

# European Fund for Strategic Investments: extension of duration; technical enhancements for the Fund and the European Investment Advisory Hub

2016/0276(COD) - 13/12/2017 - Final act

**PURPOSE:** to extend the duration of the European Fund for Strategic Investments and introduce technical enhancements for that Fund and the European Investment Advisory Hub (EIAH).

**LEGISLATIVE ACT:** Regulation (EU) 2017/2396 of the European Parliament and of the Council amending Regulations (EU) No 1316/2013 and (EU) 2015/1017 as regards the extension of the duration of the European Fund for Strategic Investments as well as the introduction of technical enhancements for that Fund and the European Investment Advisory Hub (EIAH).

**CONTENT:** the European Fund for Strategic Investments (EFSI) is the flagship initiative of the [Investment Plan for Europe](#) set up by the European Union. The EFSI was created for an initial period of three years with the aim of mobilising at least **EUR 315 billion in investments**, thus supporting the objective of promoting growth and jobs.

The EFSI, which is being implemented and co-sponsored by the **European Investment Bank (EIB) Group**, is on track to achieve its goal. In order to keep up the positive momentum launched by the investment plan, this Regulation amends [Regulation \(EU\) 2015/1017](#) in order to:

- **extend the life of the EFSI** until the end of the current multiannual financial framework to enable the mobilisation of at least **EUR 500 billion** of private and public investment by 2020;
- **increase the EU guarantee to EUR 26 billion** (of which EUR 16 billion will be available for guarantee calls prior to 6 July 2018);
- **increase the EIB's contribution to EUR 7.5 billion** for the full investment period;
- **adjust the target rate of the EU guarantee fund to 35%** of the total EU guarantee obligation, thus providing an adequate level of protection;
- provide for a transfer from the envelope allocated to the Connecting Europe Facility (CEF) provided for in [Regulation \(EU\) No 1316/2013](#), as well as from the receipts and repayments under the CEF's lending instrument and the 2020 European Fund for Energy, Climate Change and Infrastructure to partially finance the contribution from the EU's general budget to the EU Guarantee Fund for additional investments.

The Regulation also provides for a number of **technical adjustments** developed in the light of lessons learned from its implementation:

- **Enhanced additionality:** this is defined as EFSI support for operations that address market failures or non-optimal investment situations that could not have been achieved (or not at the same scale) by the European Investment Bank (EIB), the European Investment Fund (EIF) or the EU's existing financial instruments, without the support of the EFSI.
- **Governance of the EFSI:** the Steering Committee will consist of **five members**: three appointed by the Commission, one by the EIB and one expert appointed by the European Parliament who would be a non-voting member. The steering committee will take the utmost account of the positions of all its members and, in the event of differences, decisions will be taken unanimously by

the voting members. Decisions approving the use of the EU guarantee will be made public and accessible.

- **Addition of new sectors:** the operations concerned will have to be compatible with EU policies and also support:
  - railway infrastructure, other rail projects and seaports;
  - blockchain technology;
  - the Internet of Things;
  - cybersecurity and network protection infrastructures;
  - the cultural and creative industries, for which the sector-specific financial mechanisms are to be authorised in interaction with the "Creative Europe" programme;
  - sustainable agriculture, forestry, fisheries, aquaculture and other aspects of the broader bioeconomy.

The EIB should aim to ensure that at least **40% of EFSI funding**, under the Infrastructure and Innovation strand, supports project components that contribute to **climate action**, in line with the commitments made at the 21st session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21).

It is also planned to give a larger share of funding to **SMEs**.

**European Investment Advisory Hub (EIAH):** EFSI will provide more targeted support to Member States facing difficulties in developing projects. The EIAH will in particular:

- contribute to the **sectoral and geographical diversification** of the EFSI;
- assist the EIB and national development banks or institutions in initiating operations, particularly in the least developed regions and in the regions in transition;
- be available at local level to provide assistance tailored to the needs on the ground.

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