



4.9.2018

DRAFT OPINION

of the Committee on Culture and Education

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: Angel Dzhambazki

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AMENDMENTS

The Committee on Culture and Education 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 1

Text proposed by the Commission

(1) With 1.8% of EU GDP, down from 2.2% in 2009, infrastructure investment activities in the Union in 2016 were about 20% below investment rates before the global financial crisis. Thus, while a recovery in investment-to-GDP ratios in the Union can be observed, it remains below what might be expected in a strong recovery period and is insufficient to compensate years of underinvestment. More importantly, the current investment levels and forecasts do not cover the Union's structural investment needs in the face of technological change and global competitiveness, including for innovation, skills, infrastructure, small and medium-sized enterprises ('SMEs') and the need to address key societal challenges such as sustainability or *population ageing*. Consequently, continued support is necessary to address market failures and sub-optimal investment situations to reduce the investment gap in targeted sectors to achieve the Union's policy objectives.

Amendment

(1) With 1.8% of EU GDP, down from 2.2% in 2009, infrastructure investment activities in the Union in 2016 were about 20% below investment rates before the global financial crisis. Thus, while a recovery in investment-to-GDP ratios in the Union can be observed, it remains below what might be expected in a strong recovery period and is insufficient to compensate years of underinvestment. More importantly, the current investment levels and forecasts do not cover the Union's structural investment needs in the face of technological change and global competitiveness, including for innovation, *professional skills and competences, including investment in human capital*, infrastructure, small and medium-sized enterprises ('SMEs') and the need to address key societal challenges such as sustainability or *demographic change*. Consequently, continued support is necessary to address market failures and sub-optimal investment situations to reduce the investment gap in targeted sectors to achieve the Union's policy objectives.

Or. en

Amendment 2

Proposal for a regulation

Recital 5

Text proposed by the Commission

(5) The InvestEU Fund should contribute to improving the competitiveness of the Union, including in the field of innovation and digitisation, the sustainability of the Union's economic growth, the social resilience and inclusiveness and the integration of the Union capital markets, including solutions addressing their fragmentation and diversifying sources of financing for the Union enterprises. To that end, it should support projects that are technically and economically viable by providing a framework for the use of debt, risk sharing and equity instruments underpinned by a guarantee from the Union's budget and by contributions from implementing partners. It should be demand-driven while support under the InvestEU Fund should at the same time focus on contributing to meeting policy objectives of the Union.

Amendment

(5) The InvestEU Fund should contribute to improving the competitiveness of the Union, including in the field of innovation and digitisation, the sustainability of the Union's economic growth, the social resilience and inclusiveness, ***strengthening humans skills and capabilities as key enablers of economic and social development*** and the integration of the Union capital markets, including solutions addressing their fragmentation and diversifying sources of financing for the Union enterprises. To that end, it should support projects that are technically and economically viable by providing a framework for the use of debt, risk sharing and equity instruments underpinned by a guarantee from the Union's budget and by contributions from implementing partners. It should be demand-driven while support under the InvestEU Fund should at the same time focus on contributing to meeting policy objectives of the Union.

Or. en

Amendment 3

Proposal for a regulation

Recital 6

Text proposed by the Commission

(6) The InvestEU Fund should support investments in tangible and intangible assets to foster growth, investment ***and*** employment, and thereby contributing to improved well-being and ***fairer income distribution*** in the Union. Intervention through the InvestEU Fund should complement Union support delivered through grants.

Amendment

(6) The InvestEU Fund should support investments in tangible and intangible assets to foster growth ***and cohesion, sustainable investment in strategic areas and long term*** employment, and thereby contributing to improved well-being and ***equal opportunities*** in the Union. Intervention through the InvestEU Fund should complement Union support delivered through grants.

Amendment 4**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 coherently with the guidance developed for other programmes of the Union. Such guidance should include adequate provisions to avoid undue administrative burden.

Amendment

(12) Investment projects receiving substantial Union support, notably in the area of infrastructure, should be subject to sustainability **and accessibility** 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 other programmes of the Union. Such guidance should include adequate provisions to avoid undue administrative burden.

Or. en

Amendment 5**Proposal for a regulation****Recital 14***Text proposed by the Commission*

(14) Whereas the level of overall investment in the Union is increasing, investment in higher-risk activities such as research and innovation is still inadequate. The resulting underinvestment in research and innovation is damaging to the industrial and economic competitiveness of the Union and the quality of life of its citizens. The InvestEU Fund should

Amendment

(14) Whereas the level of overall investment in the Union is increasing, investment in higher-risk activities such as research and innovation, **in particular with regards to risk capital of innovative SMEs** is still inadequate. The resulting underinvestment in research and innovation is damaging to the industrial and economic competitiveness of the

provide the appropriate financial products to cover different stages in the innovation cycle and a wide range of stakeholders, in particular to allow the upscaling of and deployment of solutions at a commercial scale in the Union, in order to make such solutions competitive on world markets.

Union and the quality of life of its citizens. The InvestEU Fund should provide the appropriate financial products to cover different stages in the innovation cycle and a wide range of stakeholders, in particular ***young entrepreneurs, in particular*** to allow the upscaling of and deployment of solutions at a commercial scale in the Union, in order to make such solutions competitive on world markets.

Or. en

Amendment 6

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) As set out in the reflection paper on the social dimension of Europe¹⁶ and the European Pillar of Social Rights¹⁷, building a more inclusive and fairer Union is a key priority for the Union to tackle inequality and foster social inclusion policies in Europe. Inequality of opportunities affects in particular access to education, training and health. Investment in the social, skills and human capital-related economy, as well as in the integration of vulnerable populations in the society, can enhance economic opportunities, especially if coordinated at Union level. The InvestEU Fund should be used to support investment in education and training, help increase employment, in particular among the unskilled and long-term unemployed, ***and improve the situation with regard to intergenerational solidarity, the health sector, homelessness, digital inclusiveness, community development, the role and place of young people in society as well as vulnerable people, including third country nationals.*** The InvestEU Programme should also contribute to the support of European

Amendment

(17) As set out in the reflection paper on the social dimension of Europe¹⁶ and the European Pillar of Social Rights¹⁷, building a more inclusive and fairer Union is a key priority for the Union to tackle inequality and foster social inclusion policies in Europe. Inequality of opportunities affects in particular access to education, training and health. Investment in the social, skills and human capital-related economy, as well as in the integration of vulnerable populations in the society, can enhance economic opportunities, especially if coordinated at Union level. The InvestEU Fund should be used to support investment in education and training, help increase employment, in particular among the unskilled and long-term unemployed. The InvestEU Programme should also contribute to the support of European culture and creativity. To counter the profound transformations of societies in the Union and of the labour market in the coming decade, it is necessary to invest in human capital, microfinance and new social economy business models. The InvestEU

culture and creativity. To counter the profound transformations of societies in the Union and of the labour market in the coming decade, it is necessary to invest in human capital, microfinance, **social enterprise finance** and new social economy business models, **including social impact investment and social outcomes contracting**. The InvestEU Programme should strengthen nascent **social market eco-system**, increasing the supply of and access to finance to micro- and social enterprises, **to meet the demand of those who need it the most**. The report of the High-Level Task-Force on Investing in Social Infrastructure in Europe¹⁸ has identified investment gaps in social infrastructure and services, including for education, training, health and housing, which call for support, including at the Union level. Therefore, the collective power of public, commercial and philanthropic capital, as well as support from foundations, should be harnessed to support the social market value chain development and a more resilient Union.

¹⁶ COM(2017) 206.

¹⁷ COM(2017) 250.

¹⁸ Published as European Economy Discussion Paper 074 in January 2018.

Programme should strengthen nascent market **eco-systems**, increasing the supply of and access to finance to micro- and social enterprises. The report of the High-Level Task-Force on Investing in Social Infrastructure in Europe¹⁸ has identified investment gaps in social infrastructure and services, including for education, training, health and housing, which call for support, including at the Union level. Therefore, the collective power of public, commercial and philanthropic capital, as well as support from foundations, should be harnessed to support the social market value chain development and a more resilient Union.

¹⁶ COM(2017) 206.

¹⁷ COM(2017) 250.

¹⁸ Published as European Economy Discussion Paper 074 in January 2018.

Or. en

Amendment 7

Proposal for a regulation Article 3 – paragraph 1 – point c

Text proposed by the Commission

(c) the social resilience and inclusiveness of the Union;

Amendment

(c) the social resilience and inclusiveness of the Union, **including strengthening human skills and capabilities as key enablers of economic**

and social development with particular focus on young people;

Or. en

Amendment 8

Proposal for a regulation

Article 3 – paragraph 2 – point d

Text proposed by the Commission

(d) to increase the access to and the availability of microfinance and finance to social enterprises, support financing and investment operations related to social investment *and* skills and develop and consolidate social investment markets, in the areas referred to in point (d) of Article 7(1).

Amendment

(d) to increase the access to and the availability of microfinance and finance to social enterprises, *educational institutions and Cultural and Creative Industries (CCIs)*, support financing and investment operations related to social investment skills *and competences* and develop and consolidate social investment markets, in the areas referred to in point (d) of Article 7(1).

Or. en

Amendment 9

Proposal for a regulation

Article 7 – paragraph 1 – point d

Text proposed by the Commission

(d) social investment and skills policy window: comprises microfinance, social enterprise finance and social economy; skills, education, training and related services; social infrastructure (including *social and* student housing); social innovation; health and long-term care; *inclusion and* accessibility; cultural activities with a social goal; *integration of vulnerable people, including third country nationals*.

Amendment

(d) social investment and skills policy window: comprises microfinance, social enterprise finance and social economy; skills, education, training and related services; social infrastructure (including student housing); social innovation; health and long-term care; accessibility *and* cultural activities with a social goal; *cultural and creative industries with intercultural dialogue and cohesion goals*.

Or. en

Amendment 10

Proposal for a regulation

Article 7 – paragraph 3 – subparagraph 2 – point c

Text proposed by the Commission

c) estimate the impact on the social inclusion of certain areas or populations.

Amendment

c) estimate the impact on the social inclusion of certain areas or populations, ***with particular focus to young people and NEETs.***

Or. en