



Strategic Investment Fund: committees back Juncker Plan, but not programme cuts

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A negotiating brief on the “Juncker” plan for a European Fund for Strategic Investments (EFSI) to guarantee growth and job-creating investment was backed by the Budgets and Economic and Monetary Affairs committees on Monday evening. But MEPs contested plans to feed the fund from the EU research and transport investment budgets, and called for more parliamentary control over its leadership and goals.

The report, drawn up by [José Manuel Fernandes](#) (EPP, PT) for the Budgets Committee and [Udo Bullmann](#) (S&D, DE) for the Economic and Monetary Affairs Committee, changes [the following key points in the European Commission proposal](#):

Feeding the guarantee fund

To protect EU budget investments earmarked for research and transport, the Commission should find alternative resources to finance the guarantee fund. The fund should be gradually filled via the annual budgetary procedure until it reaches €8 billion by 2022. The guarantee itself should be "irrevocable and unconditional", so as to reassure investors.

Project criteria

Projects financed or guaranteed by EFSI should be economically viable, reflect EU priorities, be ineligible for EU budget or European Investment Bank (EIB) finance, and have a higher risk profile than those that could be financed by the EIB.

Greater control over leadership of new bodies

The fund's investment committee should have eight members to reflect the EU's geographical diversity and provide the widest possible range of expertise. Parliament should approve both this panel and the proposed managing director, whom it is entitled to hear along with the chair of the steering board. The steering board should have four members.

Voting rights in the steering board

Third parties wishing to finance EFSI should not be guaranteed membership in the steering board.

Parliamentary scrutiny of EFSI operations, scoreboard

The fund's operations should be audited by the European Court of Auditors and should be subject to an annual vetting by Parliament. To assess how well the investment plan does at macroeconomic level, MEPs would like to see a scoreboard.

MEP quotes:

Co-rapporteur Mr Fernandes

“We have strengthened the credibility and trust of the fund, by approving the guarantee has an irrevocable and unconditional character. We further reinforced its democratic legitimacy and transparency, enhancing the participation and oversight of the European Parliament. We have also reduced the impact on the Horizon 2020 and Connecting

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Europe Facility while keeping the amount of the guarantee fund intact, using all flexibility and assigning any EFSI surplus back to the programmes used to source the fund”.

Co-rapporteur Mr Bullmann

"The agreement found today could be an important step towards closing the investment gap in Europe and is an opportunity for growth and employment. Sustainable investment is a key way to break with the current economic trend and fight recession and mass unemployment”.

Budgets Committee chair [Jean Arthuis \(ALDE, FR\)](#)

“It is deeply regrettable that the Commission and the national governments, obsessed as they are by the narrow 'juste retour' logic, propose to finance the Juncker plan at the expense of parts of the EU budget that are genuinely European and transnational. At a time when all Member States recognize the need to relaunch investment in Europe, I invite them to directly provision the guarantee, as a token of trust and confidence. Today the Parliament was ambitious and creative. We hope the Council will follow suit, for the collective interest of Europe”.

Economic and Monetary Affairs Committee chair [Roberto Gualtieri \(S&D, IT\)](#)

“The European Parliament will now enter into negotiations with the Council with a sound and comprehensive proposal: we will work to reach a swift agreement between co-legislators, with a view of a final adoption by June, in order to make sure that the fund will be fully operational as soon as possible”.

Next steps

The resolution was approved by 69 votes to 13, with 6 abstentions. The committees have also approved a mandate to start negotiations with the Council by 71 to 6, with 11 abstentions. Negotiations are to start on 23 April, with the aim of establishing a compromise to be voted by Parliament as a whole in June, so as to have the fund up and running by mid-2015, in line with the Commission's plan.

Background

The European Committee presented its [€315 billion plan to boost investment](#) in the European Union in November 2014 and tabled a legislative proposal in January. Parliament and the Council are co-legislators on the issue.

In the chair: Roberto Gualtieri

Further information

- Video recording of the press conference after the vote (soon available - click on 20/04/2015): <http://www.europarl.europa.eu/ep-live/en/other-events/search>
- Article: MEPs vote on new fund to put EU investment plan into practice: <http://www.europarl.europa.eu/news/en/news-room/content/20150417STO42603/html/MEPs-vote-on-new-fund-to-put-EU-investment-plan-into-practice>
- Committee on Budgets: <http://www.europarl.europa.eu/committees/en/budg/home.html>
- Committee on Economic and Monetary Affairs: <http://www.europarl.europa.eu/committees/en/econ/home.html>
- Udo Bullmann (S&D, DE): <http://www.europarl.europa.eu/meps/en/4267.html>
- José Manuel Fernandes (EPP, PT): <http://www.europarl.europa.eu/meps/en/96899.html>
- Steps of the procedure: [http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2015/0009\(COD\)&l=en](http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2015/0009(COD)&l=en)
- The website of the investment plan (European Commission): http://ec.europa.eu/priorities/jobs-growth-investment/plan/index_en.htm

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