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PROPOSAL FOR AMENDMENTS

Regulation on the European Fund for Strategic Investments (COM(2015) 10 final)



Amendment 1

Proposal for a regulation

Recital 8

Text proposed by the Commission

(8) The EFSI is part of a comprehensive approach to address uncertainty surrounding public and private investments. The strategy has three pillars: mobilising finance for investment, making investment reach the real economy and improving the investment environment in the Union.

Amendment

(8) The EFSI is part of a comprehensive approach to address uncertainty surrounding public and private investments. The strategy has three pillars: mobilising finance for investment, making investment reach the real economy and improving the investment environment in the Union.

The ability of the EFSI to deliver results on those three pillars is strongly connected to a sufficient application of the EC's interpretation to make best use of flexibility within the existing rules of the stability and growth pact.

Justification

Success of the EFSI is very much contingent upon its financial volume. It's genuine value-added consists of a truly European selection procedure for investment projects, largely indifferent on cravings for national or regional proportionality. Thus, commitments via national promotional banks or institutions cannot fill in equal value. The EFSI-regulation identifies key areas with strong necessities but also chances for viable investments. In order to lift those opportunities, public investment is vital for obvious reasons. This will not be attainable on a sufficient scale without setting proper incentives for Member States. Making use of the flexibility within existing rules of the Stability and Growth Pact (SGP) [see COM(2015) 12 final/2] is therefore a minimum requirement for EFSI's success.

Amendment 1a

Proposal for a regulation

Recital 10

Text proposed by the Commission

(10) The purpose of the EFSI should be to help resolve the difficulties in financing and implementing productive investments in the Union and to ensure increased access to financing. It is intended that increased access to financing should be of particular benefit to small and medium enterprises. It is also appropriate to extend the benefit of such increased access to financing to mid-cap companies, which are companies having up to 3000 employees. Overcoming Europe's current investment difficulties should contribute to strengthening the Union's economic, social and territorial cohesion.

Amendment

(10) The purpose of the EFSI should be **twofold: a)** to help resolve the difficulties in financing and **implementing** productive investments in the Union and **b) to ensure** increased access to financing. It is intended that increased access to financing should be of particular benefit to small and medium enterprises **as defined in this regulation as well as other entities**. It is also appropriate to extend the benefit of such increased access to financing to mid-cap companies, which are companies having up to 3000 employees. Overcoming Europe's current investment difficulties should contribute to **turning the Union into a smart, sustainable and inclusive economy delivering high levels of employment, productivity and** economic, social and territorial cohesion.

Justification

CEEP believes that it should be made clear that the purpose of the EFSI is twofold: a) long term strategic investments and b) access to finance, with a specific emphasis on companies having up to 3000 employees.

CEEP believes that a reference to **other entities** will help avoid to only focusing on the term “companies” which could lead to an exclusion of public entities, funds or similar, legally constituted not as companies.

CEEP also believes it is essential that the EFSI objectives are aligned with the medium to long-term objectives of the EU 2020 strategy adopted in the conclusions of the European Council of 17 June 2010. Indeed the Unions commitment to turn itself into an economy, which would be smart, sustainable and inclusive, should also guide our general strategies when it comes to targeting the limited public resources invested in the EFSI. Using the EU 2020 strategy as a guiding compass could improve the working articulation between the European, regional and local levels and would introduce a very much needed balance between the objectives of competitiveness, security of energy supply and sustainability.

Amendment 2

Proposal for a regulation

Recital 11

Text proposed by the Commission

(11) The EFSI should support strategic investments with high economic value added contributing to achieving Union policy objectives.

Amendment

(11) The EFSI should support strategic ***public and private*** investments with high economic ***and social*** value added contributing to achieving Union policy objectives.

Justification

CEEP welcomes the new emphasis of the Commission on investment. However the selection of projects should not only be based on projects with the biggest estimate of a firm's economic profit but also on those projects which have positive impact on sustainable job creation and social cohesion. It is of the Union's responsibility to make sure the investments supported by the EFSI also help address the unacceptably high levels of unemployment in a sustainable way.

Amendment 3

Proposal for a regulation Recital 11 a (new)

Text proposed by the Commission

Amendment

11 a) The investments supported under EFSI should contribute to the aim of an interconnected and sustainable transport system, to the development of digital infrastructure, information and communications technology and innovation, to infrastructure projects in the fields of environment, including sustainable water networks and waste management facilities, and projects promoting a secure, sustainable and competitive European energy system and the interconnection of energy networks, thus realising the aim of Article 170 (1) of the Treaty promoting the further development of trans-European networks in the areas of transport, telecommunications and energy infrastructures, and to the Union's strategy for smart, sustainable and inclusive growth adopted in the conclusions of the European Council of 17 June 2010; in order to improve coordination of the Unions investment policies, Regulation 1303/2013 was established with a Common Strategic Framework ('CSF') in order to promote the harmonious, balanced and sustainable development of the Union. This integrated approach should accordingly be applied to operations and projects supported by the EFSI;

Justification

CEEP wishes to emphasize the need to create a strong link between the EFSI and the Europe 2020 strategy for smart, sustainable and inclusive growth by introducing a new Recital 11a. Moreover, the contribution of key sectors (digital, energy, environmental and transport services) to the realisation of this objective should be highlighted. They have a high potential to help achieving the overall objectives of EFSI Regulation, having a multiplier effect by providing the necessary infrastructure and realising a truly interconnected European Union.

Amendment 4

Proposal for a regulation

Recital 14

Text proposed by the Commission

(14) The EFSI should target projects delivering high societal and economic value. In particular, the EFSI should target projects that promote job creation, long-term growth and competitiveness. The EFSI should support a wide range of financial products, including equity, debt or guarantees, to best accommodate the needs of the individual project. This wide range of products should allow the EFSI to adapt to market needs whilst encouraging private investment in the projects. The EFSI should not be a substitute for private market finance but should instead catalyse private finance by addressing market failures so as to ensure the most effective and strategic use of public money. The requirement for consistency with State aid principles should contribute to such effective and strategic use.

Amendment

(14) The EFSI should target projects delivering high societal **and sustainable** economic **added** value. In particular, the EFSI should target projects that promote **sustainable** job creation, long-term **sustainable** growth and competitiveness, **which should also contribute to achieving the EU's policy goals for climate and energy under the EU 2020 strategy**. The EFSI should support a wide range of financial products, including equity, debt or guarantees, to best accommodate the needs of the individual project. This wide range of products should allow the EFSI to adapt to market needs whilst encouraging private investment in the projects. The EFSI should not be a substitute for private market finance but should instead catalyse private finance by addressing market failures so as to ensure the most effective and strategic use of public money. The requirement for consistency with State aid principles should contribute to such effective and strategic use.

Justification

CEEP welcomes the new emphasis of the Commission on investment. However the selection of projects should not only be based on projects with the biggest estimate of a firm's economic profit but also on those projects which have positive impact on sustainable job creation and social cohesion. It is of the Union's responsibility to make sure the investments supported by the EFSI also help address the unacceptably high levels of unemployment in a sustainable way.

Amendment 5

Proposal for a regulation

Recital 17

Text proposed by the Commission

(17) Decisions on the use of the EFSI support for infrastructure and large mid-cap projects should be made by an Investment Committee. The Investment Committee should be composed of independent experts who are knowledgeable and experienced in the areas of investment projects. The Investment Committee should be accountable to a Steering Board of the EFSI, who should supervise the fulfilment of the EFSI's objectives. To effectively benefit from the experience of the EIF, the EFSI should support funding to the EIF to allow the EIF to undertake individual projects in the areas of small and medium enterprises and small mid-cap companies.

Amendment

(17) Decisions on the use of the EFSI support for infrastructure and large mid-cap projects should be made by an Investment Committee. The Investment Committee should be composed of independent experts who are knowledgeable and own ***relevant experience in the areas of operations that pursue the general objectives of the EFSI.*** The Investment Committee ***should be approved by the European Parliament following hearings and*** should be accountable to a Steering Board of the EFSI, who should supervise the fulfilment of the EFSI's objectives. To effectively benefit from the experience of the EIF, the EFSI should support funding to the EIF to allow the EIF to undertake individual projects in the areas of small and medium enterprises and small mid-cap companies.

Justification

CEEP wishes to endorse the proposal of the draft report of the EP's Committee on Budget and Committee on Economic and Monetary Affairs, highlighting the need to have the Investment Committee approved through specific Parliamentary hearings. This would improve the transparency of the selection process and improve the relevance of the future committee's composition.

CEEP wishes to endorse the proposal of the Council negotiating stance of 10 March 2015 for Recital 17 mentioning the experience in the areas of operations that pursue the general objectives of EFSI. In order to ensure a multi-disciplinary decision making process for projects to be supported by the EU guarantee, all appointed experts of the investment committee shall demonstrate a relevant professional experience according to one or several of the general objectives mentioned in Article 5,2. As the investment committee shall determine which project will be supported by the EU guarantee it appears essential that relevant sectoral knowledge is present at the time of the decision making. CEEP believes for instance that when the job creation potential of projects is involved, social partners may bring a real knowledge on top of their own experience in terms of project financing.

Amendment 5a

Proposal for a regulation

Recital 19

Text proposed by the Commission

(19) In order to allow for further increase in its resources, participation in the EFSI should be open to third parties, including Member States, national promotional banks or public agencies owned or controlled by Member States, private sector entities and entities outside the Union subject to the consent of existing contributors. Third parties may contribute directly to the EFSI and take part in the EFSI governance structure.

Amendment

(19) In order to allow for further increase in its resources, participation in the EFSI should be open to third parties, including Member States, national promotional banks or public agencies owned or controlled by Member States, private sector entities and entities outside the Union subject to the consent of existing contributors. Third parties may contribute directly to the EFSI and take part in the EFSI governance structure. ***With regard to the existing rules of the financial stability and growth pact, direct contributions of Member States to EFSI should be treated accordingly to the EC's interpretation of flexibility within this set of rules.***

Justification

Success of the EFSI is very much contingent upon its financial volume. Its genuine value-added consists of a truly European selection procedure for investment projects, largely indifferent on cravings for national or regional proportionality. Thus commitment via national promotional banks or institutions cannot fill in equal value. The EFSI-regulation identifies key areas with strong necessities but also chances for viable investment. In order to lift those opportunities, public investment is vital for obvious reasons. This will not be attainable on a sufficient scale without setting proper incentives for member states. Making use of the flexibility within existing rules of the stability and growth pact [see COM(2015) 12 final/2] is therefore a minimum requirement for EFSI's success.

Amendment 6

Proposal for a regulation

Recital 22

Text proposed by the Commission

22) In accordance with the Treaty on the Functioning of the European Union, Infrastructure and project investments supported under EFSI should be consistent with State aid rules. To that end, the Commission has announced that it will formulate a set of core principles, for the purpose of State aid assessments, which a project will have to meet to be eligible for support under the EFSI. If a project meets these criteria and receives support from the EFSI, the Commission has announced that any national complementary support, will be assessed under a simplified and accelerated State aid assessment whereby the only additional issue to be verified by the Commission will be the proportionality of public support (absence of overcompensation). The Commission has also announced that it will provide further guidance on the set of core principles with a view to ensuring an efficient use of public funds

Amendment

(22) In accordance with the Treaty on the Functioning of the European Union, Infrastructure and project investments supported under EFSI should be consistent with State aid rules, ***especially when these investments are necessary for Services of General Economic Interest execution and fall under article 106.2 of the Treaty.*** To that end, the Commission has announced that it will formulate a set of core principles, for the purpose of State aid assessments, which a project will have to meet to be eligible for support under the EFSI. If a project meets these criteria and receives support from the EFSI, the Commission has announced that any national complementary support, will be assessed under a simplified and accelerated State aid assessment whereby the only additional issue to be verified by the Commission will be the proportionality of public support (absence of overcompensation), ***excluding national aid under existing notified state aid schemes or Commission decisions of exemption of notification such as Decision 2012/21/UE.*** The Commission has also announced that it will provide further guidance on the set of core principles with a view to ensuring an efficient use of public funds.

Justification

Article 106.2 of the Treaty on the Functioning of the European Union states that ‘Undertakings entrusted with the operation of services of general economic interest or having the character of a revenue-producing monopoly shall be subject to the rules contained in the Treaties, in particular to the rules on competition, in so far as the application of such rules does not obstruct the performance, in law or in fact, of the particular tasks assigned to them.’ CEEP believes that the specificity of SGIs providers must be emphasised in the EFSI regulation. The specific status of SGIs providers, whose missions are stated in the TFEU, must be safe-guarded, and projects supported under EFSI and which are necessary for the execution of Services of General Interest should fall under article 106.2 of TFEU. Such a reference to the article 106.2 is central, as SGIs providers carry missions which directly benefit citizens, and are therefore supporting the interests of the Union and the European Social Model.

Amendment 6a

Proposal for a regulation

Recital 31

Text proposed by the Commission

(31) Within the Union, there are a significant number of potentially viable projects that are not being financed due to a lack of certainty and transparency with respect to such projects. Often, this is because private investors are not aware of the projects or have insufficient information to make an assessment of the investment risks. The Commission and the EIB, with support from the Member States, should promote the creation of a transparent pipeline of current and future investment projects in the Union suitable for investment. This 'project pipeline' should ensure that information is made publicly available regarding investment projects on a regular and structured basis to ensure that investors have reliable information on which to base their investment decisions.

Amendment

(31) Within the Union, there are a significant number of potentially viable projects that are not being financed due to a lack of certainty and transparency with respect to such projects. Often, this is because private investors are not aware of the projects or have insufficient information to make an assessment of the investment risks. The Commission and the EIB, with support from the Member States, should promote the creation of a transparent pipeline of current and future investment projects in the Union suitable for investment. ***In order to maximize the expertise available, Member States, regions and public authorities should be allowed to contribute by providing relevant information and proposals throughout the selection process.*** This 'project pipeline' should ensure that information is made publicly available regarding investment projects on a regular and structured basis to ensure that investors have reliable information on which to base their investment decisions.

Justification

The EFSI should be provided with the best possible information and proposals. The project pipeline therefore is a key-tool in identifying sustainable investment opportunities across Europe. With regard to transparency and openness, recent experiences in the process of national list-creation were not always satisfactory. To open up direct information flows on investment opportunities, projects between local and regional authorities and the competent authorities at the European level, could minimize loss of relevant information.

Amendment 7

Proposal for a regulation

Recital 32

Text proposed by the Commission

32) Member States have also begun work at national level on establishing and promoting project pipelines for projects of national significance. The information prepared by the Commission and the EIB should provide links to the accompanying national project pipelines.

Amendment

(32) Member States have also begun work at national level on establishing and promoting project pipelines for projects of national significance. ***They should involve in this process partners according to article 5 of the regulation EU No 1303/2013.*** The information prepared by the Commission and the EIB should provide links to the accompanying national project pipelines.

Justification

The Plan involves investing EU public funds – so it is logical that the provisions of art. 5 of the Regulation 1303/2013 for partnership and multi-level governance, developed further in Regulation 240/2014 on the European code of conduct on partnership in the framework of the European Structural and Investment Funds, should be implemented in the decision making process.

Amendment 7a

Proposal for a regulation

Article 1

European Fund for Strategic Investments

Text proposed by the Commission

(1) The Commission shall conclude an agreement with the European Investment Bank (EIB) on the establishment of a European Fund for Strategic Investments ('EFSI'). The purpose of the EFSI shall be to support investments in the Union and to ensure increased access to financing for companies having up to 3000 employees, with a particular focus on small and medium enterprises, through the supply of risk bearing capacity to the EIB ('EFSI Agreement').

Amendment

(1) The Commission shall conclude an agreement with the European Investment Bank (EIB) on the establishment of a European Fund for Strategic Investments ('EFSI'). The purpose of the EFSI shall be to support investments in the Union and to ensure increased access to financing for companies having up to 3000 employees, with a particular focus on small and medium enterprises ***as defined in this regulation as well as other entities.***, through the supply of risk bearing capacity to the EIB ('EFSI Agreement').

Justification

CEEP believes that a reference to **other entities** will help avoid to only focus on the term “companies” which could lead to an exclusion of public entities, funds or similar, legally constituted not as companies.

Amendment 7b**Proposal for a regulation****Article 2a****Eligibility criteria for the use of the EU guarantee**

Text proposed by the Commission

Amendment

Article 2a***Eligibility criteria for the use of the EU guarantee***

- 1. The EFSI Agreement shall provide that EFSI is to support projects which:***
 - (a) are consistent with Union policies,***
 - (b) are economically and technically viable,***
 - (c) provide additionality, and***
 - (d) provide support to additional public and private investments***
- 2. In addition, the EFSI Agreement shall provide that the EFSI is to support projects pursuing any of the following general objectives:***
 - (a) development of transport infrastructure, particularly in industrial centres;***
 - (b) (development of energy infrastructure, in particular in energy interconnections and measures ensuring a secure, sustainable and competitive European energy system;***
 - (c) development of digital infrastructure, information and communications technology and innovation;***
 - (d) investment in education and training, health and culture including social investment in social infrastructures supporting people's skills and capacities, research and development, information and communications technology and innovation***
 - (e) infrastructures projects in the environmental field including water networks and waste management facilities, natural resources, urban development fields including tourism and social housing services.***
- 3. When establishing the investment policy and risk policy for the EFSI support, the Steering Board shall take into account the need to avoid an excessive concentration within a given sector or geographic area.***

Justification

CEEP believes that there should be a specific emphasis on the eligibility criteria for the use of the EU guarantee. On the basis of the Latvian presidency compromise proposal, the article 2a new should include the specific sectors which are to be the main focus of the EFSI agreement. The list of sectors here developed has its justification down below at article 5's amendments.

Furthermore, CEEP believes that a specific emphasis should be put on the need for the Steering board to take into account the specific risk of concentration. It would not be acceptable for the EFSI to contribute to endangering Europe's cohesion when the crisis has already increased the discrepancies in the Union.

Amendment 7c

Proposal for a regulation

Article 2 – paragraph 2 – subparagraph 2

Text proposed by the Commission

To meet that objective, the EIAH shall use the expertise of the EIB, the Commission, national promotional banks and the managing authorities of the European Structural and Investment Funds.

Amendment

To meet that objective, the EIAH shall use the expertise of the EIB, the Commission, national promotional banks and the managing authorities of the European Structural and Investment Funds ***and involve partners according to article 5 of the regulation EU No 1303/2013.***

Justification

The Regulation of the EU No 1303/2014 has introduced the partnership principle in a very valuable, workable and inclusive way. It introduces social, local and regional partners, who can provide relevant expertise, which is crucial for the success and public acceptance of the projects. This principle is developed further in Regulation 240/2014 on the European code of conduct on partnership in the framework of the European Structural and Investment Funds should be implemented in the decision making process.

Amendment 7d

Proposal for a regulation

Article 2 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

In order to ensure the best possible regional and territorial reach across the Union for such advisory services and support, the work of the EIAH shall be reinforced by, and closely networked with, similar structures at national level, such as those provided by national promotional banks or adequate public authorities.

Justification

The EIAH would greatly benefit from a more decentralised expertise. The projects for funding are fully embedded within the territorial reality at the regional and local level. Projects which are supported by national, regional and local public authorities represent more than 55% of public investment in Europe. They play a determining role in identifying and assessing the needs for funding and could feed effectively the EIAH in projects.

Amendment 8

Proposal for a regulation

Article 3 – paragraph 5 – subparagraph 2

Text proposed by the Commission

The Investment Committee shall be composed of six independent experts and the Managing Director. Independent experts shall have a high level of relevant market experience in project finance and be appointed by the Steering Board for a renewable fixed term of three years.

Amendment

The Investment Committee shall be composed of ***at least*** six independent experts and the Managing Director. Independent experts shall ***own relevant experience in the areas of operations that pursue the general objectives of the EFSI respectively mentioned at article 5,2 a to e.*** ***The Investment Committee shall*** be appointed by the Steering Board for a renewable fixed term of three years.

Justification

The Investment Committee, which shall decide on which projects to be supported under the EFSI in line with the objectives set out in Article 5.2 and 5.2a, should be composed of a sufficient number of experts. In order to ensure a multi-disciplinary decision making process for projects to be supported by the EU guarantee, all appointed experts of the investment committee shall demonstrate a relevant professional experience according to one or several of the general objectives mentioned in Article 5.2.

Amendment 9

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1

Text proposed by the Commission

The EU guarantee shall be granted for EIB financing and investment operations approved by the Investment Committee referred to in Article 3(5) or funding to the EIF in order to conduct EIB financing and investment operations in accordance with Article 7(2). The operations concerned shall be consistent with Union policies and support any of the following general objectives:

Amendment

The EU guarantee shall be granted for EIB financing and investment operations, ***focused at fostering the transition towards a smart, sustainable and inclusive economy and*** approved by the Investment Committee referred to in Article 3(5) or funding to the EIF in order to conduct EIB financing and investment operations in accordance with Article 7(2). The operations concerned shall be consistent with Union policies and support any of the following general objectives:

Justification

CEEP believes it essential that the EFSI objectives are aligned with the medium to long-term objectives of the EU 2020 strategy adopted in the conclusions of the European Council of 17 June 2010. Indeed the Unions commitment to turn itself into an economy, which would be smart, sustainable and inclusive, should also guide our general strategies when it comes to targeting the limited public resources invested in the EFSI. Using the EU 2020 strategy as a guiding compass could improve the working articulation between the European, regional and local levels and would introduce a very much needed balance between the objectives of competitiveness, security of energy supply and sustainability.

Amendment 10

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – point a

Text proposed by the Commission

Amendment

(a) development of infrastructure, ***including in the areas of transport, particularly in industrial centres; energy, in particular in energy interconnections; and digital infrastructure;***

(a) development of ***transport*** infrastructure, particularly in industrial centres;

Justification

CEEP believes that better visibility should be given to the development of transport infrastructure in order to highlight its crucial importance for the overall objectives of the EFSI Regulation.

Amendment 11

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – point a a (new)

Text proposed by the Commission

Amendment

(a a) development of energy infrastructure, in particular in energy interconnections and measures ensuring a secure, sustainable and competitive European energy system;

Justification

CEEP believes that better visibility should be given to the development of energy infrastructure in order to highlight its crucial importance for the overall objectives of the EFSI Regulation.

Amendment 12

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – point a b (new)

Text proposed by the Commission

Amendment

(a b) development of digital infrastructure, information and communications technology and innovation;

Justification

CEEP believes that better visibility should be given to the development of digital infrastructure, information and communications technology and innovation in order to highlight their crucial importance for the overall objectives of the EFSI Regulation.

Amendment 13

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – point b

Text proposed by the Commission

(b) investment in education and training, health, research and development, information and communications technology and innovation;

Amendment

(b) investment in education and training, health ***and culture, including social investment in social infrastructures supporting people's skills and capacities,*** research and development, information and communications technology and innovation;

Justification

Education, training, health, research and development and innovation are among Europe's most important assets, making us able to respond to our global challenges and driving our competitiveness and human well-being. CEEP wishes to also put the emphasis on the necessary social investment which through education, health or relevant enabling services help face the demographic challenges which Europe is facing already today. It is also important to give a better emphasis on the need to reinforce European citizen's capacities which should considerably reinforce Europe's overall competitiveness.

Amendment 14

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 1 – point d

Text proposed by the Commission

(d) infrastructure projects in the environmental, natural resources, urban development and social fields;

Amendment

(d) Infrastructures projects in the environmental ***field including water networks and waste management facilities***, natural resources, urban development fields ***including tourism and social housing services***.

Justification

CEEP believes that better visibility should be given to the field of environment emphasizing the role of water networks and waste management facilities in order to highlight their crucial importance for the overall objectives of the EFSI Regulation.

CEEP believes that a specific emphasis should be given to the social housing services within urban development projects. Indeed the economic crisis has worsened the socio-economic conditions of an increasing share of the population, leading to higher demand for affordable housing and social allowances in the majority of European countries. Social housing faces significant budget constraints in almost all Member States, due to the decreasing trend in resources being used to finance the sector.

Amendment 15

Proposal for a regulation

Article 5 – paragraph 2 – subparagraph 2 a (new)

Text proposed by the Commission

Amendment

Where applicable national or regional investment platforms shall involve competent public authorities and social partners in line with article 5 and Chapter II of Regulation (EU) No 1303/2013.

Justification

CEEP wishes to put a specific emphasis on social partners' involvement in the establishment and operation of national and regional investment platforms. Involving social partners is indeed one of the best ways to improve ownership and maximise results of the investments.

Amendment 16

Proposal for a regulation Article 5 – paragraph 4

Text proposed by the Commission

Provided that all relevant eligibility criteria are fulfilled, Member States may use European Structural and Investment Funds to contribute to the financing of eligible projects in which the EIB is investing with the support of the EU guarantee.

Amendment

Provided that all relevant eligibility criteria are fulfilled, Member States may use ***the different Union financing tools at their disposal and*** including the European Structural and Investment Funds ***and the European Social Funds*** to contribute to the financing of eligible projects in which the EIB is investing with the support of the EU guarantee.

Justification

Member states should be able to use the diversity of the tools the Union puts at their disposal in order to co-finance operations and projects backed by the EU guarantee, not only the financing made available by the European Structural and Investment Funds. The ESF is a relevant tool, for instance, to complete projects initiatives when it comes to education and training, health or Social Investments.

Amendment 16a

Proposal for a regulation

Art. 9 – Paragraph 1

Text proposed by the Commission

1. The Commission and the EIB, with support from the Member States, shall promote the creation of a transparent pipeline of current and potential future investment projects in the Union. The pipeline is without prejudice to the final projects selected for support according to Article 3(5).

Amendment

1. The Commission and the EIB, with support from the Member States, shall promote the creation of a transparent pipeline of current and potential future investment projects in the Union. The pipeline is without prejudice to the final projects selected for support according to Article 3(5). ***Member States, regions and local authorities may contribute to its establishment and management.***

Justification

EFSI should be provided with the best possible information and proposals. The project pipeline therefore is a key-tool in identifying sustainable investment opportunities across Europe. Opening up direct information flows on investment opportunities/projects between member-states, local/regional authorities and the competent authorities on a European level is a necessity in order to achieve this aim.

Amendment 17

Proposal for a regulation

Article 10 – paragraph 2 – point b

Text proposed by the Commission

(b) an assessment of the added value, the mobilisation of private sector resources, the estimated and actual outputs, outcomes and impact of EIB financing and investment operations at an aggregated basis;

Amendment

(b) an assessment of the ***economic and social*** added value, the mobilisation of ***public and*** private sector resources, the estimated and actual outputs, outcomes and impact of EIB financing and investment operations at an aggregated basis. ***This includes the impact on the creation of sustainable jobs and the support to the transition toward a smart, sustainable and inclusive economy.***

Justification

The selection of projects should not only be based on projects with the biggest estimate of a firm's economic profit but also on those projects which have positive impact on sustainable job creation and social cohesion. It is of the Union's responsibility to make sure the investments supported by the EFSI also help address the unacceptably high levels of unemployment in a sustainable way.

Amendment 18

Proposal for a regulation

Article 11 –

Text proposed by the Commission

1. At the request of the European Parliament, the Managing Director shall participate in a hearing of the European Parliament on the performance of the EFSI.
2. The Managing Director shall reply orally or in writing to questions addressed to the EFSI by the European Parliament, in any event within five weeks of receipt of a question.
3. At the request of the European Parliament, the Commission shall report to the European Parliament on the application of this Regulation.

Amendment

1. At the request of the European Parliament ***or the Council***, the Managing Director shall ***report on the performance of the EFSI to both institutions. The reporting shall include*** a hearing ***at*** the European Parliament (...).
2. The Managing Director shall reply orally ~~or~~ ***and*** in writing to questions addressed to the EFSI by the European Parliament ***or the Council***, in any event within five weeks of receipt of a question.
3. At the request of the European Parliament ***or the Council***, the Commission shall report (...) on the application of this Regulation.

Justification

It appears essential that the Managing director responds to both the Parliament and the Council in order to ensure a proper transparency and accountability of the EFSI Governance in front of the European Co-legislator.