

Vice-President Jyrki Katainen: College read-out and remarks on the Juncker Plan

Thank you for coming to this briefing and happy new year to everybody. Before coming to the EFSI details, I would like to say a few words on the challenges and opportunities which we have in Europe at the moment, to put EFSI and the other issues in context.

There are certainly lots of opportunities, but there are certainly also challenges, both internal and external.

Of the internal challenges, Brexit of course is the most acute. The most profound one, from the integration and future of Europe point of view, comes from the challenges which we have in some of our Member States regarding the rule of law. Everybody knows the situation in Poland, Hungary, unfortunately also in Romania today. They are big issues. Europe is based on solid values. Integration is based on fundamental values like the rule of law, human rights, human dignity, independence of the judiciary, freedom of the press, freedom of expression, etc. If those values are challenged, it's always a fundamental challenge.

We are also challenged by external factors. For instance Russia, when it comes to Ukraine or interference with our democratic processes. It is a big issue. We must be ready to counter these attempts. Also, China and the US are challenging us in economic terms.

When looking at the economic outlook, there are lots of positive things. There are also uncertainties. Unfortunately, I have to say, many of those most serious uncertainties are 'man-made', so to speak. There is no economic necessity to have this uncertainty. They are man-made. I am referring to Brexit and everything that has happened in the United States. The risk of a trade war is creating lots of uncertainties all over the world, and also in Europe.

When looking at those internal and external challenges, we must be strong to defend Europe and its values, both internally and externally. That is why this year is so important. We also need strong national ownership. It is not only the Commission or institutions who are in place to defend Europe. We also need strong European national ownership to stand for our values and defend our citizens' security, rights and values.

When looking at the positive side, let's start with the latest figures. Unemployment is at the lowest since 2000, 6.7% in the EU28. In the euro area, it is 7.9%, the lowest since November 2008. In 2017, it was 8.7%.

Employment is at the highest level ever recorded. This is positive. If looking at the current market surveys, economic sentiment is still robust,

positive and above the long-term averages. But there are uncertainties and we must be ready to defend our interests.

Another positive, which is my topic today, is that EFSI has functioned as we designed it to function. Actually, it has done a bit more and better than expected. EFSI, the European Fund for Strategic Investments, or the Juncker Fund, if you like, has done a good job, in concrete terms.

As of late December, we expect that the EFSI will trigger over €370 billion in investments across the EU. To be precise €371.2 billion. This is well beyond the original target of €315 billion.

Given the EFSI's success, an agreement was reached last year to reinforce and strengthen the Fund, with a new target of triggering at least €500 billion in investments by the end of 2020.

As of now, 856,000 small and medium sized businesses are set to benefit from improved access to finance thanks to the Investment Plan.

There is a very concrete and tangible way to look at how EFSI has functioned. Every single SME which managed to secure financing for their investment, whether it's R&D or physical infrastructure, means more competitiveness, more jobs and more growth.

The Juncker Plan is estimated to have supported the creation of some 750,000 jobs, and by 2020 to support a total of 1.4 million jobs.

Those are individual, concrete jobs, where somebody has got, or will get, a job. When somebody who doesn't have a job gets a job, that's a big change in that individual's life. That is why the Juncker Plan is not just words on paper. It is a concrete example of what we can do, if we just want to.

Ladies and Gentleman, I give you a couple more figures.

The EFSI has also played an important role in channelling investment towards the fulfilment of the EU's strategic objectives. One third of the EFSI's total investments support small and medium-sized enterprises; 22% research and development; 19% support energy projects; 11% digital projects and 4% social infrastructure.

- In Spain, a €35 million loan made possible by the Plan will allow a business, Ilunion, which specialises in creating jobs for people with disabilities, implement its investment strategy, renovate its production facilities to make them more energy efficient and create 200 new jobs.
- A €30 million loan will let a Croatian company, Rimac, invest in research and innovation to help it develop the world's first electric super-car.
- Another €30 million loan will help a French company, Carmat, greatly expand its research department to develop one of the world's most advanced artificial hearts.

So, based on the success of EFSI, as you probably know, we proposed last year the InvestEU programme which will be part of the next multiannual financial

framework. We wish that co-legislators will adopt this proposal as soon as possible, before the end of this mandate. Its target is €650 billion in additional investments for next financial period.

We have used a similar method to strengthen our investment in external work. You may recall our proposal for an external investment plan. We have allocated €4.1 billion for external investment plan which hopes to trigger ten times more resources for public and private investment in developing countries and in our neighbourhood.

I just wanted to share these ideas with you. This is a good and positive example of what we have already achieved and what we are planning to do in the future.

I will stop by giving you a list of countries that have benefitted the most from the EFSI, when looking at EFSI investment per countries' GDP, which is the only reasonable way to look at the impact of EFSI.

Greece is number one. This makes me happy. Everybody knows why.

Estonia number two. Portugal number three. Spain number four. Lithuania fifth. Latvia sixth. Bulgaria seventh. Finland eight. Poland ninth and Italy tenth.

Additional resources for investment have mostly gone to the right addresses. This is another example that we have designed something which is meaningful.

Thank you very much.