

Procedure file

Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	2020/0108(COD) Procedure completed
InvestEU Programme Amended by 2023/0199(COD)	
Subject 4.70.01 Structural funds, investment funds in general, programmes	
Legislative priorities Multiannual Financial Framework 2021-2027	

Key players			
European Parliament	Joint Committee Responsible	Rapporteur	Appointed
	 Budgets	 FERNANDES José Manuel	22/07/2020
	Economic and Monetary Affairs	 TINAGLI Irene	22/07/2020
		Shadow rapporteur	
		 FERBER Markus	
		 GARDIAZABAL RUBIAL Eider	
		 KOVAŘÍK Ondřej	
		 TORVALDS Nils	
		 PETER-HANSEN Kira Marie	
		 VANA Monika	
		 RZOŃCA Bogdan	
		 VAN OVERTVELDT Johan	
		 GRANT Valentino	
		 KUHS Joachim	
	 Budgets		

Economic and Monetary Affairs

Committee for opinion

Rapporteur for opinion

Appointed

EMPL Employment and Social Affairs

The committee decided not to give an opinion.

ENVI Environment, Public Health and Food Safety
(Associated committee)

10/06/2020



CANFIN Pascal

ITRE Industry, Research and Energy
(Associated committee)

25/06/2020



KELLY Seán

TRAN Transport and Tourism
(Associated committee)

23/06/2020



BERENDSEN Tom

REGI Regional Development

The committee decided not to give an opinion.

CULT Culture and Education

Chair on behalf of committee 22/06/2020



VERHEYEN Sabine

FEMM Women's Rights and Gender Equality

27/08/2020



FITZGERALD Frances

Council of the European Union
European Commission

Commission DG

Commissioner

Economic and Financial Affairs

GENTILONI Paolo

European Economic and
Social Committee
European Committee of the
Regions

Key events

29/05/2020	Legislative proposal published	<u>COM(2020)0403</u>	Summary
17/06/2020	Committee referral announced in Parliament, 1st reading		
23/07/2020	Referral to associated committees announced in Parliament		
23/07/2020	Referral to joint committee announced in Parliament		
28/10/2020	Vote in committee, 1st reading		
28/10/2020	Rejection by committee to open interinstitutional negotiations with report adopted in committee		
03/11/2020	Committee report tabled for plenary, 1st reading	<u>A9-0203/2020</u>	

13/11/2020	Decision by Parliament, 1st reading	T9-0306/2020	Summary
13/11/2020	Matter referred back to the committee responsible		
11/01/2021	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE663.116 PE663.119	
09/03/2021	Results of vote in Parliament		
09/03/2021	Debate in Parliament		
09/03/2021	Decision by Parliament, 1st reading	T9-0068/2021	Summary
17/03/2021	Act adopted by Council after Parliament's 1st reading		
24/03/2021	Final act signed		
25/03/2021	End of procedure in Parliament		
26/03/2021	Final act published in Official Journal		

Technical information

Procedure reference	2020/0108(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
	Amended by 2023/0199(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 173-p3; Rules of Procedure EP 57_o; Treaty on the Functioning of the EU TFEU 175-p3; Rules of Procedure EP 59
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	CJ16/9/03560

Documentation gateway

Legislative proposal		COM(2020)0403	29/05/2020	EC	Summary
Economic and Social Committee: opinion, report		CES2866/2020	15/07/2020	ESC	
Committee opinion	CULT	PE655.942	03/09/2020	EP	
Committee draft report		PE655.923	04/09/2020	EP	
Committee opinion	FEMM	PE655.872	14/09/2020	EP	
Amendments tabled in committee		PE657.232	15/09/2020	EP	
Committee opinion	ITRE	PE655.653	02/10/2020	EP	
Committee opinion	ENVI	PE658.817	05/10/2020	EP	
Committee opinion	TRAN	PE653.989	08/10/2020	EP	

Committee report tabled for plenary, 1st reading/single reading		A9-0203/2020	03/11/2020	EP	
Text adopted by Parliament, partial vote at 1st reading/single reading		T9-0306/2020	13/11/2020	EP	Summary
Committee letter confirming interinstitutional agreement		PE663.119	17/12/2020	EP	
Text agreed during interinstitutional negotiations		PE663.116	06/01/2021	EP	
Text adopted by Parliament, 1st reading/single reading		T9-0068/2021	09/03/2021	EP	Summary
Draft final act		00074/2020/LEX	24/03/2021	CSL	
Commission response to text adopted in plenary		SP(2021)234	03/05/2021	EC	

Additional information

Research document	Briefing	22/02/2021
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Final act

[Regulation 2021/523](#)
[OJ L 107 26.03.2021, p. 0030](#)

Delegated acts

2021/2627(DEA)	Examination of delegated act
2021/2815(DEA)	Examination of delegated act

InvestEU Programme

PURPOSE: to create the InvestEU Programme as a single investment support mechanism for Union policies for the period 2021-2027.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure on an equal footing with the Council.

BACKGROUND: while investment conditions in Europe have improved since the launch of the Juncker plan in 2014, thanks to a more favourable economic situation and government interventions such as the European Strategic Investment Fund (EFSI), there is still a significant investment gap in Europe.

The COVID-19 pandemic is a major shock to the world and EU economies. The contraction of EU GDP in 2020 - forecast at around 7.5% - is expected to be much deeper than during the 2009 financial crisis.

For the Multiannual Financial Framework (MFF) 2021-2027, the Commission therefore considers it necessary to propose a reinforced EU investment programme to provide crucial support to businesses and to ensure a strong focus of private investors on the Union's medium and long-term priorities, including the Green Deal for Europe and digital transitions, as well as increased resilience.

This is why the Commission is withdrawing its May 2018 [proposal](#) for the InvestEU programme and submitting a new proposal that takes full account of the partial agreement reached in April 2019 between the Parliament and the Council.

This new proposal (i) increases the amount of the initially proposed financial envelope (ii) amends the scope of the proposal to reflect on the post-pandemic needs of the European economy. It builds on the lessons learned from the EFSI evaluations and previous financial instruments (Connecting Europe Facility, Horizon 2020, COSME, Competitiveness and Innovation Framework Programme etc.).

CONTENT: the Commission proposes to create the InvestEU programme for the multi-annual financial framework 2021-2027 in order to bring together under a single structure all financing from the EU budget in the form of loans and guarantees.

The InvestEU programme shall be based on the following elements:

The InvestEU Fund

The InvestEU Fund shall mobilise public and private investment through a EU budget guarantee of EUR 75 153 850 000 (in current prices)

which aims to support the investment projects of implementing partners. The Commission proposes that the guarantee be provisioned at 45%, which means that EUR 33 800 000 000 from the EU budget shall be set aside in case calls are made on the guarantee.

The European Investment Bank (EIB) Group shall remain a privileged implementing partner for the Invest EU. It shall implement 75% of the EU guarantee. National development banks or institutions may also become implementing partners.

Five policy windows

The InvestEU Fund shall operate through 5 policy windows, each of which is aimed at addressing market failures or investment shortfalls within their specific scope:

1. sustainable infrastructure;
2. research, innovation and digitisation;
3. SMEs;
4. social investment and skills;
5. strategic European investments.

In addition to increasing the resources of the sustainable infrastructure window, the Commission proposes to broaden the scope of the programme by adding a fifth strand - strategic European investment - with a view to meeting the future needs of the European economy and promoting and ensuring the strategic autonomy of the Union in key sectors. This window shall be endowed with an amount of up to EUR 31 153 850 000.

This new window shall support final recipients established in a Member State and carrying out an activity of strategic importance to the Union, in particular with a view to green and digital transitions and increased resilience in areas such as:

- provision of critical health care, manufacturing and stockpiling of pharmaceuticals, medical devices and medical supplies, strengthening the capacity to respond to health crises;
- critical infrastructure (e.g. energy, transport, environment, health, 5G, Internet of Things);
- key enabling, transformative, green and digital technologies (e.g. artificial intelligence, block chains, renewable energy technologies, biomedicine).

The InvestEU Advisory Hub

The advisory hub would provide technical support and assistance in the preparation, development, structuring and implementation of projects, including capacity-building. The EIB Group would play a central role in the implementation of advisory support under the Hub. A financial envelope of EUR 724 733 000 (in current prices) is foreseen for the InvestEU Advisory Hub.

The InvestEU Portal

The InvestEU Portal shall be established to provide for an easily accessible and user-friendly project database to promote visibility of investment projects searching for financing with enhanced focus on the provision of a possible pipeline of investment projects, compatible with Union law and policies.

Governance

An investment committee of independent experts shall remain responsible for approving individual requests. The Commission performs a policy check on proposed financing or investment operations to verify that they are compliant with EU law before a proposal is submitted to the Investment Committee.

Budgetary implications

For the period 2021-2027, the budgetary framework (commitments at current prices) foreseen for the InvestEU programme amounts to EUR 33 524 733 000. The overall provisioning will amount to EUR 33 800 million, of which EUR 1 billion will be covered by revenues, repayments and recoveries generated by existing financial instruments and the EFSI.

InvestEU Programme

The European Parliament adopted by 615 votes to 34, with 39 abstentions, amendments to the proposal for a regulation of the European Parliament and of the Council establishing the InvestEU Programme.

The matter was referred back to the committee responsible for inter-institutional negotiations.

The proposed regulation aims at establishing the InvestEU Fund, which would provide an EU guarantee in support of financing and investment operations carried out by implementing partners that contribute to the EU's internal policy objectives, including EU priorities such as the European Green Deal and digital transition, increased resilience and sustainable and inclusive recovery of the EU economy after the crisis caused by the COVID-19 pandemic.

The main amendments adopted in plenary concern the following points:

Budget and amount of the EU guarantee

The InvestEU Fund would mobilise public and private investment through an EU budget guarantee of EUR 91 773 320 000 (current prices) which would support the investment projects of implementing partners. Parliament has proposed that 40% of the guarantee should be provisioned.

It is planned to allocate:

- EUR 31 153 850 000 (current prices) to financing and investment operations in strategic sectors, to maintain and consolidate the EU's strategic autonomy and the inclusiveness and convergence of its economy, as well as to strengthen resilience to economic shocks;

- EUR 19 850 000 000 (current prices) to operations related to sustainable infrastructure and solvency support for companies established in a Member State and operating in the EU and which face significant solvency risks as a result of the COVID-19 crisis;

- EUR 40 769 470 000 (current prices) for objectives related to support for sustainable infrastructure, research, innovation and digitisation, accessibility of finance for SMEs and availability of microfinance and finance for social enterprises.

If certain grants have not been fully utilised by 31 December 2023 or if certain loans to Member States have not been granted by 31 December 2023, part of the unused amount or unallocated room for manoeuvre, up to a maximum of EUR 16 billion (current prices), would automatically be made available to the InvestEU Fund to provision the Union guarantee for the period 2024-2027.

Where certain the grants have not been used in their entirety by 31 December 2023, or where the loans to Member States have not been granted by 31 December 2023, part of the unused amount or the unallocated headroom, up to a maximum amount of EUR 16 billion (in current prices), shall be made available automatically to the InvestEU Fund, for the provisioning of the EU

guarantee for the period 2024-2027.

Policy windows

The InvestEU Fund would operate through 6 policy windows, corresponding to the main priorities for EU action, namely:

- 1) sustainable infrastructure (up to EUR 20 051 970 000);
- 2) research, innovation and digitisation (up to EUR 11 250 000 000);
- 3) SMEs (up to EUR 12 500 000 000);
- 4) social investment and skills (up to EUR 5 567 500 000);
- 5) European strategic investments (up to EUR 31 153 850 000);
- 6) solvency support for companies (up to EUR 11 250 000 000).

Strategic European investments

This new window would support final beneficiaries established in a Member State and carrying out an activity of strategic importance to the EU, in particular with a view to ecological and digital transitions and increased resilience in areas such as:

- provision of critical health care, manufacturing and stockpiling of medicines, including vaccines, medical devices and medical supplies, strengthening the capacity to respond to health crises;
- critical infrastructure (e.g. energy, transport, environment, health, 5G, Internet of Things);
- key enabling, transformative, green and digital key technologies (e.g. artificial intelligence, block chains, renewable energy technologies, biomedicine);
- tourism;
- strategic investments in renewable energy and energy efficiency projects, including building renovation.

Advisory and information services to investors

The regulation would also create:

- an Invest EU hub to support the development of investment-ready projects, facilitate access to finance and assist in related capacity building;
- an InvestEU portal, a database that would give visibility to projects for which promoters are seeking funding, and provide investors with information on investment opportunities.

The financial envelope allocated to the implementation of these measures has been set at EUR 824 733 000 (current prices).

InvestEU Programme

The European Parliament adopted by 496 votes to 57, with 144 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council establishing the InvestEU programme.

The proposed regulation aims to establish the InvestEU Fund, which will provide an EU guarantee in support of financing and investment operations carried out by implementing partners that contribute to the EU's policy objectives. The Commission and the EIB Group would establish a partnership to support the implementation of the InvestEU programme and promote its consistency, inclusiveness, additionality and efficient deployment.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amends the Commission's proposal as follows:

Objectives of the InvestEU Programme

The general objective of the InvestEU Programme is to support the policy objectives of the Union by means of financing and investment operations that contribute to:

- the competitiveness of the Union, including research, innovation and digitisation;
- growth and employment in the Union economy, the sustainability of the Union economy and its environmental and climate dimension contributing to the achievement of the SDGs and the objectives of the Paris Agreement and to the creation of high-quality jobs;

- the social resilience, inclusiveness and innovativeness of the Union;
- the promotion of scientific and technological advances, of culture, education and training;
- the integration of Union capital markets and the strengthening of the internal market, including solutions to address the fragmentation of Union capital markets, diversify sources of financing for Union enterprises and promote sustainable finance;
- the promotion of economic, social and territorial cohesion; or
- the sustainable and inclusive recovery of the Union economy after the COVID-19 crisis, including by providing capital support for SMEs that were negatively affected by the COVID-19 crisis and were not already in difficulty in State aid terms at the end of 2019.

Budget and amount of the EU guarantee

The InvestEU Fund would mobilise public and private investment through an EU guarantee of EUR 26 152 310 073 (current prices) that would support the investment projects of implementing partners. The guarantee would be provisioned at 40%. An additional amount of the EU guarantee could also be provided in the form of cash or guarantees by the Member States.

It is provided that EUR 11 327 310 073 (current prices) be earmarked for objectives relating to support for sustainable infrastructure, research, innovation and digitalisation, accessibility of finance for SMEs and availability of microfinance and finance for social enterprises.

The actions taken should contribute to achieving a target of 30% of all Multiannual Financial Framework (MFF) expenditure dedicated to the integration of climate objectives and the ambition to have 7.5% of the budget earmarked for biodiversity expenditure in 2024 and 10% in 2026 and 2027.

Policy windows

The InvestEU Fund would operate through four policy windows, each aimed at addressing market failures or sub-optimal investment situations in their specific scope, namely:

- (1) sustainable infrastructure (up to EUR 9 887 682 891);
- (2) research, innovation and digitisation (up to EUR 6 575 653 460);
- (3) SMEs (up to EUR 6 906 732 440);
- (4) social investment and skills (up to EUR 2 782 241 282).

Just Transition Mechanism

A Just Transition Facility would be implemented horizontally across all policy strands. This would include investments to address social, economic or environmental challenges arising from the transition process towards the EU's 2030 climate target and its 2050 climate neutrality objective.

Strategic investments

All policy windows may include strategic investments including important projects of common European interest to support final recipients whose activities are of strategic importance to the Union, in particular in view of the green and digital transitions, of enhanced resilience and of strengthening strategic value chains.

In the case of strategic investments in defence and space sectors and in cybersecurity, as well as in specific types of projects with actual and direct security implications in critical sectors, the investment guidelines) should set out limitations with respect to final recipients controlled by a third country or third country entities and final recipients having their executive management outside the EU.

Investor advice and information services

The regulation would also establish:

- an Invest EU Advisory Hub to support the development of investible projects, facilitate access to finance and assist in related capacity building;
- an InvestEU Portal, a database that would give visibility to projects for which promoters are seeking funding and provide investors with information on investment opportunities.

The financial envelope for the implementation of these measures would be set at EUR 430 000 000 (current prices).