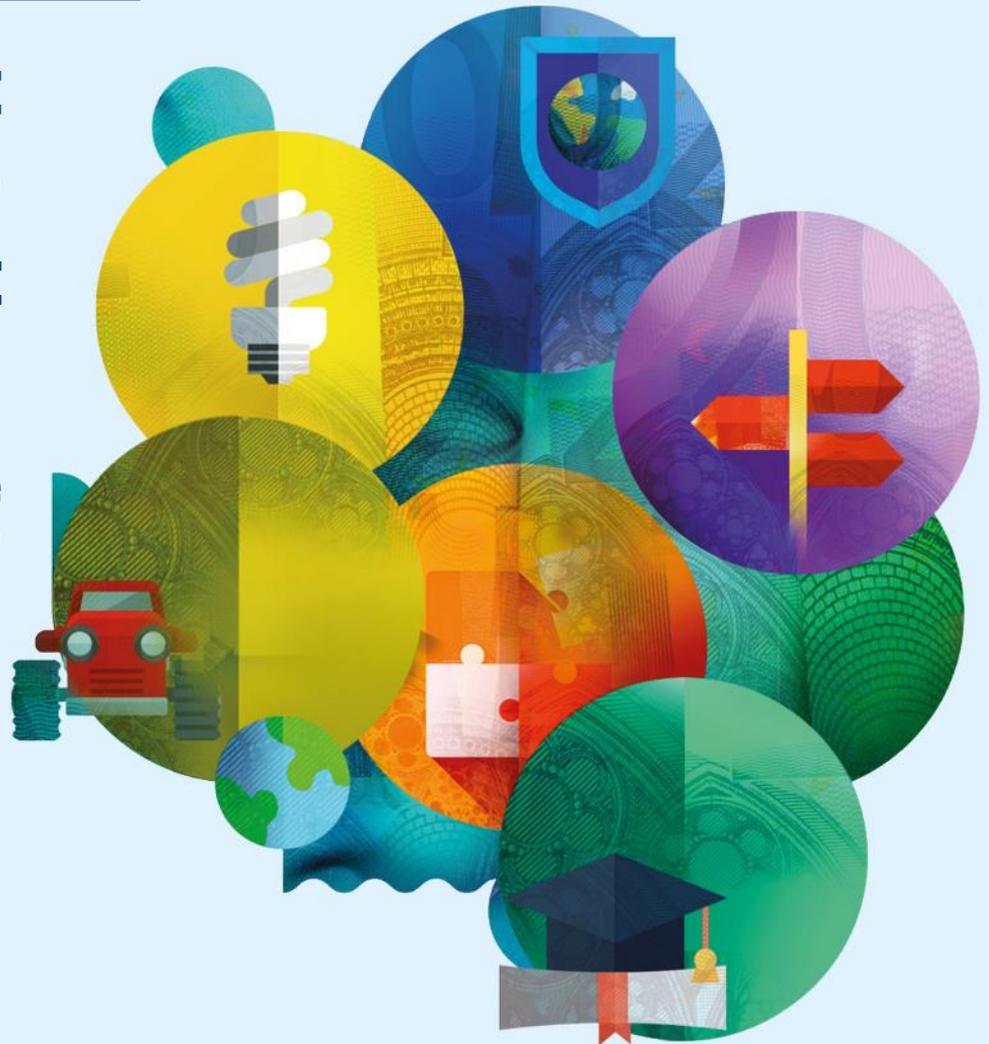


The EU's support to sustainable investment

Lider Invest conference
Zagreb, 23 October 2019

Estelle Göger
Team Leader for InvestEU, DG
ECFIN



Starting point for the MFF proposals in the field of investment:

Macroeconomic analysis shows that investment gaps remain

Build on success of the Juncker Plan...

...but remove overlap with other Financial Instruments

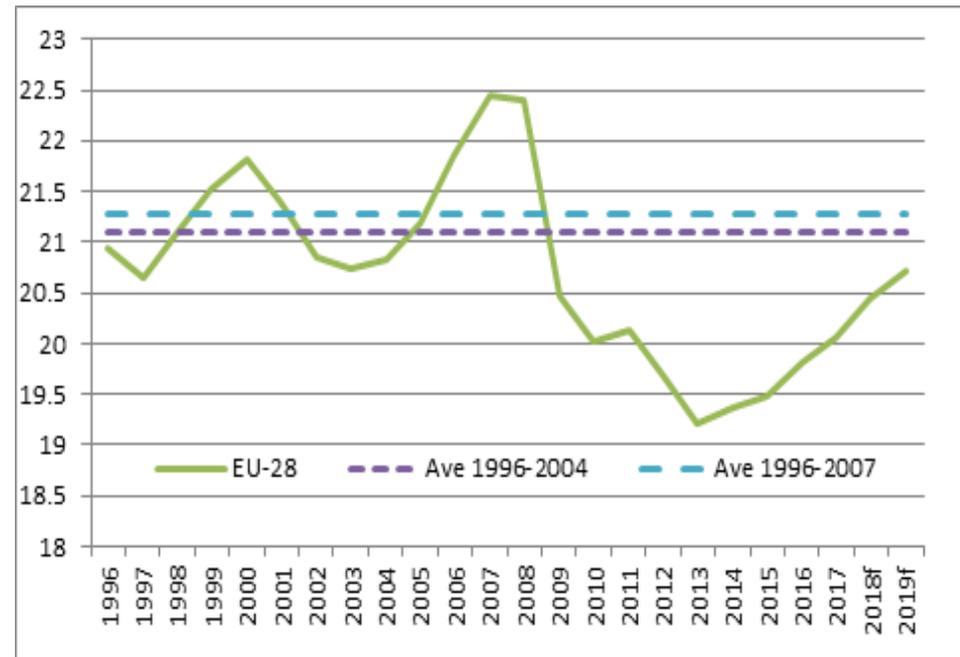
Address market gaps to sustain investment

- By 2021, Member States are expected to have recovered their pre-crisis GDP level, with very few exceptions

But:

- Persistent market gaps are still observed in different policy areas and hold back investment
- Not enough to compensate years of underinvestment as a percentage of GDP
- Not enough to finance needs in key sectors

Investment in EU as a % of the GDP (current prices)





European Commission

EIB Group figures As of 10/09/2019

EFSI investment by sector*

-  Smaller companies
30%
-  RDI
26%
-  Energy
18%
-  Digital
11%
-  Transport
7%
-  Social Infrastructure
4%
-  Environment and resource efficiency
4%



Target by 2020 **EUR 500bn**

EFSI investment relative to GDP*

Darker colours signify higher investment



Investment Plan results in Croatia

Total financing under the European Fund for Strategic Investments: €284 million, set to trigger €1.2 billion in additional investments

8 Infrastructure and innovation projects

approximately €109 million in total financing
set to trigger €572 million in total investment

Small and medium enterprises (SMEs)

10 agreements with intermediary banks

€176 million in total financing

set to trigger approximately €583 million in investments

some **2.920 SMEs and mid-cap companies expected to benefit from improved access to finance**

InvestEU Programme (2021 – 2027)



InvestEU Fund:

- Single fund bringing together the many different EU-level financial instruments
- EUR 38 bn EU budgetary guarantee
- Mobilise EUR 650 bn in additional investment across Europe
- Four thematic policy windows



InvestEU indicative proposed budget allocation

Window	Budgetary guarantee	Mobilised investment (estimate)
Sustainable infrastructure	11 500	185 000
Research, Innovation and Digitisation	11 250	200 000
SMEs	11 250	215 000
Social investment and skills	4 000	50 000
TOTAL (<i>EUR Million, in current prices</i>)	38 000	650 000

Novelty: more implementing partners

In addition to the EIB Group, the following can become implementing partners:

National Promotional Banks and Institutions such as HBOR
International Financial Institutions such as EBRD and CoEB

- *Rationale:* geographic and sectoral outreach
- *Secondary effect and purpose:* **make NPBIs grow** and create a network working as a **community** (exchange of best practices, develop synergies, peer capacity building)

Invest EU Advisory Hub

Provides advisory support for the identification, preparation, development, structuring, procuring and implementation of **investment projects**, or **enhance the capacity of promoters and financial intermediaries** to implement financing and investment operations, also by developing a **local presence**.

- Single point of entry

- Assistance during the entire project life-cycle

- Supporting capacity building for promoters and authorities

- Facilitate project development

- Facilitate aggregation of small projects

**InvestEU
Advisory Hub
services:
Available under each
policy window
+
Cross sectoral
component**

- Support to establish investment platforms

- Leveraging local knowledge

- Promote sectorial and geographical diversification

- Support to project origination

- Market making activities

InvestEU Portal

EIPP

InvestEU Portal

- Continues the current investment portal under InvestEU

- Consistency check with EU laws and policies

- Not a pre-condition nor a guarantee for financing

InvestEU
Portal

- Provides project promoters visibility to potential investors

- Better link to the InvestEU pipeline (Implementing partners to examine projects falling within their geographic and activity scope)

- Database will continue to be online and publicly available

Priorities of the new Commission

Green Deal

Sustainable Europe Investment Plan

Just Transition Fund

InvestEU's contribution to the green agenda



Ursula von der Leyen: *"I want Europe to strive for more by being the first climate-neutral continent."*



The financing gap 2020-2027
 - Climate & energy transition 185 – 260 bn p.a.
 - Social Infrastructure 100-150 bn p.a.



EU toolbox – Green investment & finance



**Green financing/
Investment:
mitigated risks,
transparent on impact**



Reorient capital flows towards sustainable investment (Taxonomy, green bonds standards, climate-related disclosures)



4 windows
 - 30% overall climate target
 - 55% climate & environmental target for SIW*
 - sustainability proofing



EUR 38 bn
Guarantee
EUR 650 bn
mobilised investment



De-risking investments
(InvestEU)

**Risk-return logic:
Green investments
not always
attractive**

*SIW – Sustainable Infrastructure window

Thank you!

For Questions:

estelle.goeger@ec.europa.eu

