their personal characteristics, including sexual orientation, gender identity, gender expression and sex characteristics. This is why the rights of lesbian, gay, bisexual, trans and intersex (LGBTI) people have to be respected and guaranteed with appropriate legislation and policies.

The EU has a duty to work to eliminate of all breaches of LGBTI people's human rights.
As social democrats and progressives, we have to lead by example in this area. We want to build a Europe where equality and non-discrimination are backed by legislation ensuring full equality in all areas of life, and where gender identity and sexual orientation are explicitly covered in all relevant EU instruments.

In order to achieve this, we also need EU-wide hate crime legislation, with competencybuilding and the dissemination of good practices. At the same time, we need to ensure full equal treatment in applying the principle of freedom of movement for all families, and full respect for the fundamental right to marry and to found a family.

3. FOR A FAIRER AND MORE INCLUSIVE EUROPE

3.1 For a fairly managed migration policy

Asylum and migration have become leading issues in Europe. They must be handled with the utmost urgency and in an effective and humane manner. A comprehensive European approach based on the principles of solidarity, responsibility and humanitarianism is the solution to our common challenges.

We stand for a positive approach and a sustainable response to this global challenge and we strongly support the efforts at the United Nations to adopt a Global compact on Refugees and a Compact on Safe, Orderly and Regular Migration. In our vision of the future of Europe, our continent takes its own share of responsibility: asylum and migration policy must first of all protect human lives, help those fleeing wars and persecution, address the root causes of migration and implement effective integration policies.

- **Completing the reform of the Common European Asylum System**

The current discussion on the reform of the Common European Asylum System gives us the opportunity to strive for a harmonised asylum policy with a true European spirit. For an effective Common European Asylum System, **it is essential to achieve a progressive revision of the Dublin regulation and EU asylum policy based on solidarity and equal sharing of responsibility**. As Europeans, it is our moral and legal duty to show the necessary solidarity and shared responsibility with people seeking a better and safer life. The disorganised way of dealing with the influx of refugees in 2015 cannot be repeated. We must put an end to the tragedies occurring in the Mediterranean Sea and on the various routes used by asylum seekers and other migrants. Therefore, it is vital that Member States urgently increase their efforts and implement the relocation and resettlement scheme.

Shared responsibility is also key when it comes to the protection of our external borders.

“ We want to revise the Dublin regulation and EU asylum policy so it is based on solidarity.

We have a political duty towards our citizens to ensure proper control of our borders and security. This should not mean border closures, but common external border management is vital for the functioning of the Schengen system and will contribute to security, to the fight against human trafficking networks and to preventing deaths among those risking their lives. EU Member States with an external border must count on the support of all member states in order to achieve these common objectives.

It is our joint and urgent responsibility to organize safe and humane return of all rejected asylum seekers and irregular migrants to their countries of origin.

Addressing the causes of external migration and asylum policy

Border closures and fences are not the answer to the refugee and migration crisis. Only tackling the root causes of migration and establishing new and safer legal channels and pathways, such as resettlement and humanitarian visas, will manage migration flows and facilitate safe, orderly and regular migration.

We believe we can only address the root causes of migration through strong development partnerships with neighbouring countries of the EU and other third countries, particularly with countries in Africa and the Middle East. We need to work closely with these countries so that managing migration is a mutually beneficial project. This strategy must enable migration flows to be channeled in a controlled and safe manner through effective border controls, as well as establishing new and safer legal channels for migrants and asylum seekers including humanitarian visas.

Cooperation and shared responsibility are necessary to ensure the security and protection of asylum seekers, especially of vulnerable groups like women, LGTBI and children. We highlight that women and girls belong to the most vulnerable groups of asylum seekers and refugees and call for improving their security and safety. We must provide a continuum of protection, care and support for all children on the move, which respects their fundamental rights and best interest and strengthens procedures for family reunification, relocation and resettlement.

For true integration

Migration has played a big role in the development of our societies and economies. This is why we call on the EU to shift its focus towards establishing additional legal avenues for third country nationals. We insist on policies aimed at empowering these newcomers to fulfil their potential as equal participants in our communities and, at the same time, fighting exploitation and social dumping with measures ensuring equal pay and equal social coverage for equal work.

We must fight populist rhetoric against immigration, which contribute to anti-EU sentiment.
We actively fight prevailing prejudices and stereotypes about migration and approach it in a positive and constructive way.

When managing migration, we have to hold on to our values. We strive for a harmonised and effective progressive EU policy on asylum and migration. Europe flourishes when we act together, based on the principles of solidarity, responsibility and humanism.

3.2 Towards a safe and secure Union

In recent years, we have witnessed a growing sense of insecurity brought about by terrorist attacks and instability in the world. Because terrorism has acquired a more global dimension, the EU and its partners have to act together and coordinate the fight against radical groups. We must also improve democratic standards and further develop education, cultural diplomacy, social inclusion and integration programmes.

In our vision of the future of Europe, security policies will make Europe a continent which **guarantees the safety, security and the respect of the fundamental rights and freedoms** of all its citizens.

■ Guarantee the safety and security of all citizens

In the last years, a large body of European legislation has been created on the subject of security. Yet more remains to be done in order to overcome this complex challenge. The European Union and all Member States, with their respective law enforcement authorities and intelligence agencies, should increase cooperation and the exchange of quality information. We must work to close information gaps between different information systems while providing stronger **data protection** and safeguarding **citizens' fundamental rights**.

Security measures alone can only have a short-term impact. Tackling home-grown terrorism and preventing further generations from succumbing to extremist propaganda can be achieved by promoting **efficient prevention programmes** aimed at detecting and tackling radicalisation at its roots, in local communities. In parallel, we must continue developing **strong counter-narratives** and step up the removal of online materials promoting terrorism, extremism or violence. The implementation of such measures at the local level has to go hand-in-hand with **additional programmes aimed at developing social integration and inclusion** at national and at EU level.

The Iran nuclear deal was signed in Vienna on 13/07/2015

4. THE EU AS A GLOBAL PROGRESSIVE ACTOR

In times where alliances and balances of power are shifting on the international scene, this brings opportunities for the EU to **cement its role as a strong global player** in an international system with multilateralism and the United Nations at its core and reinforcing the bonds and relations with strategic regions such as Latin America. The active role played by EU High Representative Federica Mogherini has been decisive in the EU's successes on various dossiers and helps to promote our European values of peace, democracy, human rights and justice throughout the world.

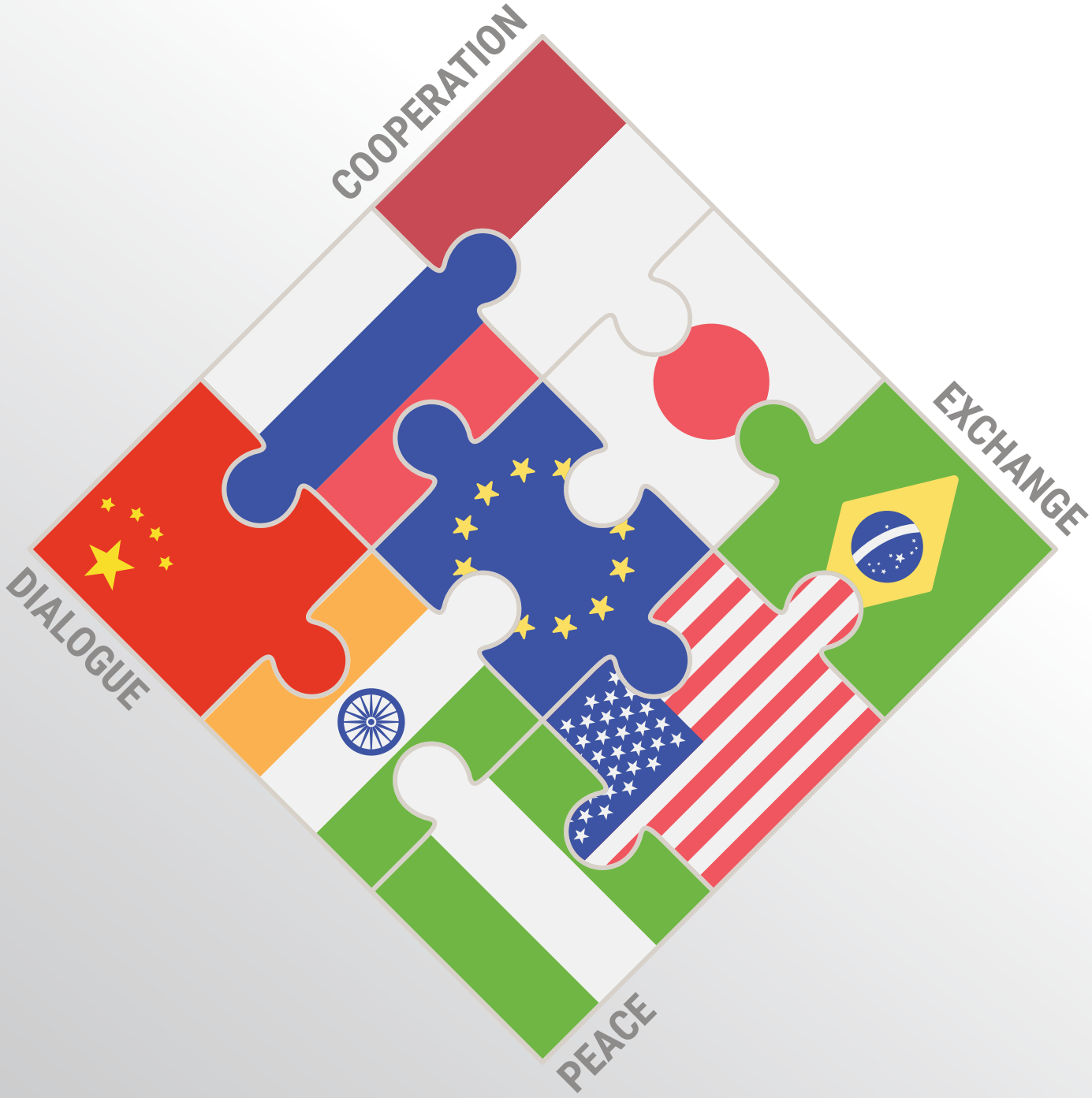
The EU must continue to implement development plans and offer democratic support and capacity-building to unstable third countries. **Developing stronger partnerships** and enhancing cooperation in a wide range of areas such as socio-economic development, investment, education, culture, migration, revention of radicalisation and security will bring beneficial results for both Africa and the EU.

Reforming the UN, the foundation of the multilateral system, should be at the core of the EU global agenda, including the democratisation of the UN Security Council and the establishment of the UN Parliamentary Assembly.

We believe that **a world without Weapons of Mass Destruction** will be safer for all humanity - and will pursue efforts to outlaw them, starting by reinforcing the nuclear Non-Proliferation Treaty. Conventional arms and their exports around the world also have to be subject to **strict controls**, countering repressive regimes and Human Rights violators.

The EU has to step up efforts to salvage the Joint Comprehensive Plan of Action the nuclear deal with Iran.

The deal is an achievement of multilateral diplomacy and non-proliferation, in which the EU and its High Representative played a crucial role. Its unravelling would risk triggering a new crisis in the already volatile Middle East. Therefore, the EU has to work with other signatories, like Russia and China, and also Iran, to salvage as much as possible from the agreement, ensuring that Iran enjoys at least some of the economic benefits secured as a result of the deal. Legal measures should be put in place to protect EU companies engaged in legal activities in Iran from the impact of secondary (extra-territorial) US sanctions.


COOPERATION
EXCHANGE
DIALOGUE
PEACE

4.1 Future enlargement of the EU

Pursuing the enlargement process

The PES reaffirms that the prospect of EU membership to countries in the Balkan region remains open. The EU must continue to support the region and remain committed to the enlargement negotiations. It must continue to send clear messages regarding the accession perspective once the necessary criteria are fulfilled. Therefore we welcome the renewed Western Balkan Strategy, viewing the European future of the region as a geostrategic investment in a stable, united and strong Europe based on common values.
We must also ensure the consolidation of democratic institutions, fair development and reconciliation in the region.

We are very concerned by the situation in Turkey. We strongly condemn breaches of the rule of law and human rights against tens of thousands of people, including opposition politicians and minorities. In order for Turkey to remain a partner with the EU, we must continue political and diplomatic dialogue. However, it is clear that the current Erdoğan regime is neither capable of, nor interested in, reforms that will bring Turkey in line with the Copenhagen criteria for membership of the EU; reminds that the European Parliament has called upon the Commission and the Member States to initiate a temporary freeze of the ongoing accession negotiations with Turkey already in November 2016; calls on the Commission and the Member States, in accordance with the Negotiating Framework, to formally suspend accession negotiations with Turkey without delay if the constitutional reform package is implemented unchanged.

4.2 Globalisation: Fair trade and the implementation of the Sustainable Development Goals

As social democrats, we want to drive inclusive growth and enshrine high standards in international trade in order to shape globalisation. Human rights and social rights must be at the heart of trade policy. We believe that intercultural dialogue fosters mutual understanding and encourages fairer social and economic exchanges, including trade, which can be an instrument for growth and job creation, but which should also be used to promote our values worldwide and to bring fair and sustainable development for all. We want the EU trade policy to include the principle of gender equality which is enshrined in the EU treaties, as a specific transversal chapter in international trade.

In our vision of the future of Europe, the Sustainable Development Goals and the International Labour Organisation rules must become the guidelines for all trade relationships and agreements negotiated by the EU. For this reason, there should be a strong call for the inclusion of enforceable Trade and Sustainable Development clauses in our trade agreements. Such negotiations must be more transparent and allow public scrutiny.

We cannot accept that our values, social rights and environment standards to be sacrificed in the name of globalisation and free trade. For this reason, **protections for producers, workers, consumers and the environment** must be included in all trade agreements the EU negotiates. Public services and the state's right to regulate should also be protected in these agreements.

Considering changes in the trade environment, and an aggressive policy toward the EU, we stress the importance of strengthening EU trade defence instruments, the need for strong anti-dumping and anti-subsidies legislation, and the possible need to control foreign investments in order to preserve our strategic industries. At a time when protectionist attitudes are all too prevalent, trade agreements must make a forceful statement of intent in acting for multilateralism.

4.3 For a European defence

Deepening the cooperation and integration of Members States' defence forces

In order to be able to respond to external events, prevent conflicts and promote peace and security, we socialists are convinced that the EU has to take responsibility for its own defence in co-responsibility with NATO. Hard power is necessary to complement the EU's soft power. For this, the EU needs to combine the different instruments enshrined in the Treaty in order to have an integrated approach in responding to crises and conflicts. As socialists, we believe that we should make full use of the instruments that the Lisbon Treaty gives us (Article 42.6, 46 and Protocol 10) and ensure the necessary resources to make Europe's defence capable and credible. Throughout, we stand for solid parliamentary oversight, both at national and EU level, of European defence development and defence spending. There should be European coordination for the replacement and development of strategic military equipment.

The use of **Permanent Structured Cooperation** can allow committed Member States to strengthen European defence, with the condition that it should stay open to those who do not participate from the beginning. In order to have a **real European headquarters**, we think that the Military Planning and Conduct capability that is now part of the non-executive mission should be extended to executive missions.

Enhancing the European single defence market

With the new European Defence Fund, the EU has the possibility to develop a sustainable, innovative and competitive defence industry and to improve its strategic autonomy. Over the past few years, we have seen a large decrease in the national defence budgets of member states. We are convinced that **pooling and sharing research and development** by Member States and the EU, in order to develop defence capacities, would strengthen the EU defence industry. Pooling investments and joint procurements would also support our SMEs, stimulate growth and create jobs. For instance, it is clear to us that we need to ensure **the interoperability and harmonisation of operational needs** if we want an effective EU defence and free budgetary resources.

CONCLUSION

In this document, we have identified the core principles and ideas of our vision for Europe.
It will inspire our action in the coming months, in the runup to the European elections of 2019. These elections will be crucial and will determine the direction of the EU for the years to come. More than ever, progressives and socialists need to take bold action to deliver on citizens' expectations and guarantee a brighter and more progressive future for European integration. A future where Europe is more inclusive, equal, prosperous, safe, green, democratic, influential and respected abroad. European citizens demand that, and they deserve that. Together we can make these ideals a reality for all.

Austria SPÖ

Belgium PS

Belgium SPA

Bulgaria BSP

Croatia SDP

Cyprus EDEK

Czech Republic CSSD

Denmark SD

Estonia SDE

Finland SDP

France PS

Germany SPD

Greece PASOK

Hungary MSZP

Ireland Labour

Italy PD

Italy PSI

Latvia Saskana

Lithuania LSDP

Luxembourg LSAP

Malta Labour

Netherlands PvdA

N.Ireland SDLP

Norway LP

Poland UP

Poland SLD

Portugal PS

Romania PSD

Slovakia SMER

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Spain PSOE

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UK Labour

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