



2022/2046(INI)

14.10.2022

POSITION IN THE FORM OF AMENDMENTS

of the Committee on Employment and Social Affairs

for the Committee on Budgets

on upscaling the 2021-2027 multiannual financial framework: a resilient EU
budget fit for new challenges
(2022/2046(INI))

On behalf of the Committee on Employment and Social Affairs: Dragoş Pişlaru
(Chair)

PA_NonLegPosition

AMENDMENT

The Committee on Employment and Social Affairs presents the following amendments to the Committee on Budgets, as the committee responsible:

Amendment 1
Motion for a resolution
Recital C a (new)

Motion for a resolution

Amendment

Ca. whereas there are currently 96.5 million people in the EU at risk of poverty and social exclusion, which represents 21.9 % of the population; whereas about 34 million Europeans reported an inability to keep their homes adequately warm in 2018, and 6.9 % of the Union population have said that they cannot afford to heat their homes sufficiently in a 2019 EU-wide survey; whereas overall, the Energy Poverty Observatory has estimated that more than 50 million households in the EU experience energy poverty; whereas energy poverty is therefore a major challenge for the Union^{1a}; whereas these numbers are certain to increase as a consequence of the war in Ukraine, Russia's decision not to deliver gas to Poland and Bulgaria and the impact of the necessary sanctions imposed against the Russian Federation;

^{1a} Recital 12 of the Commission proposal for a regulation of the European Parliament and of the Council establishing a Social Climate Fund (COM(2021)0568).

Amendment 2
Motion for a resolution
Recital D

Motion for a resolution

D. whereas **citizens** rightly expect the EU budget to respond effectively to evolving needs and to support them in crises;

Amendment

D. whereas ***the crisis resulting from the COVID-19 pandemic and the war against Ukraine will have a serious impact on the social and economic situation in the EU, inter alia, on the EU's labour markets and living conditions, and risks negatively impacting growth and employment; whereas people rightly expect the EU budget to respond effectively to evolving needs and to support them in crises, in particular when increasing inflation and rapid increases in food and energy prices across the EU are affecting the most vulnerable populations, further increasing inequalities and aggravating poverty and energy poverty; whereas wages are not projected to increase as fast as inflation and therefore workers are losing purchasing power and may see their living conditions worsen in the next few months; whereas this will also exert greater pressure on social policy capacity, as well as on automatic stabilisers, such as national unemployment schemes;***

Amendment 3
Motion for a resolution
Recital D a (new)

Motion for a resolution

Da. whereas the European Pillar of Social Rights (EPSR) action plan sets targets for the EU to have at least 78 % of its population between the age of 20 and 64 in employment, at least 60 % of all adults in training every year and reductions in the number of people at risk of poverty or social exclusion by at least 15 million, including at least 5 million children; whereas the action plan also adopted a series of proposals in order to reach those goals by 2030; whereas in the current context, reaching these targets is

Amendment

becoming more challenging, given the projected increase in poverty and unemployment in the months to come; whereas social protection systems are under severe pressure to mitigate the social impact of the crisis, give support to refugees and ensure decent living conditions and access to quality essential services, such as health, education and housing, for all;

Amendment 4
Motion for a resolution
Recital E

Motion for a resolution

E. whereas the combined effect of multiple crises and low MFF ceilings has given rise to a ‘galaxy’ of ad hoc instruments beyond the EU budget, as well as greater use of external assigned revenue not subject to the budgetary procedure, most notably in the case of NextGenerationEU; whereas, as one arm of the budgetary authority, Parliament should play a full role in this new budgetary environment in order to ensure democratic accountability and transparency;

Amendment

E. whereas the combined effect of multiple crises and low MFF ceilings has given rise to a ‘galaxy’ of ad hoc instruments beyond the EU budget, as well as greater use of external assigned revenue not subject to the budgetary procedure, most notably in the case of NextGenerationEU; ***whereas NextGenerationEU and the Recovery and Resilience Facility (RRF) have ensured an economically and socially sustainable, just, inclusive and non-discriminatory recovery***; whereas, as one arm of the budgetary authority, Parliament should play a full role in this new budgetary environment in order to ensure democratic accountability and transparency; ***whereas the European instrument for temporary support to mitigate unemployment risks in an emergency (SURE) adopted by the Commission was a success***;

Amendment 5
Motion for a resolution
Paragraph 1

Motion for a resolution

1. Underlines the central role that the

Amendment

1. Underlines the central role that the

EU budget plays in delivering on the Union's political priorities, including making a success of the green and digital transitions, fostering an inclusive and **social** recovery, promoting growth, strategic autonomy and energy independence, providing support **for** small and medium-sized enterprises, fostering sustainable development that leaves no one behind and ensures cohesion and upward convergence, ensuring a more robust European Health Union in the aftermath of the COVID-19 crisis, promoting the rule of law, EU values and fundamental rights, **contributing to** greater opportunities for all, and ensuring a stronger Union for its people and in the world;

EU budget plays in delivering on the Union's political priorities, including making a success of the green and digital transitions, **not least by paying particular attention to remote areas and outermost regions, energy intense sectors and low-skilled workers in order to re- and up-skill them, creating quality employment and decent working conditions, with adequate wages and social security protection, high occupational health and safety standards and gender-balanced opportunities, contributing to the eradication of poverty, reducing inequalities,** fostering an inclusive and **socially just, sustainable, and non-discriminatory** recovery, **based on, inter alia, robust national social protection systems, short-time work schemes to avoid the drastic consequences of redundancies and housing allowances for people in need,** promoting growth, strategic autonomy and energy independence, providing **strong** support, **particularly for the younger generation, children, families, workers and** small and medium-sized enterprises, fostering sustainable development that leaves no one behind and ensures cohesion and upward **social** convergence, **while paying special attention to low-income and vulnerable groups, such as people in poverty or at risk of poverty and social exclusion,** ensuring a more robust European Health Union in the aftermath of the COVID-19 crisis, promoting the rule of law, EU values and fundamental rights, **fostering greater and equal** opportunities for all, and ensuring a stronger Union for its people and in the world;

Amendment 6
Motion for a resolution
Paragraph 2

Motion for a resolution

2. Underscores that there is a clear consensus among the institutions that, in

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Amendment

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the wake of the unprovoked and unjustified invasion of Ukraine, the EU should provide the strongest possible social, economic and financial assistance to Ukraine, while addressing the economic and social consequences of the crisis within the Union and delivering the necessary support to *its citizens*; underlines, in this context, the shared Union goals of delivering on the European Green Deal and the digital transition, scaling up defence cooperation and coordination, improving its strategic autonomy and energy independence and security, ensuring food security, and addressing the challenges caused by high inflation;

the wake of the unprovoked and unjustified invasion of Ukraine, the EU should provide the strongest possible social, economic and financial assistance to Ukraine, while addressing the economic and social consequences of the crisis within the Union and delivering the necessary support to ***people, in particular by contributing to the alleviation of high energy prices for households and businesses and by preserving purchasing power, quality employment and public services***; underlines, in this context, the shared Union goals of delivering on the European Green Deal and the digital transition, scaling up defence cooperation and coordination, improving its strategic autonomy and energy independence and security, ensuring food security, and addressing the challenges caused by high inflation, ***such as increased inequalities, unemployment and the risk of poverty, which are being exacerbated by the already high energy prices across Europe, and which have a disproportionate impact on low-income households and small and medium-sized enterprises***;

Amendment 7
Motion for a resolution
Paragraph 3

Motion for a resolution

3. Highlights that, in the short term, large-scale humanitarian aid in Ukraine and financial support to Member States receiving and helping to settle people fleeing the conflict are needed to address the impact of the war against Ukraine;

Amendment

3. Highlights that, in the short term, large-scale humanitarian aid in Ukraine and financial support to Member States receiving and helping to settle people fleeing the conflict are needed to address the impact of the war against Ukraine; ***welcomes the efforts made by the Member States hosting persons fleeing the war in Ukraine in terms of offering resources, education and work to refugees***;

Amendment 8
Motion for a resolution
Paragraph 5

Motion for a resolution

5. Points out that essential new policy initiatives put forward since the adoption of the current MFF have come with proposals to shift money away from key EU policies and objectives;

Amendment

5. ***Underlines that the flexibility available under the current 2021-2027 MFF is not sufficient to fully cover the financial needs generated by the war against Ukraine and the COVID-19 pandemic; stresses that the current size of the MFF was neither designed nor conceived to address the new challenges and future crisis situations, while simultaneously maintaining investments in the EU's programmes and policies, including important priorities like the just, green and digital transitions;*** points out that essential new policy initiatives put forward since the adoption of the current MFF have come with proposals to shift money away from key EU policies and objectives;

Amendment 9
Motion for a resolution
Paragraph 8

Motion for a resolution

8. Emphasises, therefore, that the 2021-2027 MFF is already being pushed to its limits less than two years after its adoption, a situation aggravated by the unforeseeable events of 2022; points out that it is simply not equipped, in terms of size, structure or rules, to respond to a multitude of crises of this scale, nor to adequately finance new shared EU policy ambitions and the swift implementation of the requisite EU-wide solutions;

Amendment

8. ***Points out that the economic and political context has changed since the current MFF was negotiated;*** emphasises, therefore, that the 2021-2027 MFF is already being pushed to its limits less than two years after its adoption, a situation aggravated by the unforeseeable events of 2022; ***recalls that current high inflation puts great pressure on the ceilings in the MFF, leaving very limited margins available for tackling the biggest challenges and long-term EU goals;*** points out that it is simply not equipped, in terms of size, structure or rules, to respond ***swiftly*** to a multitude of crises of this scale, nor to adequately finance new shared EU policy ambitions and the swift

implementation of the requisite EU-wide solutions;

Amendment 10
Motion for a resolution
Paragraph 9

Motion for a resolution

9. Recalls that the MFF is increased annually on the basis of a 2 % deflator applied to 2018 prices; underlines that spiralling energy prices and extreme energy market volatility caused mainly by Russia's decision to cut gas supply have been feeding soaring inflation, with severe impacts on citizens, businesses and consumers; is deeply concerned that such unexpectedly high levels of inflation are placing the MFF under severe strain and reducing its purchasing power further, in a context where its overall level is already lower than previous MFFs; stresses that, in practice, this means that fewer Union projects and actions can be funded, thereby negatively impacting beneficiaries;

Amendment

9. Recalls that the MFF is increased annually on the basis of a 2 % deflator applied to 2018 prices; underlines that spiralling energy prices and extreme energy market volatility caused mainly by Russia's decision to cut gas supply have been feeding soaring inflation, with severe impacts on citizens, businesses and consumers; is deeply concerned that such unexpectedly high levels of inflation are placing the MFF under severe strain and reducing its purchasing power further, in a context where its overall level is already lower than previous MFFs; stresses that, in practice, this means that fewer Union projects and actions can be funded, thereby negatively impacting beneficiaries **and the Union's capacity to deliver on its political objectives**;

Amendment 11
Motion for a resolution
Paragraph 12

Motion for a resolution

12. Concludes that, in this context, the need for an urgent review and revision of the MFF is beyond any doubt and that a 'business as usual' approach will **not remotely suffice** to tackle the array of challenges posed **and could thereby undermine confidence in the Union in the long term**;

Amendment

12. Concludes that, in this context, the need for an urgent review and **comprehensive, ambitious** revision of the MFF is beyond any doubt and that a 'business as usual' approach will **fail, and could thereby undermine confidence in the Union in the long term, unless additional measures are put in place** to tackle the array of challenges posed, **stimulate stagnant economies, rebuild Europe's industrial base and tackle the**

social and employment crisis, as well as the refugee and migration crises;

Amendment 12
Motion for a resolution
Paragraph 13

Motion for a resolution

13. Calls on the Commission, therefore, to conduct an in-depth review of the functioning of the current MFF and proceed with a legislative proposal for a comprehensive MFF revision as soon as possible and no later than the first quarter of 2023;

Amendment

13. Calls on the Commission, therefore, to conduct an in-depth review of the functioning of the current MFF and proceed with a legislative proposal for a comprehensive MFF revision as soon as possible and no later than the first quarter of 2023, ***in order to provide additional, needed flexibility in the EU budget, respond to unforeseen and urgent needs and take into account the long-term implications of the COVID-19 pandemic, the war against Ukraine and the emergency measures taken in response;***

Amendment 13
Motion for a resolution
Paragraph 13 a (new)

Motion for a resolution

13a. Considers that a number of issues will need to be taken into account in the MFF revision, namely the importance of increased flexibility and sufficient resources in the MFF to support sustainable growth and investment and effectively tackle the social and labour market implications of the COVID-19 pandemic and the war of aggression against Ukraine, especially mass unemployment; calls therefore for the MFF to be reinforced and for its budget to be increased to support the strategic objectives of the Europe 2020 strategy and the 2030 Agenda for Sustainable Development and the initiatives set out in the EPSR and the Porto Declaration, and

Amendment

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to enable the EU to take up new challenges;

Amendment 14
Motion for a resolution
Paragraph 17

Motion for a resolution

17. Reaffirms its long-standing position that new political initiatives must be financed with additional fresh money and not to the detriment of well-established, pre-existing Union programmes or policies;

Amendment

17. Reaffirms its long-standing position that new political initiatives must be financed with additional fresh money ***for new tasks, including those stemming from the EPSR action plan***, and not to the detriment of well-established, pre-existing Union programmes or policies; ***is concerned about the very limited margins available under the current MFF and insists on the need to enhance spending to speed up the implementation of the action plan; recalls that programmes decided under the MFF and their envelopes should be respected;***

Amendment 15
Motion for a resolution
Paragraph 17 a (new)

Motion for a resolution

Amendment

17a. Insists that the European Social Fund Plus (ESF+) must continue to be the key driver for strengthening the social dimension of the Union and the main instrument for supporting Member States, people and regions to achieve high employment levels, which need to be accompanied by adequate wages, decent working conditions, healthy work environments and social security coverage, in order to build fair social protection and develop a skilled, competitive and resilient workforce that is ready for the transition to a green and digital economy and the future world of work, as well as inclusive and cohesive

societies aiming to eradicate poverty and deliver on the principles set out in the EPSR; expects to the ESF+ to contribute to implementing the EPSR action plan and relevant country-specific recommendations under the European Semester to ensure equal opportunities, equal access to the labour market, fair and quality working conditions, social protection and inclusion; notes that the ESF+ was adopted before the current crisis situation, which currently requires higher public and social investment than initially planned, and that the current financial programming risks not meeting the existing needs; calls therefore for a reinforced ESF+ with significantly increased public support for existing instruments aimed at the poorest in our society, in particular actions aimed at the most deprived (notably the Fund for European Aid to the Most Deprived) and supplemented by a social rescue facility with increased public support for existing instruments aimed at the poorest in our society;

Amendment 16
Motion for a resolution
Paragraph 17 b (new)

Motion for a resolution

Amendment

17b. *Highlights the demographic situation in the EU, specifically its ageing population, which is a demographic phenomenon that involves a higher life expectancy and a decrease in both fertility and mortality rates; welcomes the European care strategy and calls for it to be supported within the MFF; insists on the need to invest in social infrastructure to address the demographic challenge; stresses the lack of policy responses to the impact of demographic change;*

Amendment 17
Motion for a resolution
Paragraph 19

Motion for a resolution

19. Regrets that, contrary to Parliament's position, it was decided that the costs of EURI borrowing and the repayment of debt be included as a budget line under Heading 2b, alongside flagship programmes such as Erasmus+, EU4Health, and Citizens, Equality, Rights and Values; stresses that interest costs and debt repayment depend on market developments, are not discretionary spending, do not follow the logic of caps on spending and should never compete with programmes under the same ceiling; recalls that any activation of the Emergency Support Instrument also depends on the availability of an unallocated margin under the ceiling of this heading; insists, therefore, that the status quo presents significant risks to programme spending and that the repayment line be removed from Heading 2b and counted over and above the MFF ceilings;

Amendment 18
Motion for a resolution
Paragraph 19 a (new)

Motion for a resolution

Amendment

19. Regrets that, contrary to Parliament's position, it was decided that the costs of EURI borrowing and the repayment of debt be included as a budget line under Heading 2b, alongside flagship programmes such as Erasmus+, EU4Health, and Citizens, Equality, Rights and Values; stresses that interest costs and debt repayment depend on market developments, are not discretionary spending, do not follow the logic of caps on spending and should never compete with programmes under the same ceiling; recalls that any activation of the Emergency Support Instrument also depends on the availability of an unallocated margin under the ceiling of this heading; insists, therefore, that the status quo presents significant risks to programme spending and that the repayment line be removed from Heading 2b and counted over and above the MFF ceilings; ***stresses the importance of the 2023 European Year of Skills, including concrete actions and policies supported by adequate funding from the MFF to further develop employment and entrepreneurship measures;***

Amendment

19a. Stresses that, as the COVID-19 pandemic and the war against Ukraine continue to create uncertainties, it is important to continue financing the recovery and addressing the social and employment-related challenges resulting from the pandemic, as well as to support

workers and businesses in the move towards a more solidarity-based digital, greener and climate neutral economy;

Amendment 19
Motion for a resolution
Paragraph 19 b (new)

Motion for a resolution

Amendment

19b. *Stresses furthermore that the ESF+ must provide adequate support for the capacity-building of the EU's social partners and civil society organisations, including in the form of training, networking measures and the strengthening of the social dialogue, and to activities jointly undertaken by the social partners;*

Amendment 20
Motion for a resolution
Paragraph 19 c (new)

Motion for a resolution

Amendment

19c. *Is concerned that wages have been on a decreasing trend and that real wages are currently falling after a series of exceptional energy price shocks; considers that there is an urgent need for wage increases in order to sustain internal demand and inclusive growth and to reduce the impact of the double crisis on workers and households, and that additional efforts are required to help social partners in delivering wage increases through tripartite capacity-building frameworks, in anticipation of the swift implementation of the Directive on Adequate Minimum Wages and its expected positive impact;*

Amendment 21
Motion for a resolution
Paragraph 19 d (new)

Motion for a resolution

Amendment

19d. Recalls that young people have been particularly affected by the COVID-19 crisis in terms of employment, education, training and mental well-being; is concerned that the economic fallout from the current crisis resulting from the Russian aggression in Ukraine will risk leaving many more young people in Europe unemployed, with long-lasting socioeconomic consequences; stresses, in this regard, that the revised MFF needs to prioritise support for young people and measures to combat youth unemployment and to strengthen existing initiatives, such as the Youth Guarantee;

Amendment 22
Motion for a resolution
Paragraph 19 e (new)

Motion for a resolution

Amendment

19e. Recalls that the Union agencies play an important role in providing Union institutions and Member States with specialised knowledge, notably on employment and social issues, and that they must be guaranteed access to the necessary resources, including staffing, to fulfil their evolving tasks;

Amendment 23
Motion for a resolution
Paragraph 20

Motion for a resolution

Amendment

20. Reiterates its position that the Social Climate Fund must be fully incorporated into the EU budget and within

20. Highlights the need to fully implement the Just Transition Mechanism and swiftly adopt the Social

the MFF, without negatively impacting other programmes and funds under this heading, bearing in mind the importance of ensuring food security and delivering on the Green Deal; calls for the ceiling of Heading 3 to be adjusted accordingly;

Climate Fund to focus on social well-being and individuals' needs; reiterates its position that the Social Climate Fund must be fully incorporated into the EU budget and within the MFF, without negatively impacting other programmes and funds under this heading, bearing in mind the importance of ensuring food security and delivering on the Green Deal; calls for the ceiling of Heading 3 to be adjusted accordingly;

Amendment 24
Motion for a resolution
Paragraph 20 a (new)

Motion for a resolution

Amendment

20a. Welcomes the Union's ambition to step up its efforts to fight the alarming child poverty rates and to contribute to the eradication of child poverty via the recently created European Child Guarantee; warns however that the current crises have exacerbated and will further exacerbate the current deteriorating situation for children in or at risk of poverty, and will have long-lasting consequences; reiterates its call for an urgent increase in funding for the European Child Guarantee with a dedicated budget of at least EUR 20 billion for the 2021-2027 period and insists on making this part of the revised MFF and reinforced ESF+; calls on the Commission moreover to make available – and on the Member States to make full use of – all available resources to effectively implement the Child Guarantee, including the ESF+, ReactEU, and the RRF;

Amendment 25
Motion for a resolution
Paragraph 28

Motion for a resolution

28. Underlines that the temporary and short-term flexibility introduced into cohesion policy funds through the series of Cohesion's Action for Refugees in Europe (CARE) proposals **helped** Member States to deal quickly with the impact of the war against Ukraine, following on from the model of the Coronavirus Response Investment Initiatives, CRII and CRII+, which enabled EU action at the beginning of the COVID-19 pandemic;

Amendment 26
Motion for a resolution
Paragraph 28 a (new)

Motion for a resolution

Amendment

28. Underlines that the temporary and short-term flexibility introduced into cohesion policy funds through the series of Cohesion's Action for Refugees in Europe (CARE) proposals **provided help to** Member States to deal quickly with the impact of the war against Ukraine, **albeit still insufficiently for the scale of need in some Member States**, following on from the model of the Coronavirus Response Investment Initiatives, CRII and CRII+, which enabled EU action at the beginning of the COVID-19 pandemic;

28a. Calls for a temporary European social resilience package coordinating a set of measures and means to strengthen social welfare and social protection systems in the EU; stresses that SURE has proved to be successful in fighting unemployment as a consequence of the COVID-19 pandemic; believes that additional efforts are needed to prevent unemployment and underemployment stemming from the war, and calls for the continuation and refinancing of SURE to support short-time work schemes and workers who would be temporarily laid-off, as long as the socioeconomic consequences of the war continue to have a negative impact on the labour market;

Amendment 27
Motion for a resolution
Paragraph 29

Motion for a resolution

29. Stresses that, while crisis response measures are necessary and useful, cohesion policy is not a crisis response tool; is concerned that cohesion policy is increasingly being used to reinforce other policies and to make up for shortcomings in budgetary flexibility or crisis response mechanisms in the MFF; emphasises that cohesion policy is one of the priorities of the Union, has long-term investment objectives linked to the EU's strategic agenda, in particular the European Green Deal and the Digital Agenda, and should not be used to replenish funding for other policies; calls, therefore, for *cohesion* funding levels to be *preserved in the budget*;

Amendment 28
Motion for a resolution
Paragraph 29 a (new)

Motion for a resolution

Amendment

29. Stresses that, while crisis response measures are necessary and useful, cohesion policy is not a crisis response tool; ***considers, however, that it is essential to support regional development, sustainable growth and quality of life and employment***; is concerned that cohesion policy is increasingly being used to reinforce other policies and to make up for shortcomings in budgetary flexibility or crisis response mechanisms in the MFF; emphasises that cohesion policy is one of the priorities of the Union, has long-term investment objectives linked to the EU's strategic agenda, in particular the European Green Deal and the Digital Agenda, and should not be used to replenish funding for other policies; calls, therefore, for funding levels to be ***readjusted, in light of the sharp rise in energy prices, which puts low-income households in a difficult position, in order to invest in the energy efficiency of the worst performing residential buildings to allow for a timely, efficient and long-term response to the crisis***;

Amendment

29a. Insists that all national and EU emergency measures, particularly those connected to employment protection and income compensation, continue and be refinanced, as long as the socioeconomic consequences of the war continue to have a negative impact on the labour market;

Amendment 29
Motion for a resolution
Paragraph 29 b (new)

Motion for a resolution

Amendment

29b. Calls, in this regard, for a temporary European social resilience package coordinating a set of measures and means to strengthen social welfare and social protection systems in the EU, and for the creation of a new EU fund for social emergencies (a ‘social rescue facility’) for crises situations of a different nature, which are becoming increasingly multi-faceted, hybrid and complex;

Amendment 30
Motion for a resolution
Paragraph 30

Motion for a resolution

Amendment

30. Recalls that the special instruments sit outside the MFF ceilings, therefore ensuring a degree of flexibility and the ability to respond to crises, and are only mobilised in the event of a budgetary authority decision; points to the extensive use made of the special instruments in the first two years of the MFF;

30. Recalls that the special instruments sit outside the MFF ceilings, therefore ensuring a degree of flexibility and the ability to respond to crises, and are only mobilised in the event of a budgetary authority decision; points to the extensive use made of the special instruments in the first two years of the MFF; ***insists that all existing shortcomings of the emergency measures need to be addressed and fully resolved, particularly in terms of adequacy and universality of coverage and access;***

Amendment 31
Motion for a resolution
Paragraph 35

Motion for a resolution

Amendment

35. Insists that, beyond a reinforcement of the existing special instruments, it is necessary to establish a permanent fiscal

35. Insists that, beyond a reinforcement of the existing special instruments, it is necessary to establish a permanent fiscal

capacity and common crisis instrument as an additional special instrument over and above the MFF ceilings so that the EU budget can better adapt and quickly react to crises and their social and economic effects;

capacity and common crisis instrument as an additional special instrument over and above the MFF ceilings so that the EU budget can better adapt and quickly react to crises and their social and economic effects, *thus mitigating possible shocks to the EU's labour markets and impacts on living conditions, especially those of the most vulnerable persons, as well as on small and medium-sized enterprises;*

Amendment 32
Motion for a resolution
Paragraph 36 a (new)

Motion for a resolution

Amendment

36a. Recognises that the ESF+ and the RRF must contribute to the implementation of the EPSR by putting its principles into practice and mainstreaming social objectives in all relevant legislation, policies and implementing plans linked to NextGenerationEU; stresses that adequate resources should be allocated to update and implement the EPSR action plan adopted in Porto and to achieve the Porto headline targets, that the RRF should be made permanent, and that a minimum of 30 % of the funds should be allocated for social investments to strength social welfare systems and invest in social security, access to healthcare and education, affordable housing, employment, justice and social services for vulnerable groups; calls on the Commission, in this regard, to ensure adequate staffing to support this task; believes that the Porto poverty targets should be detailed better in all national recovery and resilience plans and at EU level with an action plan and a strong anti-poverty strategy supported by substantial investments that address all aspects of poverty, including in-work poverty;

Amendment 33
Motion for a resolution
Paragraph 36 b (new)

Motion for a resolution

Amendment

36b. Believes that addressing social gaps within EU and national budgets through social investments in key policy areas to improve the living and working conditions for people affected by high inflation, the war against Ukraine, the health crisis or the accelerating green and digital transformations should be at the heart of the EU recovery strategy; considers that, to this end, social risks and the divergent employment effects and long-term unemployment across particular industries should be adequately addressed; calls therefore on the Commission to present a Sustainable Development Goal expenditure and tracking methodology for the social expenditure in the EU budget based on the principles of the EPSR, as well as a Social Scoreboard and well-being indicators to measure the overall impact of different funds, instruments and facilities financed under the MFF;

Amendment 34
Motion for a resolution
Paragraph 37 a (new)

Motion for a resolution

Amendment

37a. Stresses that the overall EU budget under the current MFF is not big enough to deliver ambitious green and digital transformations and adequate resources for cohesion, upward social convergence and support for the European social model; insists that social priorities and social investments be strengthened in the revision of the MFF and the post-2027 MFF to ensure a strong, ambitious social

dimension and to reinforce the ESF+ and social protection systems, fully implementing the EPSR and the UN's 2030 Agenda;

Amendment 35
Motion for a resolution
Paragraph 37 b (new)

Motion for a resolution

Amendment

37b. ***Calls for the involvement of social partners to be reinforced, as well as the partnership principle, in the design, governance and implementation of the MFF, in the design and implementation of all relevant funding priorities, and in the monitoring of the results, particularly in terms of job protection, quality job creation, just transitions and the protection of workers' and social rights;***

Amendment 36
Motion for a resolution
Paragraph 42

Motion for a resolution

Amendment

42. Calls on the Commission, furthermore, to begin a longer-term reflection on the EU budget post-2027 in the light of evolving spending needs and building on the work of the Conference on the Future of Europe with respect to own resources and the budget; insists that the successor to the current MFF be equipped to deal fully and flexibly with a range of policy priorities and spending needs and to ensure resilience in the event of crises;

42. Calls on the Commission, furthermore, to begin a longer-term reflection on the EU budget post-2027 in the light of evolving spending needs **and the interinstitutional commitment made to the implementation of the EPSR and the adoption of its action plan, which set, inter alia, the EU target of reducing the number of people at risk of poverty or social exclusion by at least 15 million by 2030**, and building on the work of the Conference on the Future of Europe with respect to own resources and the budget; insists that the successor to the current MFF be equipped to deal fully and flexibly with a range of policy priorities and spending needs and to ensure resilience in the event of crises;

