



A European Investment Plan with clear and concrete commitments! PES Presidency Declaration, 20 November 2014

As European Socialists, we have been systematically calling for the active relaunch of our economies and our societies through a far-reaching public and private investment programme. Thanks to our relentless efforts, many have now accepted this as key to create new and decent jobs, as key to put our economies back on track. The new European Commission has committed to deliver a € 300 billion European Investment Plan which can be an important step in the right direction. For more than half a decade now, Europeans have suffered from a conservative mismanagement of the crisis and austerity-only policy. We are facing a dangerous deflationary spiral. 25 million Europeans, men and women have been left unemployed. 5 million young people are without a job. It is time to turn the page, and this Commission has a heavy responsibility to deliver. It must be translated into real commitments and not smokescreen tricks. We demand the urgent implementation of measures that will have a strong, positive and lasting impact on European economy.

In the weeks and months to come, we will insist that at the very least **the new European investment strategy should include fresh money and be based on the following principles and measures:**

- Increase the financial capacity of the European Investment Bank (EIB): a measure that has already proven to be successful in leveraging investment for SMEs and stimulating the real economy.
- Providing European guarantees could allow the EIB to further support key strategic investments (in digital economy, smart reindustrialisation, green energies, etc).
- Make full use of the investment capacity of the European Budget: the midterm review in 2016 provides a great window of opportunity for reallocating funds in the areas that provide the greatest investment return.
- Promote the implementation of project bonds (public-private partnerships) as a major driver for reaching the goals of the Europe 2020 strategy.
- Promote a stronger coordination between the EIB and the National Development Banks to intensify Member States' ability to increase their investment potential.
- Allow for existing flexibility in the Stability and Growth Pact to be used to its full potential, and for more room for manoeuvre for investments in member states budgets so that they will be able to expand their economy.
- Promote progressive and fair fiscal systems that effectively address tax evasion and tax avoidance and ensure fair redistribution of wealth.
- Shift the fiscal burden from labour to capital and introduce fair corporate tax systems to fight unfair tax competition and to strengthen social cohesion.

The recognition that we need a **European investment Plan** in order to recover from long lasting economic recession is a great step forward but **progressive steering is needed**. Positive reforms that are socially balanced must be undertaken by allocating the new funds to the areas that provide the best returns for growth, jobs, and social justice. We have to prioritise the greening of our economies and the smart reindustrialisation of Europe. We must bring down energy costs and create solid infrastructures. These investments must promote innovation, support education and lifelong learning and the implementation of youth employment programmes, in particular the Youth Guarantee. Europe has to finally start investing in the future of its citizens!

