

EU BUDGET FOR THE FUTURE MFF 2021-2027

Investment support under
next MFF – InvestEU



#EUBudget

Structure of the presentation

- 1. Rationale**
- 2. Key principles and objectives*
- 3. InvestEU Fund*
- 4. The EU guarantee*
- 5. InvestEU Advisory Hub and InvestEU Portal*

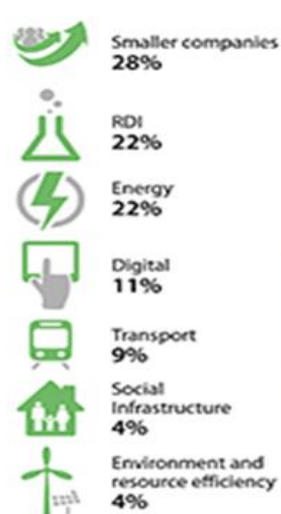


1. Rationale

Building on EFSI...

EIB Group figures As of 15/05/2018

EFSI investment by sector*

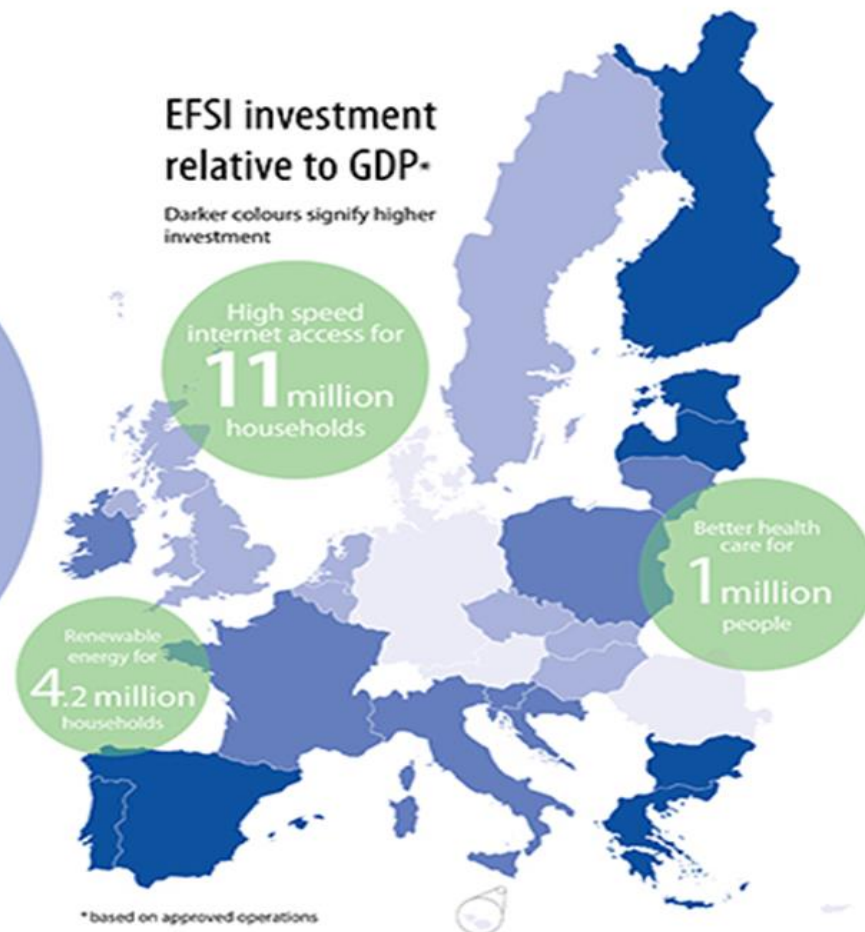


Target by 2020 **EUR 500bn**



EFSI investment relative to GDP*

Darker colours signify higher investment



* Based on approved operations

1. Rationale

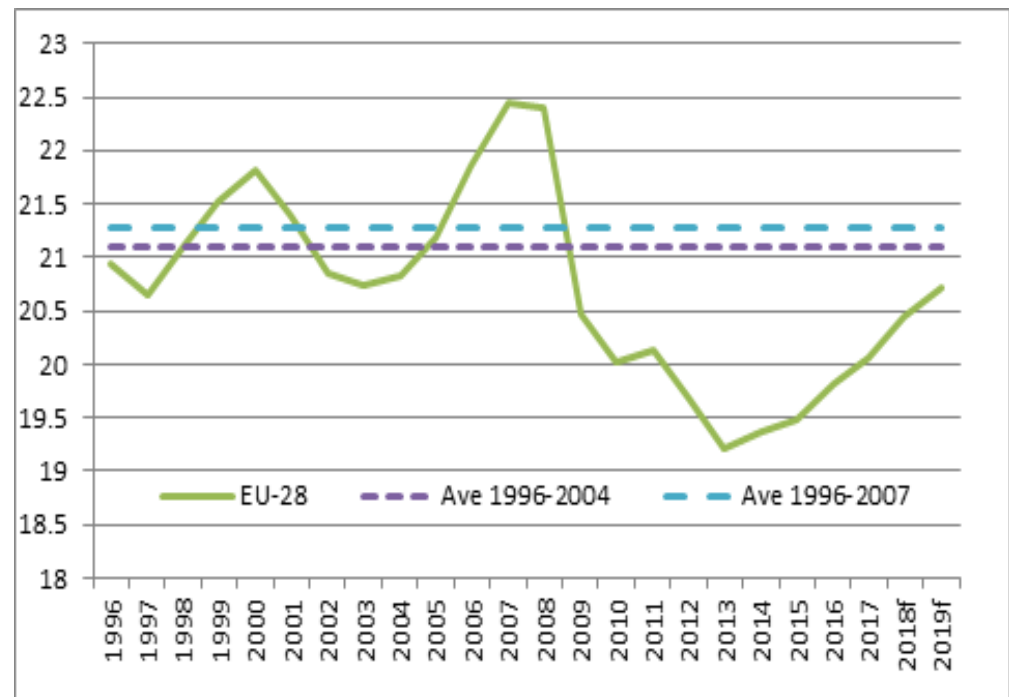
Address market gaps to sustain investment..

- By 2021, Member States are expected to have recovered their pre-crisis GDP level, with very few exceptions

But:

- Persistent market gaps are still observed in different policy areas and hold back investment
- Not enough to compensate years of underinvestment as a percentage of GDP
- Not enough to finance needs in key sectors

Investment in EU as a % of the GDP (current prices)



1. Rationale

The programmes replaced

Equity Instruments

CEF
Equity

COSME
EFG

EaSI
Capacity
Building IW

Innovfin
Equity

Guarantee Instruments

EaSI
Guarantee

EFSI

Student Loans
GF

Risk Sharing Instruments

Natural
Capital
Fin. Fac.

Innovfin
Risk
Sharing

CEF
Debt
Instrument

InvestEU

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2. Key principles and objectives

The four windows

**Sustainable
infrastructure**

**Research,
innovation and
digitisation**

SMEs

**Social
investment
and skills**

2. Key principles and objectives

The objectives

- **General objective:** to support the policy objectives of the EU by means of **financing and investment operations** contributing to:
 - the **competitiveness** of the EU
 - the **sustainability** of the EU economy and its growth
 - the **social resilience and inclusiveness** of the EU
 - the **integration of EU capital markets** and the strengthening of the Single Market

2. Key principles and objectives

Social investment and skills

- Develop and consolidate the nascent **market ecosystems**
- Increase access to, and the availability of, **microfinance** for vulnerable persons and micro-enterprises, **social enterprises**
- Build up a stronger capital market for **social infrastructure** promoters
- Support **skills and training** for students and workers, as well as education and training providers

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3. InvestEU fund

InvestEU indicative proposed budget

Window	Budgetary guarantee	Mobilised investment (estimate)
Sustainable infrastructure	11 500	185 000
Research, Innovation and Digitisation	11 250	200 000
SMEs	11 250	215 000
Social investment and skills	4 000	50 000
TOTAL <i>(EUR Million, in current prices)</i>	38 000	650 000

- **Budget for InvestEU Advisory Hub, InvestEU Portal and accompanying measures is proposed to be EUR 525m.**

3. InvestEU fund

InvestEU implementing partners

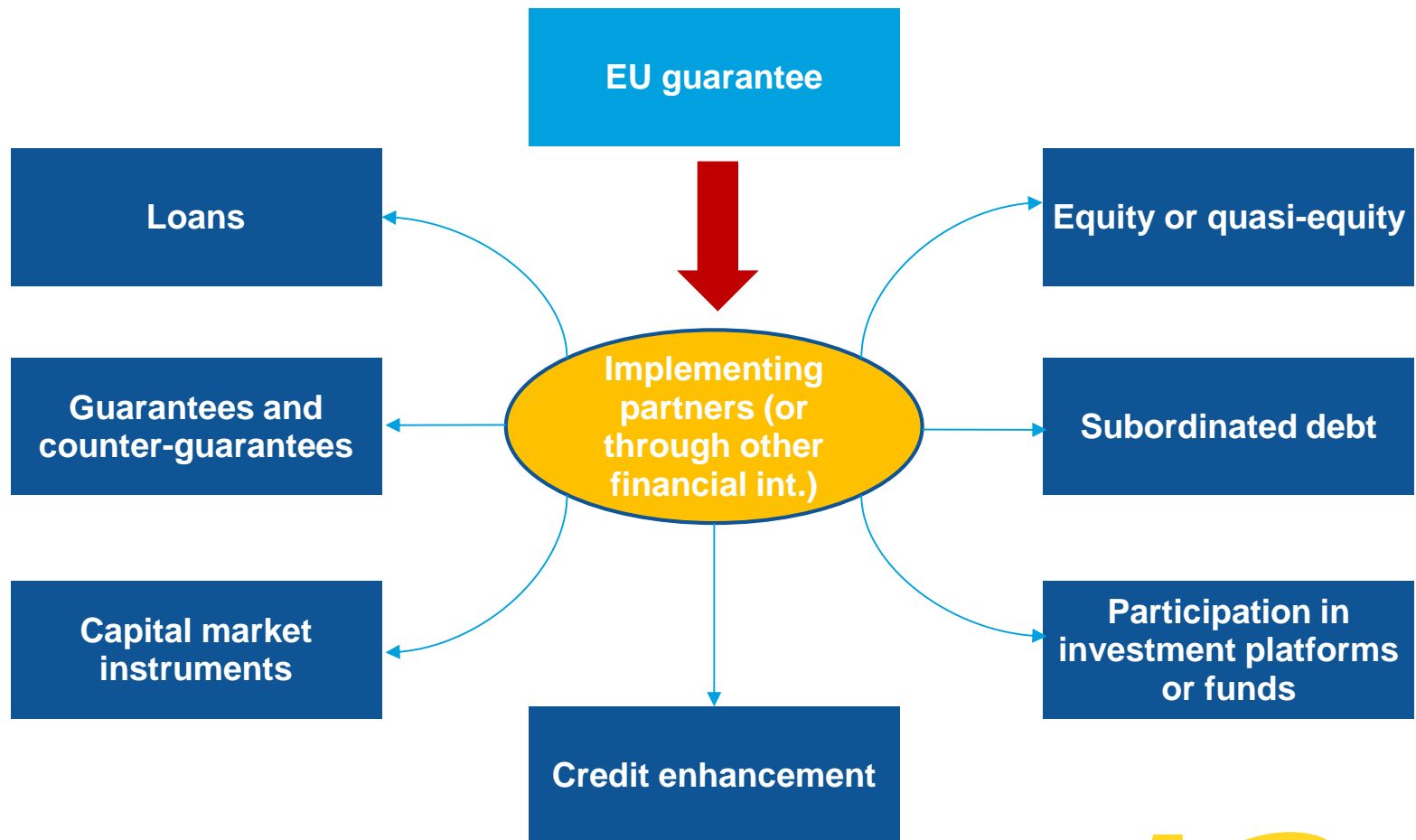
InvestEU Fund backs the financial products provided by the implementing partners.

Eligible:

- EIB Group
- Other IFIs (EBRD, COE Bank..)
- National Promotional Banks and Institutions
- Other entities fulfilling the criteria laid down in the Financial Regulation

4. The EU guarantee

EU Guarantee: eligible types of financing



4. The EU guarantee

EU Guarantee: conditions

- Address market failures or sub-optimal investment situations
- Final recipients must be deemed economically viable
- Additionality
- No distortion of competition
- Leverage and multiplier effect > maximisation of private investment

4. The EU guarantee

The two compartments

EU compartment

- Fosters EU level action and tackles EU level market gaps
- Four policy windows
- Budgetary guarantee of EUR 38bn
- Guarantee is not geographically ring-fenced

**InvestEU
Fund**

MS compartment

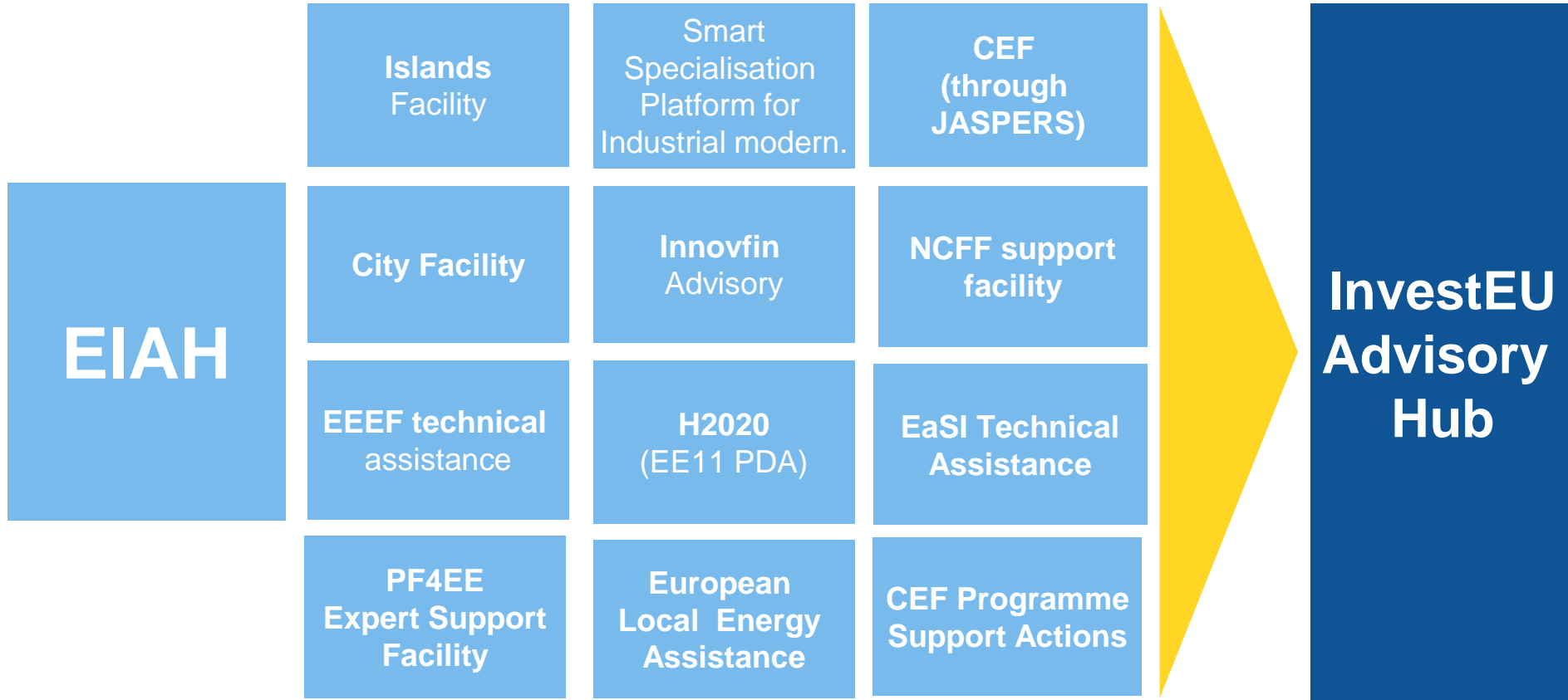
- Fosters MS level action and tackles local level market gaps
- On a voluntary basis by MS can allocate amounts to provision the MS compartment from ERDF, ESF+, EMFF, EAFRD or cohesion fund
- Established at the level of each policy window; 1MS = 1sub-compartment
- Based on a specific contribution agreement defining size, provisioning, contingent liability...
- Contributions are geographically ring-fenced
- InvestEU rules apply

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5. InvestEU advisory

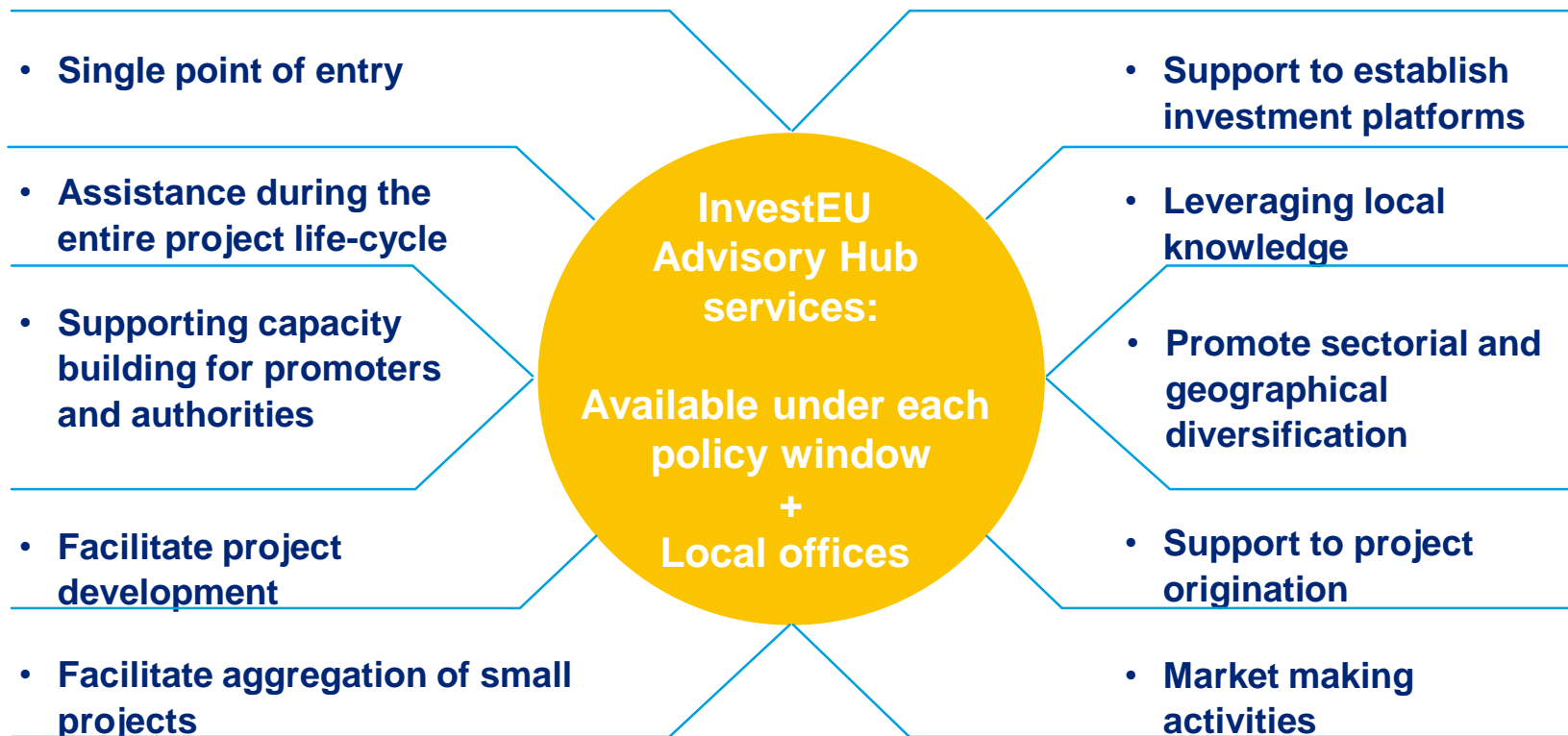
The advisory programmes replaced



5. InvestEU advisory

InvestEU Advisory Hub

- Replaces 12 advisory bodies + EIAH



5. InvestEU portal

InvestEU Portal

Continues the current investment portal under EFSI

- Database will continue to be on-line and publicly available
- Not a pre-condition for financing, not a guarantee of financing

**Provides visibility
to investors and
potential investors
on pipelines**

**Consistency check
with EU laws
and policies**

**Better link to the
InvestEU pipeline**
(implementing partners to
examine projects
falling
within their geographic
and activity scope)

Thank you!



Questions?