

HEADING 1A: Competitiveness for growth and jobs

European Fund for Strategic Investments (EFSI)

Lead DG: ECFIN

I. Overview

What the programme is about?

The European Fund for Strategic Investments (EFSI) is one of the three pillars of the Investment Plan for Europe that aims to revive investment in strategic projects around the continent to ensure that money reaches the real economy. The Investment Plan for Europe also includes the European Investment Advisory Hub (EIAH) and the European Investment Project Portal (EIPP). EIAH offers a single access point to a 360-degree offer of advisory and technical assistance services to identify, prepare and develop investment projects across the European Union. The EIPP is designed as a bridge between EU project promoters and investors worldwide.

With the EFSI support, the EIB Group is providing funding for economically viable projects, especially for projects with a higher risk profile than those usually financed by the EIB. The focus is on sectors of key importance for the European economy, including:

- Strategic infrastructure including digital, transport and energy;
- Education, research, development and innovation;
- Renewable energy and resource efficiency;
- Support for small and mid-sized businesses.

EU added value of the programme

Since the global economic and financial crisis, the EU has been suffering from low levels of investment. Collective and coordinated efforts at European level are needed to reverse this downward trend and put Europe on the path of economic recovery. The Investment Plan for Europe focuses on removing obstacles to investment, providing visibility and technical assistance to investment projects and making smarter use of new and existing financial resources. The European Fund for Strategic Investments, the driver of the Investment Plan, aims to overcome current market failures by addressing market gaps and mobilising private investment. Action at the Union level allows for economies of scale in the use of the Union budget funds in combination with the EIB Group financing by catalysing private investment across the Union and making best use of the European institutions and their expertise and knowledge for that purpose. The multiplying effect and the impact on the ground will thus be much higher than could be achieved by an investment offensive in a single Member State or a group of Member States. The fact that there is no country-specific or sectorial project allocation, will provide for greater attractiveness for investors and lower aggregated risks. The investments supported under the EFSI should contribute to achieving existing Union programmes and policies and the targets and objectives of the Europe 2020 strategy for smart, sustainable and inclusive growth, quality job creation and economic, social and territorial cohesion.

Implementation mode

Indirect management.

II. Programme Update

Implementation status (2017-2019)

The legal basis: Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments (EFSI), the European Investment Advisory Hub (EIAH) and the European Investment Project Portal (EIPP) – The European Fund for Strategic Investments (EU L 169, 1.7.2015, p. 1) was adopted on 25 June 2015. The Commission and the EIB signed the EFSI and the EIAH Agreements with the EIB on 22 July 2015. Moreover, the Commission Implementing Decision for the EIPP was adopted on the same date.

On 30 December 2017, the Regulation to extend and enhance the European Fund for Strategic Investments (EFSI 2.0) entered into force – Regulation (EU) 2017/2396 of the European Parliament and of the Council of 13 December 2017 amending Regulations (EU) No 1316/2013 and (EU) 2015/1017. It extends the duration of the European Fund for Strategic Investments and introduces technical enhancements for the EFSI and the EIAH.

The EFSI 2.0 Regulation reinforced the definition of ‘additionality’ and enhanced the transparency of the investment decisions. At present, the scoreboard of indicators and the rationale of the Investment Committee’s decisions for granting the use of the EU guarantee are made publicly available. The EFSI 2.0 also introduced that at least 40 % of projects under the Infrastructure and Innovation Window shall contribute to climate action, in line with the commitments made at the COP21. Moreover, in The EFSI 2.0, the work of the EIAH was enhanced by providing more tailor-made assistance on the ground and working in close cooperation with national promotional banks and institutions.

In November 2018, the European Commission issued a Communication on the ‘Investment Plan for Europe: stock-taking and next steps’ (COM(2018) 771 final).

In 2019, implementation continued making progress towards reaching the objectives set by the EFSI 2.0 Regulation. This in particular focused on the new climate target of 40 % under the Infrastructure and Innovation Window, investment mobilised as well as impact on jobs and growth.

In this respect, in October 2019, the European Commission published a factsheet on ‘The Juncker Plan’s impact on jobs and growth’ (https://ec.europa.eu/commission/sites/beta-political/files/juncker-plan-impact-jobs-growth_en.pdf). Moreover, the Commission and the EIB conducted a study assessing the root causes of the observed geographical spread of the EFSI’s support.

The EFSI is now coming close to the end of its investment period for approvals of operations that will end by 31 December 2020. Given the long-term nature of support under the EFSI, operational monitoring will continue until repayment of all underlying financing and investment operations.

The EFSI support is provided through an EU Guarantee of EUR 26 billion. A Guarantee Fund constitutes a liquidity cushion from which the EIB is to be paid in the event of a call on the EU Guarantee. Thus, the liquidity cushion is intended to provide an appropriate safety margin avoiding exposing the Union budget to sudden guarantee calls, which could entail spending cuts or budget amendments. The Guarantee Fund under the EFSI is funded mainly from payments from the Union general budget and revenues originating from operations under the EU Guarantee. Total EU budget allocated for the Guarantee Fund provisioning amounts to EUR 8 425 million. The schedule of operational commitments of the budget for provisioning the Guarantee Fund is presented under Section III below and follows the pre-agreed plan that reflect the gradual build-up of the EFSI portfolio. Since the portfolio is now largely established, the operational appropriations for 2019 and 2020 are low compared to previous years.

Key achievements

European Fund for Strategic Investments (EFSI)

The Investment Plan for Europe, with the European Fund for Strategic Investments, has demonstrated that EU funding can make a crucial contribution to boost investment, to foster the development of skills and employability, as well as to modernise education, training, and promote youth work. The results so far support the evidence that the EFSI has been effective in providing financing to investment projects and SMEs alike, reaching initial targets and being on track to achieve the end-2020 ones. By July 2018, the EFSI has successfully helped mobilise EUR 334.8 billion of private and public investment and therefore reached its initial EUR 315 billion objective.

The EFSI is also on track to meet the second, end-2020 target of unlocking additional investment of at least EUR 500 billion. As of 31 December 2019, 1 269 EFSI projects have been approved by the EIB Group for a total investment value of EUR 458.4 billion: EUR 271.7 billion for Infrastructure and Innovation Window (IIW) investments (602 approved projects) and EUR 186.7 billion (667 approved projects) under the SME Window (SMEW). About 1 125 000 SMEs across all Member States are expected to benefit.

The EFSI is implemented in strong cooperation with national promotional banks and institutions (NPBIs). As of 31 December 2019, cumulative EFSI investment mobilised in cooperation with NPBIs amounted to EUR 123.2bn or 27 % of the EFSI total. Moreover, 61 Investment Platforms were approved under the EFSI that help support smaller projects in 18 Member States in areas like SMEs, environment and energy.

The EFSI has benefitted all Member States. At the end of 2019, the top beneficiary countries, in terms of the EFSI investments mobilised relative to GDP, were Greece, Estonia, Portugal, Bulgaria and Poland. The EFSI had a big impact in countries that were hit hard by the crisis.

Although the EFSI is neither geographically nor sector-specifically earmarked, but demand driven, it has backed projects across all eligible sectors under the programme. The EFSI has enabled the EIB Group to support unserved markets and clients, for example for the IIW more than three quarters of the clients are new EIB counterparts.

The Investment Plan for Europe has contributed significantly to job creation and growth. It is estimated that as of 31 December 2019, the EFSI IIW operations have contributed to creation of more than 1.1 million jobs. As regards intermediated operations under IIW and SMEW, the EFSI helped sustain and support more than 8.5 million jobs. It is estimated that, by 2019, investments under the Juncker Plan had increased EU GDP by 0.9 % and it is set to increase EU GDP by 1.8 % by 2022 (Source: EIB assessment).

Apart from contribution to growth and jobs, by end-2019 EFSI investments had concrete impacts on citizens across EU by (¹):

- Delivering renewable energy to over 10 million households,
- Building or renovating 531 000 affordable flats,
- Providing better waste treatment for 33.3 million people,
- Investing in new or improved transport for over 95 million passengers,

(¹) Source: EIB assessment – informal reporting by the EIB as of 31 December 2019 as well as information

- Delivering high speed internet for 15 million additional households,
- Providing access to better healthcare for 30.6 million people, and
- Saving over 5 000GWh of energy per year.

Few examples of EFSI projects:

- EFSI supported a EUR 25 million loan to Apeiron Biologics, a private Austrian clinical stage biotech company. Apeiron has been working in the field of immune-oncology to develop new cancer treatments.
- EFSI supported a company called Azimo based in Poland with a mission to make international payments affordable to all. With its fast, simple and low-cost international payment solutions around the world, Azimo furthers the UN Sustainable Development Goals of financial inclusion and inequality reduction.
- EFSI supported a company called Olmix in France with a EUR 30 million loan. The company uses algae and clay to create better food and fertiliser that can improve the nutrition, hygiene and health of plants, animals and humans.
- EFSI supported a EUR 70 million loan to Talasol Solar energy power plant based in Spain. The plant is expected to be operational in 2020 and create 500 jobs during the implementation phase.
- EFSI supported a EUR 7.5 million loan to GreenFiber International SA based in Romania to finance a recycling and circular economy project. The project will contribute to the creation of 280 full-time jobs and will increase the amount of waste collected and processed by over 50 000 tonnes per year.

European Investment Advisory Hub (EIAH)

Since its launch in September 2015 and until end-2022, the EIAH offers project promoters a single point of entry for technical assistance, guidance and advice covering the entire project lifecycle. As of end-2019:

- the EIAH received a total of 1 547 requests of which 79 % were received directly by EIAH, whilst the remaining were sourced through partnership arrangements.
- 1 325 Requests were project-related and of those 741 came from the private sector.
- 482 Requests have been allocated to receive more detailed technical assistance from the EIAH of which 197 are completed.

As of end-2019, the ‘Environment and resource efficiency’ EIAH sector (which includes Climate Action and Circular Economy) represents almost 20 % of the requests reaching the EIAH. 11 % of EIAH assignments (requests receiving detailed advisory support) have a climate dimension whereas 2 % of the requests have a circular economy dimension. EIAH assignments with a climate action dimension represent an envelope of EUR 9.6 million (22 % of the total EIAH assignments estimated budget) and corresponds to estimated investment costs of EUR 8.2bn.

To date, 27 MoUs have been signed with national promotional banks and institutions (NPBIs) from 22 Member States. The memorandum allows the EIAH and NPBIs to establish synergies between their respective operations. The MoU foresees several areas of engagement for NPBIs, from participating in knowledge sharing activities to acting as a national / regional point of entry for advisory support and local delivery of advisory support.

The EIAH also offers funding support (EUR 7 million) through a Call for Proposals from NPBIs, which is open since December 2017. The Call is offering co-funding in the form of grants for a wide range of programmes to support development of investable projects by participating NPBIs. The types of eligible activities include: (a) delivery of investment advisory services on behalf of the EIAH, (b) establishment or developing organisational capacity and (c) knowledge transfer for the development of a local advisory capacity. As of the end of 2019, 15 NPBs have submitted their proposals under the Call and 6 funding agreements were signed.

The EIB signed an agreement with the EBRD on 20 March 2017 (amended on 18 September 2018) to deliver the EBRD Advice for Small Businesses (ASB) Programme in Bulgaria, Greece, Romania and Croatia under the European Investment Advisory Hub umbrella. It includes delivery of more than 300 advisory projects during the funding agreement lifetime (until end-2020), across Bulgaria, Greece, Romania and Croatia, of which at least 10 % will be carried out with international advisers, depending on market needs. As of the end of 2019, 201 requests under this programme were receiving detailed advisory support.

European Investment Project Portal (EIPP)

The EIPP is the EU’s online matchmaking platform which brings together investors and project promoters by providing an easily-accessible and user-friendly database, giving projects more visibility, enabling investors to find investment opportunities and helping them secure the financing they need to grow.

In 2019, more than 600 projects were received and 499 projects were published on the EIPP. In total as of end of 2019, the EIPP provided 956 investment opportunities. Including the results of the 2019 EIPP survey, more than 60 projects have received financing after being published on the Portal. Three EIPP testimonial videos were produced and released in 2019.

In March 2019, a first InvestEU Matchmaking event with more than 250 participants was organised by the EIPP including dedicated matchmaking sessions between 200 selected EU-based project promoters and 50 private investors (Business Angels, Venture Capital and Private Equity funds).

In addition, the EIPP collaborated with the European Business Angels Network (EBAN) in the EBAN Helsinki 2019 Annual Congress and co-organised the first edition of the European Angel Investment Summit in Brussels. During these events, entrepreneurs, investors, corporates and innovators assembled to experience networking, productive workshops and insightful panel discussions and, most notably, entrepreneurs and investors participated in hundreds of one-to-one meetings.

Evaluations/studies conducted

The key findings of the latest evaluation (SWD(2018) 316 final) have been presented in the Programme Statement of the financial year 2020 (COM(2019) 400 – June 2019).

In January 2019, the European Court of Auditors (ECA) published a Performance Audit on the implementation of the EFSI titled 'European Fund for Strategic Investments: Action needed to make EFSI a full success'. The ECA audit looked at operations under the EFSI 1.0. The ECA concluded that the EFSI has been effective in raising finance to support substantial additional investment in the EU. The report also made some recommendations for areas of improvement, which were addressed to the EIB Group, to the Commission or both. Most recommendations were already addressed by the EFSI 2.0 Regulation. The ECA main recommendations include:

- Promoting the justified use of higher-risk EIB products under the EFSI;
- Encouraging complementarity between EU financial instruments: the Commission considers this recommendation as being implemented through the legislative proposals for the post-2020 MFF. The Commission proposal is to establish a single investment programme (InvestEU Programme) in order to enhance consistency and complementarity and to avoid possible duplications and overlaps between different instruments.
- Improving the assessment of whether potential EFSI projects could have been financed from other sources: based on the EFSI 2.0 Regulation, EIB has already included qualitative assessment of additionality, including the availability of complementary and alternative sources of finance.
- Estimating better the investment mobilised: the EFSI multiplier calculation methodologies were updated by January 2019. Those methodologies are applied at approval stage ensuring that only incremental investment mobilised is accounted for towards the EFSI target.
- Improving the geographical spread of EFSI supported investment: the Commission and the EIB, through the EFSI Steering Board, conducted a study assessing the root causes of the observed geographical spread. The EFSI Steering Board also provided recommendations for actions to be taken in the remaining EFSI implementation period until end of 2020.

In 2019 the European Court of Auditors initiated a Performance Audit on the implementation of the EIAH. The final report is expected to be adopted in spring 2020.

Forthcoming implementation

The remaining EFSI 2.0 implementation shall focus in particular on reaching the revised target of at least half a trillion euros of investment mobilised based on operations to be approved by end-2020. It shall also aim at reaching the climate action target for the IIW and address the EFSI Steering Board recommendation in terms of the EFSI geographical balance. After 2020, while the investment period for approvals will have been closed, the focus will be on signing approved operations before the deadline of 31 December 2022. Given the long-term nature of support under the EFSI, operational monitoring will continue until repayment of all underlying financing and investment operations. In 2021, the focus shall also be on a smooth transition towards the InvestEU Fund, the proposed new investment support instrument for the next MFF.

For the EIAH implementation, annual specific grants agreements (SGAs) are concluded between the EU and the EIB. The work programme underlying the 2020 SGA should be finalised by May 1 2020 and will have an N+2 implementation period.

As to the EU's online matchmaking platform, in 2020 the EIPP will continue to give EU-based projects more visibility enabling investors to easily find investment opportunities in Europe.

Outlook for the period 2021-2027

As part of the EU's Multiannual Financial Framework for 2021 to 2027, the Commission has proposed a new initiative to mobilise private and public investment – the InvestEU Programme. It consists of the InvestEU Fund (the successor of the EFSI and other 13 centrally-managed financial instruments), the InvestEU Advisory Hub (the successor of the EIAH and other 12 centrally managed advisory programmes/initiatives) and the InvestEU Portal (the successor of the EIPP). The InvestEU Programme will bring together under one roof the multitude of EU financial instruments and advisory services currently available to support investment in the EU. It will make EU funding for investment projects in Europe simpler, more efficient and more flexible.

The InvestEU Fund shall focus on addressing the large investment gaps in key areas of the future through an EU budget guarantee. It will thus further boost job creation and support investment and innovation in the EU. It is expected to mobilise around EUR 650 billion of private and public investment across the EU by end-2027. At least 30 % of the InvestEU Fund will contribute to fighting climate change.

The InvestEU Advisory Hub will provide project development advisory support and capacity building throughout the investment cycle to foster the origination and development of investment projects and access to financing. The assistance will be provided in the InvestEU Programme's policy areas and will also ensure a central point of access for project promoters and authorities.

The InvestEU Portal will continue the current EIPP, a database providing visibility to investment projects for which EU-based project promoters seek financing and providing investors with information about investment opportunities available in Europe, but with a better linkage between the projects and a possible financing by the InvestEU Fund implementing partners.

III. Programme key facts and performance framework

1. Financial programming

Legal Basis	Period of application	Reference Amount (EUR million)
Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 – the European Fund for Strategic Investments	2015 – 2020	Maximum EU provision: EUR 26 billion

	Financial Programming (EUR million)							
	2014	2015	2016	2017	2018	2019	2020	Total Programme
Operational appropriations		1 360,5	2 128,9	2 661,1	2 038,3	186,9	172,9	8 548,5
Total		1 360,5	2 128,9	2 661,1	2 038,3	186,9	172,9	8 548,5

2. Implementation rates

	2019				2020			
	CA	Impl. Rate	PA	Impl. Rate	CA	Impl. Rate	PA	Impl. Rate
Voted appropriations	186,879	100,00 %	1 023,000	99,99 %	172,852	88,43 %	1 105,216	98,47 %
Authorised appropriations (*)	377,277	100,00 %	1 213,398	97,74 %	225,752	91,14 %	1 185,416	98,58 %

(*) Authorised appropriations include voted appropriations, appropriations originating from assigned revenues (internal and external) as well as carried-over and reconstituted appropriations; the execution rate is calculated on 15 April 2020

3. Performance information

Programme performance

The European Fund for Strategic Investments is achieving its objectives as set in the Regulation. It has supported investments by providing risk-bearing capacity to the EIB and has increased access to financing for SMEs and small-midcaps. The EFSI is fully on track to meet the end-2020 target of unlocking additional investment of at least EUR 500 billion.

The EFSI has significantly increased the volume of European Investment Bank (EIB) Group financing and investment operations in priority areas. As of end-2019, the EFSI enabled the EIB Group to sign EUR 69 billion of riskier financing and investment operations in all policy priority areas as defined in the Regulation. The number of projects that received support under the EFSI initiative amounted to 1 269 at the end of 2019, which is already higher than the final target for 2020 of 1 000.

While financial market condition have improved over the last few years, evidence suggests that there remain significant market gaps and sub-optimal investment situations. These concern market size and structure, public-sector promoter constraints and access to finance for certain type of beneficiaries. In particular, for SME financing there is still a gap in terms of cost of finance and collateral requirements. In addition, there are huge market gaps in areas related to climate action and sustainability.

All EU Member States have received financing supported by the EFSI. While the EFSI is a demand driven instrument, further efforts are ongoing with an aim to improve the geographical balance among the MS during by end-2020 (see section on 'Evaluations/studies conducted'). The EFSI Strategic orientation provided that the share of investment under IIW in any three Member States together (measured by signed loans/investment amounts) should not exceed 45 % of the total EFSI portfolio. As of 31 December 2019, the share of top three Member States (France, Italy and Spain) accounts for 48.2 % of signed EFSI financing and for 45.1 % of investment mobilised by approvals. Both metrics are slightly above the indicative limit of 45 % set out in the Strategic Orientation. Therefore, the Commission and the EIB conducted a study on the causes of EFSI geographical balance through the EFSI steering board. Based on the conclusions of the study, the EFSI steering board adopted a set of actions to be implemented until the end of the EFSI implementation period (end 2020). These include:

- The EFSI Steering Board to continue monitoring closely the indicative geographical concentration limit set in the EFSI Strategic Orientation. Moreover, it will monitor the geographical balance and country absorption of EFSI financing through appropriate indicators. For Member States significantly underrepresented based on a GDP per capita metrics, this monitoring shall include analysis of the specific investment situation of the concerned Member States, particularly in the framework of cooperation between the Commission and the EIB in the context of the European Semester.

- More targeted awareness raising activities with a particular focus on EU13 including the organisation of a regional operational-oriented workshop targeting project promoters and local economic actors in the CESEE region (i.e. to present case studies, including Investment Platforms and projects with NPBI, allowing peer-learning within the region) and of a joint EC-EIB social media campaign for awareness-raising and promotion of the EFSI oriented towards the EU13 Member States (based on existing activity in this region).
- EIB to keep special focus on EFSI operations in the EU13 Member States, in particular in the innovation, climate and environment, and SME sectors. 5. Further EIAH outreach for the EU13 region to support better project preparation and provide upstream technical assistance. However, given the EFSI demand driven nature, the geographical balance depend mostly on the market uptake in EU13 who are also main recipients of grant support under structural funds.

The EFSI has slightly surpassed the 40 % objective for climate action under Infrastructure and Innovation Window. In fact, as of end-2019 40.2 % of signed operations under IIW in 2019 contributed to climate action. This was achieved through more focused support of climate related projects like renewable energy and energy efficiency.

The EFSI is providing EU added value by addressing market failures and by supporting riskier operations to non-EFSI EIB operations. EFSI supported operation also value by mobilising other private investors through ‘signalling effect’ as support is seen as a strong ‘stamp of approval’. An intervention at EU level ensures that a critical mass of resources can be leveraged so as to maximise the impact of investment on the ground.

Additionality under EFSI means ‘*the support by the EFSI of operations which address market failures or sub-optimal investment situations and which could not have been carried out in the period during which the EU guarantee can be used, or not to the same extent, by the EIB, the EIF or under existing Union financial instruments without EFSI support*’. Therefore additionality criteria and other eligibility criteria set in the EFSI Regulation direct the supported financing towards projects and policy areas where there are identified market failures and sub-optimal investment operations. These criteria have been strengthened with the EFSI 2.0 Regulation.

Support to different sectors under EFSI is considered balanced. The three largest sectors in terms of investment mobilised are access to finance for SMEs and Mid-Caps (31 %), RDI (26 %) and Energy (17 %). As far as IIW is concerned, all the sectors are within the 30 % limit with largest share of the Energy sector (29.3 %).

The EIAH is now a well-established and recognised advisory support tool for project promoters and an influential networking partner for the NPBI. Thus, after a ramp-up phase that took longer than originally expected, the EIAH became a performing programme that continued to perform well in 2019. As of the end of 2019, 482 requests were allocated for EIAH support and 71 of the EIAH assignments that entered the EIB lending appraisal system and could potentially benefit from the EFSI guarantee (representing an estimate of investment of EUR 11,9bn under EFSI).

The cooperation with NPBI is one of the EIAH’s main tools to ensure local outreach. As of end-2019, the EIAH concluded 23 Memoranda of Understanding (MoUs) with NPBI from 22 Member States and 4 MoUs with other institutions in order to stimulate local demand for advice. In addition, a Call for proposals to develop local advisory capacity within NPBI was launched by the EIAH in December 2017. By end of 2019, 15 applications had been received under this Call for proposals and seven Funding Agreements had already been signed in this regard.

The EIPP, the EU’s online matchmaking platform, gives EU-based project promoters visibility and it helps them reach a large network of potential investors and it enables investors to find the appropriate investment opportunities. As of end-2019, the EIPP enabled more than 65 successful matches between project promoters and investors. Also, as of end 2019 EIPP provided visibility to 956 investment opportunities emanating from all Member States with a total proposed investment of EUR 66 billion. In 2019, the EIPP organised a successful matchmaking event and effectively collaborated with its partners and co-organised several other matchmaking events. These communication efforts resulted in a significant increase of the number of projects published on the EIPP compared to previous years hence exceeding the initial expectations. The challenges of continuously receiving new good projects for publication as well as new quality investors’ registrations remain. Therefore, further communication and promotional activities (e.g. participations to conferences and events, social media campaigns) are envisaged to achieve further visibility of the EIPP.

General objectives

General Objective 1: Supporting growth-enhancing investments in line with Union priorities, especially in the areas of: (a) research, development and innovation; (b) development of the energy sector in accordance with the Energy Union priorities; (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; (e) development and deployment of information and communication technologies; (f) environment and resource efficiency; and (g) human capital, culture and health; (h) agriculture, fishery, aquaculture and (i) for less developed regions and transition regions, other industry and services eligible for EIB support.

Specific objectives

Specific Objective 1: Increasing the volume of European Investment Bank Group (EIB Group) financing and investment operations in priority areas

Indicator 1: The cumulative volume of investment mobilised (EUR billion)

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
Milestones foreseen								2020
			125.0	245.0	340.0	420.0	500.0	500.0
Actual results								
		60.0	164.1	256.3	375.5	458.4		

Comment: The EFSI 1.0 target was to mobilise by July 2018 at least EUR 315 billion of additional investment. The EFSI 2.0 target is to mobilise at least EUR 500 billion of additional investment by 2020.

Unit of measure: Estimated volume of funding raised (EUR billion, approved operations).

Indicator 2: The number of projects to receive support under the EFSI initiative

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
Milestones foreseen								2018
			400	600	750	900	1 000	1 000
Actual results								
		172	421	717	1 031	1 269		

Methodology: Cumulative figures

Comment: IIW and SMEW

Unit of measure: Number of approved projects

Indicator 3: The cumulative number of countries having received EIB financing (signed operations) under the EFSI

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
Milestones foreseen								2018
			20	26	28	28	28	28
Actual results								
		18	28	28	28	28		

Unit of measure: Number of countries covered

Indicator 4: The aggregated multiplier effect

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
Milestones foreseen								2020
			15.00	15.00	15.00	15.00	15.00	15.00
Actual results								
		13.30	15.18	13.53	15.60	15.66		

Methodology: Multiplier effect.

Comment: The expected effective EFSI multiplier, which can only be calculated at the end of the EFSI investment period, is around 15 in terms of the use of the EU guarantee compared to the total investment raised for the projects supported under the initiative and the terms of the transactions. As at end-2019, the IIW multiplier related to operations approved was estimated at 13,56x and the multiplier related to SMEW approved operations was assessed at 20,65x. This means that a multiplier effect should be generated by means of the provision of an EU guarantee to the EIB, so that EUR 1 of the EU guarantee under this initiative could generate approximately EUR 15 investment in projects.

Indicator 5: The share of the EFSI Financing under the IIW that supports project components that contribute to climate action

Baseline	2014	2015	2016	2017	2018	2019	2020	Target
Milestones foreseen								2018
					40.0	40.0	40.0	40.0
Actual results								
					35.9	40.2		

Unit of measure: Share of action components (Percentage, signed operations)

Specific Objective 2: To provide advisory support for investment project identification, preparation and development to public and private counterparts, not necessarily linked to the EFSI operations through the European Investment Advisory Hub (EIAH)

Performance

The actions of the programme as far as the Specific Objective 3 is concerned are achieving their goals. After the ramp up phase, the EIAH is now an identified stakeholder by the project promoters seeking for advisory support and a key partner for National Promotional Banks and Institutions (NPBIs). The EBRD Advice for Small Businesses (ASB) financially supported by the EIAH is a key contributor to the achievement of these goals. As of the end of 2019, the EIAH assignments represent an estimated of investment of EUR 32.1 billion.

Indicator 1: The number of project for which the support have been requested								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
	Milestones foreseen							2020
			200	200	200	200	200	200
	Actual results							
		70	271	334	416	456		

Unit of measure: Number of projects (annual).

Indicator 2: The number of project that have received the support								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
	Milestones foreseen							2020
			25	70	100	100	100	100
	Actual results							
		2	11	84	187	198		

Unit of measure: Number of projects (annual).

Specific Objective 3: To create an publicly available web portal where EU based projects promoters will be given the opportunity to boost the visibility of their projects to potential international investors

Performance

The indicator concerning the number of projects published in the EIPP shows a significant increase compared to previous years demonstrating a significant improvement compared to initial expectations. This is because EIPP resources were invested in developing partnerships as well as in communication therefore enhancing the visibility of the EIPP.

Indicator 1: The number of project published on the EIPP								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
	Milestones foreseen							2020
			150	300	450	500	500	500
	Actual results							
		0	139	238	508	956		

Methodology: Cumulative

Unit of measure: Number of projects

Indicator 2: Number of countries covered (cumulative)								
Baseline	2014	2015	2016	2017	2018	2019	2020	Target
	Milestones foreseen							2020
			20	25	27	28	28	28
	Actual results							
		0	25	28	28	28		

Unit of measure: Number of countries

Expenditure related outputs

Outputs	Budget line	Budget 2020	
		Number	EUR million
	01 04 06		20
Total			20

4. Contribution to Europe 2020 Strategy and mainstreaming of policies

Contribution to Europe 2020 headline targets

Narrative justification Contribution to Europe 2020 headline targets

The additional investments mobilised under the EFSI should help support job creation/employment and demand and therefore boost economic growth leading to an increase in the EU long-term growth potential. The ‘new’ EFSI should also support projects in accordance with the Union’s energy, climate and efficiency targets laid down in the Europe 2020 strategy and in the 2030 Framework for climate and energy policies and which aim to meet the objectives of the Europe 2020 strategy for smart, sustainable and inclusive growth. The legal basis does not foresee any specific budget or targets for reaching the objectives of the Europe 2020 strategy. There are no sectoral or country specific quotas or pre-allocations in the Regulation.

Contribution to mainstreaming of climate action

The EFSI 2.0 Regulation, while recognising the demand-driven nature of the EFSI, introduced a target of at least 40 % of the EFSI financing under the Infrastructure and Innovation Window to support projects with components that contribute to climate action, in line with the COP21 commitments. The EIB uses its internationally agreed methodology, as part of its rules and procedures, to identify climate action components or cost shares of supported operations. A Key Monitoring Indicator (KMI) referring specifically to the contribution of EFSI financing under the IIW to climate action was introduced in 2018. As of December 2019, the cumulative share of climate action components under IIW was 40.2 % for signed amounts.

Contribution to financing clean air

The EFSI investments in non-combustible renewable energy sources have a secondary positive impact on clean air when this replaces energy production from more polluting sources (see information on SDG7). It is estimated that approximately EUR 5.8 billion of financing approved under EFSI as of 31 December 2019 contributed principally to clean air objectives ⁽²⁾. This is expected to help mobilise approximately €29 billion of public and private investments.

5. Programme contribution to the Sustainable Development Goals

SDG 1 End poverty in all its forms everywhere

The EFSI investment support for empowerment and economic advancement through micro-entrepreneurship, can further contribute to combatting poverty, reducing inequality and promoting peaceful and inclusive societies for sustainable development. Moreover, numerous important social housing projects have been undertaken, as for example in France, Spain, Poland, and Portugal. As of 31 December 2019, an estimated number of 531 000 affordable flats were built or renovated with the EFSI support.

SDG 3 Ensure healthy lives and promote well-being for all at all ages

The EFSI investments is estimated to have ensured better healthcare for 30.6 million people, through contribution to the rehabilitation and expansion of health facilities and the support given to medical research.

SDG 4 Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

The EFSI support for social entrepreneurship and social infrastructure contributes strongly to health and wellbeing and inclusive and quality education. As of 31 December 2019, EUR 214.44 million of signed amounts were dedicated to education. This mainly related to social infrastructure investment for the purposes of education like schools or university campuses as well as support for SMEs active in the education sector.

SDG7 Ensure access to affordable, reliable, sustainable and modern energy for all

The quantitative goal (40 %) on targeted climate change projects such as energy efficiency and clean transport under the IIW are set out in the EFSI 2.0 and strongly contribute to combatting climate change and its impact, and access to affordable, reliable and sustainable energy. In addition, dedicated efforts are made to ensure uptake of broader sustainable growth projects beyond the climate target, and to place a stronger focus on sustainable investments across sectors.

It is estimated that the EFSI has facilitated the provision of renewable energy to approx. 10 million households. The EFSI investments are estimated to have helped saving over 5 000 GWh of energy per year through the energy efficiency measures of supported projects. As of 31 December 2019, the EFSI signed amounts for energy and environment and resource efficiency reached approx. EUR 16.5 billion and have mobilised an estimated EUR 85.9 billion of investment for energy capacity building from

⁽²⁾ Commission estimate. In terms of the EU budget, it is estimated that €819.74 million of the provisioned amount in the EU Guarantee Fund would be needed for the support of the indicated financing approved under EFSI for clean air objectives. The EU Guarantee under EFSI is not ring-fenced for specific projects, therefore the indicated amount of the EU budget constitutes an estimate for indicative purposes.

renewable energy sources, improving energy efficiency and supporting electricity network projects. It is worth noticing the promotion of major cross-border projects to increase interconnection and security of supply.

SDG 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

EFSI investments can support meaningful advancements towards promoting sustained, inclusive and sustainable economic growth, and full and productive employment and decent work for all. EFSI investment support for empowerment and economic advancement through micro-entrepreneurship and SME support, can further contribute to combatting poverty, reducing inequality and promoting peaceful and inclusive societies for sustainable development.

Several employment and start-up programmes have been signed contributing to the creation of a well-qualified workforce as needed by modern economies, as well as generating employment opportunities for young people.

For IIW, EFSI operations are expected to have both temporary and permanent employment effects, related to the implementation and respective the operational phase of the EFSI projects. In addition to the direct impact of EFSI, there is also an indirect or induced employment impact to be considered (for example, a project to develop new transport infrastructure might contribute to new job opportunities in the local economy).

SDG 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

The EFSI's strong support for transport, social and digital infrastructure contributes to inclusive and sustainable growth. In addition, the EFSI's strong support for research, development and innovation projects helps foster innovation and contributes to sustainable industrialisation. Investment in transport infrastructure materialised in signed amounts of approx. EUR 7.1 billion, unlocking some EUR 28.6 billion to promote transport networks, cleaner fleets, to reduce congestions and bottlenecks. These investments provided improved transport for over 95 million passengers.

The EFSI financing targeted also the development of the broadband infrastructure needed to keep different actors connected, as well as development of new technologies needed to promote Europe's long-term competitiveness. The EFSI helped deliver high speed internet for 15 million additional households.

SDG 10 Reduce inequality within and among countries

The EIAH is providing advisory support for investment project especially in countries where the financing via the capital market is the less developed. In terms of geographical coverage, 65 % of the advisory support assignments are targeting cohesion countries

SDG 11 Make cities and human settlements inclusive, safe, resilient and sustainable

The EFSI's dedicated investments in economic and social infrastructure projects supports advancement towards promoting resilient and inclusive infrastructure, and further efforts to support service-rich integrated infrastructure projects would contribute to inclusive and sustainable cities. The EFSI supported projects about water supply and sanitation, wastewater and solid waste treatment and recycling as well as sustainable urban and rural development. For example, as of end-2019, better waste treatment was made available for 33.3 million people through the EFSI supported investments.

SDG 12 Ensure sustainable consumption and production patterns

The EFSI investment support to inclusive business practices and SME growth and development could also contribute to promoting sustainable production and consumption practices. This is the case of dedicated support to SMEs active in circular economy, those using recyclable materials, and those deploying energy efficiency measures.