

WORKING DOCUMENT OF THE COMMISSION SERVICES

n° 31

InvestEU Programme figures and assumptions – Post-MFF agreement

- 25 November 2020 -

DISCLAIMER

This non-paper has not been adopted or endorsed by the European Commission. Any views expressed are the preliminary views of the Commission services and may not in any circumstances be regarded as stating an official position of the Commission. The information transmitted is intended only for the entity to which it is addressed for discussions and may contain confidential and/or privileged material.

This non-paper aims at explaining the post-MFF agreement figures for the InvestEU programme and clarifying some of the underlying assumptions behind them.

Note: all the amounts included in the text are in **current prices**, unless otherwise specified.

1) Budgetary resources

The political agreement reached between the European Parliament and the Council on 10 November 2020 on the Multi-annual Financial Framework (“MFF”) 2021-2027 and Next Generation EU (“NGEU”) instrument allocates an additional EUR 1,000,000,000 (2018 prices) to the amounts set out in the July European Council conclusions, which foresaw to use EUR 2,800,000,000 (2018 prices) of the EU budget under the 2021-2027 MFF and EUR 5,600,000,000 (2018 prices) from the NGEU instrument.

The amount in current prices corresponding to the baseline allocation of EUR 2,800,000,000 (2018 prices) is EUR 3,068,000,000 under the 2021-2027 MFF.

To this amount, the amount in current prices corresponding to the additional allocation of EUR 1,000,000,000 (2018 prices) needs to be added. Given the specific modalities of the annual mechanism which will provide for the additional allocation of the EUR 1,000,000,000 (2018 prices), the exact annual distribution cannot be established in advance. However, based on the annual minimum and maximum of that mechanism, an indicative distribution could be projected in a conservative scenario (i.e. based on the minimum possible result in current prices). On that basis, it could be estimated that at least EUR 1,132,717,029 in additional resources will be available to the InvestEU Programme.

Therefore, the total amount committed under the MFF is EUR 4,200,424,029.

Furthermore, InvestEU will also benefit from:

- EUR 6,074,000,000 under the NGEU instrument; and

- EUR 1,000,000,000 from reflows stemming from EFSI and existing financial instruments, as set out under the Commission proposal¹.

This results in an overall envelope of EUR 11,274,424,029 to be utilised for the following purposes:

- i) the EIF capital increase for an amount of EUR 375,000,000²;
- ii) InvestEU Advisory Hub, InvestEU Portal and other accompanying measures for an amount of EUR 430,000,000;
- iii) provisioning of the InvestEU Fund for an amount of EUR 10,460,924,029; and
- iv) administrative support for an amount of EUR 8,500,000.

The above amounts would come from the aforementioned resources (MFF, NGEU and reflows), and allocated in the following manner:

(EUR)	EIF capital increase	InvestEU Advisory & Portal	InvestEU Provisioning	Admin support	Total
MFF 2021-2027	375,000,000	287,500,000	3,530,924,029	7,000,000	4,200,424,029
Next Generation EU	-	142,500,000	5,930,000,000	1,500,000	6,074,000,000
Reflows	-	-	1,000,000,000	-	1,000,000,000
Total	375,000,000	430,000,000	10,460,924,029	8,500,000	11,274,424,029

2) Provisioning rate and EU guarantee

Taking into consideration the position of the two co-legislators, a 40% provisioning rate would allow for an EU guarantee of **EUR 26,152,310,073**.

3) Financial contributions from implementing partners and mobilised investment

Option A – 25% in financial contributions

A financial contribution of **25%** of the overall guarantee would amount to around EUR 6.5 bn, leading a total risk bearing capacity of EUR 32.7 bn.

The 75% share of the EIB Group would result in a financial contribution of EUR 4.9 bn.

¹ Additional reflows are attributed to the Public Sector Loan Facility (JTM pillar 3). See also Working Document no. 30.

² This is the figure currently set out in the Amending Letter n. 1 of the budget 2021. The final amount to be inserted in the InvestEU Regulation will need to reflect the precise amount for the capital increase, which may be slightly lower. However, none of the other amounts to be laid down in the Regulation will need to be adapted when this figure is modified.

The expected investment mobilised would be of around EUR 370 bn.

Option B – 16.7% in financial contributions

A financial contribution of **16.7%** of the overall guarantee would amount to around EUR 4.4 bn, leading a total risk bearing capacity of EUR 30.5 bn.

The 75% share of the EIB Group would result in a financial contribution of EUR 3.3 bn.

The expected investment mobilised would be of around EUR 350 bn.

EU guarantee, financial contributions and mobilised investments (EUR)	Current figures (25%)	Current figures (16.7%)
EU guarantee	26,152,310,073	26,152,310,073
+ Expected financial contributions from all implementing partners	6,538,077,518	4,367,435,782
Total risk bearing capacity	32,690,387,591	30,519,745,855
* Multiplier	11.4x	11.4x
Expected mobilised investment	372,670,418,533	347,925,102,743

Annex – Table of relevant amounts with reference to InvestEU Regulation

(EUR)	Amounts (25%)	Amounts (16.7%)	Ref. in Regulation
Fund provisioning	10,460,924,029	10,460,924,029	
Advisory, Portal and ancillary measures ³	430,000,000	430,000,000	Art. 4(3)
- <i>out of which 75% of the advisory budget to the EIB Group</i>	<i>300,000,000</i>	<i>300,000,000</i>	<i>Art. 10(1)(d)(i)</i>
EIF capital increase	375,000,000	375,000,000	Art. 32
Administrative support	8,500,000	8,500,000	
Total InvestEU budget	11,274,424,029	11,274,424,029	
Provisioning rate	40%	40%	Art. 4(1)
Total EU guarantee	26,152,310,073	26,152,310,073	Recital 38 / Art. 4(1)
- <i>out of which 75% to the EIB Group</i>	<i>19,614,232,554</i>	<i>19,614,232,554</i>	<i>Art. 12(4)</i>
Total expected financial contributions	6,538,077,518	4,367,435,782	
- <i>out of which 75% from the EIB Group</i>	<i>4,903,558,139</i>	<i>3,275,576,837</i>	<i>Art. 12(4)</i>
Total risk bearing capacity	32,690,387,591	30,519,745,855	
Multiplier	11.4x	11.4x	
Total investment mobilised	372,670,418,533	347,925,102,743	Recital 38

Split of EU guarantee MFF/NGEU	Amounts	Ref. in Regulation
MFF 2020-2027	11,327,310,073	Art. 4(2), 2 nd subparagraph
NGEU	14,825,000,000	Art. 4(2), 1 st subparagraph
Total EU guarantee	26,152,310,073	Recital 38 / Art. 4(1)

³ Of which EUR 400,000,000 would be for the Advisory Hub.

Split within NGEU budget	Amounts	Ref. in Regulation
Fund provisioning	5,930,000,000	Art. 34(3)(a)
Advisory, Portal and ancillary measures	142,500,000	Art. 34(3)(b)
Administrative support	1,500,000	
Total resources from NGEU	6,074,000,000	Art. 34(3)