Invest EU 2021-2027
EU budget for the future

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1. MOBILISING FINANCE FOR INVESTMENT

- Mobilise at least EUR 315bn over 3 years for strategic investments and access to finance via the European Fund for Strategic Investments (EFSI) within EIB/EIF (extended to EUR 500m)
- Cooperation with National Promotional Banks

2. MAKING FINANCE REACH THE REAL ECONOMY

- European Investment Project Portal (EIPP)
- European Investment Advisory Hub (EIAH)

3. IMPROVED INVESTMENT ENVIRONMENT

- Predictability and quality of regulation
- Removing non-financial, regulatory barriers in key sectors within EU Single Market
- Structural reforms at national level

The Juncker Plan (2015-2020) has…

- exceeded its initial target and by now mobilised over **EUR 398.6bn.** Two thirds of these came from private resources. The target for 2020 is EUR 500bn;
- increased **EU GDP by 0.6%** and is set to increase EU GDP by 1.3% by 2020;
- already supported more than 750,000 jobs (1.4 million jobs to be supported by 2020);
- helped 949,400 SMEs by improving their access to finance.

EIB Group figures As of 15/05/2019

EFSI investment by sector*

Smaller companies
31%

RDI
24%

Energy
18%

Digital
11%

Transport
7%

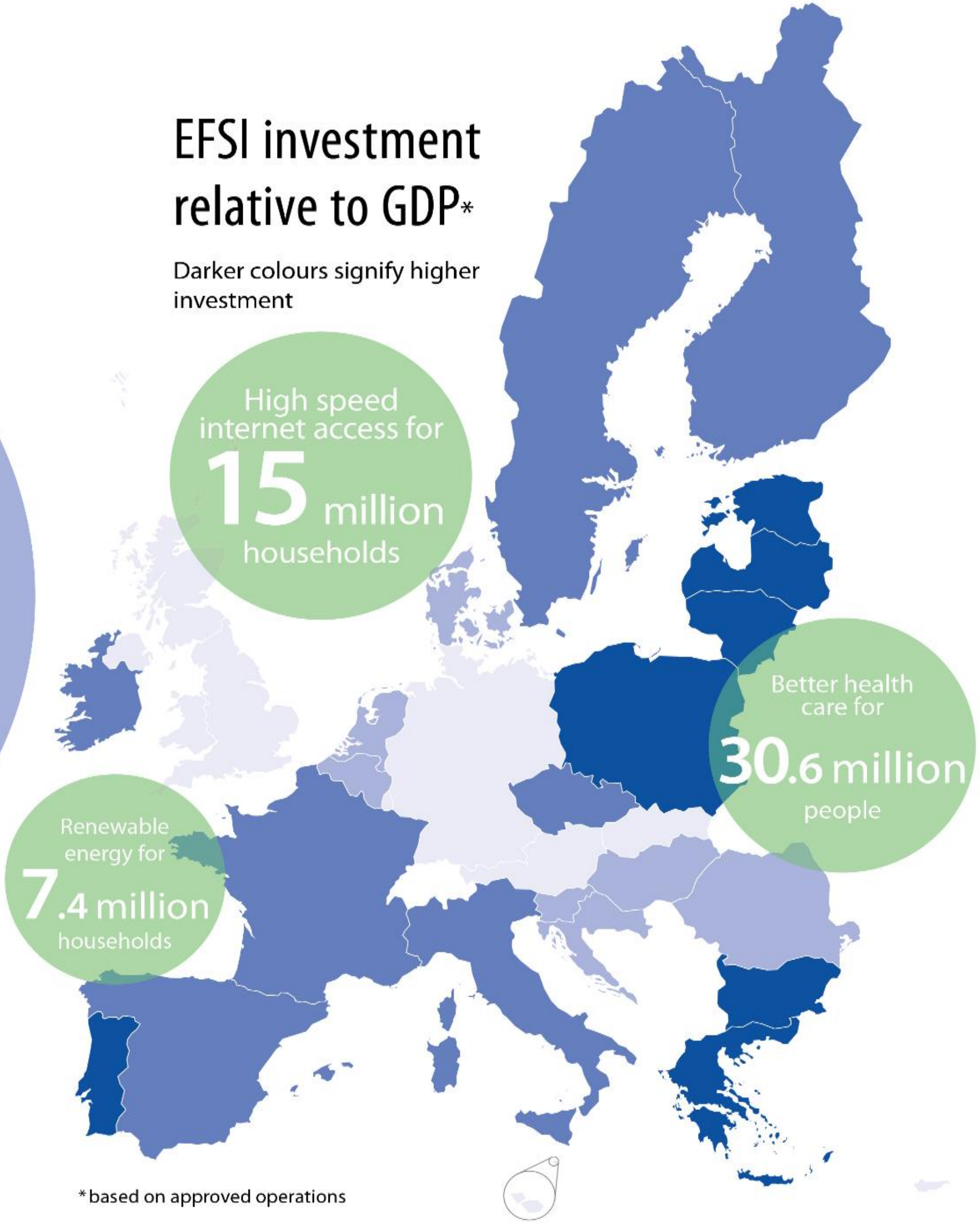
Social Infrastructure
5%

Environment and resource efficiency
4%

Target by 2020 **EUR 500bn**

EFSI investment relative to GDP*

Darker colours signify higher investment



*based on approved operations

European Investment Bank The EU bank

EUROPEAN INVESTMENT FUND

European Commission

1st pillar of the Juncker Plan (2015-2020): European Fund for Strategic Investment (EFSI)

Providing guarantees for investment in strategic sectors

EFSI and agriculture I:

- Agricultural SMEs and final recipients are supported under InnovFin, COSME and EaSI
- EFSI's SME Window provides additional firepower
- EUR 1.4bn of loans have gone to agricultural SMEs
- Sustainable agriculture projects supported under the EFSI Innovation and Infrastructure Window (IIW)

EFSI and agriculture II: EFSI – EAFRD Combination Product

- EUR 100m of EFSI resources to a guarantee instrument blending EAFRD and EFSI resources.
- First loss coverage provided by EAFRD, EFSI resources used as a "second loss piece".
- Eligible expenditure determined by the EAFRD programme requirements.
- 1 agreement signed with Nouvelle-Aquitaine (France). Signature with Portugal is imminent. Other potential countries include Greece, Slovenia, Slovakia.

What's next:
InvestEU (2021-2027)

Lesson learned: high number of financial instruments brings risks of:

- Fragmentation
- Policy/financial overlaps
- Multiplication of agreements
- Multiplication of different fees

The programmes replaced by the InvestEU

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Equity Instruments

- CEF Equity
- COSME EFG
- EaSI Capacity Building IW
- Innovfin Equity

Guarantee Instruments

- EaSI Guarantee
- EFSI
- Student Loans GF
- COSME Loan Guarantee Facility
- Private Finance for Energy Efficiency
- Innovfin Debt
- Cultural and Creative Sector GF

Risk Sharing Instruments

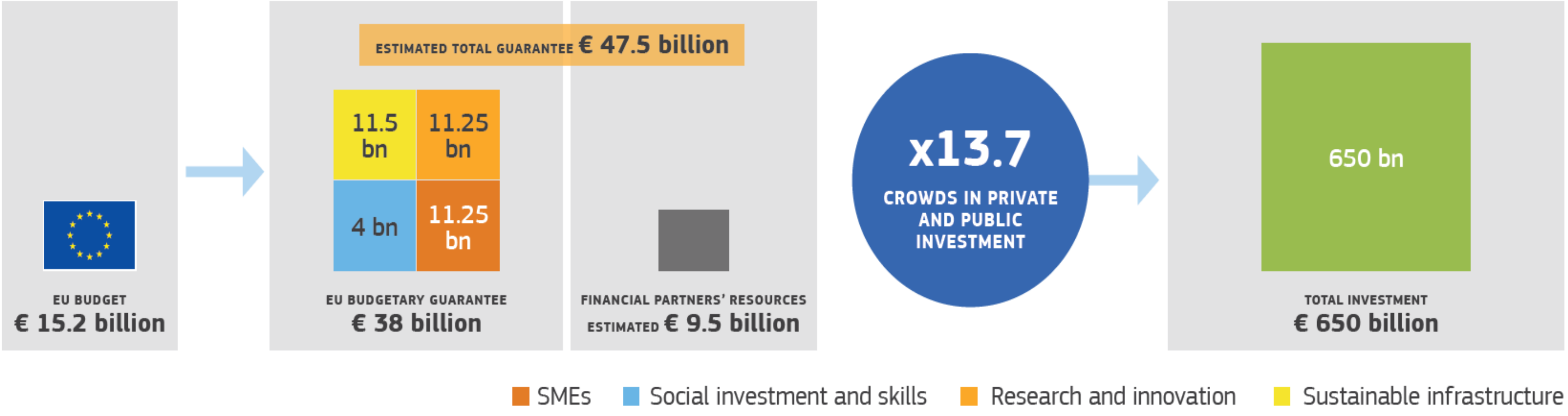
- Natural Capital Fin. Fac.
- Innovfin Risk Sharing
- CEF Debt Instrument

InvestEU

InvestEU Fund key principles

- Single fund: a single Regulation and single agreement with implementing partners
- Access to the EU guarantee open to multiple implementing partners
- Policy driven approach implemented through thematic policy windows
- Budgetary guarantee (no funding)
- Member State compartment
- Blending: harmonised combination rules

Doing more with less



- The InvestEU Fund multiplier is 13.7x compared to 15x for EFSI to focus on quality and additionality rather than volumes
- This compares favourably to the current financial period, where all centrally managed financing instruments (including EFSI 2.0) have a budget of EUR 15.57bn and are expected to mobilise EUR 600bn
- So we are able to deliver more with less in the next budget period (2021-2027)

InvestEU indicative proposed budget allocation

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 *(EUR Million, in current prices)*	**38 000**	**650 000**

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

InvestEU and agriculture

- Agriculture related investments in agriculture could be supported under all four InvestEU windows
- Examples could be *rural infrastructure* (Sustainable Infrastructure Window), *research in agriculture* (RID window), *agricultural SMEs* (SME Window) or *female entrepreneurs in rural areas* (Social Investment & Skills Window)

EU compartment

- Fosters EU level action and tackles EU level market gaps
- Consists of four policy windows
- Budgetary guarantee size of EUR 38bn, provisioned at 40%
- Guarantee is not geographically ring-fenced
- InvestEU rules apply

Invest EU Fund

MS compartment

- On a voluntary basis, Member States can allocate amounts from ERDF, ESF+, EMFF, EAFRD or cohesion fund to InvestEU
- Established at the level of each policy window; 1 Member State = 1 sub-compartment
- Based on a specific agreement defining size, provisioning, contingent liability…
- Contributions are geographically ring-fenced
- InvestEU rules apply

Advantages of the MS compartment

- Fosters MS level action and tackles local market gaps
- Increased volume of supported finance available thanks to use of budgetary guarantee
- Lower provisioning under InvestEU than for financial instruments under shared management
- Higher economies of scale and lower administrative burden
- Implementation under a single set of rules


financial instruments
capacity building
Farming
Rural development
funding agreement
EU guidance
added value
technical support
co-financing
ex-ante assessment
final recipients
seminars
governance
financial intermediaries
investments
leverage
EAFRD
fi-compass
case studies
Agriculture
thematic objectives
Targeted coaching
business plan
Thank you
equity
advisory services
private investors
RDP
guarantees
life cycle
combination of support
revolving
conferences
banks
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loans
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