

# InvestEU programme adopted by Council

The Council today adopted InvestEU, the EU's new investment programme.

The programme brings together various financial instruments currently available to support investment in the EU. Building on the success of the European fund for strategic investments, it aims at mobilising public and private investment in the EU through an EU budget guarantee of €26.2 billion that will back investment projects of financial partners, such as the European Investment Bank Group (EIB), national promotional banks and international financial institutions.

Thanks to a multiplier effect, InvestEU is expected to mobilise more than €370 billion of additional investment over the next seven years, contributing to the economic recovery and the EU's medium- and long-term policy priorities, including the green and digital transitions.



Mobilising investment in Europe is key for economic recovery and achieving our long-term objectives. InvestEU will have an important role in this regard, by helping to finance projects that contribute to building greener and more digital societies, support innovation and SMEs, and foster social inclusion. I am looking forward to a quick implementation process, so that the first projects benefiting from InvestEU can get off the ground as soon as possible.

*João Leão, Portugal's Minister for Finance*

The EU budget guarantee will indicatively be divided between the four policy windows of InvestEU as follows:

- Sustainable infrastructure (for instance projects in sustainable energy, digital connectivity, transport and circular economy): 37.8%
- Research, innovation and digitalisation (for instance taking research results to the markets, projects in artificial intelligence): 25.1%
- SMEs (facilitating access to finance for SMEs): 26.4%
- Social investment and skills (for instance projects in education and training, social housing and healthcare): 10.6%

Investments of strategic importance to the EU can also be supported under all the policy windows.

In order to support the EU's green transition, at least 30% of the investments under InvestEU will contribute to EU climate action. A Just Transition Scheme, which is established horizontally across all policy windows, will support territories most negatively affected by the transition process towards the EU's climate objectives.

In addition, in order to receive funding, investment projects have to respect the 'do no significant harm' principle, ensuring that they do not harm the EU's environmental objectives.

InvestEU will also be able to provide capital support for SMEs negatively affected by the COVID-19 crisis, provided that were not already in difficulty in state aid terms at the end of 2019.

Member states will be able to use InvestEU to implement part of their recovery and resilience plans under the Recovery and Resilience Facility. In addition, they will also have the possibility to channel some of their structural funds to InvestEU to mobilise additional investment.

## **Next steps**

The regulation establishing InvestEU is expected to enter into force at the beginning of April, after which the Commission will finalise the necessary procedures with the implementing partners.

Companies and project promoters should be able to start applying for funding by mid-2021.