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Committee on Industry, Research and Energy

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DRAFT OPINION

of the Committee on Industry, Research and Energy

for the Committee on Economic and Monetary Affairs

on the proposal for a regulation of the European Parliament and of the Council
on the European Fund for Strategic Investments and amending Regulations
(EU) No 1291/2013 and (EU) No 1316/2103
(COM(2015)0010 final – C8-xxxx/2015 – 2015/0009(COD))

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(*) Associated committee – Rule 54 of the Rules of Procedure

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SHORT JUSTIFICATION

Introduction

For many years, influential voices from the political and academic world and from the civil society have been advocating a boost of investments in the EU to overcome the investment gap that has been shaped as a consequence of the economic and financial crisis. This investment gap has created a downward spiral of decreasing expenditure, increasing joblessness and a loss of trust in the future progress. Therefore, the Commission's proposal on the European Fund for Strategic Investments (EFSI) should be warmly welcomed.

New incentives to boost investments - by backing them with EU guarantees - can create trust again amongst investors, public authorities and industries in tomorrow's growth. By unlocking new investments, EFSI can become the flywheel of a new investment cycle that creates new jobs and opportunities. These new investments are not only needed to relaunch the EU economy, but also to transform it into a resilient, innovative, inclusive, low carbon and circular economy.

Instead of paving the old cow paths by investing in simple replacements and maintenance, we'll have to invest in real transformative projects, services and infrastructures, which are capable of tackling the "new" challenges that threaten our welfare and prosperity. These challenges include our loss of competitiveness, the dangerous change of our climate, our dependency on scarce and critical natural resources from outside the Union, and the volatility and unpredictability of energy and resource prices that go along with it.

To deal with these challenges, the EU has given form to ambitious policies on employment, innovation, education, social inclusion, climate and energy. Europe 2020 was formulated as the EU's growth strategy for this decade with the aim to become a "smart, sustainable and inclusive economy". The 20/20/20 climate and energy strategy, the Commission's Energy Roadmap 2050, the 7th Environmental Action Plan and the Council's conclusions of 28 October 2014 on the reduction of greenhouse gases after 2020, ask for a decarbonised and more circular economy and for a real transformation of our transport and energy sectors. The recently launched strategy for the Energy Union focusses on a more interconnected energy market - able to integrate and exchange ever larger amounts of renewable sources - and stresses the importance of energy efficiency as an energy source in its own right. Horizon 2020 was established as the biggest EU Research and Innovation program ever, promising to drive innovation by taking great ideas from lab to the market. Through the direct link it sets between research and innovation, Horizon 2020 aims to secure Europe's global competitiveness, through an emphasis on excellent science, industrial leadership and tackling societal challenges.

It's in our utmost interest that EFSI strengthens and helps materialize these policies by focusing on the transformative investments needed in sustainable and low carbon transport infrastructure, in the digital and research infrastructures, in renewable energy, energy efficiency and energy storage and in bringing innovative products, services and technologies to the market.

At the same time, a weakening of the Union's policies, by making unrepairable cuts in funds

that help to achieve these ambitions or by supporting sub-optimal investments or investments with a high risk of being stranded before the end of their lifetime (because of their incompatibility with the long term targets), should be avoided.

Therefore, the rapporteur will formulate amendments to the proposed regulation aimed at:

1. Introducing an alternative to the financing of the EU guarantee fund to preserve the funds available under Horizon 2020 and the Connecting Europe Facility (CEF).
2. Bringing EFSI support under the framework of the Union's strategy for a "smart, sustainable and inclusive growth", and help realize the energy and climate goals by focusing on transformative investments in the transport and energy sector and avoiding lock-in investments.
3. Contributing to the ambitions of the Energy Union on energy efficiency.

The main attention of this opinion is naturally given to the exclusive competences of the ITRE Committee.

1. Alternative to the financing of the EU guarantee fund

It has to be stressed that it is not the intention of the rapporteur to touch on the general philosophy of the EU guarantee financed by the EU budget. The availability of the EU Guarantee to the EIB is ensured legally and financially as soon as the EFSI Regulation enters into force, and as soon as the EFSI agreement is signed between the EIB and the EC.

What the rapporteur challenges is the way in which the EU guarantee fund is established and financed. In the proposal for the EFSI regulation, financing is found by making cuts in the Horizon 2020 and Connection Europe Facility, in budget lines that cover grants. The cuts made will touch the integrity of these programs especially for these strategic investments - such as fundamental research - where co-financing in the market is difficult. The proposed cuts in Horizon 2020 will hit the "open calls" the hardest - thus hitting research in areas where it is particularly needed. Cutting on these budget lines will ultimately weaken the additional potential of EFSI.

The alternative proposed in this report is to skip the cuts made upfront in Horizon 2020 and CEF, as it not necessary to decide *a priori* on the funding scheme of the Guarantee Fund.

Its funding can be met by gradual budgetary commitment appropriations to be decided in the frame of the annual budgetary procedure. For this purpose, the budgetary authority should make use, where appropriate, of all available mechanisms of flexibility and relevant provisions under the 2014-2020 MFF Regulation that would lead only as a last resort to cuts in the envelope for programmes under heading 1A.

2. Aligning EFSI investments with the Union's strategy for smart, sustainable and inclusive growth and improving coherency with Union's environmental policy

The investments supported under EFSI should contribute to the Union's strategy for smart, sustainable and inclusive growth adopted in the conclusions of the European Council of 17

June 2010. In order to improve coordination of the Unions investment policies, Regulation 1303/2013 was established with a Common Strategic Framework ('CSF') in order to promote the harmonious, balanced and sustainable development of the Union. This integrated approach should accordingly be applied to operations and projects supported by EFSI. EFSI should contribute to the meeting of the approved climate targets for 2020, 2030 and 2050 and should therefore focus on transformative investments in decarbonising our transport and energy sectors and in closing our material loops. Meanwhile, investments in long term high carbon infrastructures - at risk of being stranded before the end of their lifetime if the medium and long term climate objectives have to be met - should be avoided.

3. Materialize the Energy Union and addressing the "epic failure" of current energy policies

The Commission Communication (COM(2015/80)) on the Energy Union has stressed the importance of energy efficiency as an energy source in its own right, and states clearly that EFSI "provides an opportunity to leverage major investments in renovating building". To grasp that opportunity, a special focus on energy efficiency is needed in the EFSI regulation by earmarking a share of the granted guarantees for energy efficiency, by providing technical assistance to the establishment of dedicated investment platforms for aggregated energy efficiency projects and by broadening the "investment clause" for energy efficiency investments.

The earmarking (at least 20 % of the granted guarantees has to be reserved for energy efficiency investments) is absolutely necessary to meet the Energy Union's ambitions on energy efficiency as "first fuel". Past experience shows that over the last decade energy efficiency got much less support (8 % of the total energy support) than all other energy supply options (renewables, fossil fuels, nuclear). Without earmarking, this won't change. The analysis made by E3G¹ of the Member States proposals for the European Investment Plan, shows that only 5 % of the projects listed by Member States include energy efficiency measures, smart cities or demand side management. Instead of being the "first energy source", energy efficiency in reality stays the last option. Chief economist Fatih Birol of the IEA stated that "energy efficiency remains an "epic failure" in most nations' energy policies", with two-thirds of the world's economic potential to improve energy efficiency to remain unrealized. Energy efficiency operations often entail a combination of several smaller investments, whose management is cumbersome. If they are treated separately, in a non-coordinated way, energy efficiency measures are facing a lot of administrative and transaction costs and are often difficult to finance.

Therefore a special facility under the EIAH should be created to offer technical assistance for the establishment of dedicated investment platforms all over Europe for the bundling of small projects in particular in the refurbishment of the building stock. That facility can make use of the experience already achieved by the EIB (JESSICA) and learn from the good examples of successful national refurbishing programmes. These programmes prove the multiple benefits of a massive refurbishment: high job creation, excellent cost effectiveness, increased energy security, SME support, and reduced energy poverty. Benefits that can be upscaled and multiplied by making use of EFSI.

¹ Luca Bergamaschi, Louia Casson, Jonathan Gaventa, ERG, "Europe's choice: low-carbon growth or high-carbon risks? Analysis of Member State Proposals for the European Investment Plan", 28 January 2015.

4. Miscellaneous

The rapporteur has also included some amendments that deal with the governance issues of the EFSI. No doubt, as a committee with exclusive competences on the eligibility criteria for the projects to be supported, the rapporteur also wants to make sure that the projects supported actually comply with the criteria and objectives proposed. Notably, this is taken along in amendments on the composition of the investment committee, as that committee will be responsible for the day to day decision making on which projects to be supported. Moreover, the rapporteur believes that, for the EFSI to function according to the conditions stipulated in the Regulation, provisions must be included to ensure that these conditions are correctly translated into the agreement the Commission shall conclude with the European Investment Bank on the establishment of the EFSI.

Finally, some definitions are stated on small and medium enterprises (SMEs), small mid-caps and innovative mid-caps, which should benefit particularly from EFSI support. The reasoning behind this is the rapporteur's belief in the special ability of these companies to create the true innovative changes that generate economic and societal added value, improve the health, and day-to-day living conditions of EU citizens, and stimulate the EU's competitiveness.

AMENDMENTS

The Committee on Industry, Research and Energy calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) The purpose of the EFSI should be to help resolve the difficulties in financing and **implementing** productive investments in the Union and **to ensure increased access to financing. It is intended that increased access to financing should be of particular benefit to** small and medium enterprises. **It is also appropriate to extend the benefit of such increased access to financing to mid-cap companies, which are companies having up to 3000 employees.** Overcoming Europe's current investment difficulties should contribute to

Amendment

(10) The purpose of the EFSI should be **twofold: a)** to help resolve the difficulties in financing and **implement** productive investments in the Union and **b) to ensure increased access to financing for** small and medium enterprises **and small mid-caps as well as innovative SMEs and innovative mid-caps.** Overcoming Europe's current investment difficulties should contribute to strengthening the Union's **competitiveness, innovation potential,** economic, social and territorial cohesion **and energy and resource efficiency by transitioning into a**

strengthening the Union's economic, social and territorial cohesion.

sustainable and circular economy.

Or. en

Justification

It should be clear that the purpose of the EFSI is twofold: a) long term strategic investments and b) access to finance for SMEs and small mid-cap companies. Linked to AM on Article 1, Article 5,2 (e) and Article 7.

Amendment 2

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) The EFSI should support strategic investments with high economic value added contributing to achieving Union policy objectives.

Amendment

(11) The EFSI should support strategic investments with high economic ***and societal*** value added, ***promoting sustainable innovation, skills and local jobs, boosting the competitiveness of the EU and*** contributing to achieving Union policy objectives

Or. en

Justification

The new focus of the Commission on investment is strongly welcomed. We must however make sure that investments are channelled to the right type of projects, which not only create economic added value, but also societal added value and support reaching the EU climate and energy goals. Only in that way, true investments into the future are made, which create long lasting jobs, can be carried by European citizens and offer a way out of the current crisis.

Amendment 3

Proposal for a regulation

Recital 11 a (new)

Text proposed by the Commission

Amendment

(11 a) The investments supported under EFSI should contribute to the aim of Article 194 (1) of the Treaty in particular promoting energy efficiency and energy savings and the development of new and renewable forms of energy and promoting the interconnection of energy networks, and to the Union's strategy for smart, sustainable and inclusive growth adopted in the conclusions of the European Council of 17 June 2010; in order to improve coordination of the Unions investment policies, Regulation 1303/2013 was established with a Common Strategic Framework ('CSF') in order to promote the harmonious, balanced and sustainable development of the Union. This integrated approach should accordingly be applied to operations and projects supported by the EFSI;

Or. en

Justification

On June 17, 2010 the European Council adopted "Europe 2020", a new strategy for jobs and smart, sustainable and inclusive growth. Europe 2020 constitutes a coherent framework for the Union to mobilise all of its instruments and policies in a coordinated way. Regulation 1303/2013 was established in order to improve coordination and harmonise implementation of different EU investment funds under a "Common Strategic Framework" in order to contribute to the Europe 2020 strategy. This integrated approach should be accordingly be applied to operations and projects supported by EFSI.

Amendment 4

Proposal for a regulation Recital 11 b (new)

Text proposed by the Commission

Amendment

(11 b) The Commission Communication

(COM(2015/80)) on the Energy Union has stressed the importance of energy efficiency as an energy source in its own right and states clearly that EFSI "provides an opportunity to leverage major investments in renovating buildings". In order to grasp that opportunity, a special focus on energy efficiency is needed by means of earmarking a share of the granted guarantees for energy efficiency; by providing technical assistance for the establishment of dedicated investment platforms for aggregated energy efficiency projects; and by broadening the "investment clause" for energy efficiency investments.

Or. en

Justification

The earmarking (at least 20 % of the granted guarantees has to be reserved for energy efficiency investments) is absolutely necessary to meet the Energy Union's ambitions on energy efficiency as "first fuel". Over the last decade energy efficiency got much less support (8 % of the total energy support) than all other energy supply options. Without the prospect of binding targets, this situation will not change if there is no earmarking. A special technical assistance facility for establishing dedicated platforms for energy efficiency projects is also essential.

Amendment 5

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) Many small and medium enterprises, as well as mid-cap companies, across the Union require assistance to attract market financing, especially as regards investments that carry a greater degree of risk. The EFSI should help these businesses to overcome capital shortages by allowing the EIB and the European Investment Fund ('EIF') to provide direct

Amendment

(12) Many small and medium enterprises, as well as **small and/or innovative** mid-cap companies, across the Union require assistance to attract market financing, especially as regards investments that carry a greater degree of risk. The EFSI should help these businesses to overcome capital shortages by allowing the EIB (and the European Investment Fund ('EIF')) **where**

and indirect equity injections, as well as to provide guarantees for high-quality securitisation of loans, and other products that are granted in pursuit of the aims of the EFSI.

relevant) to provide direct and indirect equity injections, as well as to provide guarantees for high-quality securitisation of loans, and other products that are granted in pursuit of the aims of the EFSI.

Or. en

Justification

It is important that EFSI targets small and innovative mid-cap companies too. The EIF, although the instrument of choice, may not always be the right vector for investments for these mid-cap companies. Linked to AM on Article 1, Article 5,2 (e) and Article 7.

Amendment 6

Proposal for a regulation

Recital 14

Text proposed by the Commission

(14) The EFSI should target projects delivering high societal and economic value. In particular, the EFSI should target projects that promote job creation, long-term growth and competitiveness. The EFSI should support a wide range of financial products, including equity, debt or guarantees, to best accommodate the needs of the individual project. This wide range of products should allow the EFSI to adapt to market needs whilst encouraging private investment in the projects. The EFSI should not be a substitute for private market finance but should instead catalyse private finance by addressing market failures so as to ensure the most effective and strategic use of public money. The requirement for consistency with State aid principles should contribute to such effective and strategic use.

Amendment

(14) The EFSI should target projects delivering high societal, **sustainable** and economic **added** value. In particular, the EFSI should target projects that promote **sustainable local** job creation, long-term **sustainable** growth and competitiveness, **which will help achieve the EU's climate and energy goals**. The EFSI should support a wide range of financial products, including equity, debt or guarantees, to best accommodate the needs of the individual project. This wide range of products should allow the EFSI to adapt to market needs whilst encouraging private investment in the projects. The EFSI should not be a substitute for private market finance but should instead catalyse private finance by addressing market failures so as to ensure the most effective and strategic use of public money. The requirement for consistency with State aid principles should contribute to such effective and strategic use.

Or. en

Justification

The new focus of the Commission on investment is strongly welcomed. We must however make sure that investments are channelled to the right type of projects, which not only create economic added value, but also societal added value and support reaching the EU climate and energy goals. Only in that way, true investments into the future are made, which create long lasting jobs, can be carried by European citizens and offer a way out of the current crisis.

Amendment 7

Proposal for a regulation

Recital 14 a (new)

Text proposed by the Commission

Amendment

(14 a) When selecting the projects eligible under EFSI support, specific attention should be given to energy efficiency; when deciding on projects for energy generation or energy transport, it should be assessed whether the goals in terms of security of supply cannot be reached in a more sustainable and cost-effective way by reducing energy demand or raising energy efficiency instead; this to ensure that energy efficiency projects are competing on equal terms with projects that are aimed at increasing energy supply or developing new infrastructures;

Or. en

Justification

The IAE categorizes energy efficiency as "the world's first fuel". Saving energy and using it more efficiently is the cheapest, fastest and most effective way to lower energy bills, reduce dependency on third country suppliers and increasing energy security while at the same time helping to reach the EU's climate objectives. Aside from using energy more efficiently, we must also use less energy all together. Therefore, when deciding on investing in new energy generation capacity, the assessment must always be made whether the same goals in terms of security of supply cannot be reached by energy efficiency or energy savings measures. This will also prevent the stranding of installations.

Amendment 8

Proposal for a regulation Recital 17

Text proposed by the Commission

(17) Decisions on the use of the EFSI support for infrastructure and large mid-cap projects should be made by an Investment Committee. The Investment Committee should be composed of independent experts who are knowledgeable and experienced in the areas of investment projects. The Investment Committee should be accountable to a Steering Board of the EFSI, who should supervise the fulfilment of the EFSI's objectives. To effectively benefit from the experience of the EIF, the EFSI should support funding to the EIF to allow the EIF to undertake individual projects in the areas of small and medium enterprises and small mid-cap companies.

Amendment

(17) Decisions on the use of the EFSI support for infrastructure and large mid-cap projects should be made by an Investment Committee. The Investment Committee should be composed of independent experts who are knowledgeable and experienced in the areas of investment projects ***in the sectorial domains specified in the Regulation***. The Investment Committee should be accountable to a Steering Board of the EFSI, who should supervise the fulfilment of the EFSI's objectives. To effectively benefit from the experience of the EIF, the EFSI should support funding to the EIF to allow the EIF to undertake individual projects in the areas of small and medium enterprises and small mid-cap companies.

Or. en

Justification

To ensure a multi-disciplinary decision making process for projects to be supported, all appointed experts of the investment committee shall not only have investment project experience, but also a demonstrated knowledge on project financing in one or several of the sectors eligible for support. As the investment committee shall decide on which projects to be supported, it is required that the relevant market and sectorial knowledge is present at the time of decision making.

Amendment 9

Proposal for a regulation Recital 18 a (new)

Text proposed by the Commission

Amendment

(18 a) In order to ensure that the EFSI fulfils its twofold purpose it is imperative that an amount equivalent to EUR 5 000 000 000 from the EFSI is allocated for EIB funding to the EIF to be used specifically for the benefit of Small and Medium Enterprises and small mid-cap companies as well as innovative SMEs and innovative mid-caps.

Or. en

Justification

In order for EFSI to be able to fulfil its twofold purpose it is important to clarify that part of the guarantee has to be reserved for access to risk finance for the benefit of SMEs and small mid-caps. Linked to AM on Article 1, Article 5,2 (e) and Article 7.

Amendment 10

Proposal for a regulation

Recital 20

Text proposed by the Commission

Amendment

(20) At the level of projects, third parties may co-finance together with EFSI on a project-by-project basis or in investment platforms related to specific geographic or thematic sectors.

(20) At the level of projects, third parties may co-finance together with EFSI on a project-by-project basis or in investment platforms related to specific geographic or thematic sectors. ***Special attention shall be given to investment platforms that focus on transformative sectors with high economic and societal added value, and investment platforms that aggregate small scale sustainable and innovative projects, notably driven by regions, cities and SMEs; for example energy efficiency projects such as the refurbishment of building stock;***

Or. en

Justification

Investment platforms are excellent mechanisms to channel support to small-scale projects, such as energy-efficiency projects, which might otherwise not find their way to EU funds or private partners. They can also play an important role in the aggregation of several similar small-scale projects, notably driven by regions, cities and SMEs, into clusters which lower the transaction costs and raises the chances of success.

Amendment 11

Proposal for a regulation

Recital 26

Text proposed by the Commission

(26) Alongside the financing operations that will be conducted through the EFSI, a European Investment Advisory Hub ('EIAH') should be created. The EIAH should provide strengthened support for project development **and preparation** across the Union, by building on the expertise of the Commission, the EIB, national promotional banks **and** the managing authorities of the European Structural and Investment Funds. This should establish a single point of entry for questions related to technical assistance for investments within the Union.

Amendment

(26) Alongside the financing operations that will be conducted through the EFSI, a European Investment Advisory Hub ('EIAH') should be created. The EIAH should provide strengthened support for project development, **preparation and aggregation** across the Union, by building on the expertise of the Commission, the EIB, national promotional banks, the managing authorities of the European Structural and Investment Funds **and best practices from projects such as ELENA (European Local Energy Assistance) and the EEIF (European Energy Efficiency Fund)**. This should establish a single point of entry for questions related to technical assistance for investments within the Union.

Or. en

Justification

There are already several instruments in place which also provide technical assistance. These programmes can be complementary to the EFSI or best practices can be translated into the EIAH. Good examples are the European Energy Efficiency Fund (EEIF), a €20m technical assistance grant and ELENA (European Local Energy Assistance). ELENA has been providing technical assistance grants to public authorities for launching sustainable investments at local level. Over 60 projects are already supported since its creation in 2009, with €72 million, channelling €3.815 bn investments over the same period thanks to its multiplication effect that is expected to go up to 20.

Amendment 12

Proposal for a regulation Recital 29

Text proposed by the Commission

(29) To partially finance the contribution from the Union budget, the available envelopes of the Horizon 2020 – the Framework Programme for Research and Innovation 2014-2020, provided by Regulation (EU) No 1291/2013 of the European Parliament and of the Council², and the Connecting Europe Facility, provided by Regulation (EU) No 1316/2013 of the European Parliament and of the Council³, should be reduced. Those programmes serve purposes that are not replicated by the EFSI. However, the reduction of both programmes to finance the guarantee fund is expected to ensure a greater investment in certain areas of their respective mandates than is possible through the existing programmes. The EFSI should be able to leverage the EU guarantee to multiply the financial effect within those areas of research, development and innovation and transport, telecommunications and energy infrastructure compared to if the resources had been spent via grants within the planned Horizon 2020 and Connecting Europe Facility programmes. It is, therefore, appropriate to redirect part of the funding presently envisaged for those programmes to the benefit of EFSI.

² *Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decision No*

Amendment

(29) The contribution from the Union budget to the EU budget Guarantee Fund will be progressively authorised by the European Parliament and the Council in the framework of the annual budgetary procedures up to 2020. For this purpose, the budgetary authority should make use, where appropriate, of all available mechanisms of flexibility and relevant provisions under the 2014-2020 MFF Regulation;

² *deleted*

1982/2006/EC (OJ L 347, 20.12.2013, p. 104).

³ **Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010 (OJ L 348, 20.12.2013, p. 129).**

³ *deleted*

Or. en

Justification

The EU Budget Guarantee Fund (GF) of EUR 8bn shall not to be confused with the legal /financial Guarantee provided by the EU to the EIB (EUR 16 BN). Your rapporteur does not challenge the EU Guarantee to the EIB. As stated by the EC itself, the availability of the EU Guarantee (article 4 + article 5 (1)) to the EIB is ensured legally and financially speaking as soon as the EFSI Regulation enters into force and as soon as the EFSI agreement is signed between the EIB and the EC. The rapporteur wishes therefore that the funding of the EU budget guarantee fund is decided by the budget authority in the framework of the annual budget procedure.

Amendment 13

Proposal for a regulation

Recital 36

Text proposed by the Commission

(36) Since the objectives of this Regulation, ***namely to support investments in the Union and to ensure increased access to financing for companies having up to 3000 employees***, cannot be sufficiently achieved by the Member States by reason of the disparities in their fiscal capacity to act but can rather, by reason of its scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not

Amendment

(36) Since the objectives of this Regulation, cannot be sufficiently achieved by the Member States by reason of the disparities in their fiscal capacity to act but can rather, by reason of its scale and effects, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives,

go beyond what is necessary in order to achieve those objectives,

Or. en

Amendment 14

Proposal for a regulation

Article 1 – paragraph 1 – subparagraph 2

Text proposed by the Commission

The purpose of the EFSI shall be to support investments in the Union ***and to ensure increased access to financing for companies having up to 3000 employees, with a particular focus on small and medium enterprises, through the supply of risk bearing capacity to the EIB ('EFSI Agreement')***.

Amendment

The purpose of the EFSI shall be to support investments in the Union ***through the supply of risk bearing capacity to the EIB by:***

- providing long term, productive and strategic investments in the Union, and by***
- ensuring increased access to financing for small and medium enterprises and small mid-caps, particularly innovative SMEs and mid-caps,***

Or. en

Justification

The purpose of the EFSI should be made clear. It is important to distinguish between the planned long term investments for projects that have to meet the general objectives of Article 5,2 a to d but have otherwise no threshold to respect and the financial support for companies (Article 5, 2 (e)) which will be channelled through the EIF (see Article 7) that by nature can only concentrate on SMEs and small (and innovative) mid-caps. This is also in line with Recital 13.

Amendment 15

Proposal for a regulation

Article 1 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2 a. The terms of the EFSI Agreement shall be defined by the Commission and the EIB, and approved by the co-legislator, prior to the entry into force of this Regulation so as to ensure that the EFSI Agreement provides for the proper implementation of the Regulation.

Or. en

Justification

This Regulation cannot be adopted without Parliament knowing the content of the EFSI Agreement first. Parliament needs to ensure that the EFSI Agreement contains what is necessary for the correct implementation of this Regulation and that the agreement does not overstep onto the rights of the co-legislators.

Amendment 16

Proposal for a regulation Article 1 a (new)

Text proposed by the Commission

Amendment

Article 1 a

Definitions

For the purpose of this Regulation the following definitions shall apply:

1. Small and Medium Enterprises (SMEs) shall mean enterprises which employ fewer than 250 persons as defined by Regulation (EU) No 651/2014

2. Small mid-caps shall mean enterprises which employ fewer than 500 persons

3. Innovative mid-caps shall mean a mid-cap whose R&D and innovation costs, as defined by the General Block Exemption Regulation, represent

(a) at least 15 % of its total operating costs in at least one of the three years preceding the first investment under the risk finance

State aid measure, or
(b) at least 10 % per year of its total operating costs in the 3 years preceding the first investment under the risk finance State aid measure;

Or. en

Justification

It is important that the terms used in this Regulation are properly defined, so as to ensure its correct interpretation and implementation later.

Amendment 17

Proposal for a regulation

Article 2 – paragraph 1 – subparagraph 1 – point g

Text proposed by the Commission

(g) requirements governing the use of the EU guarantee, ***including within*** specific time frames and key performance indicators;

Amendment

(g) requirements governing the use of the EU guarantee, ***such as the compliance with the objectives and eligibility criteria set out in article 5.2 and 5.2 a, as well as*** specific time frames and key performance indicators

Or. en

Justification

It is crucial that all investments supported under EFSI comply with the stipulations set out in this Regulation. Compliance with the objectives and eligibility criteria set out in Article 5.2 and 5.2a should particularly be ensured.

Amendment 18

Proposal for a regulation

Article 2 – paragraph 2 – subparagraph 1

Text proposed by the Commission

The EFSI Agreement shall provide for the creation of a European Investment Advisory Hub ('EIAH') within the EIB.

Amendment

The EFSI Agreement shall provide for the creation of a European Investment Advisory Hub ('EIAH') within the EIB,

The EIAH shall have as its objective to build upon existing EIB and Commission advisory services in order to provide advisory support for investment project identification, preparation and development and act as a single technical advisory hub for project financing within the Union. This shall include support on the use of technical assistance for project structuring, use of innovative financial instruments, use of public-private partnerships and advice, as appropriate, on relevant issues of EU legislation.

which shall deliver advisory support for investment projects in line with the objectives set out in article 5.2 and 5.2 a of this regulation.

The EIAH shall build upon existing EIB and Commission advisory services and shall:

- 1. Act as a technical advisory hub and provide support for investment project identification, preparation and development; as well as provide support on the use of technical assistance for project structuring, innovative financial instruments, public-private partnerships and advice, as appropriate, on relevant issues of EU legislation***
- 2. Give special support to investment platforms that focus on sectors with high economic and societal added value or that aggregate smaller projects, notably driven by regions, cities and SMEs, into clusters***
- 3. Create a specific facility for technical assistance for the establishment of investment platforms for aggregated energy efficiency projects at decentralized level***
- 4. Provide technical and financial support on the use of EFSI to decentralized institutions that implement similar technical assistance schemes at local level;***
- 5. Act as a single point of contact for project promoters or redirect them to the institutions mentioned in point 4***
- 6. Provide for a structural exchange of information and best practices between all***

the stakeholders involved in the EFSI.

Or. en

Justification

The EIAH's technical assistance and support is a very valuable tool that should make sure EFSI support truly reaches the eligible projects. This can go in a direct way, with the EIAH acting as a one-stop-shop, or via close cooperation with investment platforms, that can aggregate smaller projects into clusters. Cooperation and financial support should also be granted to decentralized institutions which deliver similar technical assistance services at a local level and which have a better feel with local partners, economic and social circumstances. The EIAH should also offer a hub for exchange of information and best practices.

Amendment 19

Proposal for a regulation

Article 2 – paragraph 2 – subparagraph 2

Text proposed by the Commission

To meet that objective, the EIAH shall use the expertise of the EIB, the Commission, national promotional banks and the managing authorities of the European Structural and Investment Funds.

Amendment

To meet that objective, the EIAH shall use the expertise of the EIB, the Commission, national promotional banks and the managing authorities of the European Structural and Investment Funds ***and involve partners according to article 5 of the regulation EU No 1303/2013. The EIAH shall especially build upon the good practices in programmes such as ELENA (European Local Energy Assistance) and the EEIF (European Energy Efficiency Fund);***

Or. en

Justification

The Regulation of the EU no 1303/2013 has introduced the partnership principle in a very valuable, workable and inclusive way. It introduces local and regional partners who can provide for local and sectorial expertise, which is crucial for the success and public acceptance of the projects. Therefore, these partners should be included when identifying, aggregating and presenting the projects eligible for support under the EIAH. There are already several instruments in place which also provide technical assistance. These programmes can be complementary to the EFSI or best practices can be translated into the EIAH. Good examples are the European Energy Efficiency Fund (EEIF), a €20m technical

assistance grant and ELENA (European Local Energy Assistance).

Amendment 20

Proposal for a regulation

Article 3 – paragraph 5 – subparagraph 1

Text proposed by the Commission

The EFSI Agreement shall provide that the EFSI shall have an Investment Committee, which shall be responsible for examining potential operations in line with the EFSI investment policies and approving the support of the EU guarantee for operations in line with Article 5, irrespective of their geographic location.

Amendment

The EFSI Agreement shall provide that the EFSI shall have an Investment Committee, which shall be responsible for examining potential operations in line with the EFSI investment policies and approving the support of the EU guarantee for operations:

1. In line with Article 5,
2. ***In line with the EU climate and energy objectives for 2020, 2030 and 2050; as to avoid jeopardizing these objectives or creating lock-in effects into technologies, production processes or infrastructures that are at the risk of stranding***
3. ***With a demonstrable economic, societal and sustainable added value promoting EU innovations, skills, jobs and competitiveness***
4. irrespective of their geographic location.

Or. en

Justification

In order to reach the EU energy and climate objectives for 2020, 2030 and 2050 the right investments must be done today. The EFSI is an excellent instrument to promote and support these types of projects essential for the transition towards a sustainable and decarbonized Union. This shall not only create economic added value, but also societal added value, sustainable local jobs and a way out of the current crisis. On the contrary, supporting projects that create a lock-in into technologies, production processes or infrastructure that do not have a place in a sustainable decarbonized economy are counterproductive and create sunk costs, stranded projects and a loss of EU money.

Amendment 21

Proposal for a regulation

Article 3 – paragraph 5 – subparagraph 2

Text proposed by the Commission

The Investment Committee shall be composed of six independent experts and the Managing Director. Independent experts shall have a high level of relevant market experience in project finance **and** be appointed by the Steering Board for a renewable fixed term of three years.

Amendment

The Investment Committee shall be composed of **at least** six independent experts and the Managing Director. Independent experts shall have a high level of relevant market experience in project finance **in the areas of investment projects as listed in Article 5.2.**

The Investment Committee shall be appointed by the Steering Board for a renewable fixed term of three years.

Or. en

Justification

The Investment Committee, which shall decide on which projects to be supported under the EFSI in line with the objectives set out in Article 5.2 and 5.2a, should be composed of a sufficient number of experts. This to ensure a multi-disciplinary decision making process for eligible projects in all the different sectors listed in Article 5.2 and 5.2a. All appointed experts shall have relevant market experience and demonstrated knowledge on project financing in one or several of these sectors.

Amendment 22

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – introductory part

Text proposed by the Commission

The EU guarantee shall be granted for EIB financing and investment operations approved by the Investment Committee referred to in Article 3(5) or funding to the EIF in order to conduct EIB financing and investment operations in accordance with Article 7(2). The operations concerned shall be consistent with Union policies and support any of the following general objectives:

Amendment

The EU guarantee shall be granted for EIB financing and investment operations, **focused at fostering the transition towards a smart, sustainable and decarbonized economy and** approved by the Investment Committee referred to in Article 3(5) or funding to the EIF in order to conduct EIB financing and investment operations in accordance with Article 7(2). The operations concerned shall be consistent with Union policies and support any of the

following general objectives:

Or. en

Amendment 23

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – point a

Text proposed by the Commission

Amendment

(a) development of infrastructure, ***including in the areas of transport, particularly in industrial centres; energy, in particular energy interconnections; and digital infrastructure;***

(a) development of ***transport*** infrastructure, particularly in industrial centres;

Or. en

Amendment 24

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – point a a (new)

Text proposed by the Commission

Amendment

(a a) development of sustainable energy infrastructure, in particular in electricity interconnections, smart grids at distribution level and energy storage;

Or. en

Justification

Better integration and interconnection of the intra-EU grids will lower the Union's energy dependency on third country providers, eliminate energy islands and prevent overcapacity in the different Member States. As by 2050, the energy system will almost entirely be based on renewables; there is a need for a different type of electricity grid. As renewables are decentralized and more than 90 % is connected to the distribution level, investments at distribution level are as crucial as those at transmission level. Smart storage solutions are, together with a better interconnection and demand-side management, vital for balancing and cushioning peak demand.

Amendment 25

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – point a b (new)

Text proposed by the Commission

Amendment

(a b) development of digital infrastructure, information and communications technology and innovation;

Or. en

Justification

The digital economy is growing seven times faster than the rest of the economy and it is one of the most promising paths to economic recovery and quality job creation. Investments in high-quality telecom and internet broadband infrastructures are crucial. However, investments also need to be intensified in digital awareness and competence of European citizens, digital research and development, fostering creative industries in the digital field and developing a favourable environment for the expansion of smart digital devices and services in everyday life.

Amendment 26

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – point b

Text proposed by the Commission

Amendment

(b) investment in education and training, health, research and development, ***information and communications technology and innovation;***

(b) investment in education and training, health, research and development, ***including research and technology infrastructures relevant for*** innovation;

Or. en

Justification

Education, research and development and innovation are some of Europe's most important assets, driving our economic competitiveness and our human well-being and health. The skills and creativity of Europeans are Europe's competitive edge in the global economy. Investments in education, research and innovation are crucial components of the economic crisis exit strategy creating new high quality jobs, developing new export markets and improving the EU's industrial competitiveness.

Amendment 27

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – point c

Text proposed by the Commission

(c) expansion of renewable energy *and* energy *and resource efficiency*;

Amendment

(c) expansion of renewable energy, **energy efficiency and resource efficiency, with a particular focus on reducing energy demand through demand-side management and buildings refurbishments**;

Or. en

Justification

Renewable energy and energy efficiency investments were both categorized as no-regrets options by the Commission. These investments are the only way to reach the objectives of energy security, sustainability and affordability simultaneously and in an efficient way. Energy Efficiency is mentioned by the IEA to be the world's first fuel, therefore, energy efficiency and savings projects should compete on equal terms with energy generation projects. The focus should lie on demand-side management and refurbishments of buildings, as buildings represent 40 % of the primary energy consumption.

Amendment 28

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – point d

Text proposed by the Commission

(d) infrastructure projects in the **environmental**, natural resources, urban development and social **fields**;

Amendment

(d) infrastructure projects in the **fields of environment**, natural resources **focused on the strengthening of eco-system services**, urban development and **in the social sector**;

Or. en

Justification

Ecosystem services play an important role in the EU Biodiversity Strategy and in the climate adaptation and mitigation policies. The EC-supported TEEB report (The Economics of Ecosystems and Biodiversity) demonstrates the huge economic value of our ecosystems and their potential in addressing numerous societal challenges. Therefore focus on infrastructures

and investments that can strengthen the ecosystem services (e.g. creation of natural flood areas or forestry expansion) is justified

Amendment 29

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 2

Text proposed by the Commission

In addition, the EU guarantee shall be granted for **support of** dedicated investment platforms and national promotional banks, **via the EIB, that invest in operations meeting the requirements of this Regulation. In that case,** the Steering Board shall specify policies regarding eligible investment platforms.

Amendment

In addition, the EU guarantee shall be granted for **financing and investment operations conducted by** dedicated investment platforms and national promotional banks **or institutions, approved by the Investment Committee referred to in Article 3(5). The operations concerned shall be consistent with Union policies and support the objectives under this paragraph, with a focus on transformative sectors with high added value such as small-scale energy efficiency and resource efficiency projects.** The Steering Board shall specify policies regarding eligible investment platforms **and regarding operations of dedicated investment platforms and national promotional banks or institutions in order to enjoy the EU guarantee under this Article. Moreover, the EIB participation in dedicated investment platforms and national promotional banks can make use of the EU guarantee.**

Or. en

Justification

Under the current proposal investment platforms and national promotional banks may only enjoy the EU guarantee if they are supported by the EIB. For the substantial investments on larger projects at EU level, the EIB involvement might indeed be desirable. However, for more aggregated smaller projects financed or managed by Investment Platforms, National promotional banks or institutions, the EIB involvement might not always be necessary if the operations concerned are supporting the objectives under this article and are found eligible by the Investment Committee.

Amendment 30

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

Where applicable national or regional investment platforms shall involve competent public authorities, economic and social partners and relevant bodies representing civil society in line with article 5 and Chapter II of Regulation (EU) No 1303/2013.

Or. en

Justification

Relevant stakeholders, in the establishment and operation of national and regional investment platforms that support investments with a significant societal impact, should be involved. Detailed provisions on how this can be done are prescribed in Regulation (EU) No 1303/2013. A similar approach in the EFSI supported investment platforms is desirable. Involving partners is one of the best ways to improve ownership and maximise results of the investments.

Amendment 31

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 2 b (new)

Text proposed by the Commission

Amendment

At least 20 % of the granted guarantees shall be reserved for energy efficiency investments, in particular via the establishment of dedicated investment platforms for the refurbishment of the building stock.

Or. en

Justification

According to the communication of the Commission on the Energy Union, energy efficiency should be regarded as a source in its own right. Over the last decade energy efficiency got much less support than all other energy supply options. Without earmarking, this will not

change. The analysis made by E3G shows that only 5 % of the projects listed by Member States for the EFSI, include energy efficiency measures, smart cities or demand side management. Earmarking can guarantee that enough support from EFSI for aggregated efficiency projects, in particular for the massive refurbishment of the building stock, will be available.

Amendment 32

Proposal for a regulation

Article 5 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2 a. The EU guarantee shall only be granted for projects and operations which fulfil the following eligibility criteria:

a) Projects and operations have to contribute to the Union's strategy for smart, sustainable and inclusive growth; they shall comply with the objectives of article 9 and be in line with article 10 and Annex I of Regulation (EU) No 1303/2013;

b) Projects and operations have to foster the transition towards a smart, sustainable, decarbonized economy and shall be consistent with the agreed EU climate and energy objectives for 2020, 2030 and 2050;

c) Projects and operations supported by dedicated investment platforms and national promotional banks and institutions, have to comply with the policies and eligibility criteria of the Steering Board in accordance with the 2nd paragraph of Article 5.2; the policies and eligibility criteria of the Steering Board may not be in deviation of the criteria under a) and b) of this Article;

Or. en

Justification

By formulating clear eligibility criteria, more direction is given on the way the general objectives of article 5.2 have to be pursued. In point a) reference is made to the thematic

objectives and the "Common Strategic Framework" of Regulation 1303/2013. This to include that EFSI is the Union's integrated and coordinated approach for a harmonious, balanced and sustainable development

Amendment 33

Proposal for a regulation

Article 5 – paragraph 4

Text proposed by the Commission

4. Provided that all relevant eligibility criteria are fulfilled, Member States may use European Structural and Investment Funds to contribute to the financing of eligible projects in which the EIB is investing with the support of the EU guarantee.

Amendment

4. Provided that all relevant eligibility criteria are fulfilled, Member States may use ***any type of Union financing, including*** European Structural and Investment Funds to contribute to the financing of eligible projects in which the EIB is investing with the support of the EU guarantee

Or. en

Justification

It should made be clear that any type of Union financing can be used to co-finance operations and projects backed by the EU guarantee, not only the financing made available by the European Structural and Investment Funds

Amendment 34

Proposal for a regulation

Article 6 – paragraph 2 – point a

Text proposed by the Commission

(a) EIB loans, guarantees, counter-guarantees, capital market instruments, any other form of funding or credit enhancement instrument, equity or quasi-equity participations. These Instruments shall be granted, acquired or issued for the benefit of operations carried out in the Union, including cross-border operations between a Member State and a third country, in compliance with this Regulation and where EIB financing has been granted in accordance with a signed

Amendment

(a) EIB loans, guarantees, counter-guarantees, capital market instruments, any other form of funding or credit enhancement instrument, equity or quasi-equity participations, ***including through national promotional banks or institutions or investment platforms***. These Instruments shall be granted, acquired or issued for the benefit of operations carried out in the Union, including cross-border operations between a Member State and a third country, in compliance with this

agreement which has neither expired nor been cancelled;

Regulation and where EIB financing has been granted in accordance with a signed agreement which has neither expired nor been cancelled;

Or. en

Amendment 35

Proposal for a regulation

Article 6 – paragraph 2 – point b

Text proposed by the Commission

(b) EIB funding to the EIF enabling it to undertake loans, guarantees, counter-guarantees, any other form of credit enhancement instrument, capital market instruments and equity or quasi-equity participations. These Instruments shall be granted, acquired or issued for the benefit of operations carried out in the Union, in compliance with this Regulation and where EIF financing has been granted in accordance with a signed agreement which has neither expired nor been cancelled.

Amendment

(b) EIB funding to the EIF enabling it to undertake loans, guarantees, counter-guarantees, any other form of credit enhancement instrument, capital market instruments and equity or quasi-equity participations, ***including through national promotional banks or institutions or investment platforms***. These Instruments shall be granted, acquired or issued for the benefit of operations carried out in the Union, in compliance with this Regulation and where EIF financing has been granted in accordance with a signed agreement which has neither expired nor been cancelled.

Or. en

Amendment 36

Proposal for a regulation

Article 6 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

Financial contributions from Member States and from national promotional banks or institutions which are classified in the state sector or which act on behalf of the state, to projects, operations or

investment platforms eligible under this Regulation, are considered as one-off measures in terms of Article 5(1) of Regulation (EC) No 1466/97 and in terms of Article (3)4 of Regulation (EC) No 1467/97. They are financial contributions achieving the policy goals of the Union and considered to be a relevant factor in terms of Article 2(3) of Regulation (EC) No 1467/97 so that these financial contributions cannot result in an excess over the reference value as referred to in Article 126(2) TFEU.

By way of derogation from the guidance the Commission provided on the implementation of Article 5(1) of Regulation (EC) No 1466/97 in COM(2015)12 of 13 January 2015, Member States will benefit from the "investment clause" for investments in dedicated investment platforms established for investments in energy-efficiency operations and projects and eligible under this Regulation, if:

i) the deviation from their Medium Term Objective or the agreed fiscal adjustment path towards it does not lead to an excess over the reference value of 3 % of GDP deficit and an appropriate safety margin is preserved;

ii) investment levels are effectively increased as a result.

In that case the "investment clause" will be applied irrespective of the existence of a negative GDP growth or minimum negative output gap.

Or. en

Justification

This amendment tries to achieve legal certainty with regard to the treatment of Member States' financial participations in the financing and investment operations that are covered by the EU guarantee under the Stability and Growth Pact (in line with COM(2015)12 of 13 January 2015 and with the letter of 3 July 2013 by former Commission Vice-President Olli Rehn to EU Finance Ministers on the implementation of Art. 5(1) of Regulation (EC) No

1466/97). A more flexible application of the "investment clause" is proposed for financial contributions in dedicated platforms for investments in energy efficiency operations because these investments are seen as non-regrettable option and lead to corresponding decreases in current payments on the purchase of energy products

Amendment 37

Proposal for a regulation Article 7 – paragraph 1

Text proposed by the Commission

1. The EU guarantee to the EIB shall be of an amount equal to EUR 16 000 000 000, of which **a maximum amount of** EUR 2 500 000 000 **may** be allocated for EIB funding to the EIF in accordance with paragraph 2. Without prejudice to Article 8(9), aggregate payments from the Union under the guarantee to the EIB shall not exceed the amount of the guarantee.

Amendment

1. The EU guarantee to the EIB shall be of an amount equal to EUR 16 000 000 000, of which EUR 2 500 000 000 **shall** be allocated for EIB funding to the EIF in accordance with paragraph 2 **for the purposes set out in Article 1**. Without prejudice to Article 8(9), aggregate payments from the Union under the guarantee to the EIB shall not exceed the amount of the guarantee.

Or. en

Justification

Ensuring that funds are set aside from the EFSI to be used for access to risk-finance for SMEs and small mid-caps should neither be optional nor flexible.

Amendment 38

Proposal for a regulation Article 8 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

Without prejudice to Paragraph 5 the target amount shall be met by gradual budgetary commitment appropriations to the guarantee fund to be decided in the frame of the annual budgetary procedure, taking due account of all means available under Council Regulation 1311/2013 of 2 December 2013 laying down the Multi

annual Financial Framework 2014-2020, in particular Article 11, 13, 14 as well as if needed and as a last resort solution the possibility - in full respect of point 17 and 18 of the IIA of 2 December 2013 - to redeploy funds from multiannual programs under heading 1A if these programs prove to be under – committed. The financing of the guarantee Fund, both in respect of commitments and payments appropriations shall be reviewed in the frame of the Mid Term review/ revision of the MFF 2014-2020 due to be launched by the end of 2016 at the latest as foreseen in article 2 of Council Regulation 1311/2013 of 2 December 2013 laying down the MFF 2014-2020.

Or. en

Justification

The EU Budget Guarantee Fund (GF) of EUR 8bn shall not to be confused with the legal /financial Guarantee provided by the EU to the EIB (EUR 16 BN). The establishment of the EU Budget Guarantee Fund (GF) does not constitute a legal a pre-condition for the entry into force and the running of EFSI. Your rapporteur does not challenge the EU Guarantee to the EIB. As stated by the EC itself, the availability of the EU Guarantee (article 4 + article 5 (1)) to the EIB is ensured legally and financially speaking as soon as the EFSI Regulation enters into force and as soon as the EFSI agreement is signed between the EIB and the EC. The rapporteur wishes therefore that the funding of the EU budget guarantee fund is decided by the budget authority in the framework of the annual budget procedure.

Amendment 39

Proposal for a regulation

Article 9 – paragraph 3

Text proposed by the Commission

3. Member States shall develop, update and disseminate, on a regular and structured basis, information on current and future investment projects in their territory.

Amendment

3. Member States shall develop, update and disseminate, ***involving partners according to Article 5 of EU Regulation No 1303/2013 on regional and local level***, on a regular and structured basis, information on current and future investment projects in their territory.

Justification

The Regulation of the EU no 1303/2013 has introduced the partnership principle in a very valuable, workable and inclusive way. It introduces local and regional partners who can provide for local and sectorial expertise, which is crucial for the success and public acceptance of the projects. Therefore, these partners should be included when identifying, aggregating and presenting the projects eligible for support.

Amendment 40**Proposal for a regulation****Article 10 – paragraph 2 – point b***Text proposed by the Commission*

(b) an assessment of the added value, the mobilisation of private sector resources, the estimated and actual outputs, outcomes and impact of EIB financing and investment operations at an aggregated basis;

Amendment

(b) an assessment of the ***economic and societal*** added value, the mobilisation of private sector resources, the estimated and actual outputs, outcomes and impact of EIB financing and investment operations at an aggregated basis, ***this includes the impact on the creation of future oriented, sustainable and local jobs, the sustainable transition and decarbonisation of the EU's economy, the preservation and increase of the viability of ecosystem services, the diminishing of EU's dependency on energy and natural resources, the increase of the competitiveness and the innovation potential of the Union's economy;***

Justification

The EFSI should promote and support projects essential for the transition towards a sustainable and decarbonized Union. When assessing the added value and effectiveness of the EFSI, the progress in this transition to a sustainable and decarbonized Union must be evaluated by measuring the impacts of the investments on the parameters mentioned in the article.

Amendment 41

Proposal for a regulation

Article 16 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1 a. In its financing and investment operations, the EIB shall not support activities that hamper the Union on its path towards sustainable progress; in that regard, the EIB shall not participate in any projects that create a lock-in into technologies, production processes or infrastructures that are at the risk of stranding as they are not in line with the EU's energy and climate objectives for 2020, 2030 and 2050;

Or. en

Justification

In order to reach the EU energy and climate objectives for 2020, 2030 and 2050 the right decisions and investments must be taken today. The EFSI is an excellent instrument to promote and support these types of projects essential for the transition towards a sustainable and decarbonized Union. Supporting projects that create a lock-in into technologies, production processes or infrastructure that do not have a place in a sustainable decarbonized Union are therefore counterproductive and create sunk costs, stranded projects and a loss of EU money.

Amendment 42

Proposal for a regulation

Article 18

Regulation 1291/2014

Article 6

Text proposed by the Commission

Amendment

[...]

deleted

Or. en

Justification

Linked to amendment on Article 8. The funding of the GF does not have to be fixed at the time

of the adoption of the EFSI Regulation. It can be left to the annual budgetary procedure.

Horizon 2020 already contributes greatly, to investment in R&D and Innovation with a great leverage effect. It has been adopted through a lengthy legislative process that carefully identified the priority areas, the different instruments and the recipients, reaching a delicate balance.

Amendment 43

Proposal for a regulation

Article 19

Regulation 1316/2013

Article 5

Text proposed by the Commission

Amendment

[...]

deleted

Or. en

Justification

Linked to amendment on Article 8. The funding of the GF does not have to be fixed at the time of the adoption of the EFSI Regulation. It can be left to the annual budgetary procedure.

CEF already contributes greatly, to investment in energy, telecom and transport infrastructures, with a high leverage effect. It has been adopted through a lengthy legislative process that carefully identified the projects of common interest and the different instruments to be used.

Amendment 44

Proposal for a regulation

Annex I

Regulation 1291/2014

Annex II

Text proposed by the Commission

Amendment

[...]

deleted

Or. en

Justification

Linked to amendment on Article 8. The funding of the GF does not have to be fixed at the time

of the adoption of the EFSI Regulation. It can be left to the annual budgetary procedure.

Horizon 2020 already contributes greatly, to investment in R&D and Innovation with a great leverage effect. It has been adopted through a lengthy legislative process that carefully identified the priority areas, the different instruments and the recipients– reaching a delicate balance.