



# EU BUDGET FOR THE FUTURE

#EUBudget #EURoad2Sibiu #FutureofEurope



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## INVESTMENTS






### ... WHY IS THIS A PRIORITY?

Europe's future prosperity depends on the investment decisions we take today. The EU budget has always been a vital source of investment across Europe. Stepping up investment in areas such as research, strategic infrastructure, digital transformation of industry and the Single Market will unlock future growth and tackle common challenges such as decarbonisation and demographic change.

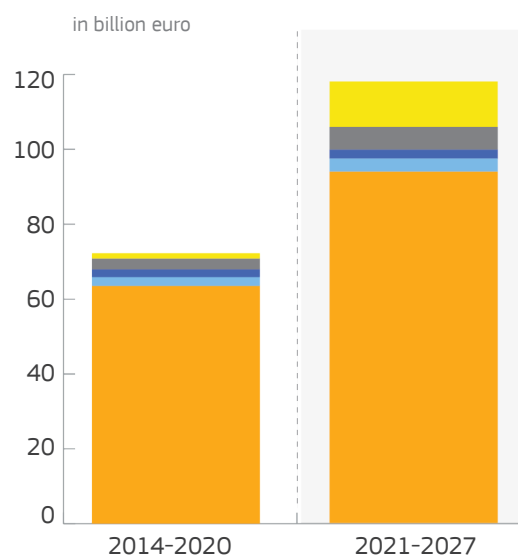
The EU's long term goals regarding sustainability, competitiveness and inclusive growth require significant investments in new mobility models, renewable energies, energy efficiency, research and innovation, digitisation, education and skills, social infrastructure, the circular economy, climate action and most importantly in small business creation and growth.

### WHAT DOES THIS MEAN IN FINANCIAL TERMS?

With a contribution from the EU budget of **€15.2 billion**, InvestEU is expected to mobilise more than **€650 billion** of additional investment across Europe.

- Digital Europe Programme & Connecting Europe Facility - Digital 
- International Thermonuclear Experimental Reactor (ITER) 
- Euratom Research and Training Programme 
- Innovation Window InvestEU Fund 
- Horizon Europe 

### Investing in the future



Source: European Commission

Note: Compared to the Multiannual Financial Framework 2014-2020 at EU-27 (estimate)



## WHAT IS NEW IN THE COMMISSION PROPOSALS?








- Building on the success of the European Fund for Strategic Investments (the Juncker Plan) and other financial instruments, in catalysing private investments throughout Europe, the Commission proposes to set up a new, fully integrated investment fund, **InvestEU**. InvestEU will anchor all centrally managed financial instruments inside the EU in a single, streamlined structure. This new approach will avoid overlaps, simplify access to funding and reduce administrative burden. In addition, the InvestEU Fund will provide advisory services and accompanying measures to support the creation and development of projects.

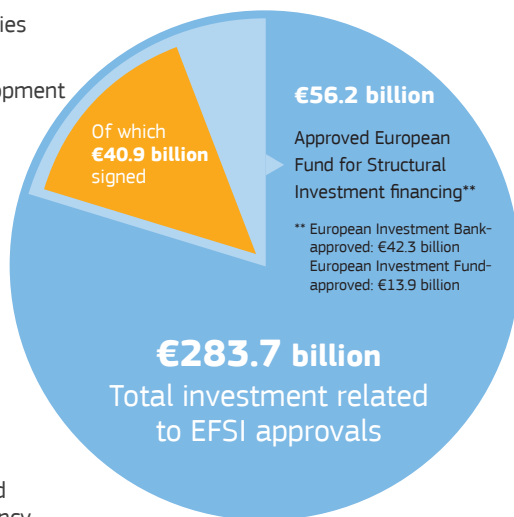
With a contribution from the EU budget of €15.2 billion, **InvestEU** will mobilise more than €650 billion of additional investment across Europe.

- **Digital Europe** with an overall budget of **€9.2 billion** is a new programme dedicated to the digital transformation of public services and businesses. It boosts investment in supercomputers, artificial intelligence, cybersecurity and advanced digital skills. The focus of this new programme is to increase the digital capacities, notably of small and medium-sized enterprises SMEs and thereby increase Europe's international competitiveness.

### Showcasing the success of the 'Juncker Plan' in using the EU budget to mobilise private investment

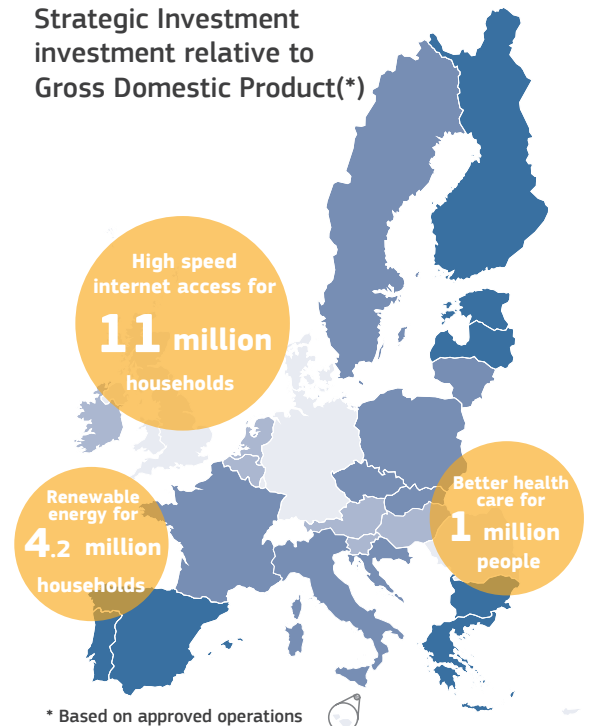
#### EFSI investment by sector(\*)

-  Smaller companies **28 %**
-  Research Development and Innovation **22 %**
-  Energy **22 %**
-  Digital **12 %**
-  Transport **8 %**
-  Social Infrastructure **4 %**
-  Environment and resources efficiency **4 %**



Target by 2020 **€500 billion**

#### European Fund for Strategic Investment investment relative to Gross Domestic Product(\*)



Darker colours signify higher investment

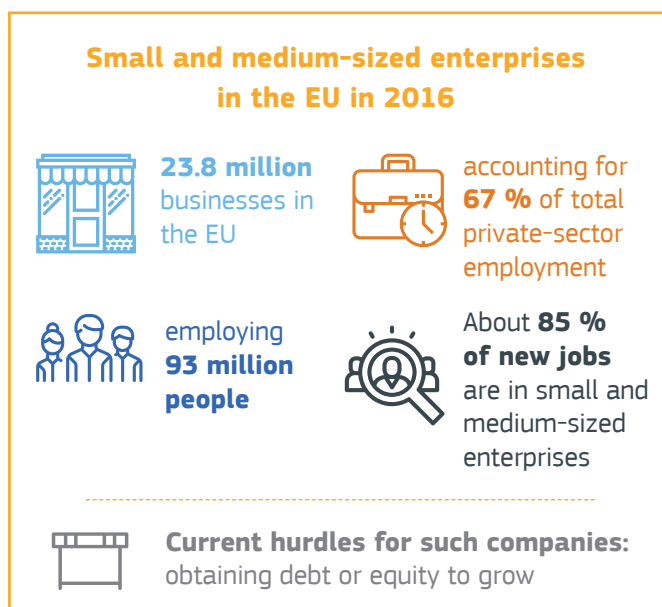


## HOW ELSE WILL THE FUTURE EU BUDGET MAKE A DIFFERENCE IN THIS AREA?

- With an overall budget of **€273 billion**, the **Cohesion Policy** will continue supporting the economic, social and territorial cohesion (balanced development) of the European Union to boost the creation of jobs, sustainable growth and innovation.
- The **European Social Fund+**, with **€101 billion**, is the EU's main instrument to invest in people. It helps them to get better jobs through upskilling and reskilling, ensures fairer job opportunities for all EU citizens and enhances social inclusion.
- With **€16 billion**, the **Space programme** invests in the deployment and exploitation of European space infrastructure and related services that have become indispensable in Europeans' daily lives, when using mobile phones, driving or finding places with a navigation system, taking a plane or travelling by sea. The EU must maintain its industrial leadership and remain a global player in the space sector.

- Building on the success of Horizon 2020, the new European research programme **Horizon Europe**, with an overall budget of **€97.6 billion**, will continue to promote research excellence and strengthen the focus on innovation so that the EU can compete with other developed and emerging economies. A **new European Innovation Council** will provide a one-stop shop for high potential technologies and innovative companies with the potential to scale up, aiming to make Europe a front runner in market-creating innovation.
- With an overall budget of **€42.2 billion**, the **Connecting Europe Facility** supports investment in cross-border infrastructure in the transport, energy and digital sectors and connects the EU and its regions. It further reinforces the policy objectives of decarbonisation and digitisation of the European economy. Without EU intervention, private operators and national authorities have insufficient incentive to invest in cross-border infrastructure projects.

## EXAMPLES



### InvestEU: addressing the financing needs of small and medium-sized enterprises:

#### How does InvestEU address the problem?

InvestEU provides support for businesses for which the access to finance is a problem — start-ups, younger and smaller companies, small and medium-sized companies lacking sufficient collateral to realise their investment projects aimed at growth of the company, and highly innovative companies.

## NEXT STEPS

