

COMMUNICATION

**from the European Affairs Committee of the Federal Council
of 8 April 2015**

to the European Parliament, the European Commission and the Council

pursuant to Article 23 f (4) of the Austrian Constitutional Act

COM (2015) 10 final

Proposal for a Regulation of the European Parliament and of the Council on the European Fund for Strategic Investments and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013

The Federal Council welcomes the establishment of the European Fund for Strategic Investments (EFSI). To a growing extent, the persistent sluggish pace of investment activity in Europe is jeopardizing future growth.

From the Federal Council's point of view, clear governance structures, the identification of economically sustainable projects as well as improvements of framework conditions for businesses and the elimination of bureaucratic obstacles at European and national level constitute essential prerequisites for the success of the investment plan.

The criteria applied in the selection of projects must be clear, transparent and easily accessible for potential investors. The procedure for potential project sponsors wishing to benefit from the financing instruments of the EFSI should be easy and non-bureaucratic, and participation should also be possible for private investors.

The Federal Council welcomes the initiative aimed at strengthening the provision of finance for businesses, in particular for small and medium-sized business and mid-cap companies.

The Federal Council explicitly objects to the financing of nuclear energy projects through EFSI funding.

Public-sector investments, especially by municipalities and local authorities, generate the greatest benefit when targeted at future-oriented sectors, such as traffic and energy infrastructure, research and innovation, education and training.

If Europe is to overcome the crisis once and for all, imbalances within the European Union will have to be reduced and efforts must be made to ensure that investments are promoted that encourage smart, sustainable and inclusive growth and create jobs – including, and above all, for young people – on a sustainable basis.

With this in mind, the Federal Council calls upon the European institutions to implement the EFSI in a timely and non-bureaucratic fashion by ensuring that funds are made available without delay. The conditions for national implementation should be flexible, providing for the involvement of national business development banks and allowing flexibility in the choice of instruments.