



Committee on the Internal Market and Consumer Protection

2016/2064(INI)

11.10.2016

OPINION

of the Committee on the Internal Market and Consumer Protection

for the Committee on Budgets and the Committee on Economic and Monetary Affairs

on the implementation of the European Fund for Strategic Investments
(2016/2064(INI))

Rapporteur: Nicola Danti

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SUGGESTIONS

The Committee on the Internal Market and Consumer Protection calls on the Committee on Budgets and the Committee on Economic and Monetary Affairs, as the committees responsible, to incorporate the following suggestions into their motion for a resolution:

1. Notes that, having been fully operational for a short period of time, the European Fund for Strategic Investments (EFSI) has kicked off successfully, delivering concrete results and boosting investment to overcome the lack of investment and competitiveness in Europe through coordinated action; stresses, however, that the pace needs to be accelerated significantly to deliver even more tangible results, particularly in the Member States in which the financing provided by EFSI was at a low level, in order for the instrument to fully achieve its objectives;
2. Underlines that the guiding principle of EFSI is to mobilise private, market-based investments on a fully demand-driven basis and therefore urges the Commission to explore the opportunities to use the EFSI guarantees to encourage participation of wider investment sources such as pension funds, sovereign wealth funds and social investments as co-financiers on key projects;
3. Stresses that EFSI should ensure greater additionality for its projects in relation to normal EIB activities as defined in Article 5 of Regulation (EU) 2015/1017; underlines that given the fact that EFSI funds have been redirected from EU programmes for research, innovation and infrastructure, it should support strategic investments related to projects that cannot obtain funding because of market failures, suboptimal investment situations or high levels of risk; urges the Commission, in this regard, to do a thorough assessment of the additionality of the projects already funded under EFSI and, based on the results, to set clear rules and criteria for defining the additionality; recalls, furthermore, that when determining the criteria for use of the EU guarantee, EFSI should consider not only the profitability factor, but also the positive long-term effects for the Single Market in terms of smart, sustainable and inclusive growth, job creation and cohesion;
4. Notes that despite the several successful infrastructure and innovation projects, the high ceiling for the minimum project amounts (EUR 50 million) limits the number of projects that may be implemented through EFSI, particularly in small Member States; calls, therefore, for lowering the minimal ceiling for project funding;
5. Stresses that, while the EFSI SME window is a success and represents a good opportunity for start-ups, SMEs and mid-caps to obtain rapid access to finance, it still needs improvement and so does investment in the infrastructure and innovation window; welcomes, therefore, the Commission's intention to expand and strengthen the SME support window; underlines the need to explore financial resources to support SMEs in implementing projects at international level and calls for the creation of further opportunities for SMEs to obtain financing for higher-risk projects, particularly in the digital sector; also points out that major investment projects should not be forgotten, in particular infrastructure and innovation projects; points to the need to make funds available for the digital transformation programme in order to support the SMEs affected by the digital transition, foster new and innovative technological development, with closer cooperation between established companies and start-ups;

6. Notes that the strong interest and participation of intermediary banks in EFSI projects across the EU in providing finance to SMEs was extremely successful; encourages the Commission to work with the EFSI Steering Board to use all the existing possibilities under the EFSI Regulation to reinforce this access to finance for SMEs, in order to increase the overall volume of actions for these instruments and allow the EIF to finance a significant extra volume of operations;
7. Calls for better coordination and synergy between EFSI and other EU funds, in particular the European Structural and Investment Funds (ESI Funds), so as to promote more effective spending, stronger cohesion in Europe and ensure that EFSI has wide geographical coverage, particularly in those countries with a low level of EFSI financing, in order to ensure greater uniformity of investment and reduce regional disparities; calls, also, for closer cooperation with national promotional banks, local and regional authorities and relevant stakeholders, including further encouragement to establish investment platforms to aggregate sectoral and geographical investment opportunities;
8. Underlines the need to increase the transparency of EFSI operations and to further disseminate information about projects and their results to citizens and potential beneficiaries; urges the Commission to devote more targeted communication and advisory efforts to increasing awareness of EFSI; suggests preparing information for SMEs to explain, in a simple and intelligible manner, by using specific examples, how they can obtain financing and the types of projects that are financed by EFSI;
9. Believes that all contracts signed between the EIB and its clients, whether public or private, need to be disclosed on a systematic basis, in order to prove the additionality of EFSI projects and demonstrate to the public the high standards applicable for the EFSI funded projects; points to the need to enhance the European Investment Project Portal (EIPP) and the European Investment Advisory Hub (EIAH) in order to establish a link with the real economy, including enhanced cooperation with National Promotional Banks, give visibility to projects and provide high-quality technical assistance to potential promoters;
10. Considers that EFSI is instrumental in completing and boosting the Single Market; underlines, in this light, the importance of strengthening the third pillar of the 'Investment Plan for Europe', also in the context of the European Semester process, in order to make the EU regulatory environment more certain, homogeneous and favourable to investments by focusing especially on strategic objectives such as the completion of a fully integrated, competitive and well-functioning Single Market and the development of an innovation-driven Digital Single Market, and on key actions that support these objectives; notes that the EFSI commitments in digital sector projects are highly insufficient;
11. Calls for the Member States and stakeholders to further explore and promote investment opportunities in the area of digital content and services, widespread, affordable and secure high-speed broadband and telecommunications infrastructure, which is a prerequisite for genuine enforcement of consumers' rights in terms of access to content, quality of service and low costs; stresses the importance of overcoming the different levels of infrastructure development among regions in Europe and between urban and rural areas; underlines the importance of financing the establishment of technology centres in less-industrialised regions in order to reduce regional disparities, revitalise local economies by providing

high-quality jobs and skill development support;

12. Welcomes the recent Commission proposal to extend EFSI beyond 2018 in order to overcome the current investment gap in Europe and continue to mobilise private sector capital.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	11.10.2016
Result of final vote	+: 27 -: 7 0: 0
Members present for the final vote	Catherine Bearder, Dita Charanzová, Carlos Coelho, Lara Comi, Anna Maria Corazza Bildt, Daniel Dalton, Nicola Danti, Dennis de Jong, Pascal Durand, Vicky Ford, Ildikó Gáll-Pelcz, Evelyne Gebhardt, Maria Grapini, Sergio Gutiérrez Prieto, Robert Jarosław Iwaszkiewicz, Liisa Jaakonsaari, Antonio López-Istúriz White, Marlene Mizzi, Eva Paunova, Jiří Pospíšil, Virginie Rozière, Christel Schaldemose, Andreas Schwab, Olga Sehnalová, Igor Šoltes, Ivan Štefanec, Catherine Stihler, Róza Gräfin von Thun und Hohenstein, Mylène Troszczynski, Mihai Țurcanu, Anneleen Van Bossuyt, Marco Zullo
Substitutes present for the final vote	Pascal Arimont, Birgit Collin-Langen, Morten Løkkegaard, Julia Reda, Marc Tarabella, Sabine Verheyen