



EUROPEAN COMMISSION

Brussels, 22/03/2010  
C/2010/ 1878

Dear President,

I would like to thank the Chamber of Deputies of the Italian Parliament for sending its comments regarding the proposal for a European Parliament and Council Decision establishing a European Microfinance Facility for Employment and Social Inclusion (Progress Microfinance Facility) {COM (2009)333final}

In line with the Commission's decision to encourage national Parliaments to react to its proposals to improve the process of policy formulation, we welcome this opportunity to respond to your comments. I enclose the Commission's response, and I hope you will find this a valuable contribution to your own deliberations.

I look forward to continuing this fruitful exchange of information,

Yours sincerely,

Maroš Šefcovič  
Vice-President of the European Commission

Mr Gianfranco FINI  
President of the Chamber of Deputies  
Italy



EUROPEAN COMMISSION

**COMMENTS OF THE EUROPEAN COMMISSION ON AN OPINION OF THE ITALIAN CHAMBER OF DEPUTIES ON A PROPOSAL FOR A DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ESTABLISHING A EUROPEAN MICROFINANCE FACILITY FOR EMPLOYMENT AND SOCIAL INCLUSION (PROGRESS MICROFINANCE FACILITY) {COM(2009)333}**

The Commission welcomes the positive view taken by the competent Committee of the Italian Chamber of Deputies on the Commission's initiative. In reaction to the views expressed by the Committee, the Commission wishes to make the following observations:

**Funding**

The Committee is of the view that the figure of EUR 100 million seems inadequate for the purpose of mobilising resources capable of producing the desired leverage towards EUR 500 million. The Commission draws the attention to the fact that the EUR 100 million only concerns the contribution from the Community budget. The EIB has already indicated that it would be willing to match the funding provided by the Community. Furthermore, it should be noted that leverage will not only be generated by attracting third party funders, but also by the products offered by the Facility, in particular guarantees. The estimation of leverage towards EUR 500 million is based on information provided by the EIF and EIB.

**Timetable**

The Commission agrees with the Committee's view that the timetable should be adhered to and welcomes the agreement recently reached between the European Parliament and the Council on the funding which has cleared the way for the final adoption of the Facility. Following these positive developments, it is expected that the Facility will start its activities as from June 2010.

## **Beneficiaries**

The Committee expresses the wish that the number of beneficiaries should be clearly and more accurately determined and, in particular, include older workers. The amendments adopted in first reading by the European Parliament<sup>1</sup> and welcomed by the Commission describe more precisely the final beneficiaries, while leaving the necessary room to take account of the situation at national, regional and local level.

## **Standardised access procedures**

The Commission draws the attention of the Committee to the fact that the Facility is not aimed at regulating the access to (micro-) finance in the Member States. Its objective is to facilitate the access to, and availability of micro-finance for certain groups and micro-enterprises through additional funding.

## **Coordination**

The Commission agrees that coordination, exchange of good practice and the involvement of all interest parties, including civil society, is crucial for the good functioning of the microfinance facility. The amendments adopted in first reading by the European Parliament<sup>2</sup> and welcomed by the Commission contain references to coordination (amendment 55 on recital 4 and amendment 64 on recital 7(b) new)) and to cooperation '*with organisations engaged in representing the interests of the final beneficiaries of micro-credit and with organisations, in particular those supported by the ESF, who provide mentoring and training programmes to those final beneficiaries*' (amendment 73, Article 4 – paragraph 2 a (new)).

## **Geographical coverage**

The Committee takes the view that Italy should receive an appropriate percentage of the resources made available. The Commission recognises the need to promote a comprehensive and balanced coverage between the Member States and therefore welcomes the European Parliament's amendment<sup>3</sup> to this effect (amendment 74 on Article 5 par. 2).

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<sup>1</sup> European Parliament legislative resolution of 15 December 2009 on the proposal for a decision of the European Parliament and of the Council establishing a European Microfinance Facility for Employment and Social Inclusion (Progress Microfinance Facility)

<sup>2</sup> European Parliament legislative resolution of 15 December 2009 on the proposal for a decision of the European Parliament and of the Council establishing a European Microfinance Facility for Employment and Social Inclusion (Progress Microfinance Facility)

<sup>3</sup> European Parliament legislative resolution of 15 December 2009 on the proposal for a decision of the European Parliament and of the Council establishing a European Microfinance Facility for Employment and Social Inclusion (Progress Microfinance Facility)