



EUROPEAN PARLIAMENT

2014 - 2019

Committee on Budgets
Committee on Economic and Monetary Affairs

2015/0009(COD)

10.3.2015

*****I**

DRAFT REPORT

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 1316/2013
(COM(2015)0010 – C8-0007/2015 – 2015/0009(COD))

Committee on Budgets
Committee on Economic and Monetary Affairs

Rapporteurs: José Manuel Fernandes, Udo Bullmann (Joint committee – Rule
55 of the Rules of Procedure)

Rapporteurs for the opinions (*):
Kathleen Van Brempt, Committee on Industry, Research and Energy
Inés Ayala Sender, Dominique Riquet, Committee on Transport and Tourism

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

Symbols for procedures

| | |
|--------|---|
| * | Consultation procedure |
| *** | Consent procedure |
| ***I | Ordinary legislative procedure (first reading) |
| ***II | Ordinary legislative procedure (second reading) |
| ***III | Ordinary legislative procedure (third reading) |

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ■ symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

CONTENTS

| | Page |
|--|-------------|
| DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION | 5 |
| EXPLANATORY STATEMENT | 45 |

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

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 1316/2013

(COM(2015)0010 – C8-0007/2015 – 2015/0009(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2015)0010),
 - having regard to Article 294(2) and Articles 172, 173, 175(3) and 182(1) of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0007/2015),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the joint deliberations of the Committee on Budgets and the Committee on Economic and Monetary Affairs under Rule 55 of the Rules of Procedure,
 - having regard to the report of the Committee on Budgets and the Committee on Economic and Monetary Affairs and the opinions of the Committee on Industry, Research and Energy, the Committee on Transport and Tourism, the Committee on Budgetary Control, the Committee on Employment and Social Affairs, the Committee on Environment, Public Health and Food Safety, the Committee on Internal Market and Consumer Protection, the Committee on Regional Development, the Committee on Agriculture and Rural Development, the Committee on Culture and Education and the Committee on Constitutional Affairs (A8-0000/2015),
1. Adopts its position at first reading hereinafter set out;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend its proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation Recital 1

Text proposed by the Commission

(1) The economic and financial crisis has led to a lowering of the level of investments within the Union. Investment has fallen by approximately 15% since its peak in 2007. The Union suffers in particular from a lack of investment as a consequence of market uncertainty regarding the economic future *and the fiscal constraints on* Member States. *This lack of investment* slows economic recovery and negatively affects job creation, long-term growth prospects and competitiveness.

Amendment

(1) The economic and financial crisis has led to a lowering of the level of investments within the Union. Investment has fallen by approximately 15% since its peak in 2007. The Union suffers in particular from a lack of investment as a consequence of *fiscal constraints on Member States and sluggish growth, thereby resulting in* market uncertainty regarding the economic future. *This lack of investment, which has been particularly severe in* Member States *most affected by the crisis*, slows economic recovery and negatively affects job creation, long-term growth prospects and competitiveness.

Or. en

Amendment 2

Proposal for a regulation Recital 2

Text proposed by the Commission

(2) Comprehensive action is required to reverse the vicious circle created by a lack of investment. *Structural reforms and fiscal responsibility are necessary preconditions for stimulating investment.* Along with a renewed impetus towards investment financing, *these preconditions can contribute* to establishing a virtuous circle, where investment projects help support employment and demand and lead to a sustained increase in growth potential.

Amendment

(2) Comprehensive action is required to reverse the vicious circle created by a lack of investment. Along with a renewed impetus towards investment financing, *structural reforms and fiscal responsibility constitute a way* to establishing a virtuous circle, where investment projects help support employment and demand and lead to a sustained increase in growth potential.

Amendment 3

Proposal for a regulation

Recital 8

Text proposed by the Commission

(8) The EFSI is part of a comprehensive approach to address uncertainty surrounding public and private investments. The strategy has three pillars: mobilising finance for investment, making investment reach the real economy **and** improving the investment environment in the Union.

Amendment

(8) The EFSI is part of a comprehensive approach to address uncertainty surrounding public and private investments. The strategy has three pillars: mobilising finance for investment, making investment reach the real economy, improving the investment environment in the Union. ***The strategy should be complementary to the objective of economic, social and territorial cohesion across the Union.***

Amendment 4

Proposal for a regulation

Recital 13

Text proposed by the Commission

(13) The EFSI should be established within the EIB in order to benefit from its experience and proven track record and in order for its operations to start to have a positive impact as quickly as possible. The ***work of the EFSI on providing finance*** to small and medium enterprises and small mid-cap companies ***should*** be channelled through the European Investment Fund ('EIF') to benefit from its experience in these activities.

Amendment

(13) The EFSI should be established within the EIB in order to benefit from its experience and proven track record and in order for its operations to start to have a positive impact as quickly as possible. The ***provision of EFSI funding*** to small and medium enterprises and small mid-cap companies ***may*** be channelled through the European Investment Fund ('EIF') to benefit from its experience in these activities.

Amendment 5

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 and economic value. In particular, the EFSI should target projects that promote job creation, long-term **sustainable** 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 **and as a means of further enhancing cohesion across the Union**. The requirement for consistency with State aid principles should contribute to such effective and strategic use.

Or. en

Amendment 6

Proposal for a regulation Recital 15

Text proposed by the Commission

(15) The EFSI should target projects with a higher risk-return profile than existing EIB and Union instruments to ensure additionality over existing operations. The

Amendment

(15) The EFSI should target projects with a higher risk-return profile than existing EIB and Union instruments to ensure additionality over existing operations. The

EFSI should *finance* projects across the Union, *including in the countries most affected by the financial crisis*. The EFSI should only be used where financing is not available from other sources *on reasonable terms*.

EFSI should *aim at financing* projects across *the whole of* the Union *by taking into account the criteria of additionality and high risk-profile in its investment policies*. The EFSI should only be used where financing is not available from other sources.

Or. en

Amendment 7

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, *and who should be approved by the European Parliament following hearings.* *The Investment Committee should be accountable to the Steering Board of the EFSI.* 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

Amendment 8

Proposal for a regulation Recital 18

Text proposed by the Commission

(18) In order to enable the EFSI to support investments, the Union should grant a guarantee of an amount equal to EUR 16 000 000 000. When provided on a portfolio basis, the guarantee coverage should be capped depending upon the type of instrument, such as debt, equity or guarantees, as a percentage of the volume of the portfolio of outstanding commitments. It is expected that when the guarantee is combined with EUR 5 000 000 000 to be provided by the EIB, that the EFSI support should generate EUR 60 800 000 000 additional investment by the EIB and EIF. This EUR 60 800 000 000 supported by the EFSI is expected to generate a total of EUR 315 000 000 000 in investment in the Union within the period 2015 to 2017. Guarantees that are attached to projects which are completed without a call on a guarantee are available for supporting new operations.

Amendment

(18) In order to enable the EFSI to support investments, the Union should grant a guarantee of an amount equal to EUR 16 000 000 000. When provided on a portfolio basis, the guarantee coverage should be capped depending upon the type of instrument, such as debt, equity or guarantees, as a percentage of the volume of the portfolio of outstanding commitments. It is expected that when the guarantee is combined with EUR 5 000 000 000 to be provided by the EIB, that the EFSI support should generate EUR 60 800 000 000 additional investment by the EIB and EIF. This EUR 60 800 000 000 supported by the EFSI is expected to generate a total of EUR 315 000 000 000 in ***additional*** investment in the Union within the period 2015 to 2017. ***Additional Member State contributions to the EFSI's capital would increase this amount and thereby bring the Fund's investment closer to actual needs.*** Guarantees that are attached to projects which are completed without a call on a guarantee are available for supporting new operations.

Or. en

Amendment 9

**Proposal for a regulation
Recital 21**

Text proposed by the Commission

(21) Provided that all relevant eligibility criteria are fulfilled, Member States may use European Structural Investment Funds to contribute to the financing of eligible projects that are supported by the EU guarantee. The flexibility of this approach should maximise the potential to attract

Amendment

(21) Provided that all relevant eligibility criteria are fulfilled, Member States may use European Structural Investment Funds to contribute to the financing of eligible projects that are supported by the EU guarantee, ***and to invest in the capital of the investment platforms, provided that it***

investors to the areas of investment targeted by the EFSI.

is in accordance with Regulation (EU) No 1303/2013 of the European Parliament and of the Council. The flexibility of this approach should maximise the potential to attract investors to the areas of investment targeted by the EFSI.

Or. en

Amendment 10

Proposal for a regulation Recital 25

Text proposed by the Commission

(25) The EIB should regularly evaluate activities supported by the EFSI with a view to assessing their relevance, performance and impact and to identifying aspects that could improve future activities. Such evaluations should contribute to accountability and analysis of sustainability.

Amendment

(25) The EIB ***and the Investment Committee*** should regularly evaluate ***and report on*** activities supported by the EFSI with a view to assessing their relevance, performance and impact and to identifying aspects that could improve future activities. Such evaluations ***and reporting*** should ***be made public and*** contribute to accountability and analysis of sustainability.

Or. en

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

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 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.

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. ***The ELIAH should enable Member States and regions across the Union to benefit from free expertise so as to ensure fair access to EFSI financing.***

Or. en

Amendment 12

Proposal for a regulation Recital 28

Text proposed by the Commission

(28) The guarantee fund is intended to provide a liquidity cushion for the Union budget against losses incurred by the EFSI in pursuit of its objectives. Experience on the nature of investments to be supported by the EFSI indicates that ***a ratio of 50% between the payments from the Union budget and from the Union's total guarantee obligations would be adequate.***

Amendment

(28) The guarantee fund is intended to provide a liquidity cushion for the Union budget against losses incurred by the EFSI in pursuit of its objectives. Experience on the nature of investments to be supported by the EFSI indicates that ***the level of resources in the guarantee fund should represent a ratio of 50% of the Union's total guarantee obligations.***

Or. en

Amendment 13

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***

Amendment

(29) The contribution from the Union budget ***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,***

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.

the budgetary authority should make use, where appropriate, of all available flexibility mechanisms and other relevant provisions under Council Regulation (EU, Euratom) No 1311/2013.

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 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).*

Or. en

Amendment 14

Proposal for a regulation Recital 33

Text proposed by the Commission

(33) Although the projects identified under the project pipeline may be used by the EIB in the identification and selection of EFSI supported projects, the project pipeline should have a broader scope of identifying projects across the Union. This scope may include projects that are capable of being fully financed by the private sector or with the assistance of other instruments provided at European or national level. The EFSI should be able to support financing and investment to projects identified by the project pipeline, but there should be no automaticity between inclusion on the list and access to EFSI support and the **EFSI** be conferred with discretion to select and support projects that are not included on the list.

Amendment

(33) Although the projects identified under the project pipeline may be used by the EIB **and the Investment Committee** in the identification and selection of EFSI supported projects, the project pipeline should have a broader scope of identifying projects across the Union. This scope may include projects that are capable of being fully financed by the private sector or with the assistance of other instruments provided at European or national level. The EFSI should be able to support financing and investment to projects identified by the project pipeline, but there should be no automaticity between inclusion on the list and access to EFSI support and the **EIB and the Investment Committee should** be conferred with **full** discretion to select and support projects that are not included on the list.

Or. en

Amendment 15

Proposal for a regulation Article 1 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. The Commission shall **conclude an** agreement with the European Investment Bank (EIB) on the establishment of a European Fund for Strategic Investments ('EFSI').

Amendment

1. The Commission shall **negotiate a draft** agreement with the European Investment Bank (EIB) on the establishment of a European Fund for Strategic Investments ('EFSI') **in line with the requirements of this Regulation.**

Amendment 16

Proposal for a regulation

Article 1 – paragraph 2

Text proposed by the Commission

2. The EFSI Agreement shall be open to accession by Member States. Subject to the consent of existing contributors, the EFSI Agreement shall also be open to accession by other third parties, including national promotional banks or public agencies owned or controlled by Member States, and private sector entities.

Amendment

2. The EFSI Agreement shall be open to accession by Member States. Subject to the consent of existing contributors, the EFSI Agreement shall also be open to accession by other third parties, including national promotional banks or public agencies owned or controlled by Member States, and private sector entities. ***The Steering Board provided for in Article 3 shall adopt guidelines setting out the conditions for accession.***

Amendment 17

Proposal for a regulation

Article 1 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The Commission shall be empowered to enter into the EFSI Agreement on behalf of the Union by means of a delegated act in accordance with Article 17, provided that the EFSI Agreement meets the requirements of this Regulation.

Amendment 18

Proposal for a regulation

Article 1 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. The Commission shall be empowered to accept later amendments of the EFSI Agreement by means of delegated acts in accordance with Article 17, provided that the amendments to the EFSI Agreement meet the requirements of this Regulation.

Or. en

Amendment 19

Proposal for a regulation Article 1 a (new)

Text proposed by the Commission

Amendment

Article 1a

Definitions

For the purposes of this Regulation, the following definitions apply:

a) 'EFSI Agreement' means the legal instrument whereby the Commission and the EIB specify the conditions laid down in this Regulation for the management of the EFSI;

b) 'national promotional banks or institutions' means legal entities carrying out a financial activity on a professional basis and upon which are conferred a public mandate by a Member State, whether at central, regional or local level, to carry out public development or promotional activities on a non-commercial basis, seeking to address market failures;

c) 'investment platforms' means special purpose vehicles, managed accounts, contract-based co-financing or risk sharing arrangements or arrangements established by any other means by which investors channel a financial contribution

in order to finance a number of investment projects and which may include national platforms that regroup several investment projects on the territory of a given Member State, multi-country or regional platforms that regroup several Member States interested in large projects in a given geographic area, or thematic platforms, which could gather investment projects in a given sector;

d) 'small and medium-sized enterprises (SMEs)' means micro, small and medium-sized enterprises as defined in Commission Recommendation 2003/361/EC;

e) 'mid-cap companies' means legal entities having up to 3000 employees and that are not SMEs.

Or. en

Amendment 20

Proposal for a regulation

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

Text proposed by the Commission

Amendment

(da) detailed requirements for EIB financing and investment operations and EIB funding to the EIF which are eligible for the EU guarantee, in accordance with Article 5(2a) and Article 5a;

Or. en

Amendment 21

Proposal for a regulation

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

Text proposed by the Commission

Amendment

(fa) the procedure for project selection, including the role of the EIB in the initial assessment of project proposals and their transmission to the Investment Committee;

Or. en

Amendment 22

Proposal for a regulation

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

Text proposed by the Commission

Amendment

(ga) detailed arrangements for ensuring that financing and investment operations signed by the EIB during the transitional period laid down in Article 20 benefit from the EU guarantee;

Or. en

Amendment 23

Proposal for a regulation

Article 2 – paragraph 1 – subparagraph 1 – point h

Text proposed by the Commission

Amendment

(h) provisions on ***the*** financing ***necessary for*** the EIAH in accordance with the third subparagraph of paragraph 2;

(h) provisions on financing the EIAH in accordance with the third subparagraph of paragraph 2;

Or. en

Amendment 24

Proposal for a regulation

Article 2 – paragraph 1 – subparagraph 2

Text proposed by the Commission

The EFSI Agreement shall provide that there is a clear distinction between operations carried out with the EFSI support and other operations of the EIB.

Amendment

The EFSI Agreement shall provide that there is a clear distinction between operations carried out with the EFSI support and other operations of the EIB. ***Therefore, the EIB should ensure that EFSI activities are subject to a separate financial statement.***

Or. en

Amendment 25

Proposal for a regulation

Article 2 – paragraph 2

Text proposed by the Commission

Amendment

2. 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.

deleted

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.

The EIAH shall be partially financed by the Union up to a maximum amount of EUR 20 000 000 per year during the period ending on 31 December 2020 for the additional services provided for by the EIAH over existing EIB technical assistance. For the years after 2020 the financial contribution from the Union shall be directly linked to the provisions included in the future multi-annual financial frameworks.

Or. en

Amendment 26

Proposal for a regulation Article 3 – paragraph 1

Text proposed by the Commission

1. The EFSI Agreement shall provide that the EFSI shall be governed by a Steering Board, which shall determine the strategic orientation, the strategic asset allocation and operating policies and procedures, including the investment policy of projects that EFSI can support and the risk profile of the EFSI, in conformity with the objectives under Article 5(2). The Steering Board *shall elect one of its members to be Chairperson.*

Amendment

1. The EFSI Agreement shall provide that the EFSI shall be governed by a Steering Board, which shall determine the strategic orientation, the strategic asset allocation and operating policies and procedures, including the investment policy of projects that EFSI can support and the risk profile of the EFSI, in conformity with the objectives under Article 5(2) *and Article 5(2a).* The Steering Board *shall also specify the investment policy regarding eligible investment platforms.*

Or. en

Amendment 27

Proposal for a regulation Article 3 – paragraph 2 – subparagraph 1

Text proposed by the Commission

2. For as long as the only contributors to the EFSI are the Union and the EIB, *the*

Amendment

2. For as long as the only contributors to the EFSI are the Union and the EIB, *the*

number of members and votes within the Steering Board shall be allocated based on the respective size of contributions in the form of cash or guarantees.

Steering Board shall comprise four members: three appointed by the Commission and one by the EIB. The Steering Board shall elect a Chairperson from among its members for a renewable fixed term of three years.

Or. en

Amendment 28

Proposal for a regulation

Article 3 – paragraph 3 – subparagraph 1

Text proposed by the Commission

1. When other parties accede to the EFSI Agreement in accordance with Article 1(2), the number of members and votes within the Steering Board shall be allocated based on the respective size of contributions from contributors in the form of cash or guarantees. The number of members and votes of the Commission and the EIB, according to paragraph 2, shall be recalculated accordingly.

Amendment

1. When other parties accede to the EFSI Agreement in accordance with Article 1(2), the number of members and votes *for the contributors* within the Steering Board shall be allocated based on the respective size of contributions from contributors in the form of cash or guarantees. The number of members and votes of the Commission and the EIB, according to paragraph 2, shall be recalculated accordingly.

Or. en

Amendment 29

Proposal for a regulation

Article 3 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. The priorities to be pursued by the Commission for the investment guidelines of the EFSI shall be specified before the EFSI Agreement enters into force and revised if appropriate. The Commission shall be empowered to adopt delegated acts in accordance with Article 17 for this

purpose.

When exercising its mandate within the Steering Board of the EFSI, the Commission shall promote, and vote consistently with, the priorities as specified and revised in accordance with the first subparagraph.

Or. en

Amendment 30

Proposal for a regulation

Article 3 – paragraph 3 b (new)

Text proposed by the Commission

Amendment

3b. The EFSI Agreement shall provide that the EFSI shall have an advisory board which shall be composed of representatives of all banks, including national promotional banks, participating in projects at national and local levels covered by the EU guarantee in accordance with Article 4.

Or. en

Amendment 31

Proposal for a regulation

Article 3 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. After hearing the Steering Board, the Commission shall, upon receiving the consent of the EIB, provide the European Parliament with a shortlist of candidates for the positions of Managing Director and Deputy Managing Director.

The Commission shall, upon receiving the consent of the EIB, submit to the

European Parliament for approval a proposal for the appointment of the Managing Director. Following the approval of that proposal, the Steering Board shall appoint the Managing Director and the Deputy Managing Director for a renewable fixed term of three years.

Or. en

Amendment 32

Proposal for a regulation

Article 3 – paragraph 5 – subparagraph 1

Text proposed by the Commission

5. 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

5. The EFSI Agreement shall provide that the EFSI shall have an Investment Committee, which shall be responsible for examining potential **projects** in line with the EFSI investment policies and approving the support of the EU guarantee for **projects** in line with Article 5, irrespective of their geographic location. **Further, the Investment Committee shall be the competent body for approving the eligibility of investment platforms and national promotional banks and permitting them to use the designation of 'EFSI' or 'European Fund for Strategic Investments'.**

Or. en

Amendment 33

Proposal for a regulation

Article 3 – paragraph 5 – subparagraph 2

Text proposed by the Commission

The Investment Committee shall be

Amendment

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.

composed of **eight** independent experts and the Managing Director. Independent experts shall have a high level of relevant market experience in project **structuring and project financing, as well as macroeconomic expertise. The Investment Committee shall have a pluridisciplinary composition encompassing a broad range of expertise in various sectors, such as research and development, transport and SMEs. It shall** be appointed by the Steering Board for a renewable fixed term of three years.

Or. en

Amendment 34

Proposal for a regulation

Article 3 – paragraph 5 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

For these purposes, the Steering Board shall draw up a list of at least 16 experts and submit it to the European Parliament. After having heard the experts from this list, the European Parliament shall adopt a decision proposing eight of these experts to the Steering Board for appointment.

Or. en

Amendment 35

Proposal for a regulation

Article 3 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. When carrying out their duties, the members of the Investment Committee shall be independent and shall not take instructions from the EIB, the Union

institutions, Member States or any other public or private body. EIB staff may assist with analytical, logistical, and administrative support. However, any project assessment conducted by EIB staff shall not be binding on the Investment Committee.

Or. en

Amendment 36

Proposal for a regulation Article 4

Text proposed by the Commission

The Union shall provide **a guarantee to the EIB** for financing or investment operations carried out within the Union covered by this Regulation ('EU guarantee'). The EU guarantee shall be granted as a guarantee on demand in respect of instruments referred to in Article 6.

Amendment

The Union shall provide **an irrevocable and unconditional guarantee** for financing or investment operations carried out within the Union, **including cross-border cooperation between Member States and a third country**, covered by this Regulation ('EU guarantee'). The EU guarantee shall be granted as a guarantee on demand in respect of instruments referred to in Article 6.

Or. en

Amendment 37

Proposal for a regulation Article 5 – paragraph 2 – subparagraph 1 – introductory part

Text proposed by the Commission

2. 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**

Amendment

2. The EU guarantee shall be granted for EIB financing and investment operations **or EIB** funding to the EIF in order to conduct EIB financing and investment operations in accordance with Article 7(2) **and approved by the Investment Committee referred to in Article 3(5):**

shall be consistent with Union policies and support any of the following general objectives:

Or. en

Amendment 38

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 support of dedicated investment platforms and national promotional banks *and other similar structures*, that invest in operations meeting the requirements of this Regulation *after approval by the Investment Committee referred to in Article 3(5)*. In that case, the Steering Board shall specify policies, *in accordance with Article 3(1)*, regarding eligible investment platforms.

Or. en

Amendment 39

Proposal for a regulation

Article 5 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The EFSI shall target projects with a higher risk profile than existing EIB and Union instruments so as to ensure additionality over existing operations. The EFSI shall support projects which fulfil the following criteria:

a) the pursuit of the Union objective of smart, sustainable, long-term and inclusive growth and having high societal and economic value, the highest possible

positive impact on quality job creation, and EU added value;

b) a focus on operations that could not have been carried out using the Union budget or by the ordinary activity of the EIB, nor financed by the market;

c) be viable from an economic perspective, according to a comprehensive assessment in which not only the project itself but also its overall impact on the economy and its ability to trigger subsequent investments, such as from the private sector, is to be carried out;

d) would not have received financing from any other existing Union fund due to a non-availability of the required financing in the market;

e) has a higher risk profile than projects supported under existing EIB activity, taking account of the fact that real additionality can only be ensured when financial resources are concentrated on projects not financed otherwise; the design of the appropriate measures is to be elaborated under the procedures of Article 3(1);

2b. Acknowledging that projects of any size can bring the European economy forward, there shall be no restrictions on the size of projects to be targeted by the EFSI.

Or. en

Amendment 40

Proposal for a regulation

Article 6 – paragraph 2 – introductory part

Text proposed by the Commission

Individual instruments eligible for coverage *or portfolios* may be composed

Amendment

Instruments eligible for coverage *under the EU guarantee or portfolios* may be

of the following Instruments:

composed of the following Instruments:

Or. en

Amendment 41

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 agreement which has neither expired nor been cancelled;

Amendment

(a) EIB loans, guarantees, counter-guarantees, capital market instruments, **microfinance and** 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 agreement which has neither expired nor been cancelled;

Or. en

Amendment 42

Proposal for a regulation

Article 6 – paragraph 2 – point b a (new)

Text proposed by the Commission

Amendment

(ba) loans, guarantees, counter-guarantees, capital market instruments, any other form of funding or credit enhancement instrument, equity or quasi-equity participations by dedicated investment platforms or national promotional banks in accordance with Article 5. 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 financing has been granted in accordance with a signed agreement which has neither expired nor been cancelled.

Or. en

Amendment 43

Proposal for a regulation

Article 7 – paragraph 2 – subparagraph 2

Text proposed by the Commission

Where the EIB provides funding to the EIF in order to conduct EIB financing and investment operations, the EU guarantee shall provide for a full guarantee on funding by the EIB provided that an equal amount of funding is provided by the EIB without EU guarantee. The amount covered by the EU guarantee shall not exceed EUR 2 500 000 000.

Amendment

Where the EIB provides funding to the EIF ***through the EFSI*** in order to conduct EIB financing and investment operations, the EU guarantee shall provide for a full guarantee on funding by the EIB provided that an equal amount of funding is provided by the EIB without EU guarantee. The amount covered by the EU guarantee shall not exceed EUR 2 500 000 000.

Or. en

Amendment 44

Proposal for a regulation

Article 7 – paragraph 4

Text proposed by the Commission

4. ***Where*** the Union makes any payment under the EU guarantee, the EIB shall pursue the recovery of claims for the amounts paid and reimburse the Union from the sums recovered.

Amendment

4. ***When the EU guarantee is called upon, the rights of the Union shall be subrogated to any relevant rights of the EIB in respect of any obligation in connection to its financing operations, in accordance with the guarantee agreement. Where*** the Union makes any

payment under the EU guarantee, the EIB shall, ***in the name and on behalf of the Commission***, pursue the recovery of claims for the amounts paid and reimburse the Union from the sums recovered ***in accordance with the provisions and procedures referred to in Article 2(1)(f)***.

Or. en

Amendment 45

Proposal for a regulation Article 8 – paragraph 1

Text proposed by the Commission

1. An EU guarantee fund ('guarantee fund') shall be established from which the EIB may be paid in the event of a call on the EU guarantee.

Amendment

1. An EU guarantee fund ('guarantee fund') shall be established ***which shall constitute a liquidity cushion*** from which the EIB may be paid in the event of a call on the EU guarantee.

Or. en

Amendment 46

Proposal for a regulation Article 8 – paragraph 2 – point a

Text proposed by the Commission

(a) ***payments*** from the general budget of the Union,

Amendment

(a) ***contributions*** from the general budget of the Union,

Or. en

Amendment 47

Proposal for a regulation Article 8 – paragraph 2 – point d

Text proposed by the Commission

(d) any other **payments** received by the Union in accordance with the EFSI Agreement.

Amendment

(d) any other **contribution** received by the Union in accordance with the EFSI Agreement.

Or. en

Amendment 48

Proposal for a regulation

Article 8 – paragraph 5 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

The necessary appropriations to meet the initial target amount shall be gradually authorised by the European Parliament and the Council in the framework of the annual budgetary procedures up to 2020.

Or. en

Amendment 49

Proposal for a regulation

Article 8 – paragraph 6 – subparagraph 2

Text proposed by the Commission

Amendment

The Commission shall be empowered to adopt delegated acts in accordance with Article 17 adjusting the target **amount** provided for in paragraph 5 by a maximum of 10% to better reflect the potential risk of the EU guarantee being called.

The Commission shall be empowered to adopt delegated acts in accordance with Article 17 adjusting the target **level** provided for in paragraph 5 by a maximum of 10% to better reflect the potential risk of the EU guarantee being called.

Or. en

Amendment 50

Proposal for a regulation

Article 8 – paragraph 7 – introductory part

Text proposed by the Commission

7. Following an adjustment in year n of the target **amount** or an assessment on the adequacy of the **level of the** guarantee fund in accordance with the review provided for in paragraph 6:

Amendment

7. Following an adjustment in year n of the target **level** or an assessment on the adequacy of the **resources available in the** guarantee fund in accordance with the review provided for in paragraph 6:

Or. en

Amendment 51

Proposal for a regulation

Article 8 – paragraph 7 – point a

Text proposed by the Commission

(a) any surplus shall **be paid in one transaction to a special heading in the statement of revenue in the general budget of the European Union of the year n+1,**

Amendment

(a) any surplus **in the guarantee fund** shall constitute internal assigned revenue in accordance with Article 21(4) of Regulation (EU, Euratom) No 966/2012 for any lines which may have been used as a source of redeployment to the EFSI guarantee fund,

Or. en

Amendment 52

Proposal for a regulation

Article 8 – paragraph 8

Text proposed by the Commission

8. From 1 January 2019, if as a result of calls on the guarantee, the **level of** the guarantee fund falls below 50% of the target amount, the Commission shall submit a report on exceptional measures

Amendment

8. From 1 January 2019, if as a result of calls on the guarantee, the **resources of** the guarantee fund fall below 50% of the target amount, the Commission shall submit a report on exceptional measures that may be

that may be required to replenish it.

required to replenish it.

Or. en

Amendment 53

Proposal for a regulation Article 8 – paragraph 9

Text proposed by the Commission

9. Subsequent to a call on the EU guarantee, endowments to the guarantee fund provided for in points (b), (c) and (d) of paragraph 2 ***over and above the target amount*** shall be used to restore the EU guarantee up to its ***initial*** amount.

Amendment

9. Subsequent to a call on the EU guarantee, endowments to the guarantee fund provided for in points (b), (c) and (d) of paragraph 2 shall be used to restore the EU guarantee up to its ***target*** amount. ***Any remaining remuneration shall constitute internal assigned revenue in accordance with Article 21(4) of Regulation (EU, Euratom) No 966/2012 for any lines which may have been used as a source of redeployment to the EFSI guarantee fund.***

Or. en

Amendment 54

Proposal for a regulation Article 8 – paragraph 9 a (new)

Text proposed by the Commission

Amendment

9a. 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 to act as a single technical advisory hub for project financing within the Union. This shall

include providing 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 Union legislation.

To meet the objective referred to in the first subparagraph, the EIAH shall engage the expertise of the EIB, the Commission, national promotional banks and the managing authorities of the European Structural and Investment Funds.

Access to expertise from the EIAH shall be free of charge for project promoters.

EIB shall ensure that the staff involved in carrying out the tasks of the EIAH shall be organisationally separate from, and be subject to separate reporting lines vis-à-vis, the staff involved in carrying out other tasks conferred upon EIB.

In order to ensure the best possible regional and territorial reach across the Union for such advisory services and support, the work of the EIAH shall be reinforced by, and closely networked with, similar structures at national level, such as those provided by national promotional banks or adequate public agencies.

Or. en

Amendment 55

Proposal for a regulation Article 9 – paragraph 1

Text proposed by the Commission

1. The Commission and the EIB, ***with support from the Member States***, shall promote the creation of a transparent pipeline of current and potential future investment projects in the Union. The

Amendment

1. The Commission and the EIB shall promote the creation of a transparent pipeline of current and potential future investment projects in the Union. The pipeline ***shall be for visibility to investors***

pipeline *is* without prejudice to the final projects selected for support according to Article 3(5).

and information purposes only and shall be without prejudice to the final projects selected for support according to Article 3(5).

Or. en

Amendment 56

Proposal for a regulation Article 10 – paragraph 1

Text proposed by the Commission

1. The EIB, in cooperation with the EIF as appropriate, shall report semi-annually to the Commission on EIB financing and investment operations under this Regulation. The report shall include an assessment of compliance with the requirements on the use of the EU guarantee and the key performance indicators established pursuant to Article 2(1)(g). The report shall also include statistical, financial and accounting data on each EIB financing and investment operation and on an aggregated basis.

Amendment

1. The EIB, in cooperation with the EIF as appropriate, shall report semi-annually to the ***European Parliament, the Council and the*** Commission, on EIB financing and investment operations under this Regulation. The report shall include an assessment of compliance with the requirements on the use of the EU guarantee and the key performance indicators established pursuant to Article 2(1)(g). The report shall also include statistical, financial and accounting data on each EIB financing and investment operation and on an aggregated basis.

Or. en

Amendment 57

Proposal for a regulation Article 10 – paragraph 2 – introductory part

Text proposed by the Commission

2. The EIB, in cooperation with the EIF as appropriate, shall report ***annually*** to the European Parliament and to the Council on EIB financing and investment operations. The report shall be made public and include:

Amendment

2. The EIB, in cooperation with the EIF as appropriate, shall report ***bi-annually*** to the European Parliament and to the Council on EIB financing and investment operations. The report shall be made public and include:

Amendment 58

Proposal for a regulation

Article 10 – paragraph 2 – point a

Text proposed by the Commission

(a) an assessment of EIB financing and investment operations at operation, sector, country and regional levels and their compliance with this Regulation, together with an assessment of the allocation of EIB financing and investment operations between the objectives in **Article 5(2)**;

Amendment

(a) an assessment of EIB financing and investment operations at operation, sector, country and regional levels and their compliance with this Regulation, together with an assessment of the allocation of EIB financing and investment operations between the objectives in **Articles 5(2) and 5(2a)**;

Or. en

Amendment 59

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 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, ***including the impact on employment creation. This includes an assessment of the extent to which operations covered by the EU guarantee under this Regulation contribute to the achievement of the objectives of Articles 5(2) and 5(2a)***;

Or. en

Amendment 60

Proposal for a regulation

Article 10 – paragraph 2 – point b a (new)

Text proposed by the Commission

Amendment

(ba) assessment of compliance with the requirements concerning the use of the EU guarantee and the key performance indicators established pursuant to Article 2(1)(g);

Or. en

Amendment 61

Proposal for a regulation

Article 10 – paragraph 4

Text proposed by the Commission

Amendment

4. The EIB shall provide to the Commission upon request any additional information necessary to fulfil the Commission's obligations in relation to this Regulation.

4. The EIB ***in cooperation with the EIF as appropriate*** shall provide to the Commission upon request any additional information necessary to fulfil the Commission's obligations in relation to this Regulation.

Or. en

Amendment 62

Proposal for a regulation

Article 11 – paragraph 1

Text proposed by the Commission

Amendment

1. At the request of the European Parliament, the Managing Director shall participate in a hearing of the European Parliament on the performance of the EFSI.

1. At the request of the European Parliament, the ***Chairperson of the Steering Board and the*** Managing Director shall participate in a hearing of the European Parliament on the performance of the EFSI.

Amendment 63

Proposal for a regulation

Article 11 – paragraph 2

Text proposed by the Commission

2. The Managing Director shall reply orally or in writing to questions addressed to the EFSI by the European Parliament, in any event within five weeks of receipt of a question.

Amendment

2. *The Chairperson of the Steering Board and* the Managing Director shall reply orally or in writing to questions addressed to the EFSI by the European Parliament, in any event within five weeks of receipt of a question.

Amendment 64

Proposal for a regulation

Article 11 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. *At the request of the European Parliament, the President of the EIB shall participate at a hearing of the European Parliament if it concerns EIB financing and investment operations under this Regulation. The President of the EIB shall, within five weeks of receipt, reply orally or in writing to questions addressed to the EIB by the European Parliament concerning EIB financing and investment operations under this Regulation.*

Amendment 65

Proposal for a regulation

Article 11 – paragraph 3 b (new)

Text proposed by the Commission

Amendment

3b. An agreement shall be concluded between the European Parliament and the EIB on the detailed arrangements for the exchange of information between the European Parliament and the EIB on financing and investment operations conducted by the EIB under this Regulation.

Or. en

Amendment 66

Proposal for a regulation Article 13

Text proposed by the Commission

In accordance with its own transparency policies on access to documents and information, the EIB shall make publicly available on its website information relating to all EIB financing and investment operations and how they contribute to the general objectives referred to in **Article 5(2)**.

Amendment

In accordance with its own transparency policies on access to documents and information, the EIB shall make publicly available on its website information relating to all EIB financing and investment operations and how they contribute to the general objectives referred to in **Articles 5(2) and 5(2a)**.

Or. en

Amendment 67

Proposal for a regulation Article 17 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

1a. The power to adopt delegated acts referred to in Article 1(2) shall be conferred on the Commission for a period of one year from the entry into force of this Regulation.

Amendment 68

Proposal for a regulation

Article 17 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

1b. The power to adopt delegated acts referred in Article 1(3) shall be conferred on the Commission for an unlimited period of time.

Or. en

Amendment 69

Proposal for a regulation

Article 17 – paragraph 2

Text proposed by the Commission

Amendment

2. The power to adopt delegated acts referred to in Article 8(6) shall be conferred on the Commission for a period of three years from the entry into force of this Regulation. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the three-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.

2. The power to adopt delegated acts referred to in Article 8(6) ***and Article 3(3a)*** shall be conferred on the Commission for a period of three years from the entry into force of this Regulation. The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of the three-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.

Or. en

Amendment 70

Proposal for a regulation Article 17 – paragraph 3

Text proposed by the Commission

3. The delegation of power referred to in **Article 8(6)** may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

Amendment

3. The delegation of power referred to in **Articles 3(3a), 5a(2) and 8(6)** may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

Or. en

Amendment 71

Proposal for a regulation Article 17 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. A delegated act adopted pursuant to Article 1(2) shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of one month of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by one month at the initiative of the European Parliament or of the Council.

Or. en

Amendment 72

Proposal for a regulation Article 17 – paragraph 5

Text proposed by the Commission

5. A delegated act adopted pursuant to **Article 8(6)** shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Amendment

5. A delegated act adopted pursuant to **Articles 3(3a), 5a(2) and 8(6)** shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.

Or. en

Amendment 73

Proposal for a regulation Article 17 a (new)

Text proposed by the Commission

Amendment

Article 17a

Financial contributions in the form of one-off measures from Member States to the EFSI to dedicated investment platforms and to national promotional banks referred to in Article 5(2) and which benefit from the EU guarantee are covered by the full range of the existing rules of the Stability and Growth Pact.

Or. en

Amendment 74

Proposal for a regulation Article 18

Text proposed by the Commission

Amendment

[...]

deleted

Or. en

Amendment 75

Proposal for a regulation Article 19

Regulation (EU) No 1316/2013
Article 5 – paragraph 1

Text proposed by the Commission

Amendment

Article 19

deleted

*Amendment to Regulation (EU) No
1316/2013*

*In Article 5 of Regulation (EU) No
1316/2013, paragraph 1 is replaced by the
following:*

*‘1. The financial envelope for the
implementation of the CEF for the period
2014 to 2020 is set at EUR 29 942 259 000
(*) in current prices. That amount shall
be distributed as follows:*

*(a) transport sector: EUR 23 550 582 000,
of which EUR 11 305 500 000 shall be
transferred from the Cohesion Fund to be
spent in line with this Regulation
exclusively in Member States eligible for
funding from the Cohesion Fund;*

*(b) telecommunications sector: EUR 1
041 602 000;*

(c) energy sector: EUR 5 350 075 000.

*These amounts are without prejudice to
the application of the flexibility*

mechanism provided for under Council Regulation (EU, Euratom) No 1311/2013().*

() Council Regulation (EU, Euratom) No 1311/2013 of 2 December 2013 laying down the multiannual financial framework for the years 2014-20 (OJ L 347, 20.12.2013, p. 884).'*

Or. en

Amendment 76

Proposal for a regulation Annex I

Text proposed by the Commission

Amendment

[...]

deleted

Or. en

EXPLANATORY STATEMENT

Europe is at risk of falling behind. It was blinded by higher growth rates stemming from misallocations on financial markets and overinvestments in sectors such as real estate – compared to productive investments in the real economy. These high growth rates veiled the necessity to find answers on future challenges, both economic and political. The unsustainability of this growth model became apparent with the crisis. Measures taken in response to it, such as cuts in R&D and education budgets, further reduced productive investment and reinforced existing tendencies. A shortfall could be observed all over Europe, however, it was particularly large in Southern Europe. As a consequence, Europe has built up a significant investment gap. Every additional year of crisis goes hand in hand with further investment losses. Such a development threatens growth, competitiveness and employment. As a consequence, Europe is at risk of facing a period of stagnation.

The plan as proposed by the new Commission within the regulation setting the European Fund for Strategic Investment (EFSI) is a key answer to the investment gap within the EU by mobilising substantive resources within the EU budget and through the EIB to finance new investments. We strongly support this new impetus from the Commission and consider the adoption of this regulation as a decisive step towards growth and job in the EU. However, some adjustments are needed in order to specifically address the needs in Europe.

The EFSI should target projects that deliver high societal and economic value. In particular, the EFSI should target projects that create sustainable jobs, promote competitiveness and stimulate smart, sustainable and inclusive growth with a long-term perspective.

In order for EFSI not to duplicate existing structures, and to be able to bring real additionality over existing operations, the focus should be on projects that are viable from an overall economic perspective. This means, that a comprehensive assessment should not only evaluate the project itself, but also its overall impact on the economy and its ability to trigger subsequent investments such as from the private sector. Accordingly, only projects with a higher risk profile should be targeted. Further, only such projects that would not have gotten financing on reasonable terms from the market or other sources should be considered.

This ensures that projects such as investments in infrastructure, broadband, energy efficiency and into the SME sector, which can make the difference in Europe, can be supported under this scheme.

For the EFSI to pursue its objectives, the Union shall grant a guarantee of EUR 16bn. This pledge is irrevocable and the guarantee will be made available for the entire duration of the projects it supports. In order to cover the risks related to the EU guarantee, a guarantee fund is established by a gradual contribution from the EU budget. For this purpose, the necessary appropriations will be progressively authorised by the budgetary authority through the annual budgetary procedure, making use of all means available under the 2014-2020 MFF Regulation.

Moreover, we should ensure that - on top of the EU guarantee - additional co-financing can be

provided. This might be from the private or the public sector. For this, we need to find appropriate provisions. Further, when implementing the investment plan local and regional expertise should be used as well.

The governance structure of EFSI needs to be further strengthened. We welcome the EIB approach. It should be noted, however, that the EU budget makes the largest contribution to EFSI. The European Parliament, as co-legislator thereof, needs to be appropriately involved in the governance structures in order to control the efficient use of EU resources.

The Agreement to be signed by the Commission and the EIB, and any change to it, shall be submitted to the European Parliament's and the Council's consent.

Investment guidelines should be adopted by the Steering Board in order to ensure that the EFSI supports the Union objectives. The determination of the Union objectives shall be subject to a delegated act.

The European Parliament should be strongly involved in the procedure for appointing the Managing Director and the deputy Managing Director. More concretely, the Managing Director and the Deputy Managing Director shall be elected from a shortlist presented to the European Parliament. The same should apply to the experts of the Investment Committee. Further, the governance structure needs to ensure that the above mentioned projects can be supported carrying strong economic and societal added value. Continuing old measures with new money should not be the objective.

The European Parliament has worked hard to combine economic and political progress with democratic accountability. In order to ensure the success of EFSI, effectiveness and accountability need to be mutually supportive and not conflicting elements.