



EUROPEAN COMMISSION

*Brussels, 30.7.2015
C(2015) 5362 final*

*Mr Milan ŠTĚCH
President of the Senát
Valdštejnské náměstí 17/4
CZ – 118 01 PRAGUE 1*

Dear President,

The Commission would like to thank the Senát for its Opinion concerning the proposal for a Regulation on the European Fund for Strategic Investments (EFSI) and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 {COM(2015) 10 final}. EU legislators have since successfully concluded negotiations on the Regulation¹.

The Commission would like to underline that the initiative's objective is the mobilisation of EUR 315 billion and the creation of employment. Its purpose is hence firmly anchored in heading 1a of the Union's Multiannual Financial Framework whose financial envelope was decided by the Council and the European Parliament. Given the large share of this heading devoted to Horizon 2020, funding will therefore be re-allocated also from this programme to the EFSI guarantee fund. Although the grant financing from Horizon 2020 will be reduced, the multiplier effect of EFSI will allow for a significant overall increase of the investment in research and innovation. The financial burden will be significantly smaller or even absent for initiatives where market co-financing is less likely in comparison to those which are "closer to the market". In addition, the overall increase in the appropriations for initiatives under Horizon 2020 is to remain considerable in comparison to the previous financial programming period.

The Commission shares the Senát's view that the selection of projects for the European Fund for Strategic Investments should be based on transparent rules. For that purpose, the substance of those rules is fully reflected in the EFSI regulation. At the same time, the European Investment Bank (EIB), rather than the Fund, the Commission or the European Union will provide the financing and hence enter into a contractual relationship with the

¹ Regulation (EU) 2015/1017 of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 — the European Fund for Strategic Investments, Official Journal of the European Union, L 169, 1.7.2015.

developer of the supported project. Individual financing arrangements will therefore be subject to the EIB's own transparency policies.

Furthermore, the Commission takes note of the Senát's concerns regarding possible expenses for the European Investment Advisory Hub up to EUR 110 million and its emphasis on the crucial role of the European Structural and Investment Funds (ESIF) for public investments in the Czech Republic. With regard to the latter, the Commission would like to stress that neither will appropriations under the Union's Cohesion Policy, including for the purpose of ESIFs be reduced, nor will the legislative framework underpinning it be changed.

The Commission also takes note of the Senát's objections against its proposed power to adjust the size of the EFSI guarantee fund by means of a delegated act. Indeed, the regulation does not retain this possibility.

The Commission hopes that these clarifications address the issues raised by the Senát and looks forward to continuing our political dialogue in the future.

Yours faithfully,

*Elżbieta Bieńkowska
Member of the Commission*