An Investment Plan for Europe

The "virtuous triangle"

INVESTMENT



STRUCTURAL REFORMS FISCAL RESPONSIBILITY

An Investment Plan for Europe

MOBILISING FINANCE FOR INVESTMENT

- Strong boost to strategic investments
- Better access to investment finance for SMEs and mid-cap companies
- Strategic use of EU budget
- Flexibility in the Stability and Growth Pact for Member States contributing to the new European Fund for Strategic Investments
- Better use of the European Structural and Investment Funds

MAKING FINANCE REACH THE REAL ECONOMY

- Project pipeline preparation and selection
- Technical assistance at all levels
- Strong cooperation between National Promotional Banks and the EIB
- Follow-up at global, EU, national and regional level, including outreach activities

IMPROVED INVESTMENT ENVIRONMENT

- Predictability and quality of regulation
- Quality of national expenditure, tax systems and public administration
- New sources of long-term financing for the economy
- Removing non-financial, regulatory barriers in key sectors within our single market

Where will the money come from?



* 50% guarantee = EUR 8 bn from Connecting Europe Facility (3.3), Horizon 2020 (2.7) and budget margin (2) ** Net of the initial EU contributions used as guarantee: EUR 307 bn



Multiplier effect



Mobilising finance for investment – leverage



Improved investment environment at EU and national level

Better use of the **European Structural** and Investment Funds

Possible Member States' contributions to the Fund

European Fund for Strategic Investments: EUR 21 bn (initially)

***** In the context of the assessment of public finances under the Stability and Growth Pact, the Commission will take a favourable position towards such capital contributions to the Fund.

EUR 315 bn

5

Long-term investments



EUR 1 of public contribution => circa EUR 3 of financing => circa EUR 15 of total investment

SMEs and mid-cap



EUR 1 of public contribution => circa EUR 3 of financing => EUR 15 of total investment

What will happen when?

December 2014 / January 2015

- The European Council and the Parliament should endorse the Investment Plan for Europe, including the decision to set up a European Fund for Strategic Investments and agree to fast-track the adoption of the relevant regulation.
- The Commission proposes the regulation in January 2015.
- The Parliament and Council discuss the regulation with a view to ensure its entry into force by June 2015.
- The European Investment Bank Group starts activities using its own resources.
- Member States should finalise the programming of European Structural and Investment Funds to maximise impact.
- Project identification is accelerated at EU level, based on the report of the Commission-EIB Task Force.
- First steps are taken by the EIB and key stakeholders to build an investment advisory "Hub".

By mid-2015

- The new European Fund for Strategic Investments is operational.
- The European Structural and Investment Funds produce their impact, in synergy with EU programmes.
- A transparent pipeline of projects is in place at EU level, which will be developed over time.
- The new investment advisory "Hub" is operational.
- Follow-up activities have started at EU, national and regional levels, together with relevant stakeholders.
- A dedicated website allows to monitor progress on the Investment Plan in real-time.

By mid-2016

- Progress will be reviewed, including at the level of Heads of State and Government.
 Further options may be considered ahead of the mid-term review of the Multi-annual
 - Financial Framework.