



## EUROPEAN COMMISSION

*Brussels, 25.11.2016  
C(2016) 7594 final*

*Mr Florin IORDACHE  
President of the Camera Deputaților  
Palace of the Parliament  
Str. Izvor nr. 2-4, sector 5  
RO – 050563 BUCHAREST*

*Dear President,*

*The Commission would like to thank the Camera Deputaților for its Opinion concerning the Commission Communication entitled "Europe investing again - Taking stock of the Investment Plan for Europe and next steps" {COM(2016) 359 final}.*

*Since the Investment Plan for Europe was presented in November 2014, the conditions for an uptake in investment have improved and confidence in Europe's economy and growth are returning. The Union is now in its fourth year of moderate recovery, with GDP growing at 2% in 2015. The comprehensive efforts initiated with the Investment Plan are already delivering concrete results, despite the fact that macroeconomic effects of larger investment projects cannot be immediate. Investment is expected to pick up gradually throughout 2016 and 2017 although it remains below historical levels. Since its launch one year ago, the European Fund for Strategic Investments (EFSI) which is demand driven is firmly on track to deliver the objective of mobilising at least EUR 315 billion in additional investments in the real economy by mid-2018 while endeavouring to maximise private sector contributions. The market absorption has been particularly quick under the Small and Medium-sized Enterprises (SME) Window where the EFSI is delivering well beyond expectations. Given the success of the EFSI, the Commission proposed<sup>1</sup> on 14 September 2016 to extend its duration and volume until the end of the current Multiannual Financial Framework, increasing the investment target to at least half a trillion euro by end-2020.*

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<sup>1</sup> COM (2016)597 final.

*The Commission would like to thank the Camera Deputaților for its generally positive assessment of the Investment Plan and takes note of its concerns related to its operational implementation. The Commission would like to provide some clarification in the Annex to meet the concerns expressed by the Camera Deputaților and underlines that they have been largely addressed in its legislative proposal to extend the duration of the EFSI.*

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

*Yours faithfully,*

*Frans Timmermans  
First Vice-President*

*Jyrki Katainen  
Vice-President*

## ANNEX

*The Commission examined the elements mentioned by the Camera Deputaților in its Opinion and wishes to make the following clarifications.*

- 1. An important objective of the Commission proposal to extend the duration and volume of the EFSI is indeed to reinforce the take-up of EFSI in less-developed regions and transition regions. In that respect, an easier combination of other sources of Union funding such as the European Structural and Investment Funds (ESIF), Horizon 2020 and the Connecting Europe Facility with EFSI support is a key element and contributes to mobilising additional private sector investment. The support to less-developed regions and transition regions in Europe is also enlarged by an explicit reference to any industry that would not otherwise be covered in the general objectives. In addition, EFSI-supported investments in motorways would be allowed in cohesion countries under certain conditions although they in general should be avoided. The proposal also foresees that the European Investment Advisory Hub (EIAH) should actively contribute to the objective of sectorial and geographical diversification of the EFSI, by supporting the EIB to originate projects where needed.*
- 2. As regards the Camera Deputaților's concern on the perceived low number of requests received by the EIAH: as of end-September 2016, the number of requests to the EIAH reached 257 from all Member States, including 14 from Romania. Notwithstanding these encouraging first results, the Commission proposal to extend the duration of the EFSI foresees more targeted and more pro-active technical assistance services, in particular, in order for it to actively contribute to the objective of sectorial and geographical diversification of the EFSI.*
- 3. The Commission points out that an assessment of obstacles to investment and ways to remove them is undertaken in the context of the European Semester.*
- 4. As regards the Camera Deputaților's recommendation to consider the specific investment conditions in each Member State as a relevant factor in the EFSI investment decision, the Commission recalls that the EFSI is a demand-driven instrument to finance bankable operations and that decisions approving the use of the EU guarantee are made by the independent Investment Committee.*
- 5. The very purpose of the EFSI is to support investments and jobs in Member States.*
- 6. New financial instruments have already been developed to support innovative SMEs, including the provision of equity.*
- 7. Concerning the recommendation of the Camera Deputaților on the need to better support strategic cross-border investments, the Commission underlines that cross-border projects are in principle eligible for EFSI support.*
- 8. The Commission agrees with the Camera Deputaților as regards the need to enhance complementarity between the EFSI and other EU funds.*

9. *As regards the concerns expressed by the Camera Deputaților as to the need for simpler procedures for such combination, the Commission recalls that relevant proposals have been made by the Commission on 14 September 2016 in the context of the "Omnibus" proposal amending the Common Provisions Regulation and the Financial Regulation.*
10. *Concerning the Camera Deputaților's recommendation to the Commission to use its experience with the financing of SMEs to extend the EFSI's contribution to micro-enterprises, the Commission recalls that: (i) the SME window of the EFSI is already delivering well beyond expectations; and (ii) the proposal to extend the EFSI includes SMEs as key beneficiaries.*
11. *The Commission recalls that a key element of the proposal to extend the duration of the EFSI is to reinforce the take-up of the EFSI in less-developed regions and transition regions.*
12. *The Commission notes the Camera Deputaților's recommendation to simplify procedures and conditions for EFSI support in particular for smaller entities. The Commission underlines that existing possibilities should be fully used. The main source of financing offered to SMEs is through intermediated loans or venture capital under the SME window where the products are designed to cater for their needs.*