



« A new path for Europe: ETUC investment plan, Sustainable growth and quality jobs »

The way of financing : SYNDEX proposals

Use the European Stability Mechanism (ESM)

- €20 billion to €40 billion of the ESM may be used for the investment programme as a direct grant, or in the form of a guarantee, which could enable the raising of nearly €200 billion.
- For trade union organisations, it will be necessary to put pressure on euro area Member State governments, in particular France, Germany and Italy who have veto rights on this fund.
- ETUC could ask these three main countries to ease the rules of the recovery plans that they are demanding in return for aids given by the ESM, as well as participation by an independent body in the decisions taken.

An extended base of tax on financial transactions

- Although this tax should be introduced latest by 1 January 2016, its implementation continues to be a complicated subject of discussion as regards the tax base.
- The estimated revenue from the current discussion spectrum varies between €9 billion and €36 billion per year.
- Some additional tens of billions of euros could be obtained to finance the real economy if, given their huge volume, foreign exchange transactions and derivative products were taxed even at extremely low rates.

A reinforced and redesigned role of the European Investment Bank

- The lending capacity of the EIB has increased through a coordinated approach with the European Investment Fund (EIF) and joint financial instruments : Public-Private Partnerships and Project Bonds.
- However, this approach requires fast repayment and a higher rate of remuneration, and presents risks in terms of projects quality, public interest and compliance with fundamental social and environmental standards.
- This method should:
 - ▶ integrate the setting up of a social and environmental regulation system through the implementation of the EIB's revised Charter of social and environmental principles and standards defined in 2009.
 - ▶ involve European interprofessional and sector-based trade union organisations into the governance of this charter, based on the investment projects concerned.

Create a fund within the EIB and demand that trade unions be consulted

- With the guarantee of all governments, a public capital of €35 billion will be enough to issue €265 billion of euro bonds that will attract institutional investors worldwide in the long-term.
- Finding €35 billion in the current budget could be possible if it is redeployed on the growth/ competitiveness function to finance real investments.
- Financing, as in the case of corporate restructuring or infrastructure construction has a significant impact on jobs. It is therefore urgent that trade union organisations to be formally consulted when choosing financing and during assessments of the return on investment.

Improve the effectiveness of investment by involving trade union organisations

- A right for social partners to participate in funds management
- Need to improve the skills of trade union reps. to support their involvement in programming , implementation, follow-up and evaluation of :
 - ▶ the cohesion funds,
 - ▶ new financial instruments initiated by the European Commission such as loans, guarantees, acquisitions and other risk-sharing instruments.

The Juncker plan:

1 = 15 ?

21 = 315 ?