

# Commission welcomes European Parliament vote on extension and reinforcement of the European Fund for Strategic Investments (EFSI), the heart of the Juncker Plan

The European Commission welcomes the vote by Members of the European Parliament's Budgets and Economic and Monetary Affairs committees to agree their position on extending, expanding and reinforcing the European Fund for Strategic Investments (EFSI), the so-called "EFSI 2.0".

The Commission now calls on the Parliament and Member States to continue working towards the final adoption of the EFSI 2.0 proposal as quickly as possible to the benefit of public and private promoters driving investment projects in Europe.

European Commission Vice-President Jyrki **Katainen**, responsible for Jobs, Growth, Investment and Competitiveness, said: *"The European Fund for Strategic Investments has already proven to be an important tool to boost investment, support jobs and spur growth across all 28 Member States. The extension of the EFSI represents an opportunity to build on that success. I look forward to continue working with Members of the European Parliament and Member States in the weeks to come to secure a final agreement."*

Given its success so far, President Jean-Claude Juncker announced a proposal to extend and reinforce the EFSI in his [State of the Union](#) address in September 2016. The proposal seeks to extend the EFSI's duration and enhance its financial capacity. The plan is to extend the EFSI's initial three-year timeline (2015-2018) to 2020, the end of the current Multiannual Financial Framework. The target of investment mobilised is to be increased from EUR 315 billion to at least half a trillion euro by 2020. The proposal also seeks to place a greater emphasis on additionality – the concept that a project should only be selected if it would not have been realised at all, to the same extent or within the same timeframe without the support of the EFSI – and enhance the EFSI's transparency and geographic balance.

The EFSI's extension is among President Juncker's top priorities. EU Finance Ministers already gave their backing to the EFSI 2.0 at a [meeting of the Economic and Financial Affairs Council](#) (ECOFIN) in December 2016, a decision that was later [endorsed by the European Council](#).

## **Background**

The Investment Plan for Europe, the so-called "Juncker Plan", consists of three pillars:

- First, the European Fund for Strategic Investments which provides an EU guarantee to mobilise private investment.
- Second, the European Investment Advisory Hub and the European Investment Project Portal which provide technical assistance and greater visibility of investment opportunities and thereby help investment projects reach the real economy.
- Third, removing regulatory barriers to investment both nationally and at EU level.

Under the first pillar, the operations approved under the Juncker Plan now represent a total financing volume of EUR 33.9 billion. They are located in all 28 Member States and are expected to trigger total investment of around EUR 183.5 billion (state of play as of 5 April 2017).

Under the EFSI's Infrastructure and Innovation Window, the European Investment Bank (EIB) has approved 206 infrastructure projects for financing, representing a financing volume of over EUR 25 billion. Under the EFSI's SME-window, the European Investment Fund (EIF) has approved 271 SME financing agreements, with total financing under the EFSI of over EUR 9 billion. Some 427,000 small and medium-sized businesses and midcaps are expected to benefit from improved access to the finance they need to expand, create jobs and innovate.

Three evaluations were prepared in line with the requirements of the original EFSI Regulation. The [Commission published its evaluation](#) on 14 September 2016, the [EIB published its evaluation](#) on 5 October 2016 and EY published its [independent evaluation](#) on 14 November 2016. These three evaluations allowed stakeholders to gain a comprehensive overview of the functioning of the EFSI and have fed into the legislative discussions on the extension of the EFSI. The [Commission published a Communication](#) taking stock of these evaluations which concluded that they gave grounds to support the reinforcement of the EFSI.

### **More information**

The Communication: *"Strengthening European Investments for jobs and growth: Towards a second phase of the European Fund for Strategic Investments and a new European External Investment Plan"* is available [here](#).

For more information about the proposal to extend the EFSI, see this [Memo](#).

The Commission's evaluation of the first year of the EFSI is available [here](#).

The EFSI's results so far including a break-down of operations by country are available [here](#).