


Basic information	
2016/2064(INI) INI - Own-initiative procedure Implementation of the European Fund for Strategic Investments See also Regulation (EU) 2015/1017 2015/0009(COD) Subject 2.50.03 Securities and financial markets, stock exchange, CIUTS, investments 4.70.01 Structural funds, investment funds in general, programmes 8.40.07 European Investment Bank (EIB) 8.50.01 Implementation of EU law	Procedure completed

Key players			
European Parliament	Joint committee responsible	Rapporteur	Appointed
	BUDG Budgets		
	ECON Economic and Monetary Affairs	FERNANDES José Manuel (PPE) BULLMANN Udo (S&D)	20/10/2016 20/10/2016
		Shadow rapporteur KARAS Othmar (PPE) GARDIAZABAL RUBIAL Eider (S&D) KÖLMEL Bernd (ECR) LOONES Sander (ECR) TREMOSA I BALCELLS Ramon (ALDE) TORVALDS Nils (ALDE) VIEGAS Miguel (GUE/NGL) NÍ RIADA Liadh (GUE/NGL) DE MASI Fabio (GUE/NGL) EICKHOUT Bas (Verts/ALE) SOLÉ Jordi (Verts/ALE) VALLI Marco (EFDD) ZANNI Marco (ENF) KAPPEL Barbara (ENF)	
	Committee for opinion	Rapporteur for opinion	Appointed
	INTA International Trade	MAUREL Emmanuel (S&D)	23/05/2016

	CONT Budgetary Control	TAKKULA Hannu (ALDE)	07/04/2016
	EMPL Employment and Social Affairs	TOMC Romana (PPE)	19/05/2016
	ITRE Industry, Research and Energy (Associated committee)	MARINESCU Marian-Jean (PPE)	24/05/2016
	IMCO Internal Market and Consumer Protection	DANTI Nicola (S&D)	15/03/2016
	TRAN Transport and Tourism (Associated committee)	AYALA SENDER Inés (S&D) RIQUET Dominique (ALDE)	14/03/2016 14/03/2016
	REGI Regional Development	BRESSO Mercedes (S&D)	17/03/2016
	CULT Culture and Education	EVANS Jill (Verts/ALE)	02/05/2016
European Commission	Commission DG	Commissioner	
	Economic and Financial Affairs	KATAINEN Jyrki	

Key events			
Date	Event	Reference	Summary
28/04/2016	Committee referral announced in Parliament		
28/04/2016	Referral to associated committees announced in Parliament		
28/04/2016	Referral to joint committee announced in Parliament		
15/05/2017	Vote in committee		
22/05/2017	Committee report tabled for plenary	A8-0200/2017	Summary
14/06/2017	Debate in Parliament	CRE link	
15/06/2017	Decision by Parliament	T8-0270/2017	Summary
15/06/2017	Results of vote in Parliament		
15/06/2017	End of procedure in Parliament		

Technical information	
Procedure reference	2016/2064(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Implementation
	See also Regulation (EU) 2015/1017 2015/0009(COD)

Legal basis	Rules of Procedure EP 55 Rules of Procedure EP 59
Stage reached in procedure	Procedure completed
Committee dossier	CJ16/8/06315

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Committee opinion	IMCO	PE584.238	11/10/2016	
Committee opinion	REGI	PE587.416	13/10/2016	
Committee opinion	INTA	PE589.274	11/11/2016	
Committee draft report		PE597.724	30/01/2017	
Committee opinion	EMPL	PE585.729	31/01/2017	
Amendments tabled in committee		PE600.948	02/03/2017	
Amendments tabled in committee		PE600.952	02/03/2017	
Committee opinion	TRAN	PE594.092	23/03/2017	
Committee opinion	CULT	PE595.719	23/03/2017	
Committee opinion	ITRE	PE599.549	06/04/2017	
Committee opinion	CONT	PE599.570	12/04/2017	
Committee report tabled for plenary, single reading		A8-0200/2017	22/05/2017	Summary
Text adopted by Parliament, single reading		T8-0270/2017	15/06/2017	Summary
European Commission				
Document type		Reference	Date	Summary
Commission response to text adopted in plenary		SP(2017)574	20/11/2017	

Implementation of the European Fund for Strategic Investments

2016/2064(INI) - 22/05/2017 - Committee report tabled for plenary, single reading

The Committee on Budgets and the Committee on Economic and Monetary Affairs adopted the own-initiative report by José Manuel FERNANDES (EPP, PT) and Udo BULLMANN (S&D, DE) on the implementation of the European Fund for Strategic Investments (ESFI).

The report has been adopted pursuant to [Rule 55](#) of the Rules of Procedure of the European Parliament (Joint committee meetings).

Members recalled that EFSI has now been in place for around 1.5 years. Even though this does not allow for a comprehensive or final assessment, evidence gathered so far can give a first indication of how the Regulation has been implemented.

Firstly, the most recent data on national accounts do not indicate any surge in investment since the European Fund for Strategic Investments (EFSI) was launched, leading to concerns that, without a change, there will be continued subdued growth and continuing high unemployment rates. Closing this investment gap by creating an environment conducive to investment in certain strategic areas is key to reviving growth.

The role played by EFSI is stressed in helping to resolve difficulties and remove obstacles to financing as well as to implement strategic investments and to encourage private investment in all regions of the EU.

The main findings of the report are as follows:

Additionality: projects supported by EFSI are considered to provide additionality if they carry a risk corresponding to EIB special activities. These projects shall typically have a higher risk profile than projects supported by EIB normal operations. Members underlined that EIB projects carrying a risk lower than the minimum risk under EIB special activities may also be supported by EFSI only if use of the EU guarantee is required to ensure additionality.

The Commission is called upon, in cooperation with the EIB and the EFSI governance structures, to draw up an inventory of all EU-backed EIB financing falling under the additionality criteria and to provide clear and comprehensive explanations of the evidence that the projects could not have been realised through other means.

Scoreboard and project selection: prior to a project being selected for EFSI support, it has to undergo due-diligence and decision-making processes both in the EIB and the EFSI governance structures. Project promoters have expressed a wish for swift feedback and enhanced transparency in relation to both the selection criteria and the amount of possible EFSI support. Members called for greater clarity in order to further encourage project promoters to apply for EFSI support, including by making the scoreboard available to applicants for EFSI financing.

Small-scale projects should be supported as they often encounter difficulties in obtaining the funding they need.

Governance: the report observed that the EFSI governance structures have been implemented in full within the EIB. With a view to improving the efficiency and accountability of EFSI, options for making the EFSI governance structure **completely separate** from that of the EIB should be discussed.

It was also highlighted that project selection is not transparent enough and that the EIB should make improvements in relation to the disclosure of information about the projects it approves under EFSI. The report recalled that national promotional banks are essential for the success of EFSI, as they are close to, and familiar with, the local markets. However, synergies have so far not been exploited. Investment platforms should be promoted and their establishment rules simplified.

Financial instruments: recalling that the EIB has developed new financial instruments for the purposes of EFSI, Members expressed concerns about project promoters' criticisms that the financing instruments provided are not compatible with their projects' needs.

Geographical diversification: Members regretted that EFSI support has mainly benefited a limited number of countries where the investment gaps are already below the EU average. They noted that within beneficiary countries, there is often an unequal geographical distribution of EFSI-funded projects.

The EIB is called upon to provide further technical assistance to those countries and regions which have benefited less from EFSI.

EIAH: the report attached the utmost importance to the operation of the European Investment Advisory Hub (EIAH) with Members convinced that it has the potential to play an instrumental role in addressing many of the shortcomings of EFSI implementation. However, they stressed that the EIAH needs to enhance the profile of its services, improve communication and raise awareness and understanding of its activities amongst EIAH stakeholders.

Future financing: Members noted that the Commission has proposed an extension of EFSI, both in terms of duration and financial capacity, and that this would have an impact on the EU budget. They intend to put forward alternative financing proposals. Members noted awareness of overlaps and competition between EFSI and financial instruments of the EU budget on the part of the Commission and the EIB has led to the adoption of guidelines recommending the **combination of EFSI and ESI Fund financing**.

Extension: noting that EFSI alone will probably not be able to close the investment gap in Europe, Members called for **further proposals** to be made on how to permanently boost investment in Europe.

Implementation of the European Fund for Strategic Investments

2016/2064(INI) - 15/06/2017 - Text adopted by Parliament, single reading

The European Parliament adopted by 477 votes to 105 with 35 abstentions a resolution on the implementation of the European Fund for Strategic Investments (EFSI).

Noting the significant investment gap in Europe, which the Commission estimates to be at least **EUR 200-300 billion per year**, Members voiced their concern that the most recent data on national accounts showed **no significant increase in investment** since the creation of the [European Fund for Strategic Investments](#) (EFSI). Bridging the investment gap by creating an environment conducive to investment in certain strategic areas is considered essential to boost growth.

The main recommendations contained in the resolution are as follows:

Additionality: recalling that EFSI's aim is to ensure additionality by helping to remedy market failures or non-optimal investment situations, Members called for **further clarification of the concept of additionality**. They called on the Commission to draw up an **inventory** of all EU-supported EIB financing meeting the additionality criteria and to provide clear explanations justifying why the projects could not have been carried out otherwise.

Dashboard and project selection: project promoters expressed the wish to have quick feedback and increased transparency regarding project selection criteria and the amount of support that could be provided by the EFSI.

Members called for **greater clarity to encourage project promoters to apply for EFSI support**, including by making the dashboard available to funding applicants. They regretted that current dashboards give as much importance to the technical aspects of the projects as to the more important desired outcomes.

Small-scale projects should be supported because they often encounter difficulties in obtaining the funding that they need.

Governance: with a view to improving the effectiveness and accountability of the EFSI, Parliament suggested that options for the **complete separation of the governance structure of the EFSI from that of the EIB** should be examined. It also considered that the project selection process was not sufficiently transparent and that the EIB should make improvements with regard to the publication of information on the projects that it approves under the EFSI.

The resolution recalled that **national development banks** were necessary for the EFSI's success, as they were close to local markets. However, synergies have so far not been exploited. **Investment platforms**, as a means of geographic and thematic diversification of investments, should be promoted and the rules for their establishment simplified.

Financial instruments: recalling that the EIB has developed new financial instruments for the purposes of EFSI, in order to provide tailor-made products adapted to high-risk financing, MEPs voiced their concern at project promoters' criticisms that the financing instruments **are not compatible** with their projects' needs. In addition, the EIB should consider how the development of **green bonds** would enhance the potential of EFSI in financing projects with environmental or climate benefits.

Geographical diversification: Parliament regretted that the EFSI's support has mainly benefited a **limited number of countries**, whose investment gap is already below the EU average. Moreover, within the beneficiary countries, there is often an **uneven geographical distribution** of projects financed by the EFSI.

Members called on the EIB to provide additional technical assistance to countries and regions which have benefited less from the EFSI.

European Investment Advisory Hub (EIAH): Members recalled the importance they attached to the functioning of the hub. They are convinced that EIAH could help to remedy many shortcomings in the implementation of the EFSI. However, they stressed that the EIAH should **enhance the profile of its services**, improve its communication and raise awareness and understanding of its activities among EIAH stakeholders.

Future funding: Parliament noted that the Commission had proposed extending the EFSI to the level of duration and financial capacity, which would have implications for the Union budget. It indicated its intention to **present other funding proposals**. It also noted that, because of overlaps and competition between the EFSI and the financial instruments of the EU budget, guidelines had been adopted recommending combining EFSI funding and ESI Fund financing.

Extension: recognising that the EFSI would probably not be able on its own to close the investment gap in Europe, Members called for **new proposals** on how to stimulate investment in Europe over time.