Employment and Social Solidarity: Progress Programme 2007-2013

2009/0091(COD) - 05/11/2009

The Committee on Employment and Social Affairs adopted by 41 votes to 4 with no abstentions the report by Kinga GONCZ (S&D, HU) **rejecting**, under the first reading of the codecision procedure, the proposal for a decision of the European Parliament and of the Council amending Decision No 1672/2006/EC of the European Parliament and of the Council establishing a Community Programme for Employment and Social Solidarity – Progress.

The committee rejects specifically the funding arrangements proposed by the European Commission. The report proposed creating a **specific budget line** for the new facility, to enable people at risk of losing their jobs and the most disadvantaged to start their own micro-enterprises. Members state that funding for this facility should amount to EUR 150 million.

The Commission had initially proposed that the micro-credit facility be allocated EUR 100 million from the Progress programme for employment and social solidarity. Under the 2006 inter-institutional agreement, the Progress programme had in fact been allocated an additional EUR 114 million, at Parliament's request.

Members note that the financial and economic crisis is now turning into an employment and social crisis. Reallocating money from Progress is sending the wrong signal since Progress is targeting the most vulnerable groups. It is the common responsibility of Member States and the EU to implement the Progress Programme effectively under the present circumstances. Therefore the proposal by the Commission has to be rejected. In the report on the European Microfinance Facility (COD/2009/0096) an alternative way of financing the Facility is presented.