

InvestEU Programme

2020/0108(COD) - 29/05/2020 - Legislative proposal

PURPOSE: to create the InvestEU Programme as a single investment support mechanism for Union policies for the period 2021-2027.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure on an equal footing with the Council.

BACKGROUND: while investment conditions in Europe have improved since the launch of the Juncker plan in 2014, thanks to a more favourable economic situation and government interventions such as the European Strategic Investment Fund (EFSI), there is still a significant investment gap in Europe.

The COVID-19 pandemic is a major shock to the world and EU economies. The contraction of EU GDP in 2020 - forecast at around 7.5% - is expected to be much deeper than during the 2009 financial crisis.

For the Multiannual Financial Framework (MFF) 2021-2027, the Commission therefore considers it necessary to propose a reinforced EU investment programme to provide crucial support to businesses and to ensure a strong focus of private investors on the Union's medium and long-term priorities, including the Green Deal for Europe and digital transitions, as well as increased resilience.

This is why the Commission is withdrawing its May 2018 [proposal](#) for the InvestEU programme and submitting a new proposal that takes full account of the partial agreement reached in April 2019 between the Parliament and the Council.

This new proposal (i) increases the amount of the initially proposed financial envelope (ii) amends the scope of the proposal to reflect on the post-pandemic needs of the European economy. It builds on the lessons learned from the EFSI evaluations and previous financial instruments (Connecting Europe Facility, Horizon 2020, COSME, Competitiveness and Innovation Framework Programme etc.).

CONTENT: the Commission proposes to create the InvestEU programme for the multi-annual financial framework 2021-2027 in order to bring together under a single structure all financing from the EU budget in the form of loans and guarantees.

The InvestEU programme shall be based on the following elements:

The InvestEU Fund

The InvestEU Fund shall mobilise public and private investment through a EU budget guarantee of **EUR 75 153 850 000** (in current prices) which aims to support the investment projects of implementing partners. The Commission proposes that the guarantee be provisioned at 45%, which means that EUR 33 800 000 000 from the EU budget shall be set aside in case calls are made on the guarantee.

The European Investment Bank (EIB) Group shall remain a privileged implementing partner for the InvestEU. It shall implement 75% of the EU guarantee. National development banks or institutions may also become implementing partners.

Five policy windows

The InvestEU Fund shall operate through 5 policy windows, each of which is aimed at addressing market failures or investment shortfalls within their specific scope:

1. sustainable infrastructure;
2. research, innovation and digitisation;
3. SMEs;
4. social investment and skills;
5. strategic European investments.

In addition to increasing the resources of the sustainable infrastructure window, the Commission proposes to broaden the scope of the programme by adding a fifth strand - strategic European investment - with a view to meeting the future needs of the European economy and promoting and ensuring the strategic autonomy of the Union in key sectors. This window shall be endowed with an amount of up to EUR 31 153 850 000.

This new window shall support final recipients established in a Member State and carrying out an activity of strategic importance to the Union, in particular with a view to green and digital transitions and increased resilience in areas such as:

- provision of critical health care, manufacturing and stockpiling of pharmaceuticals, medical devices and medical supplies, strengthening the capacity to respond to health crises;
- critical infrastructure (e.g. energy, transport, environment, health, 5G, Internet of Things);
- key enabling, transformative, green and digital technologies (e.g. artificial intelligence, block chains, renewable energy technologies, biomedicine).

The InvestEU Advisory Hub

The advisory hub would provide technical support and assistance in the preparation, development, structuring and implementation of projects, including capacity-building. The EIB Group would play a central role in the implementation of advisory support under the Hub. A financial envelope of EUR 724 733 000 (in current prices) is foreseen for the InvestEU Advisory Hub.

The InvestEU Portal

The InvestEU Portal shall be established to provide for an easily accessible and user-friendly project database to promote visibility of investment projects searching for financing with enhanced focus on the provision of a possible pipeline of investment projects, compatible with Union law and policies.

Governance

An investment committee of independent experts shall remain responsible for approving individual requests. The Commission performs a policy check on proposed financing or investment operations to verify that they are compliant with EU law before a proposal is submitted to the Investment Committee.

Budgetary implications

For the period 2021-2027, the budgetary framework (commitments at current prices) foreseen for the InvestEU programme amounts to EUR 33 524 733 000. The overall provisioning will amount to EUR 33 800 million, of which EUR 1 billion will be covered by revenues, repayments and recoveries generated by existing financial instruments and the EFSI.