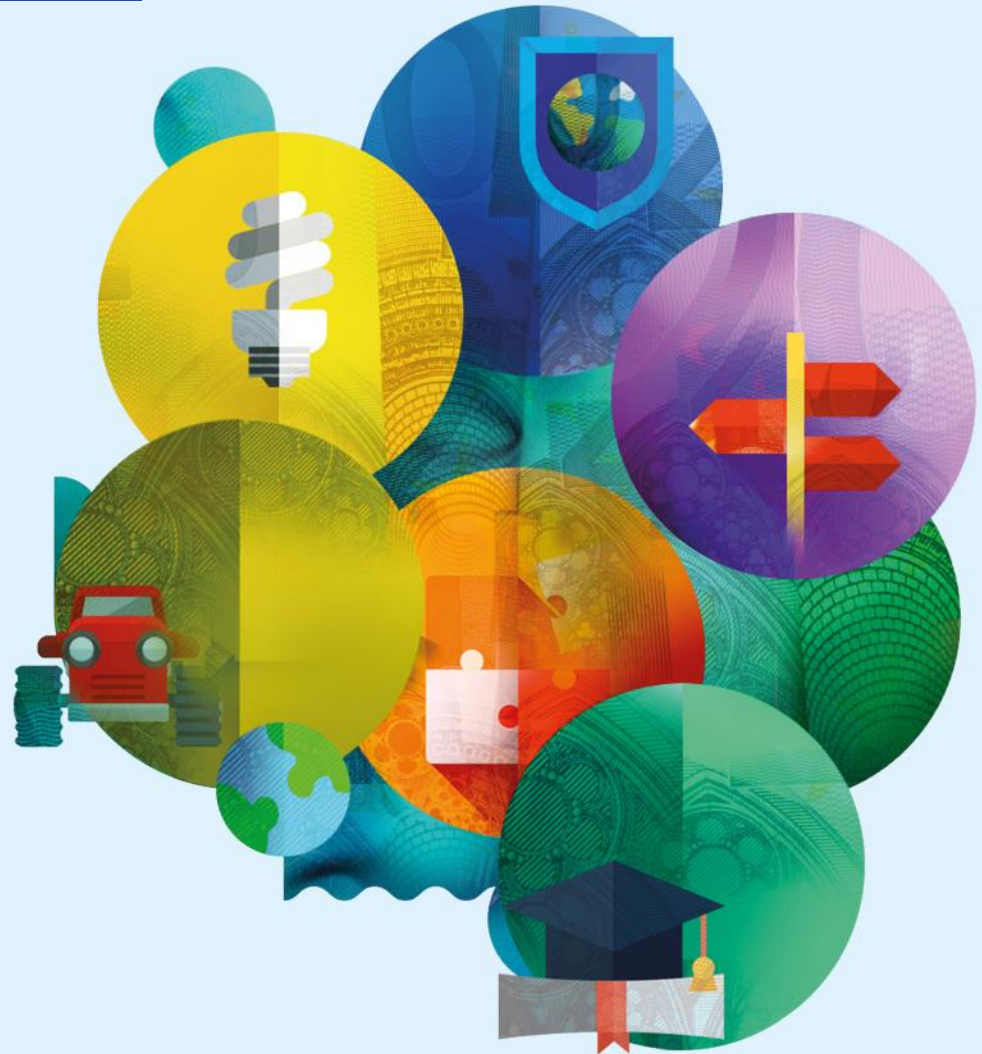


# Investment support under the next MFF – InvestEU

Giorgio Chiarion Casoni  
DG ECFIN

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Social Infrastructure

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**#EUBudget**

# InvestEU Programme

**1. Rationale**

**2. InvestEU Fund**

**3. The EU guarantee**

**4. InvestEU Advisory Hub**

**5. InvestEU Portal**

# 1. Rationale

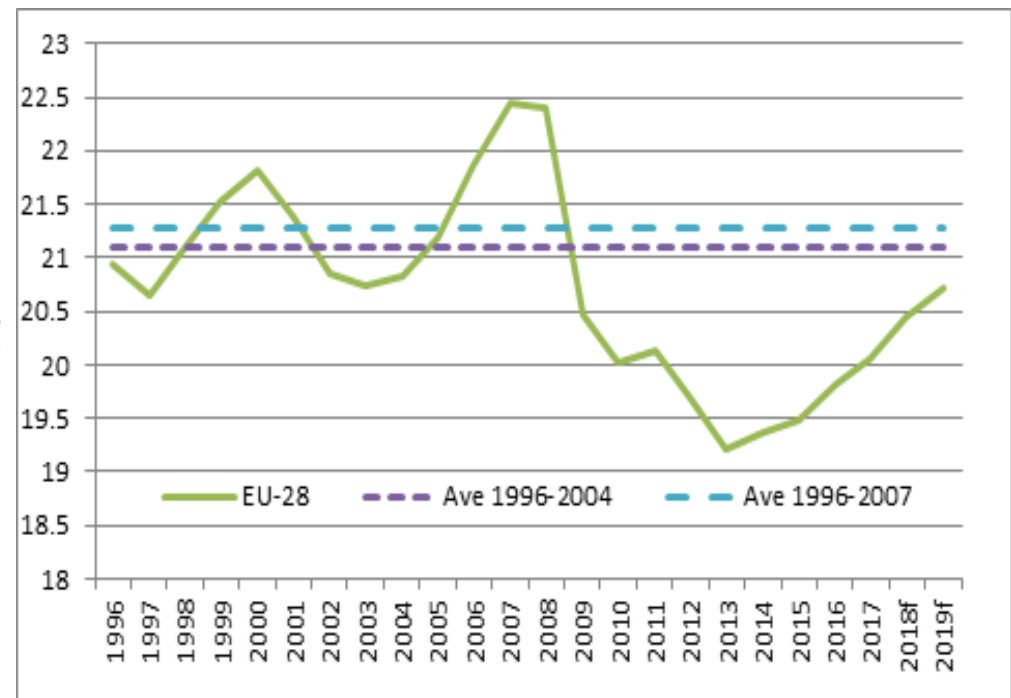
## Address market gaps to sustain investment..

- By 2021, Member States are expected to have recovered their pre-crisis GDP level, with very few exceptions

### But:

- Persistent market gaps are still observed in different policy areas and hold back investment
- Not enough to compensate years of underinvestment as a percentage of GDP
- Not enough to finance needs in key sectors

**Investment in EU as a % of the GDP (current prices)**



# 1. Rationale

## Lessons learnt during current MFF

**Increased number of different financial instruments brings risks of:**

- Fragmentation
- Policy/financial overlaps
- Multiplication of agreements
- Multiplication of different fees

# 1. Rationale

## Why a single budgetary guarantee

### From a beneficiary perspective:

- ✓ More clarity for final beneficiaries: one single strong brand: InvestEU.

### From an EU budget perspective:

- ✓ Freezes less resources as it needs limited provisioning for the same level of financial engagement
- ✓ More efficient due to diversification compared to several ring fenced Budgetary Guarantees

# 1. Rationale

## The programmes replaced

### Equity Instruments

CEF  
Equity

COSME  
EFG

EaSI  
Capacity  
Building IW

Innovfin  
Equity

### Guarantee Instruments

EaSI  
Guarantee

EFSI

Student Loans  
GF

### Risk Sharing Instruments

Natural  
Capital  
Fin. Fac.

Private  
Finance  
for Energy  
Efficiency

Innovfin  
Debt

Cultural  
and  
Creative  
Sector GF

Innovfin  
Risk  
Sharing

CEF  
Debt  
Instrument

InvestEU

## 2. InvestEU Fund

# InvestEU indicative proposed budget

Window	Budgetary guarantee	Mobilised investment (estimate)
Sustainable infrastructure	11 500	185 000
Research, Innovation and Digitisation	11 250	200 000
SMEs	11 250	215 000
Social investment and skills	4 000	50 000
<b>TOTAL</b> (EUR Million, in current prices)	<b>38 000</b>	<b>650 000</b>

- **The size of the EU guarantee proposed is EUR 38bn and the provisioning rate 40 %, i.e. EUR 15.2 bn needed for the provisioning (EUR 14.2 bn budg. Allocation + EUR 1bn. from reflows)**
- **Budget for InvestEU Advisory Hub, InvestEU Portal and accompanying measures is proposed to be EUR 525m.**
- **InvestEU is expected to mobilise more than EUR 650 billion of additional investment across Europe**

## 2. InvestEU Fund

# Social investment and skills window

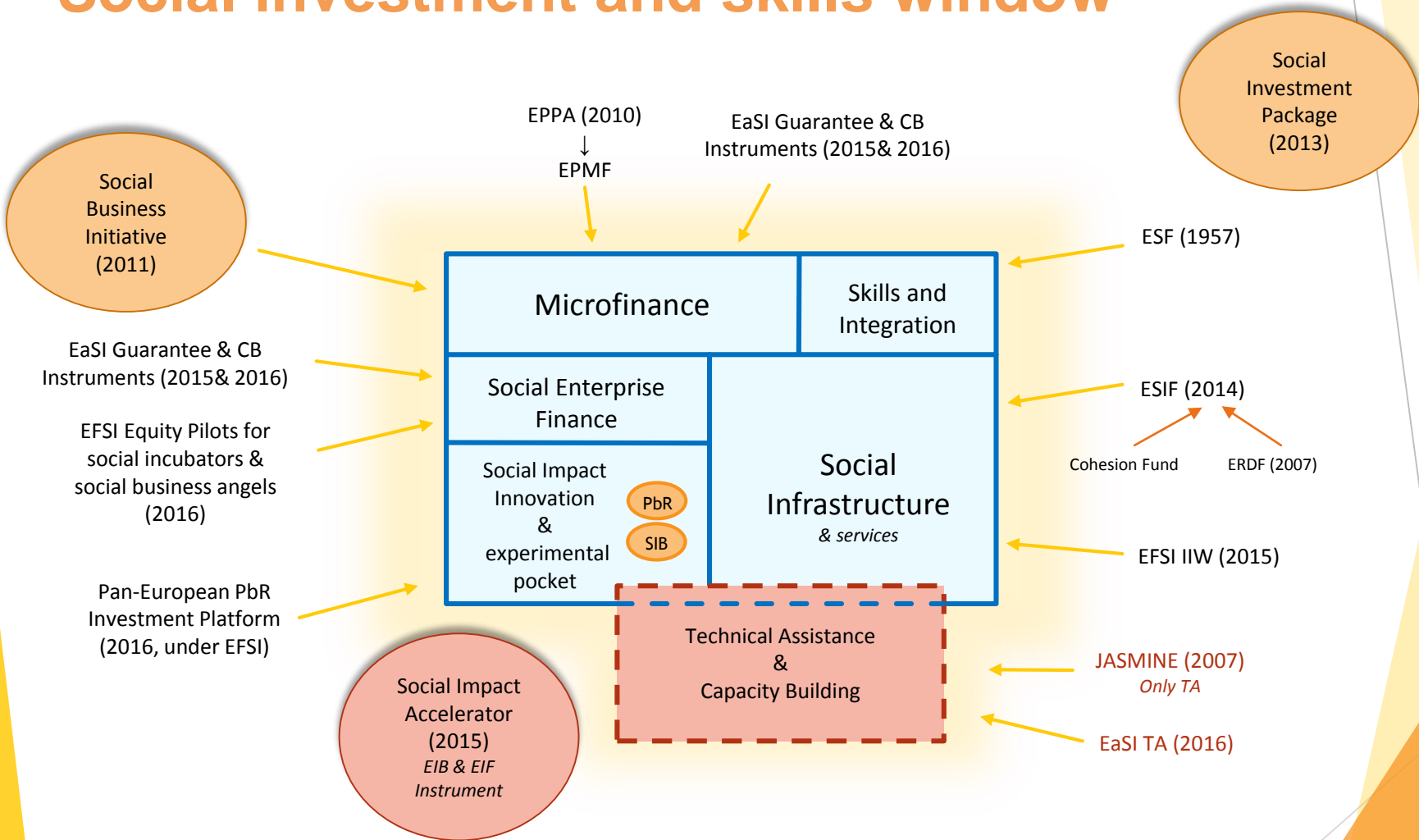
### Why this window?

- Develop and consolidate the nascent market structures underlying the European social economy organisations and social enterprises ecosystem;
- Increase access to, and the availability of, **microfinance** for vulnerable persons (e.g. unemployed, youth, migrants) and **micro-enterprises**, social enterprises and social innovation;
- Build up a stronger capital market for **social infrastructure** promoters investing in areas such as education (including childcare), social housing, urban renewal, health (including long-term care) and integration of third country nationals;
- Support **human capital investments** (both demand and supply side), for students and workers and other persons in need of initial training, reskilling and upskilling, as well as for **education and training providers**.



# 2. InvestEU Fund

## Social investment and skills window



## 2. InvestEU fund

# InvestEU implementing partners

InvestEU Fund backs the financial products provided by the implementing partners.

The procedure to choose implementing partners follows the provisions of the FR, which opens eligibility to;

- EIB Group (privileged partner, exp. volume ~ 75%)
- Other IFIs (EBRD, COE Bank..)
- National Promotional Banks and Institutions
- Other entities fulfilling the criteria laid down in the FR in Art. 62.1

## 3. The EU guarantee

# The two compartments

### EU compartment

- Fosters EU level action and tackles EU level market gaps
- Consists of four policy windows
- Budgetary guarantee size of EUR 38bn, provisioned at 40%
- Guarantee is not geographically ring-fenced

InvestEU  
Fund

### MS compartment

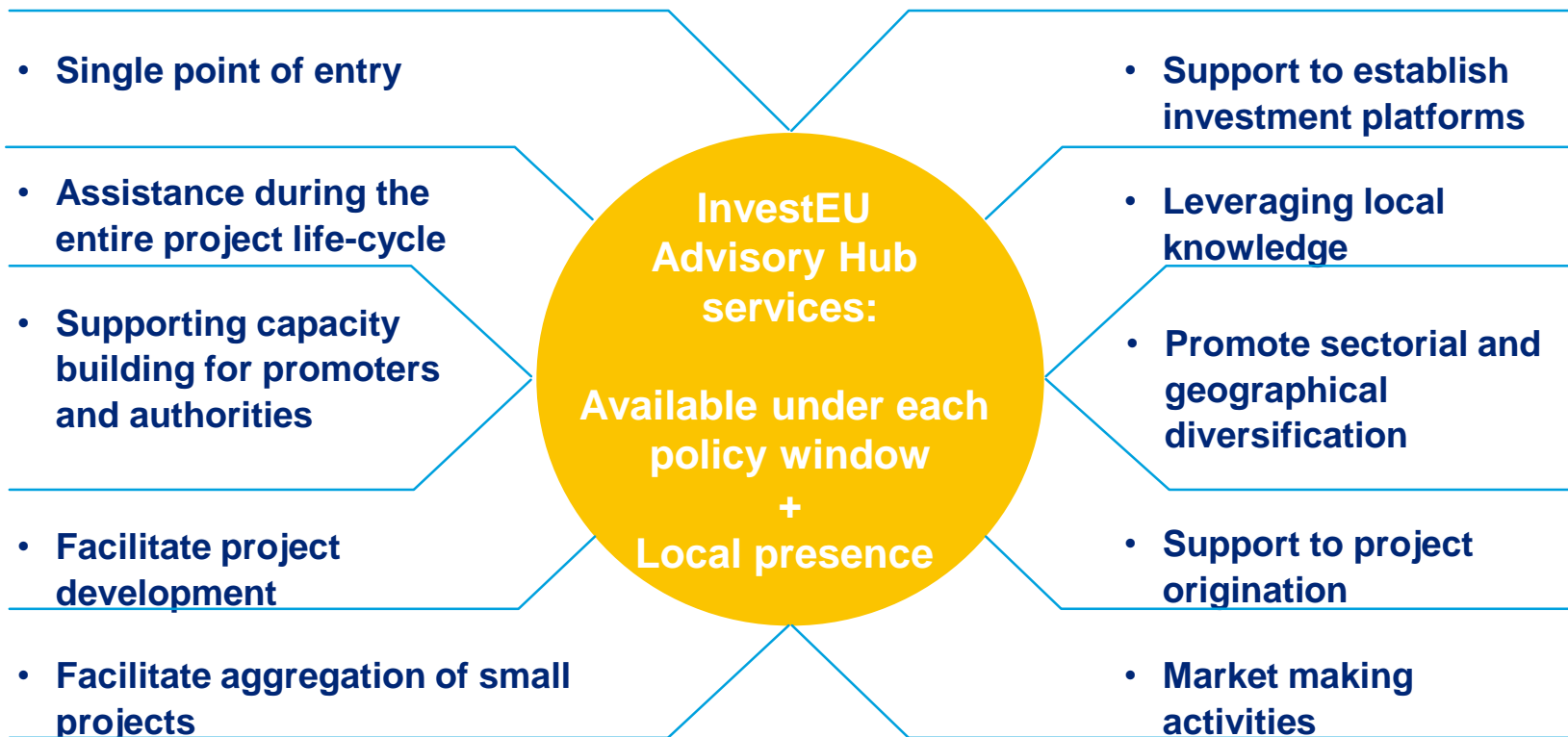
- Fosters MS level action and tackles local level market gaps
- On a voluntary basis by MS can allocate amounts to provision the MS compartment from ERDF, ESF+, EMFF, EAFRD or cohesion fund
- Established at the level of each policy window; 1MS = 1sub-compartment
- Based on a specific contribution agreement defining size, provisioning, contingent liability...
- Contributions are geographically ring-fenced
- InvestEU rules apply

**1 EUR by MS can trigger up to 40 EUR under InvestEU**

## 4. InvestEU advisory

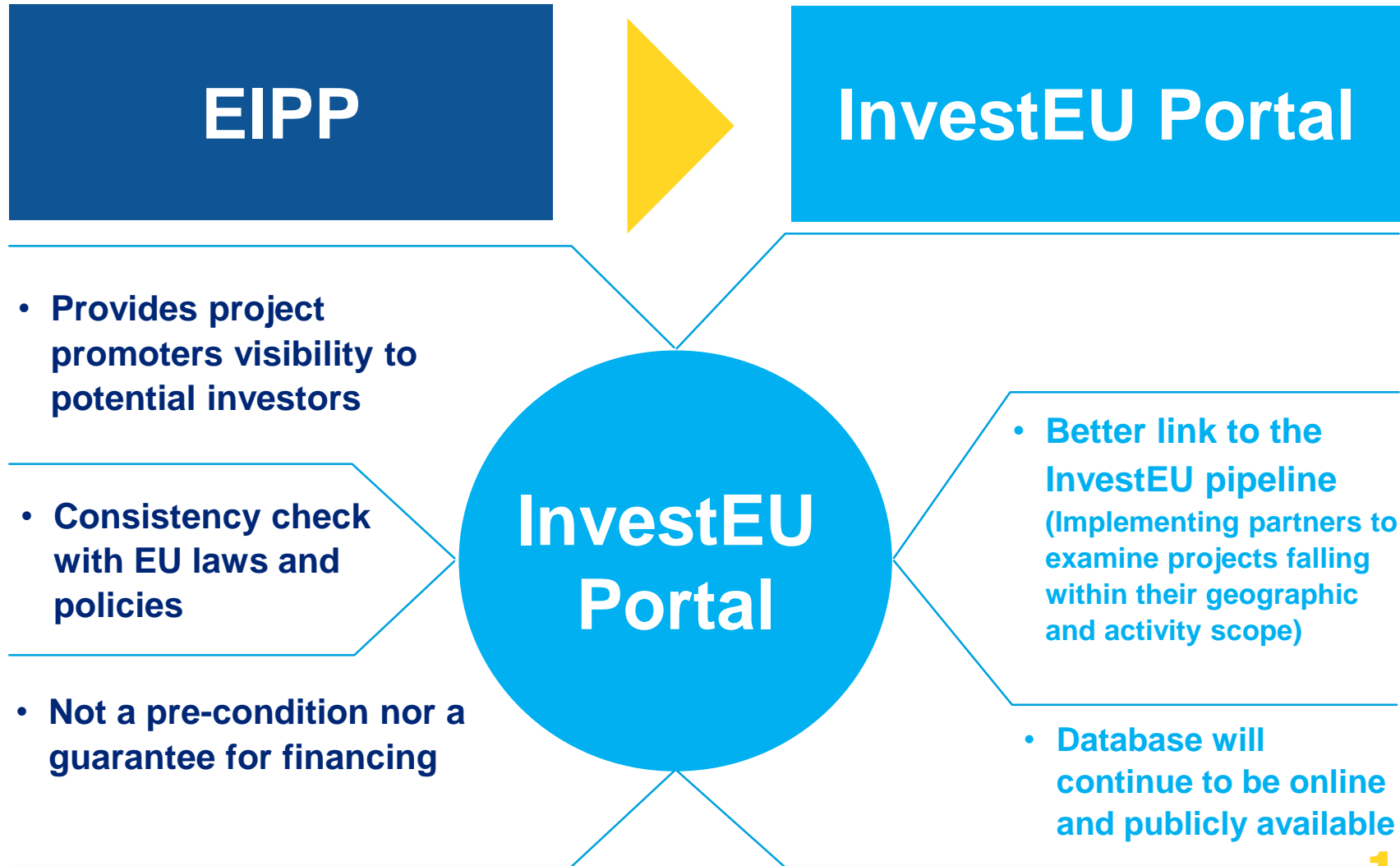
# InvestEU Advisory Hub

- Provides advisory support for the identification, preparation, development, structuring, procuring and implementation of investment projects, or enhance the capacity of promoters and financial intermediaries to implement financing and investment operations
- Replaces 12 advisory bodies + EIAH



## 5. InvestEU portal

# InvestEU Portal



# To conclude...

- InvestEU brings simplification: a single regulation and rulebook; a strong brand, recognisable for beneficiaries
- It brings budgetary efficiency through a single budgetary guarantee
- An open and inclusive approach combining the strength of the EIB Group with the expertise and local presence of other partners to do more and better, with an enhanced geographic balance
- It fosters synergies between EU level and MS level

**Thank you!**

