



Investment Plan for Europe

Delivering on the European Fund for Strategic Investments (EFSI)

05/2017

Why an Investment Plan for Europe?

Issues: Investment gap, low growth, employment and competitiveness

**Financial and non-financial barriers
to investment**

Public budget constraints

**Credit supply: Ample liquidity, but
long-term risk-taking constrained**

**Credit demand: High dependance
on bank financing**



EU Investment Plan

- EU and Member State policy action
- EU budget guarantee
- EIB capacity to mobilise additional financing

3 ways to tackle the investment gap

Investment Plan for Europe



Mobilise finance for investment

- European Fund for Strategic Investments (EFSI)
- Cooperation with National Promotional Banks



Support investment in real economy

- European Investment Advisory Hub (EIAH)
- European Investment Project Portal (EIPP)



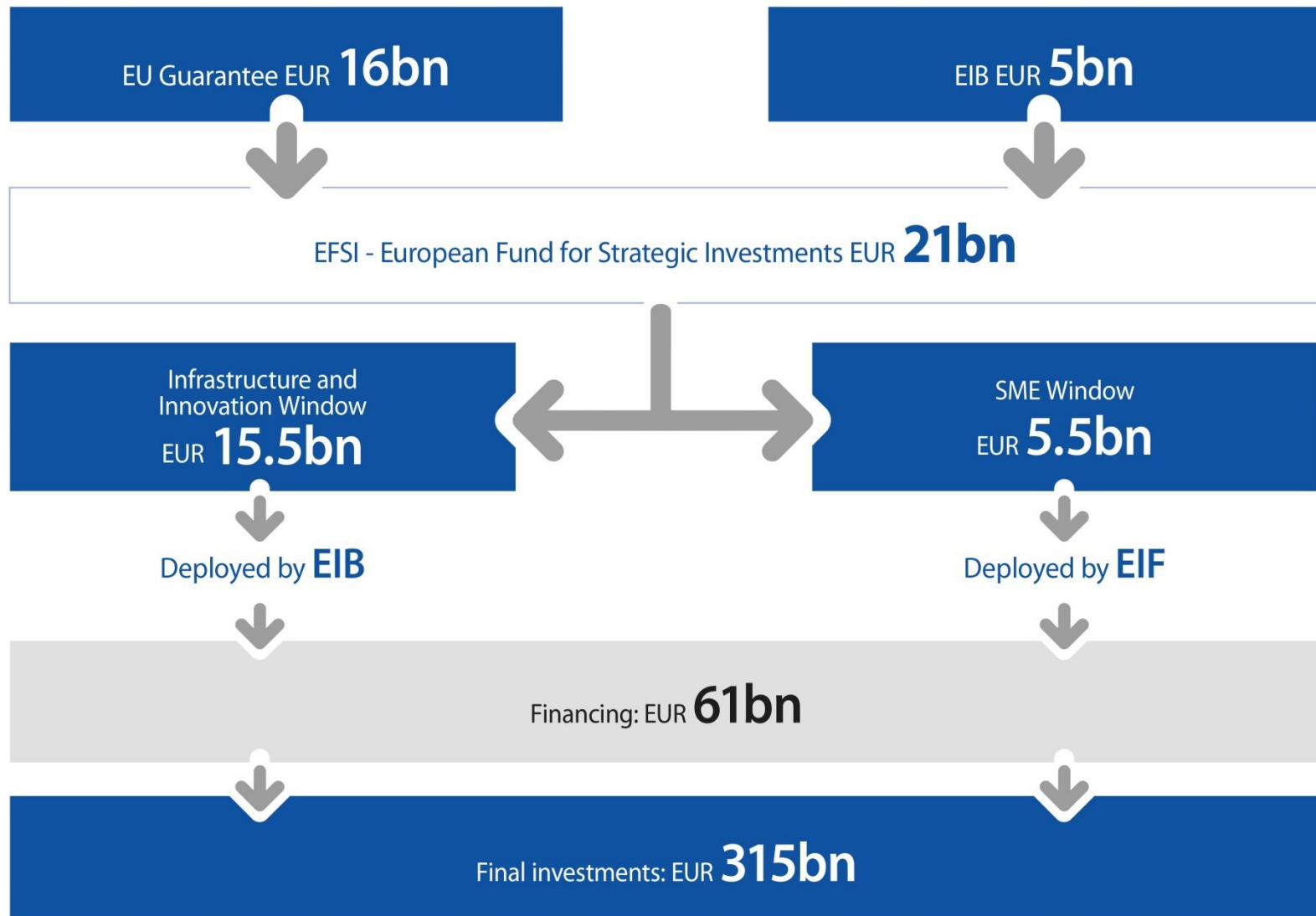
Create an investment friendly environment

- Improving the regulatory environment
- Structural reforms



Aim: to mobilise at least EUR 315 billion in investment across the EU

European Fund for Strategic Investments (EFSI)



EFSI setup and governance

EFSI Regulation, approved by the EP



Governance structure:



All EFSI operations are within the EIB Group (EIB&EIF)

- On the EIB / EIF balance sheet (no separate entity)
- Subject to standard due diligence
- **EIB & EIF governing bodies approve operations**

Additional EFSI governance:



- Steering Board
- Investment Committee (IC), chaired by Managing Director / Deputy Managing Director
- IC approves inclusion of individual operations to the Infrastructure and Innovation Window (IIW) implemented by the EIB

EFSI Objectives - Eligible areas

→ The operations concerned shall be consistent with Union policies and support any of the following general objectives:

(a) research, development and innovation: projects that are in line with Horizon 2020, education and training, health, demonstration projects, research infrastructure

(b) development of the energy sector in accordance with the Energy Union priorities, including security of energy supply, and the 2020, 2030 and 2050 climate and energy frameworks: renewable energy, energy efficiency and energy savings, development and modernization of energy infrastructure

(c) development of transport infrastructures, and equipment and innovative technologies for transport

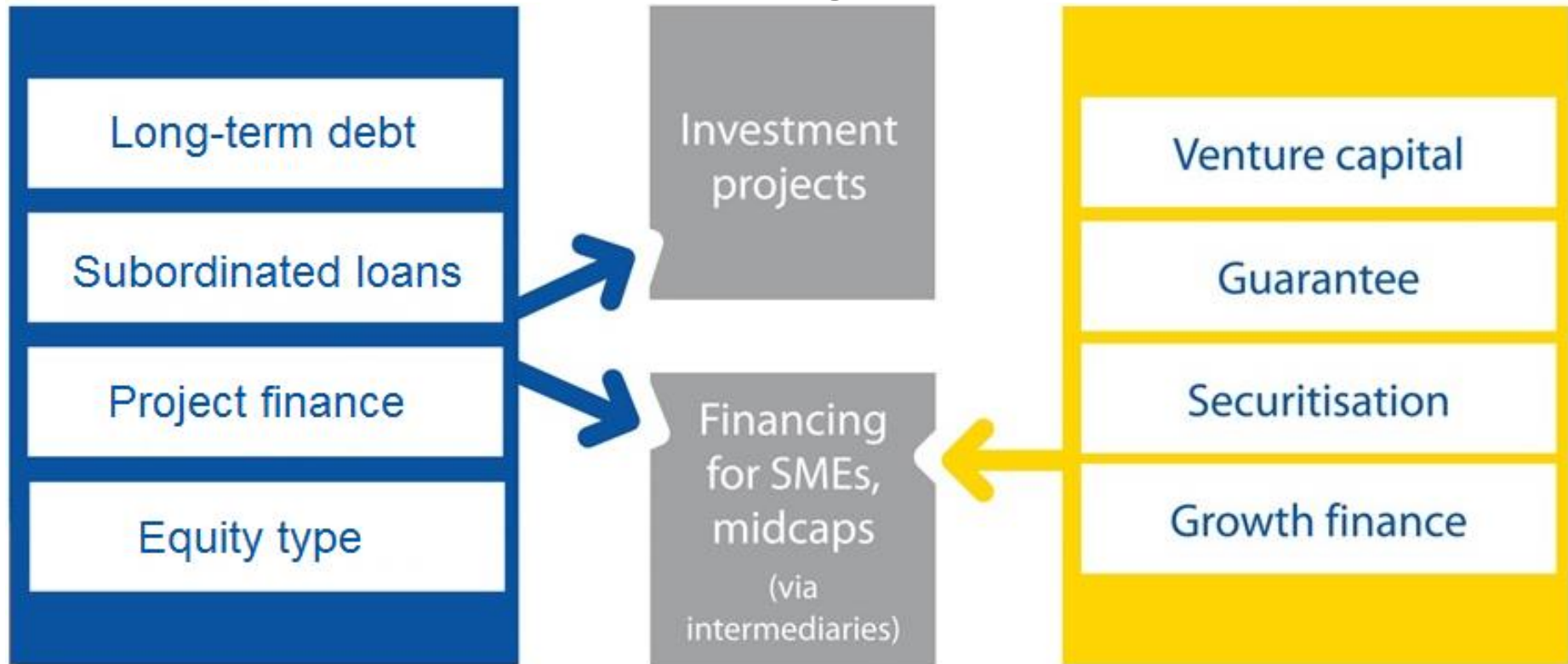
(d) financial support through the EIF and the EIB to entities having up to 3 000 employees, with a particular focus on SMEs and small mid-cap companies: *(Financing support through local partner banks and institutions)*

(e) development and deployment of information and communication technologies: digital content & services, broadband networks

(f) environment and resource efficiency

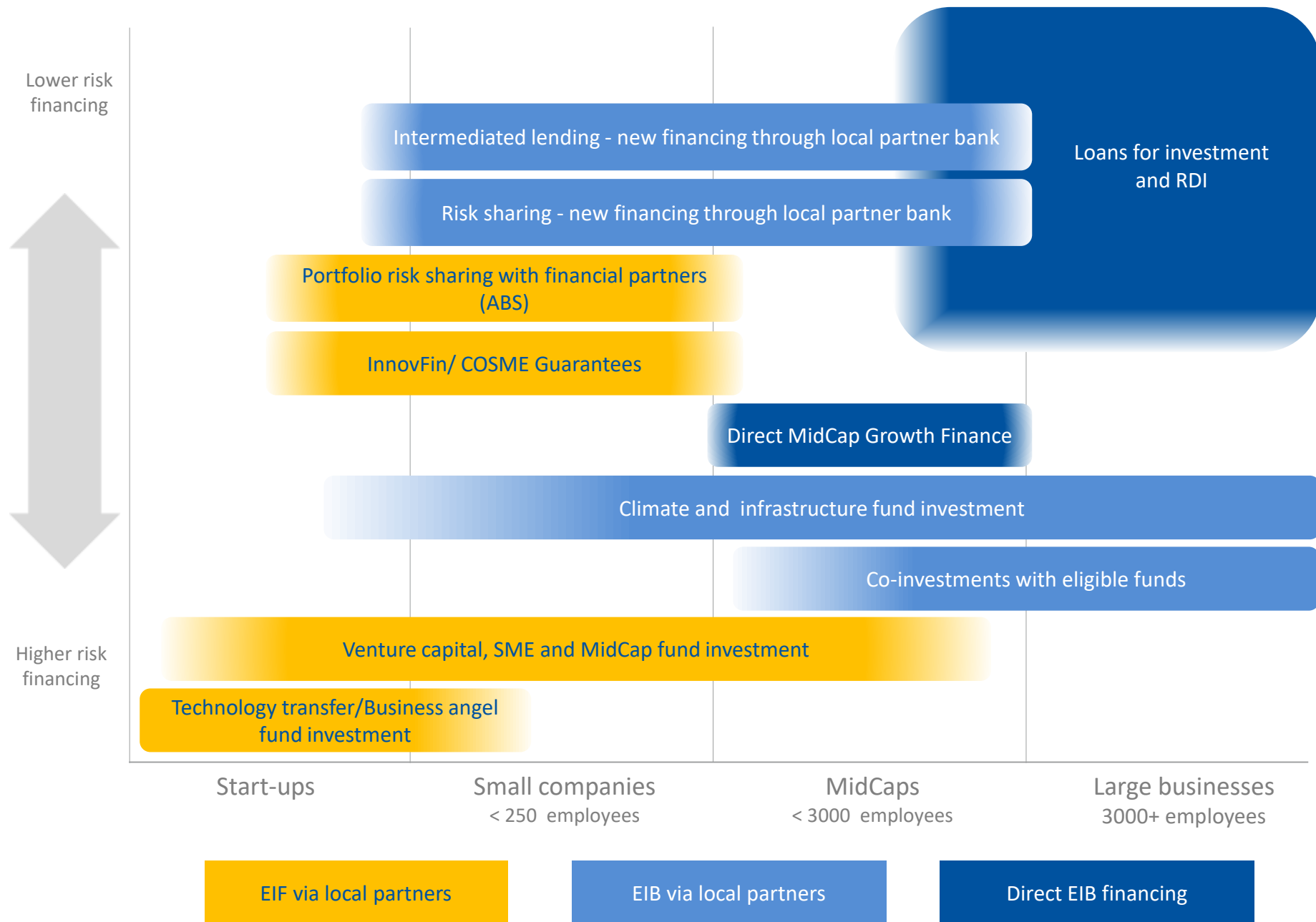
(g) human capital, culture and health

The EIB Group is developing various new products

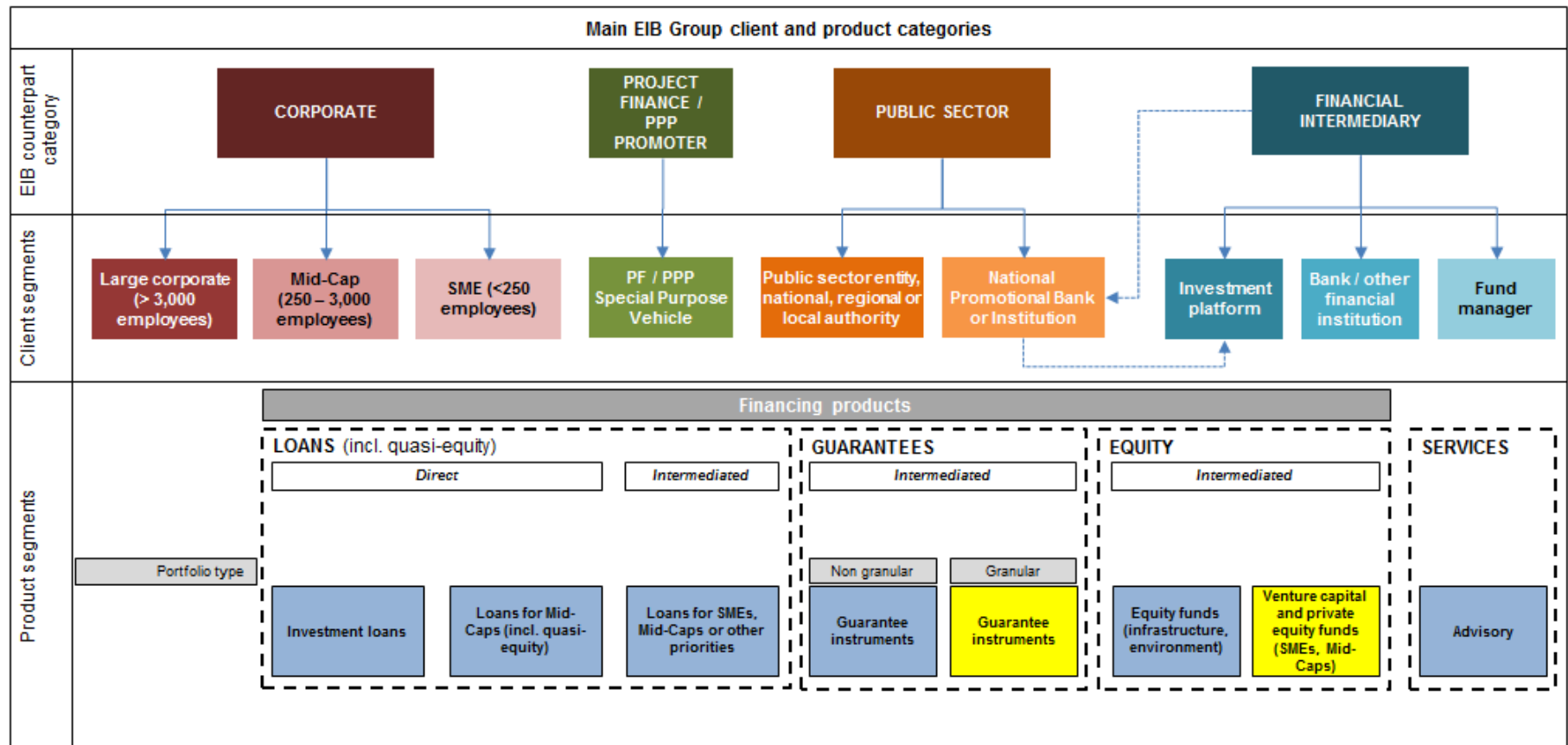


➔ With the aim to explore and attract new promoters and markets (e.g. MidCaps).
Making better use of scarce public resources, leveraging the effect of grants / subsidies, enhancing the multiplier effect of investment.

EIB Group product range supporting corporates with EFSI support

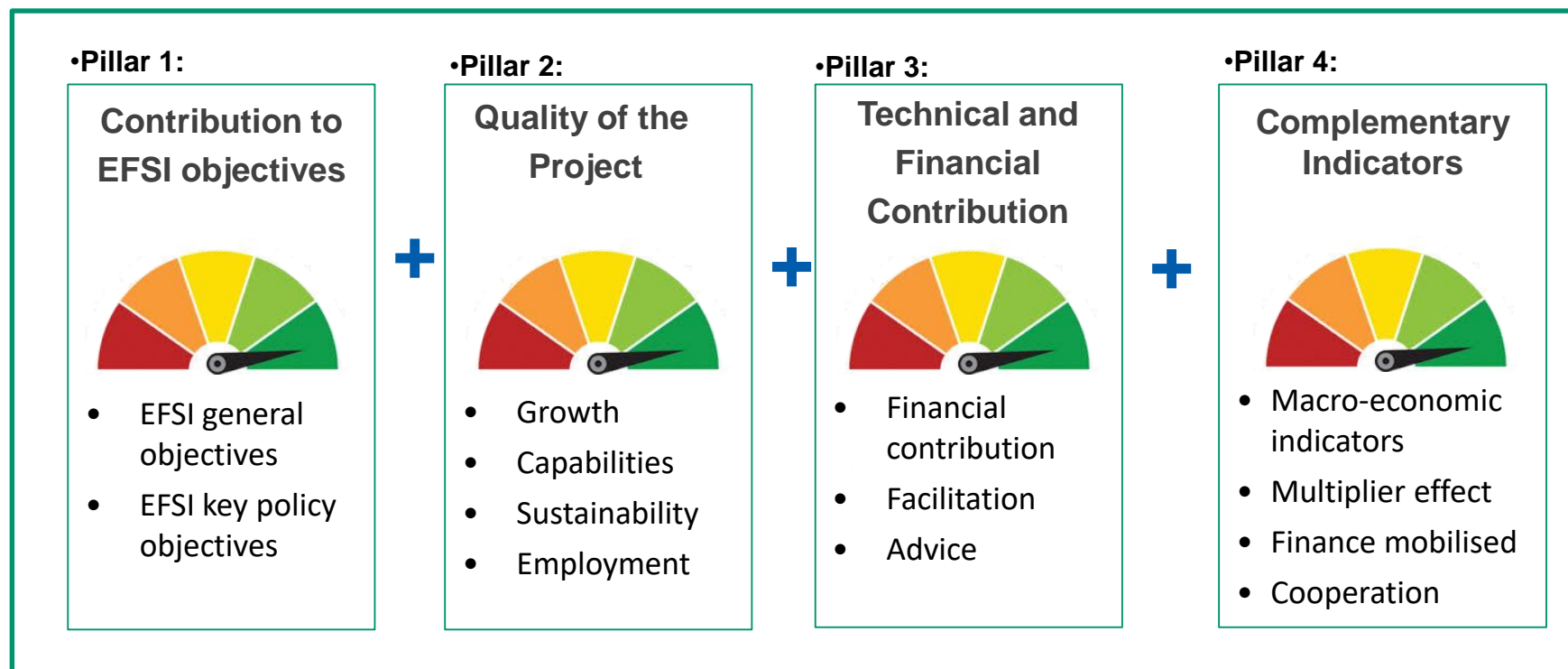


...overview of EIB Group product range by client types



Projects Eligibility Criteria

- EFSI Scoreboard – Key Components



- The Scoreboard is rated for each operation.
- Pillars are evaluated independently (no accumulated score).
- The EU Eligibility, Quality and Value Added of each operation shall be ensured.

Additionality

Address market failures or sub-optimal investment situations

Operations not possible to same extent without EFSI /Special Activities

Absorb part of the risk to trigger additional investments



Impact

Attracting other sources of finance

Accelerate viable projects

Support productivity, growth and employment

Opportunities for promoters/investors

- EFSI is **demand driven**, and will provide support for projects everywhere in the EU.
- There are **no geographical nor sectoral quotas**. Projects will be considered based on their individual merits.

Eligible counterparts

Corporates of all sizes

Utilities and public sector entities (non-sovereign)

SMEs (up to 250 employees) or midcaps (up to 3 000)

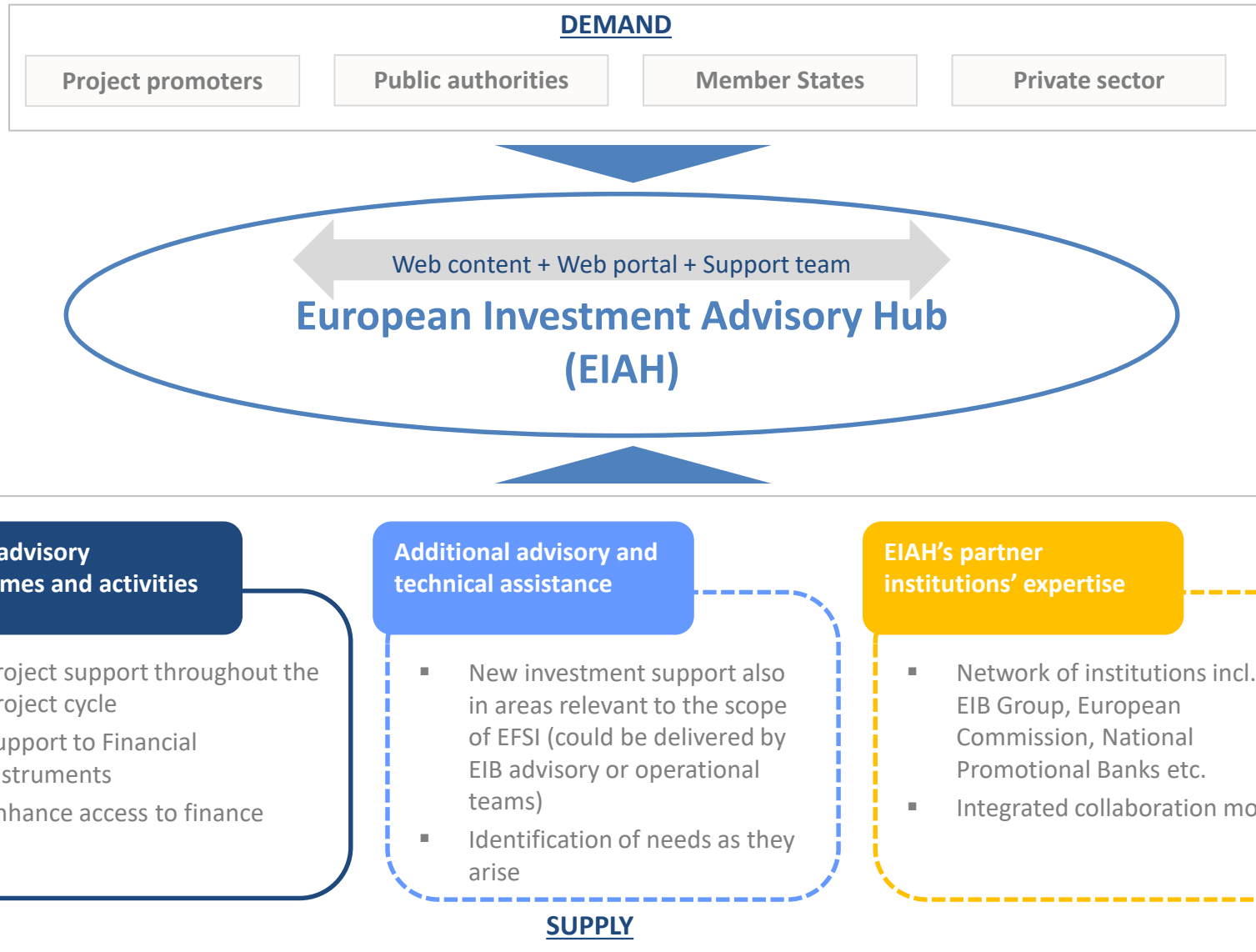
National Promotional Banks or other banks for intermediation

Dedicated Investment Platforms

Contact

EIB Group directly via InfoDesk or relevant Operations Department
www.eib.org
www.eif.org

More than just finance - investment support



Access point

Delivery channels

Of which
EUR 24.2bn
signed

EIB Group figures

As of 16/05/2017

Approved EFSI
financing*

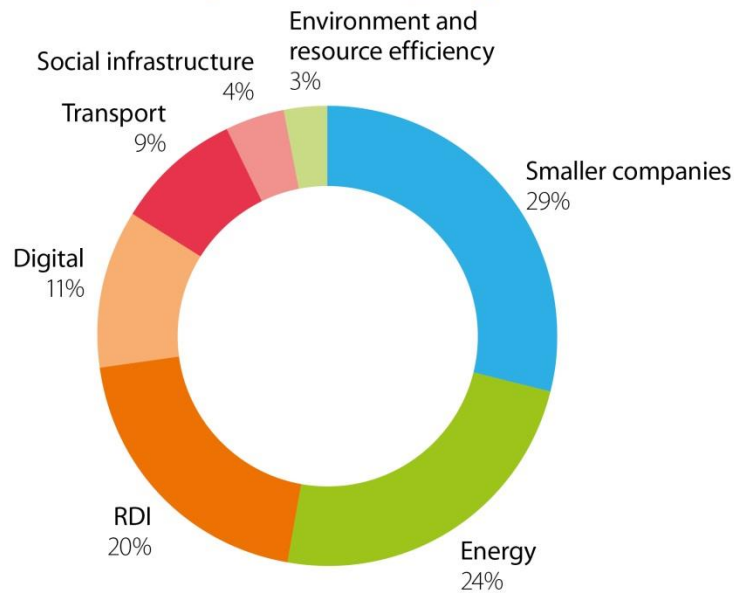
Total investment related to EFSI
approvals

EUR 36.9bn

EUR 194bn

* EIB-approved: EUR 27.9bn
EIF-approved: EUR 9bn

EFSI investment by sector**



EFSI investment relative to GDP**

Darker colours signify higher investment



EIB figures

As of 16/05/2017

Of which
EUR 15.8bn
signed

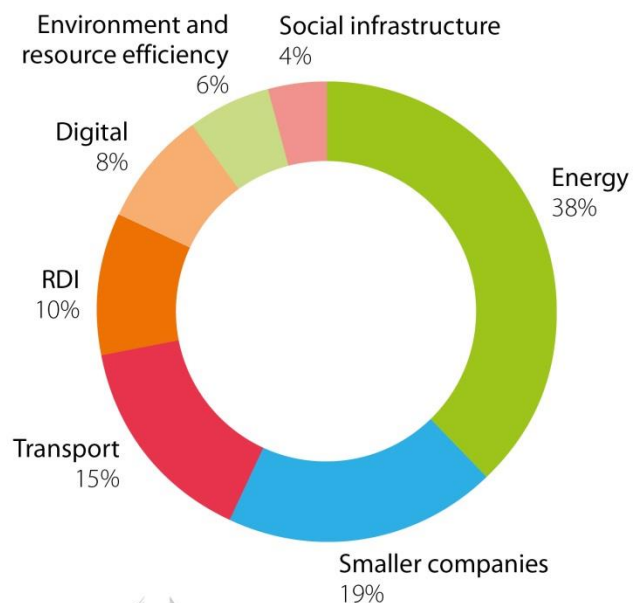
Approved EFSI
financing

EUR **27.9bn**

Total investment related to EFSI
approvals

EUR **119.5bn**

EFSI investment by sector*



EFSI investment relative to GDP*

Darker colours signify higher investment



Of which
EUR 8.4bn
signed

EIF figures

As of 16/05/2017

Approved EFSI
financing*

Total investment related to EFSI
approvals

EUR 9bn

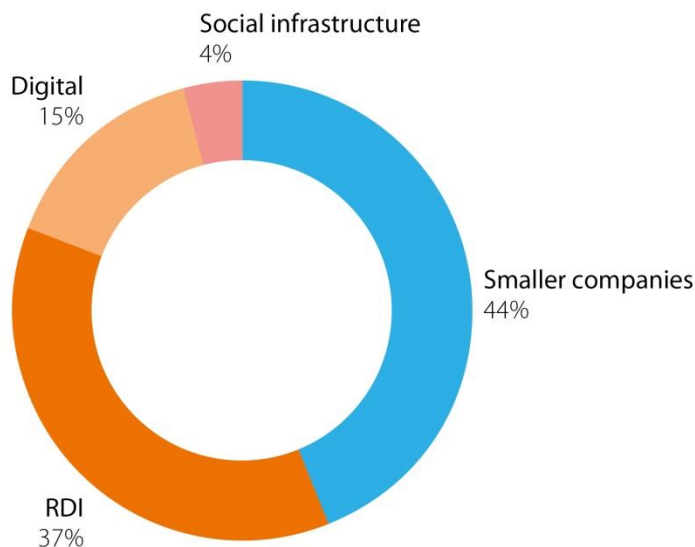
EUR 74.5bn

* Amount blending EFSI with
other resources managed by EIF



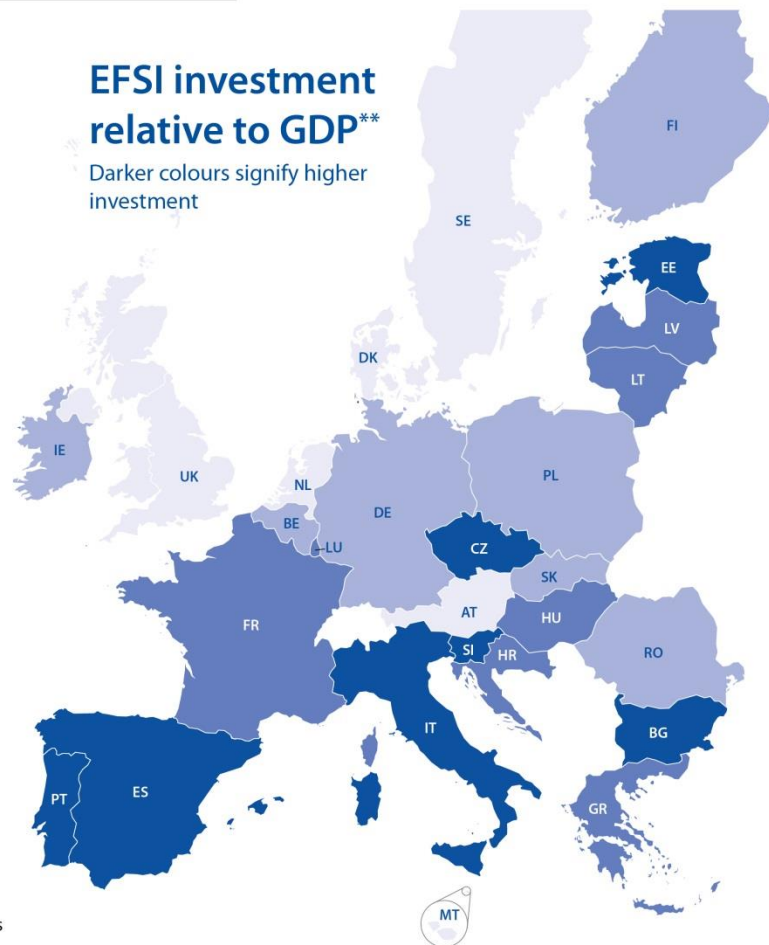
SMEs expected
to benefit:
More than
416 000

EFSI investment by sector**



EFSI investment relative to GDP**

Darker colours signify higher
investment



Megatrade

Sanitary goods retailer, Bulgaria

EFSI supports:

- working loan from Cibank
- purchase of new raw materials
- larger range of own manufactured products



“The funding allowed us to reach impressive growth rates. We have hired 10 new employees since the beginning of the year and we are looking to hire more.”

VesselinBanev Popminchev, President Megatrade

Karad

Import of modern agricultural equipment, Bulgaria

EFSI supports:

- working loan from Cibank
- Expansion of the company's import of agricultural machinery
- improvement of the company's facilities



Agricover Loan

Financing for agricultural businesses, Romania

- Financing backs:
 - A non-bank financial partner with experience in agricultural finance
 - Loans to agricultural businesses of 40 ha or more in less-developed regions
- EFSI allows lending to an underserved, high-risk market segment in Romania

EFSI Financing amount:

EUR **15m** (1st tranche)

EFSI related investment:

EUR **54m**



Thank you!

