

Press release – InvestEU Fund agreed: Boosting strategic, sustainable and innovative investments



InvestEU will foster strategic, sustainable and innovative investments and address market failures, sub-optimal investments and the investment gap in targeted sectors, for the period 2021-27.

Support for companies and strategic investments

Recognising that many companies are at risk of insolvency due to the COVID-19 crisis, EP negotiators from the Budgetary and Economic and Monetary Affairs committees insisted that capital support be provided to SMEs that have been negatively affected by the crisis.

They were also able to ensure that strategic investments will be made in manufacturing of pharmaceuticals, medical devices and supplies – crucial in the midst of a pandemic – as well as the production of Information and Communication Technology, components and devices in the EU. InvestEU will therefore be able to build on the support provided by its predecessor, the European Fund for Strategic Investments, for the BioNTech and Curevac coronavirus vaccines.

Support for sustainable investments

Negotiators agreed that InvestEU support should finance sustainable projects that can prove their positive environmental, climate and social impact. Investment projects should also be subject to the principle of “do no significant harm”, meaning they must not negatively affect the EU’s environmental and social objectives .

Additionally, MEPs made sure that InvestEU contributes to achieving the

target of spending at least 30% of the EU funds on climate objectives until 2027.

Additional investments of around €400 billion

The EU guarantee of around €26 billion (current prices) is expected to mobilise €400 billion in additional investment across the European Union and will be allotted to the following policy objectives:

1. Sustainable infrastructure: 37,8% (around €9,9 billion);
2. Research, Innovation and Digitalisation: 25,1% (around € 6,6 billion);
3. SMEs: 26,4% (around € 6,9 billion)
4. Social investment and Skills: 10,6% (around € 2,8 billion).

Moreover, the European investment Fund (EIF), which will contribute to the implementation of the InvestEU programme, will get an additional €375 million.

Quotes

[José Manuel Fernandes](#) (EPP, PT), lead MEP from the Budgets Committee said: “InvestEU will generate more investment, create better jobs, enhance competitiveness and productivity, while promoting territorial cohesion and inclusion. We have managed to provide solvency support to SMEs and will help save companies negatively affected by the pandemic crisis”.

[Irene Tinagli](#) (S&D, IT) leading the negotiations on behalf of the Economic and Monetary Affairs Committee said: “The economic recovery needs not only public but also private investment, and InvestEU will be able to mobilize about €400 billion on key projects for the EU. I am particularly proud of the fact that we have managed to include investments in social infrastructure, to dedicate a significant share to SMEs, and included the option of providing capital support for the firms most affected by COVID-19. All this, while keeping the EU’s environmental targets high”.

Next steps

The agreement reached by the EP negotiating team will now have to be approved first by the Economic and Monetary Affairs and the Budgets committees, followed by a plenary vote. The Council also has to approve the deal.