



EUROPEAN COMMISSION

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Dear President,

The Commission would like to thank the Senat for its Opinion on the draft amending budget no. 1 to the general budget 2015 of the EU accompanying the proposal for a Regulation of the European Parliament and of the Council on the European Fund for Strategic Investments and amending Regulations (EU) No. 1291/2013 and (EU) No. 1316/20130 {COM(2015) 11 final}, and apologises for the delay in replying.

The Commission welcomes the Senat's general support for its initiative. The Investment Plan for Europe including the European Fund for Strategic Investments (EFSI) is one of the key priorities of this Commission uniting all the elements of the economic narrative: investments, structural reform, and fiscal responsibility.

The Commission shares the Senat's view that projects need to be selected carefully. Projects will be selected on the basis of transparent rules as set out in the EFSI Regulation and its Annex II (investment guidelines), as well as the scoreboard of indicators (Commission Delegated Regulation (EU) 2015/1558). In addition, they will undergo due diligence by the European Investment Bank (EIB) and have to be economically and technically viable. The decision on whether to grant the EU guarantee or not will be taken by a committee composed of eight independent experts.

The Commission takes note of the Senat's view that projects should contribute to reducing disparities between Member States and between regions. The Commission recalls that projects to be supported by the EFSI will be selected on their own merit, irrespective of any specific geographical focus, whilst nevertheless avoiding excessive geographic and sectoral concentration. That being said, the Investment Plan is nevertheless expected to have a beneficial impact on cohesion, since the EFSI will provide significant support to important infrastructure projects, such as communication, transport and energy. In addition, with the support of the EU guarantee, the EIB will be able to invest in projects in less favoured regions that would have been otherwise disregarded due to risk aversion. Finally, the European Investment Advisory Hub will provide technical assistance in project identification,

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development and structuring, especially in Member States with less developed financial markets.

Regarding the possibilities for co-financing projects and the role that Member States have in this process, the Commission is committed to clarifying any remaining uncertainty. In this context, the Commission has issued a communication on the role of National Promotional Banks in supporting the Investment Plan for Europe on 22 July 2015 {COM(2015) 361 final}. The Commission will also provide guidance on combining the use of Union instruments with EIB financing under the EU guarantee.

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

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Jyrki Katainen
Vice-President*