



2018/0229(COD)

10.9.2018

DRAFT OPINION

of the Committee on the Environment, Public Health and Food Safety

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

on the proposal for a regulation of the European Parliament and of the Council establishing the InvestEU Programme
(COM(2018)0439 – C8-0257/2018 – 2018/0229(COD))

Rapporteur for opinion: Ivo Belet

SHORT JUSTIFICATION

On 6 June 2018 the Commission presented its proposal for the InvestEU Programme. Building on existing financial instruments, in particular on EFSI, the Commission proposes a single fund, based on an EU guarantee of 38 billion with a view to mobilising public and private financing in the form of loans, guarantees, equity or other market-based instruments, for strategic investments in support of EU internal policies. To facilitate access to the InvestEU Fund, it is accompanied by the InvestEU Advisory Hub and the InvestEU Portal

The InvestEU Fund is aimed at four policy areas (“windows”) with indicative amounts to be invested (15% increase possible upon EC decision):

- 1) sustainable infrastructure, (up to 11,5 billion)
- 2) research, innovation and digitisation, (up to 11,25 billion)
- 3) small and medium-sized businesses (up to 11,25 billion), and
- 4) social investment and skills (4 billion)

The amendments tabled by your rapporteur exclusively concern matters directly falling within the remits of the ENVI Committee, such as contribution to climate mainstreaming and to meeting Union objectives and standards. Hence, your rapporteur preferred not to table amendments concerning the management of the InvestEU guarantee and the governance of the programme, which are matters that are going to be dealt with by ECON-BUDG joint committees

Your rapporteur welcomes the Commission proposal, in particular in light of the increased focus on sustainability. The InvestEU should ensure systematic sustainability proofing of projects. Thereto, the Commission should adopt detailed minimum sustainability requirements for all the policy windows of the programme, as is currently the case for EIB support under the EFSI. This would mean that all projects receiving substantial Union support should be subject to sustainability proofing.

In order to be in line with the position of the European Parliament on climate mainstreaming and to contribute to the 30% target for climate related spending within the entire EU budget, a 35% objective should be set for the InvestEU programme in general. Clear eligibility criteria and a reliable and transparent tracking method should be put in place, building upon the eligibility criteria used by the EIB for this purpose and agreed in international financial institutions.

While EFSI has mobilised 335 billion in additional investment across the EU since 2015 and has as such contributed to closing the investment gaps, a stronger focus on EU policy objectives has to be envisaged. In particular projects with a higher risk profile than usually taken on by the market and that can contribute to the objectives of the Union's 2030 climate and energy policy framework and to the long-term objectives as expressed in the Paris Agreement should be able to attract support under the InvestEU programme.

In particular, increased investments in low-carbon industrial projects are necessary in order to speed up decarbonisation of the EU industry. Therefore, the European Commission should define in dialogue with the industry community industrial projects of common interest and facilitate their access to financial support under different EU instruments.

In order to have a good understanding of the potential of the InvestEU Programme to contribute to the low-carbon economy, information on CO₂ avoidance should be available. However, a cautious approach to thresholds in eligibility criteria should be taken, in order not to prevent

gradual progress. As breakthrough solutions do not appear overnight, incremental progress should be able to be supported under the InvestEU programme in order to foster further innovation.

Concerning the governance of the programme, the involvement of the EP as currently foreseen in the EFSI should be maintained. Hence, your rapporteur proposes that the Parliament appoints an independent expert to the advisory board in the configuration with representatives of implementing partners.

AMENDMENTS

The Committee on the Environment, Public Health and Food Safety calls on the Committee on Budgets and the Committee on Economic and Monetary Affairs, as the committees responsible, to take into account the following amendments:

Amendment 1

Proposal for a regulation Recital 9

Text proposed by the Commission

(9) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, the InvestEU Programme will contribute to mainstream climate actions and to the achievement of an overall target of **25 %** of the Union budget expenditures supporting climate objectives. Actions under the InvestEU Programme are expected to contribute **30 %** of the overall financial envelope of the InvestEU Programme to climate objectives. Relevant actions will be identified during the InvestEU Programme's preparation and implementation and reassessed in the context of the relevant evaluations and review processes.

Amendment

(9) Reflecting the importance of tackling climate change in line with the Union's commitments to implement the Paris Agreement and the United Nations Sustainable Development Goals, the InvestEU Programme will contribute to mainstream climate actions and to the achievement of an overall target of **30 %** of the Union budget expenditures supporting climate objectives. Actions under the InvestEU Programme are expected to contribute **35 %** of the overall financial envelope of the InvestEU Programme to climate objectives. Relevant actions will be identified during the InvestEU Programme's preparation and implementation and reassessed in the context of the relevant evaluations and review processes.

Or. en

Justification

In its resolution of 14 March 2018 on the next MFF, European Parliament expressed its support for climate-related spending to be significantly increased compared to the current MFF and reach 30 % as soon as possible.

Amendment 2

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) The contribution of the InvestEU Fund to the achievement of the climate target will be tracked through an EU climate tracking system developed by the Commission in cooperation with implementing partners and using in an appropriate way the criteria established by [Regulation on the establishment of a framework to facilitate sustainable investment¹⁴] for determining whether an economic activity is *environmentally sustainable*.

¹⁴ COM(2018)353.

Amendment

(10) The contribution of the InvestEU Fund to the achievement of the climate target will be tracked through an EU climate tracking system developed by the Commission in cooperation with implementing partners and using in an appropriate way the criteria established by [Regulation on the establishment of a framework to facilitate sustainable investment¹⁴] for determining whether an economic activity is *exhibiting special mitigation impacts or contributing to building climate resilience*.

¹⁴ COM(2018)353.

Or. en

Amendment 3

Proposal for a regulation

Recital 12

Text proposed by the Commission

(12) Investment projects receiving substantial Union support, *notably in the area of infrastructure*, should be subject to sustainability proofing in accordance with guidance that should be developed by the Commission in cooperation with implementing partners under the InvestEU Programme and, using in an appropriate way the criteria established by [Regulation on establishment of a framework to facilitate sustainable investment] for determining whether an economic activity is environmentally sustainable and

Amendment

(12) *All* investment projects receiving substantial Union support should be subject to sustainability proofing in accordance with guidance that should be developed by the Commission in cooperation with implementing partners under the InvestEU Programme and, using in an appropriate way the criteria established by [Regulation on establishment of a framework to facilitate sustainable investment] for determining whether an economic activity is environmentally sustainable and coherently with the guidance developed for

coherently with the guidance developed for other programmes of the Union. Such guidance should include adequate provisions to avoid undue administrative burden.

other programmes of the Union. Such guidance should include adequate provisions to avoid undue administrative burden.

Or. en

Amendment 4

Proposal for a regulation

Recital 46

Text proposed by the Commission

(46) In order to supplement the non-essential elements of this Regulation with investment guidelines with which financing and investment operations should comply, to facilitate a prompt and flexible adaptation of the performance indicators and to adjust of the provisioning rate, the power to adopt acts in accordance with Article 290 of the TFEU should be delegated to the Commission in respect of drawing-up the investment guidelines for the financing and investment operations under different policy windows, the amendment of Annex III to this Regulation to review or complement the indicators and the adjustment of the provisioning rate. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

Amendment

(46) In order to supplement the non-essential elements of this Regulation ***with guidance on how promoters requesting financing should provide adequate information concerning climate, environmental and social sustainability proofing of financing and investment operations*** and with investment guidelines with which financing and investment operations should comply, to facilitate a prompt and flexible adaptation of the performance indicators and to adjust of the provisioning rate, the power to adopt acts in accordance with Article 290 of the TFEU should be delegated to the Commission in respect of drawing-up the investment guidelines for the financing and investment operations under different policy windows, the amendment of Annex III to this Regulation to review or complement the indicators and the adjustment of the provisioning rate. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016. In particular, to ensure equal participation in the preparation of delegated acts, the

European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

Or. en

Amendment 5

Proposal for a regulation

Article 7 – paragraph 1 – point a

Text proposed by the Commission

(a) sustainable infrastructure policy window: comprises sustainable investment in the areas of transport, energy, digital connectivity, supply and processing of raw materials, space, oceans and water, waste, nature and other environment infrastructure, equipment, mobile assets and deployment of innovative technologies **that** contribute to the environmental or social sustainability objectives of the Union, or to both, **or** meet the environmental or social sustainability standards of the Union;

Amendment

(a) sustainable infrastructure policy window: comprises sustainable investment in the areas of transport, energy, digital connectivity, supply and processing of raw materials, space, oceans and water, waste, nature and other environment infrastructure, equipment, **industrial decarbonisation**, mobile assets and deployment of innovative technologies; **such investment shall** contribute to the environmental or social sustainability objectives of the Union, or to both, **and** meet the environmental or social sustainability standards of the Union;

Or. en

Amendment 6

Proposal for a regulation

Article 7 – paragraph 3 – subparagraph 1

Text proposed by the Commission

Financing and investment operations under the **sustainable infrastructure** policy window referred to in **point (a)** of paragraph (1) shall be subject to climate, environmental and social sustainability

Amendment

Financing and investment operations under the policy **windows** referred to in **points (a) to (d)** of paragraph (1) shall be subject to climate, environmental and social sustainability proofing with a view to

proofing with a view to minimise detrimental impacts and maximise benefits on climate, environment and social dimension. For that purpose, promoters requesting financing shall provide adequate information based on guidance to be **developed** by the Commission. Projects below a certain size defined in the guidance shall be excluded from the proofing.

minimise detrimental impacts and maximise benefits on climate, environment and social dimension. For that purpose, promoters requesting financing shall provide adequate information based on guidance to be **adopted** by the Commission **in accordance with paragraph 6**. Projects below a certain size defined in the guidance shall be excluded from the proofing.

Or. en

Amendment 7

Proposal for a regulation Article 7 – paragraph 5

Text proposed by the Commission

5. Implementing partners shall target that at least 50 % of the investment under the sustainable infrastructure policy window contribute to meeting the Union objectives **on climate and environment**.

Amendment

5. **At least 35 % of the investment under InvestEU shall contribute to meeting Union climate objectives.** Implementing partners shall target that at least 50 % of the investment under the sustainable infrastructure policy window contribute to meeting the Union **climate** objectives. **Clear eligibility criteria, and a reliable transparent tracking method, shall be further detailed in the investment guidelines adopted in accordance with paragraph 6. Those guidelines shall reflect current practises of the European Investment Bank as adopted in the climate action eligibility criteria.**

Or. en

Amendment 8

Proposal for a regulation Article 7 – paragraph 6

Text proposed by the Commission

6. The Commission is empowered to adopt delegated acts in accordance with Article 26 to **define** the investment guidelines for each of the policy windows.

Amendment

6. The Commission is empowered to adopt delegated acts in accordance with Article 26 **supplementing this Regulation with a view to defining** the investment guidelines for each of the policy windows **referred to in paragraph 1 and setting out the guidance referred to in paragraph 3.**

Or. en

Amendment 9

Proposal for a regulation

Article 7 – paragraph 6 – subparagraph 1 a (new)

Text proposed by the Commission

Amendment

The investment guidelines referred to in the first subparagraph shall contain guidance on sustainability ensuring a level of action equal to or higher than the one provided for by the European Investment Bank climate strategy.

Or. en

Amendment 10

Proposal for a regulation

Article 17 – paragraph 3

Text proposed by the Commission

Amendment

3. The Commission shall be represented within both configurations of the advisory board.

3. The Commission shall be represented within both configurations of the advisory board. ***The European Parliament shall appoint an independent expert who shall be a member of the advisory board of representatives of the implementing partners.***

Or. en

Amendment 11

Proposal for a regulation

Article 17 – paragraph 5 – point a – point ii a (new)

Text proposed by the Commission

Amendment

(ii a) provide advice about eligibility of investments and projects.

Or. en

Amendment 12

Proposal for a regulation

Article 20 – paragraph 3 a (new)

Text proposed by the Commission

Amendment

3a. In dialogue with the Forum for Important Projects of Common European Interest and all interested stakeholders, the Commission shall identify industrial projects of common interest. Based on the outcome of that dialogue, the Commission shall adopt delegated acts in accordance with Article 26 supplementing this Regulation by setting out a list of important industrial projects of common European interest. The Commission shall facilitate the access of those projects to InvestEU by considering different blending opportunities.

Or. en

Amendment 13

Proposal for a regulation

Article 26 – paragraph 2

Text proposed by the Commission

Amendment

2. The power to adopt delegated acts

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referred to in Articles 7(6), 22(2) and 23(6) shall be conferred on the Commission for a period of five years from [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 that five-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.

referred to in Articles 7(6), **20(3a)**, 22(2) and 23(6) shall be conferred on the Commission for a period of five years from [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 that five-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 14

Proposal for a regulation

Annex II – paragraph 1 – point 2 – point e a (new)

Text proposed by the Commission

Amendment

(e a) development of new-generation batteries for electrical mobility;

Or. en

Amendment 15

Proposal for a regulation

Annex II – paragraph 1 – point 3 – point h a (new)

Text proposed by the Commission

Amendment

(h a) projects that implement innovative carbon capture and utilisation technologies;

Or. en

Amendment 16

Proposal for a regulation

Annex II – paragraph 1 – point 5 – point f

Text proposed by the Commission

(f) new effective healthcare products, including pharmaceuticals, medical devices and advanced therapy medicinal products.

Amendment

(f) new effective healthcare products, including pharmaceuticals, medical devices, **eHealth** and advanced therapy medicinal products.

Or. en

Amendment 17

Proposal for a regulation

Annex III – point 4 – point 4.2 a (new)

Text proposed by the Commission

Amendment

4.2 a. Energy: impact on greenhouse gas emissions of energy production in the Union;

Or. en

Amendment 18

Proposal for a regulation

Annex III – point 4 – point 4.2 b (new)

Text proposed by the Commission

Amendment

4.2 b. Energy Efficiency;

Or. en

Amendment 19

Proposal for a regulation

Annex III – point 4 – point 4.5 a (new)

Text proposed by the Commission

Amendment

***4.5 a. Low-carbon industrial production:
verified amount of greenhouse gas
emissions avoided.***

Or. en