






Basic information	
<b>2018/0229(COD)</b> COD - Ordinary legislative procedure (ex-codecision procedure) Regulation InvestEU programme 2021–2027 <b>Subject</b> 4.70.01 Structural funds, investment funds in general, programmes	Procedure lapsed or withdrawn 19/03/2019: MFF 2021-2027/ <a href="#">Progress report - state of play in the Council</a>

Key players					
European Parliament	<b>Joint committee responsible</b>		<b>Rapporteur</b>	<b>Appointed</b>	
	<b>BUDG</b>	Budgets			
	<b>ECON</b>	Economic and Monetary Affairs			
	<b>Committee for opinion</b>		<b>Rapporteur for opinion</b>	<b>Appointed</b>	
	<b>EMPL</b>	Employment and Social Affairs			
	<b>ENVI</b>	Environment, Public Health and Food Safety			
	<b>ITRE</b>	Industry, Research and Energy (Associated committee)			
	<b>TRAN</b>	Transport and Tourism (Associated committee)			
	<b>REGI</b>	Regional Development			
	<b>PECH</b>	Fisheries			
	<b>CULT</b>	Culture and Education			
	Council of the European Union				
	European Commission	<b>Commission DG</b>		<b>Commissioner</b>	
		Economic and Financial Affairs		KATAINEN Jyrki	

[European Economic and Social Committee](#)

[European Committee of the Regions](#)

### Key events

Date	Event	Reference	Summary
06/06/2018	Legislative proposal published	<a href="#">COM(2018)0439</a> 	<a href="#">Summary</a>
14/06/2018	Committee referral announced in Parliament, 1st reading		
05/07/2018	Referral to associated committees announced in Parliament		
05/07/2018	Referral to joint committee announced in Parliament		
13/12/2018	Vote in committee, 1st reading		
20/12/2018	Committee report tabled for plenary, 1st reading	<a href="#">A8-0482/2018</a>	<a href="#">Summary</a>
15/01/2019	Debate in Parliament		
16/01/2019	Decision by Parliament, 1st reading	<a href="#">T8-0026/2019</a>	<a href="#">Summary</a>
16/01/2019	Results of vote in Parliament		
16/01/2019	Matter referred back to the committee responsible for interinstitutional negotiations		
17/04/2019	Debate in Parliament		
18/04/2019	Decision by Parliament, 1st reading	<a href="#">T8-0433/2019</a>	<a href="#">Summary</a>
18/04/2019	Results of vote in Parliament		

### Technical information




<b>Procedure reference</b>	2018/0229(COD)
<b>Procedure type</b>	COD - Ordinary legislative procedure (ex-codecision procedure)
<b>Procedure subtype</b>	Legislation
<b>Legislative instrument</b>	Regulation
<b>Legal basis</b>	Rules of Procedure EP 61 Rules of Procedure EP 59 Treaty on the Functioning of the European Union TFEU 175-p3 Treaty on the Functioning of the European Union TFEU 173-p3
<b>Mandatory consultation of other institutions</b>	<a href="#">European Economic and Social Committee</a> <a href="#">European Committee of the Regions</a>
<b>Stage reached in procedure</b>	Procedure lapsed or withdrawn
<b>Committee dossier</b>	CJ16/8/13982

### Documentation gateway

## European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE628.640	11/10/2018	
Committee opinion	ITRE	PE625.308	09/11/2018	
Committee opinion	ENVI	PE627.571	15/11/2018	
Committee opinion	TRAN	PE625.320	21/11/2018	
Committee opinion	REGI	PE627.661	27/11/2018	
Committee opinion	CULT	PE627.580	28/11/2018	
Committee report tabled for plenary, 1st reading/single reading		A8-0482/2018	20/12/2018	Summary
Text adopted by Parliament, partial vote at 1st reading /single reading		T8-0026/2019	16/01/2019	Summary
Text adopted by Parliament, 1st reading/single reading		T8-0433/2019	18/04/2019	Summary

## European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2018)0439 	06/06/2018	Summary
Document attached to the procedure	SWD(2018)0314 	08/06/2018	
Document attached to the procedure	SWD(2018)0316 	08/06/2018	
Commission response to text adopted in plenary	SP(2019)440	08/08/2019	

## National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	ES_PARLIAMENT	COM(2018)0439	27/09/2018	
Contribution	RO_SENATE	COM(2018)0439	22/10/2018	
Contribution	FR_SENATE	COM(2018)0439	28/11/2018	
Contribution	CZ_SENATE	COM(2018)0439	19/12/2018	

## Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES3065/2018	17/10/2018	
CofR	Committee of the Regions: opinion	CDR3766/2018	06/12/2018	

Additional information		
Source	Document	Date
EP Research Service	Briefing	
European Commission	EUR-Lex	

## InvestEU programme 2021–2027

2018/0229(COD) - 16/01/2019 - Text adopted by Parliament, partial vote at 1st reading/single reading

The European Parliament adopted by 517 votes to 90, with 25 abstentions, amendments to the proposal for a regulation of the European Parliament and of the Council establishing the InvestEU Programme.

The matter was referred back to the competent committee for interinstitutional negotiations.

The main amendments adopted in plenary concern the following issues:

### **Objectives**

The general objective of the InvestEU Programme is to support the policy objectives of the Union by means of financing and investment operations contributing to, inter alia:

- the competitiveness of the Union, including research, innovation and digitisation;
- an increase in the Union employment rate and the creation of high-quality jobs in the Union;
- the growth of the Union economy and its sustainability, enabling the Union to achieve the sustainable development goals and the objectives of the Paris climate agreement;
- the social innovativeness, resilience and inclusiveness of the Union;
- the promotion of scientific and technological advance, of culture, education and training;
- economic, territorial and social cohesion.

### **Specific objectives**

The InvestEU Programme has the following specific objectives:

- to support financing and investment operations in sustainable infrastructure;
- to support financing and investment operations in research, innovation and digitisation in all policy windows, including support for the upscaling of innovative companies and the bringing of technologies to market;
- to increase and simplify the access to and the availability of finance for, and to enhance the global competitiveness of innovative start-ups, SMEs including micro-enterprises and, in duly justified cases, for small mid-cap companies;
- to increase the access to and the availability of microfinance and finance for SMEs, social enterprises, cultural and creative and education sectors, support financing and investment operations related to social investment, competences and skills and develop and consolidate social investment markets.

The programme shall also aim to (i) support operations for the development of innovative companies and the bringing of technologies to market; (ii) simplify the availability and accessibility of financing for innovative start-ups, small and medium-sized enterprises, including microenterprises; (iii) improve the accessibility of microfinance and financing for SMEs, social enterprises and the cultural, creative and educational sectors.

Each action component would be composed of:

- an 'EU compartment' which should address market failures or sub-optimal investment situations at EU level or specific to one or more Member States, including those related to the objectives of EU policies;
- a 'Member State' sub-fund which should respond to market failures or sub-optimal investment situations affecting one or more Member States.

### **Budget**

Members proposed that the EU guarantee for the purposes of the EU compartment shall be **EUR 40.8 billion**. It shall be provisioned at the rate of 40 % for the period 2021-2027. It is expected to mobilise more than EUR 698 million of additional investment across the Union and should be allocated between the policy windows.

Member States may contribute to the Member State compartment in the form of guarantees or cash.

### **Implementation of policy windows**

Implementing partners shall target that:

- at least **65%** of the investment under the sustainable infrastructure policy window significantly contribute to meeting the Union objectives on climate and environment, in line with the Paris Agreement;
- in the area of transport, at least 10 % of investment under the sustainable infrastructure policy window contribute to meeting the EU objective of eliminating fatal road accidents and serious injuries by 2050 and to renovating rail and road bridges and tunnels for the sake of their safety;
- at least **35%** of the investment under the research, innovation and digitisation policy window contribute to Horizon Europe Objectives;
- a significant share of the guarantee offered to SMEs and small mid-caps under the SME policy window support innovative SMEs.

The Commission together with implementing partners shall seek to ensure that the part of the budgetary guarantee used for the sustainable investment window is distributed aiming at a balance between the actions in the different areas.

### **Governance**

Parliament proposed a **steering board** comprising of six members, one of which being an expert appointed by the European Parliament, which would define the strategic direction of the Fund, the operational policies and procedures necessary for the functioning of the Fund and the rules applicable to transactions with investment platforms.

The Commission and the Steering Board shall be advised by an advisory board.

At the request of the European Parliament or of the Council, the Chairperson of the Steering Board shall report on the performance of the InvestEU Fund to the requesting institution, including by participating in a hearing before the European Parliament.

The Commission shall submit a report on the application of this Regulation.

By 30 September 2024, the Commission shall carry out an interim evaluation on the InvestEU Programme, in particular on the use of the EU guarantee.

## **InvestEU programme 2021–2027**

2018/0229(COD) - 20/12/2018 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Budgets and the Committee on Economic and Monetary Affairs adopted a joint report by José Manuel FERNANDES (EPP, PT) and Roberto GUALTIERI (S&D, IT) on the proposal for a regulation of the European Parliament and of the Council establishing the InvestEU Programme.

The committee recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the Commission's proposal as follows.

### **Objectives**

The general objective of the InvestEU Programme is to support the policy objectives of the Union by means of financing and investment operations contributing to, *inter alia*:

- the competitiveness of the Union, including research, innovation and digitisation;
- an increase in the Union employment rate and the creation of high-quality jobs in the Union;
- the growth of the Union economy and its sustainability, enabling the Union to achieve the sustainable development goals and the objectives of the Paris climate agreement;
- the social innovativeness, resilience and inclusiveness of the Union;
- the promotion of scientific and technological advance, of culture, education and training;
- economic, territorial and social cohesion.

### **Specific objectives**

The InvestEU Programme has the following specific objectives:

- to support financing and investment operations in sustainable infrastructure;

- to support financing and investment operations in research, innovation and digitisation in all policy windows, including support for the upscaling of innovative companies and the bringing of technologies to market;
- to increase and simplify the access to and the availability of finance for, and to enhance the global competitiveness of innovative start-ups, SMEs including micro-enterprises and, in duly justified cases, for small mid-cap companies;
- to increase the access to and the availability of microfinance and finance for SMEs, social enterprises, cultural and creative and education sectors, support financing and investment operations related to social investment, competences and skills and develop and consolidate social investment markets.

### **Budget**

Members proposed that the EU guarantee for the purposes of the EU compartment shall be EUR 40.8 billion. It shall be provisioned at the rate of 40 %. It is expected to mobilise more than EUR 698 million of additional investment across the Union and should be allocated between the policy windows.

Member States may contribute to the Member State compartment in the form of guarantees or cash.

### **Steering Board and accountability**

Members proposed introducing a steering board to ensure the right balance between policy and banking experience in governing the programme. A European Parliament appointee will also sit on the board.

In order to ensure better accountability to European citizens, the Commission and the Steering Board should report annually to Parliament and Council on the progress, impact and operations of the InvestEU Programme.

The Commission and the Steering Board shall be advised by an advisory board.

At the request of the European Parliament or of the Council, the Chairperson of the Steering Board shall report on the performance of the InvestEU Fund to the requesting institution, including by participating in a hearing before the European Parliament.

The Commission shall submit a report on the application of this Regulation.

By 30 September 2024, the Commission shall carry out an interim evaluation on the InvestEU Programme, in particular on the use of the EU guarantee.

## **InvestEU programme 2021–2027**

2018/0229(COD) - 18/04/2019 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 463 votes to 64, with 29 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council establishing the InvestEU Programme.

Parliament's position adopted at first reading under the ordinary legislative procedure amended the Commission proposal as follows:

### **Objectives**

The general objective of the InvestEU Programme is to support the policy objectives of the Union by means of financing and investment operations contributing to, *inter alia*:

- the competitiveness of the Union, including research, innovation and digitisation;
- an increase in the Union employment rate and the creation of high-quality jobs in the Union;
- the growth of the Union economy and its sustainability, enabling the Union to achieve the sustainable development goals and the objectives of the Paris climate agreement;
- the social innovativeness, resilience and inclusiveness of the Union;
- the promotion of scientific and technological advance, of culture, education and training;
- economic, territorial and social cohesion.

### **Components**

The InvestEU Fund shall operate through four policy windows, each aimed at addressing market failures or sub-optimal investment situations within their specific scope:

(1) Sustainable Infrastructure policy window: this component would cover sustainable investment in the areas of (i) transport, including multimodal transport, road safety, renovation and maintenance of road and rail infrastructure, (ii) energy, in particular renewable energy, energy efficiency, building renovation projects focusing on energy savings and the integration of buildings into an energy system, (iii) digital connectivity, including in rural areas, (iv) waste management, (v) cultural heritage, tourism, (vi) the deployment of innovative technologies that contribute to the objectives of environmental resilience to climate change.

(2) Research, innovation and digitisation policy window: this strand would cover research, product development and innovation activities, transfer of technologies and research results to the market, support for market drivers and business cooperation, demonstration, support for the development of innovative enterprises and the digitisation of European industry.

(3) SME policy window: this component would address the availability and accessibility of finance, with priority given to SMEs, including innovative and creative and cultural enterprises, as well as small and medium-sized enterprises.

(4) Social investment and skills policy window: this component would cover microfinance, financing of social enterprises and the social economy and measures to promote gender equality, skills, education, training and related services.

Each action component would be composed of:

- an 'EU compartment' which should address market failures or sub-optimal investment situations at EU level or specific to one or more Member States, including those related to the objectives of EU policies;

- a 'Member State' sub-fund which should respond to market failures or sub-optimal investment situations affecting one or more Member States.

### ***Budget***

Parliament has proposed that the EU guarantee for the 'EU compartment' be EUR 40.8 billion and that it be provisioned at 40% for the period from 2021 to 2027. It should mobilise more than EUR 698 million of additional investment across the Union and should be allocated between the policy windows.

An additional amount of the EU guarantee may also be provided in the form of cash by Member States for the purposes of the Member State compartment. Financing and investment operations shall be screened to determine if they have an environmental, climate or social impact and if so, shall be subject to climate, environmental and social sustainability proofing. Operations that are incompatible with the achievement of climate objectives shall not be eligible for support under the Regulation.

### ***Partnership***

The Commission and the EIB Group shall form a partnership to support the implementation and coherence of the programme as well as its inclusiveness, additionality and effective deployment. The terms of the partnership shall be set out in agreements.

Within the framework of the partnership, the EIB Group shall take all necessary measures and precautions to avoid conflicts of interest with other implementing partners, in particular by setting up a dedicated and independent team subject to strict confidentiality rules.

### ***Steering Board***

The amended text introduced a steering board composed of four representatives of the Commission, three representatives of the EIB Group and two representatives of other implementing partners than the EIB Group and one expert appointed as a non-voting member by the European Parliament.

The Steering Board shall determine strategic and operational guidelines for the implementing partners, including on the design of financial products and oversee the implementation of the programme. It shall adopt a consensual approach with regard to the debates conducted within it and would decide by a qualified majority of its members with voting rights if there is no possible conciliation between the positions of the members of the steering committee.

The Commission and the Steering Board shall be advised by an Advisory Board.

By 30 September 2024 at the latest, the Commission shall present to the European Parliament and the Council an independent interim evaluation of the InvestEU programme.

## **InvestEU programme 2021–2027**

2018/0229(COD) - 06/06/2018 - Legislative proposal

PURPOSE: to establish the InvestEU Fund as a single investment support instrument 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 and on an equal footing with the Council.

BACKGROUND: with 1.8% of EU GDP, down from 2.2% in 2009, infrastructure investment activities in the Union in 2016 were about 20% below investment rates before the global financial crisis. While investment conditions in Europe have improved thanks to structural reforms by Member States, a more favourable economic situation and public interventions, notably under the [European Strategic Investment Fund \(EFSI\)](#), **investment gaps remain considerable in Europe.**

In order to meet the ambitious policy objectives of the Union, attracting private capital to finance investment remains essential while adjusting the approach towards more policy relevance.

Building on lessons learnt from evaluations of predecessor financial instruments and of the EFSI, the Commission proposes to create the InvestEU programme for the multiannual financial framework 2021-2027 in order to consolidate all EU budget financing in the form of loans and guarantees into a **single framework**.

All evaluations found that the EU Guarantee proved relevant and enabled the EIB to undertake riskier activities and introduce higher risk products to support a wider range of beneficiaries. **The EFSI also proved a relevant tool to mobilise private capital.**

The EFSI has mobilised EUR 207 billion of investment by end-2017. Mobilised investment from approved operations are expected to reach the EUR 315 billion target by mid-2018 or shortly thereafter.

The new InvestEU programme shall have the capacity to shape an EU strategy to **address the persistent investment gaps in the Union** in sectors such as in new mobility models, renewable energies, energy efficiency, research and innovation, digitisation, education and skills, social economy and infrastructure, circular economy, natural capital, climate action or small and medium-sized businesses creation and growth.

CONTENT: the proposed Regulation - presented for a Union of 27 Member States - seeks to establish **the InvestEU Fund** which shall support the policy objectives of the Union by mobilising public and private investment within the EU, hereby addressing market failures and investment gaps that hamper the achievement of EU goals regarding sustainability, competitiveness and inclusive growth.

With the InvestEU programme, a **single EU investment support instrument** for internal action shall be created for the 2021-2027 MFF.

**InvestEU Fund:** this fund consists of an EU budget guarantee that will back the financial products provided by the implementing partners. The Commission proposes to allocate **EUR 15.2 billion to the InvestEU Fund**. The EU budget could thus provide a **guarantee of EUR 38 billion** to support projects of strategic importance across the EU.

The financing and investment operations to be supported by the EU guarantee under the InvestEU Fund shall contribute to:

- the competitiveness of the Union, including innovation and digitisation;
- the sustainability of the Union economy and its growth;
- social resilience and inclusion;
- the integration of Union capital markets and the strengthening of the Single Market, including solutions addressing the fragmentation of the Union capital markets, diversifying sources of financing for Union enterprises and promoting sustainable finance.

The InvestEU Fund has **four policy windows**: (i) sustainable infrastructure; (ii) research, innovation and digitisation; (iii) SMEs; (iv) social investment and skills.

It is also foreseen that **third countries** could be associated to financial products under the policy windows of the InvestEU Fund by providing their full participation in cash. Member States wishing to **use part of their funds under shared management through the InvestEU Fund may also contribute**. These amounts come in addition to the EU guarantee of **EUR 38 billion** (in current prices).

The European Investment Bank (EIB) Group should remain a privileged implementing partner under the InvestEU Fund's EU compartment. In addition, banks and other national and regional development institutions in Member States with specific experience and expertise may become financial partners, under certain conditions.

**Governance:** the InvestEU Fund shall have an **advisory board**, which shall meet in two configurations: (i) representatives of implementing partners; and (ii) representatives of Member States.

In particular, it shall advise the Commission on the design of financial products to be implemented under the InvestEU Fund, market failures and sub-optimal situations. It shall inform Member States about the implementation of the InvestEU Fund and allow regular exchanges of views on market developments and sharing of best practices.

The proposal also introduces:

- **the InvestEU advisory hub**, which shall provide in particular technical assistance for project development;
- **the InvestEU portal**, which shall provide an easily accessible database to promote projects seeking funding.

BUDGETARY IMPLICATION: the budgetary framework (commitments in current prices) foreseen for the InvestEU Programme is **EUR 14.725 billion, including EUR 525 million for the InvestEU advisory platform, the InvestEU portal and accompanying measures**. The overall provisioning will amount to EUR 15.2 billion, of which EUR 1 billion being covered by revenues, repayments and recoveries generated by existing financial instruments and the EFSI.