

Implementation of the European Fund for Strategic Investments

2016/2064(INI) - 15/06/2017 - Text adopted by Parliament, single reading

The European Parliament adopted by 477 votes to 105 with 35 abstentions a resolution on the implementation of the European Fund for Strategic Investments (EFSI).

Noting the significant investment gap in Europe, which the Commission estimates to be at least **EUR 200-300 billion per year**, Members voiced their concern that the most recent data on national accounts showed **no significant increase in investment** since the creation of the [European Fund for Strategic Investments](#) (EFSI). Bridging the investment gap by creating an environment conducive to investment in certain strategic areas is considered essential to boost growth.

The main recommendations contained in the resolution are as follows:

Additionality: recalling that EFSI's aim is to ensure additionality by helping to remedy market failures or non-optimal investment situations, Members called for **further clarification of the concept of additionality**. They called on the Commission to draw up an **inventory** of all EU-supported EIB financing meeting the additionality criteria and to provide clear explanations justifying why the projects could not have been carried out otherwise.

Dashboard and project selection: project promoters expressed the wish to have quick feedback and increased transparency regarding project selection criteria and the amount of support that could be provided by the EFSI.

Members called for **greater clarity to encourage project promoters to apply for EFSI support**, including by making the dashboard available to funding applicants. They regretted that current dashboards give as much importance to the technical aspects of the projects as to the more important desired outcomes.

Small-scale projects should be supported because they often encounter difficulties in obtaining the funding that they need.

Governance: with a view to improving the effectiveness and accountability of the EFSI, Parliament suggested that options for the **complete separation of the governance structure of the EFSI from that of the EIB** should be examined. It also considered that the project selection process was not sufficiently transparent and that the EIB should make improvements with regard to the publication of information on the projects that it approves under the EFSI.

The resolution recalled that **national development banks** were necessary for the EFSI's success, as they were close to local markets. However, synergies have so far not been exploited. **Investment platforms**, as a means of geographic and thematic diversification of investments, should be promoted and the rules for their establishment simplified.

Financial instruments: recalling that the EIB has developed new financial instruments for the purposes of EFSI, in order to provide tailor-made products adapted to high-risk financing, MEPs voiced their concern at project promoters' criticisms that the financing instruments **are not compatible** with their projects' needs. In addition, the EIB should consider how the development of **green bonds** would enhance the potential of EFSI in financing projects with environmental or climate benefits.

Geographical diversification: Parliament regretted that the EFSI's support has mainly benefited a **limited number of countries**, whose investment gap is already below the EU average. Moreover, within the beneficiary countries, there is often an **uneven geographical distribution** of projects financed by the EFSI.

Members called on the EIB to provide additional technical assistance to countries and regions which have benefited less from the EFSI.

European Investment Advisory Hub (EIAH): Members recalled the importance they attached to the functioning of the hub. They are convinced that EIAH could help to remedy many shortcomings in the implementation of the EFSI. However, they stressed that the EIAH should **enhance the profile of its services**, improve its communication and raise awareness and understanding of its activities among EIAH stakeholders.

Future funding: Parliament noted that the Commission had proposed extending the EFSI to the level of duration and financial capacity, which would have implications for the Union budget. It indicated its intention to **present other funding proposals**. It also noted that, because of overlaps and competition between the EFSI and the financial instruments of the EU budget, guidelines had been adopted recommending combining EFSI funding and ESI Fund financing.

Extension: recognising that the EFSI would probably not be able on its own to close the investment gap in Europe, Members called for **new proposals** on how to stimulate investment in Europe over time.