



## **GREENS/EFA proposals for reform of the Memorandum of Understanding leading to the Second Economic Adjustment Programme**

We, the Greens in the European Parliament, want Greece to remain in the Eurozone. To that end Greece deserves all support that is necessary for it to overcome the deepest crisis it has faced in its recent history. There should be no ambiguity or blackmail. Greece's place is in the European Union and in the Eurozone.

Greece needs urgent change, to reform its structure, to give its citizens confidence and to ensure that younger generations have a future in Greece. It is Greek institutions and Greek society that must ensure that these changes are carried through, failing which, all solutions will succeed only in the short term and will not solve the real problems and the need for reform. Greece needs a Green New Deal.

Greece's path towards recovery involves stringent fiscal consolidation, which would strengthen both social cohesion and solidarity. The resulting loss of income would be compensated by the upgrading of social infrastructures, which would promote the move towards a greener economy and job creation, especially for young people.

Even though the Greek people have made strenuous efforts to promote the necessary reforms and even though there have been partial successes in implementing them, developments over the last two years have so far led only to an unsustainable status quo.

We will support all efforts by the Greek Greens to ensure socially balanced and fair reforms. We do not share the views of those political forces that oppose any change nor those that put the Eurozone membership of Greece at risk.

However, these reforms can only be achieved if the conditions necessary for their success are put in place. We, the Greens in European Parliament, are in favour of a number of policy reforms promoted by the Troika and of the terms of the Memorandum of Understanding leading to the Second Economic Adjustment Programme:

1. **Extension of the time** available to Greece to achieve the fiscal targets by two (2) years (until 2016, instead of 2014) in order to succeed. The ESM should finance this extension.
2. **Green New Deal Investment Package** for Greece for the stimulation and lasting reorientation of the real economy. Greece must be supported in investing in energy and resource efficiency and the use of renewable energy resources as well as in green and social innovation. Extra aid from Project Bonds, the European Guarantee Funds, a fair levy on wealth and the Financial Transaction Tax (FTT), in addition to the effective utilization of unused resources from Structural Funds and the innovative utilization of financial instruments from Commission budget resources, e.g. first loss credit portfolio guarantee, risk sharing facilities in conjunction with the European Investment Bank as well as accelerated absorption of Jeremie and Jessica funding through domestic lenders are needed for funding the revitalisation and reform of the Greek economy.
3. **Adaptation of the terms of the Memorandum of Understanding to European policies and their goals** concerning employment, poverty eradication, social dialogue and sustainability. We are in favour of scrapping the regulations allowing legislative powers over wages under collective agreements between social partners as well as over minimum wages, social cohesion, sustainable

and equitable pensions, environmental and climate policy, fair immigration policy and social reintegration of vulnerable groups. We ask the Commission to evaluate the experience in these regards and to make new proposals, particularly for helping the poorest families, and to present them to the European Parliament.

**4. Securing of the Greek borders with European guarantees, in order to freeze all armament programs for 3 years.**

**5. Ensuring European support for migrants and refugees in Greece.**

**6. Engagement of the European Commission in the effort to obtain detailed data on Greek deposits from Swiss and other banks**, in order to control gray properties and illegal export deposits as well as to obtain comprehensive data on the black money traded by European companies in the case of Greece. Help for the improvement of the efficiency of the Greek tax administration as well as fair tax harmonization measures in Europe. At the same time we advocate the implementation of social tax reform in Greece.

**7. European Agencies should offer direct support to Greek regions and municipalities to allow them to revitalize the real economy, absorb existing European Funds and mobilize additional investments.** A substantial part of the Structural funds should be earmarked - where necessary without co-financing - for social purposes, the fight against poverty and the creation of jobs, especially for young people.