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The InvestEU Programme – support for scaling-up finance for sustainable investments

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InvestEU Programme overview

- Key EU financial support programme for investments across Europe
- Addressing investment and finance needs in several European Union policy areas
- Market and demand-driven approach (financial products; sourcing of projects)

**THE INVESTEU FUND**
Mobilising public and private investment using guarantees from the EU budget.

**THE INVESTEU ADVISORY HUB**
Providing technical advice to investment projects seeking financing.

**THE INVESTEU PORTAL**
An easily-accessible database bringing together projects and investors.
The InvestEU Fund: key features
The InvestEU Fund in a nutshell

- Single fund integrating several previous EU-level financial instruments

- EUR 26.2 billion EU budgetary guarantee (EU Compartment), supported by the EU budget (Next Generation EU and the Multiannual Financial Framework 2021-2027)

- Mobilisation of up to EUR 370 billion of additional investments across Europe

- Four thematic priorities (“policy windows”)

- InvestEU Fund mechanism is open to other sources (Member States compartment; other EU funding programmes)
Budgetary division between 4 policy windows under InvestEU

**SUSTAINABLE INFRASTRUCTURE**

€ 9.9 billion EU guarantee

**RESEARCH, INNOVATION AND DIGITISATION**

€ 6.6 billion EU guarantee

**SMEs**

€ 6.9 billion EU guarantee

**SOCIAL INVESTMENT AND SKILLS**

€ 2.8 billion EU guarantee
The InvestEU Fund delivery chain

Programmes

InvestEU Guarantee

- MS compartment

Implementing Partners (IPs)

- European Investment Bank

- European Investment Fund

- Other IPs (IFI, NPB)

Financing intermediaries:
Banks, guarantee societies, microfinance providers, venture capital, equity funds, etc.

Direct loans

Beneficiaries

- SI window
- RID window
- SMEs window
- SIS window

According to relevant OP

Shared management funds (Managing Authorities)

IP chosen by MS

FIs under shared management

- IP chosen by MS
Implementing Partners

- The European Investment Bank and the European Investment Fund, for 75% of the EU Guarantee and Advisory;

- Further Implementing Partners (International Financial Institutions; National Promotional Banks and Institutions), for 25% of the EU Guarantee and Advisory; selection via Calls for Expression of Interest (first Calls in April);

- Rationale for opening-up of InvestEU: increase geographic and sectoral outreach, complementarity;

- Implementing Partners may provide direct finance or indirectly through financial intermediaries, such as commercial banks or investment funds (see “InvestEU delivery chain”).
Sustainable Infrastructure Window

**Policy objectives:**

- Climate change and GHG emission reduction
- Cross-border infrastructure projects and trans-European networks
- Cross-sectoral synergies between energy, transport and digitalization
- Deployment of innovative technologies on the market
- 60% of the investment to contribute to EU objectives on climate and environment.

**Final recipients targeted:**

- Stand-alone promoters
- Corporate projects promoted by private, public and semi-public enterprises
- Special-purpose vehicles
Research, Innovation and Digitisation Window

**Policy objectives:**

- Facilitate access to finance and de-risk investments in research & innovation and transfer results to the market
- Support digitisation to increase interoperability and address disparities
- Promote first-of-a-kind demonstration operations

**Final recipients targeted:**

- Stand-alone promoters, private and public companies
- Universities, technology transfer offices, higher education centres, research centres
- Research infrastructures
- Innovation and digitisation agencies, accelerators, incubators.
Small & Medium-sized Enterprises Window

**Policy objectives:**

- Increase access to finance for SMEs and small mid-caps through debt and equity products
- Supporting businesses with problems of access to finance: start-ups, younger and smaller companies, businesses with a perceived higher risk and lacking (sufficient) collateral, and innovative ones.
- Promoting digitalisation, uptake of innovation, and cultural and creative industries

**Final recipients targeted:**

- Predominantly small and medium-sized enterprises (SMEs)
- Small mid-caps
Policy objectives:

- Social resilience and inclusiveness of the Union through projects contributing to the objectives of the European Pillar of Social Rights
- Microfinance, social enterprise finance and the social impact and social economy
- Social infrastructure (incl. social services, social and student housing, education infrastructure, health infrastructure)
- Skills, education and training

Final recipients targeted:

- Micro-enterprises, social enterprises, vulnerable groups, self-employed, education and training providers,
- NGOs, health authorities, health service providers (public and private)
Contributing to the EU’s sustainability goals

- **At least 30%** of the InvestEU Programme, in line with the European Green Deal objectives, shall support finance for investments that contribute to the EU’s climate objectives.

- **At least 60%** of finance for investments supported under the “**Sustainable Infrastructure Window**” of the InvestEU Fund shall contribute to the EU’s climate and environmental objectives.

- **Sustainability proofing**: Identifying and addressing potential climate, environmental and social impacts of investments by Implementing Partners (ex-ante) → Commission guidance.

- **Climate and environmental tracking**: reporting by Implementing Partners (ex-ante & ex-post) → Commission guidance.
Support for sustainable investment

- Mainly under the **Sustainable Infrastructure Window**, possibly also under the RID window (innovative green technologies) or the SME window (dedicated climate or environmental investment portfolios)

- Broad spectrum of investments including:
  - **Energy** - renewable energies; energy efficiency in buildings or in production processes of companies; energy infrastructure including transmission and distribution; deployment of low-carbon technologies such as CCS
  - **Transport** – investment related to Trans-European transport networks; sustainable urban mobility projects; recharging and refuelling infrastructure, low and zero-emission vehicles
  - **Environment & resources** – climate change adaptation; water supply; waste management; circular economy

- Link to the EU Taxonomy for environmentally sustainable economic activities: can be used (among other methodologies/tools) to verify environmental sustainability and for climate and environmental tracking purposes

- EU Taxonomy is not a list of mandatory investments; InvestEU spectrum of eligible investments is broader
Agreement on InvestEU Regulation
07/12/2020

InvestEU Regulation entered into force
26 March 2021

Investment Guidelines adopted by the European Commission (two-month non-objection period of EP and Council)
14 April 2021

1st cut-off date for the Call for expression of interest
End of June 2021

2nd cut-off date for the Call for expression of interest
1 October 2021

1st Call for expression of interest (Advisory and Guarantee)
End of April 2021

Guarantee and advisory agreements with EIB & EIF
July 2021
Thank you

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