



Investment Plan: How the European Fund for Strategic Investments (EFSI) can support tourism sector ?

*EU financing for innovation in tourism
Brussels, 27 September 2017*

Laure Blanchard-Brunac, Adviser to the Director

Directorate Treasury and Financial Operations, DG ECFIN

European Commission

Investment Plan for Europe: the three pillars



1. MOBILISING FINANCE FOR INVESTMENT

- Mobilise at least €315bn over 3 years for strategic investments and access to finance via the European Fund for Strategic Investments (EFSI) within EIB/EIF
- Cooperation with National Promotional Banks



2. MAKING FINANCE REACH THE REAL ECONOMY

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



3. IMPROVED INVESTMENT ENVIRONMENT

- Predictability and quality of regulation
- Removing non-financial, regulatory barriers in key sectors within EU Single Market
- Structural reforms at national level



European Fund for Strategic Investments: EFSI



1€ x15



The European Investment Advisory Hub will offer a central point for technical and financial advice for project promoters, investors and authorities.



The European Investment Project Portal will help match potential investors with project promoters.

€315 bn
by 2017



EFSI: Who can benefit?



Eligible counterparts

Corporates of
all sizes

Utilities and
public sector
entities
(non-
sovereign)

SMEs
(up to 250
employees) or

midcaps
(up to 3 000)

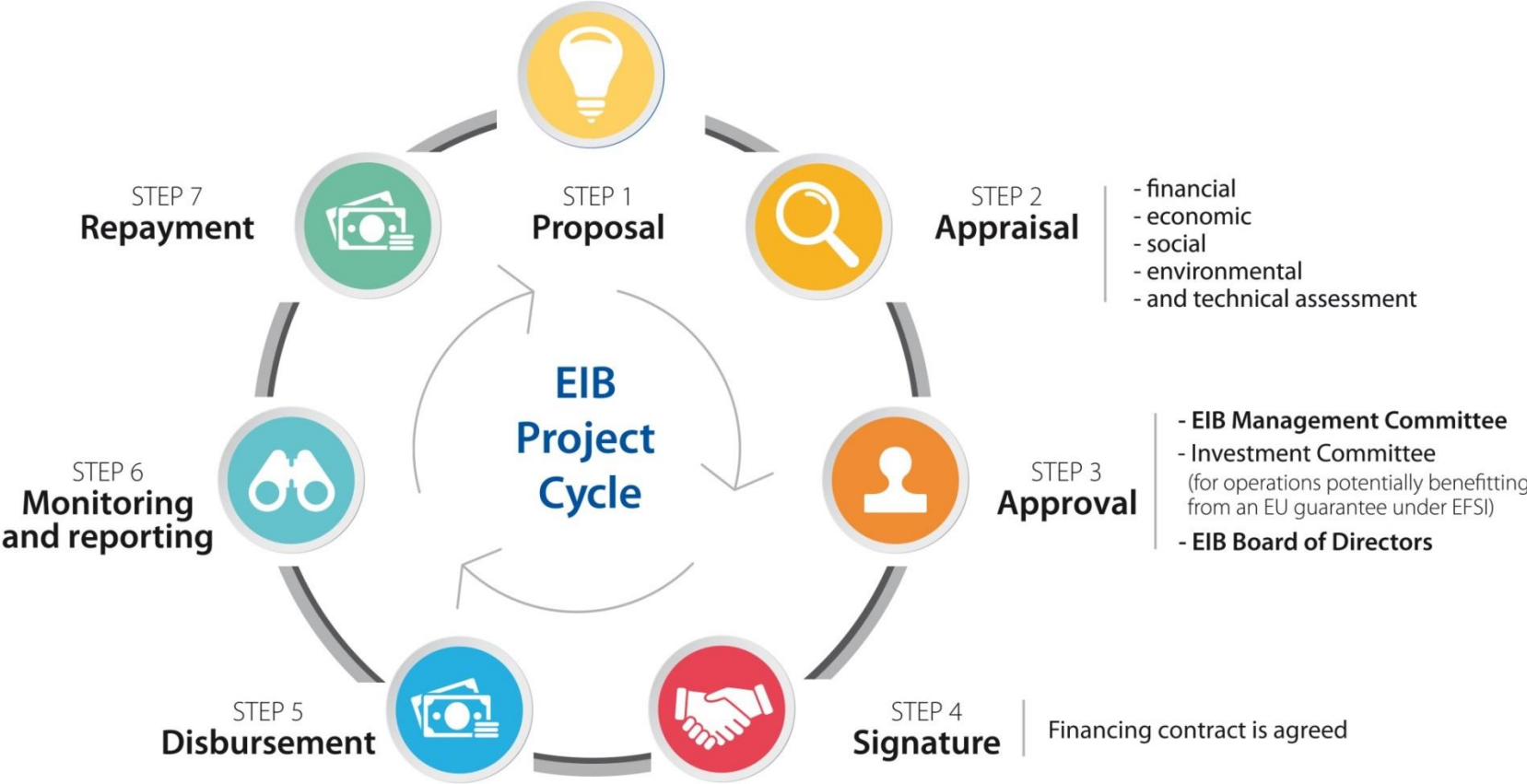
Contact

National
Promotional
Banks or other
banks for
intermediation

Dedicated
Investment
Platforms

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

How to access EFSI financing? (IIW)





EIB Group figures

As of 19/09/2017

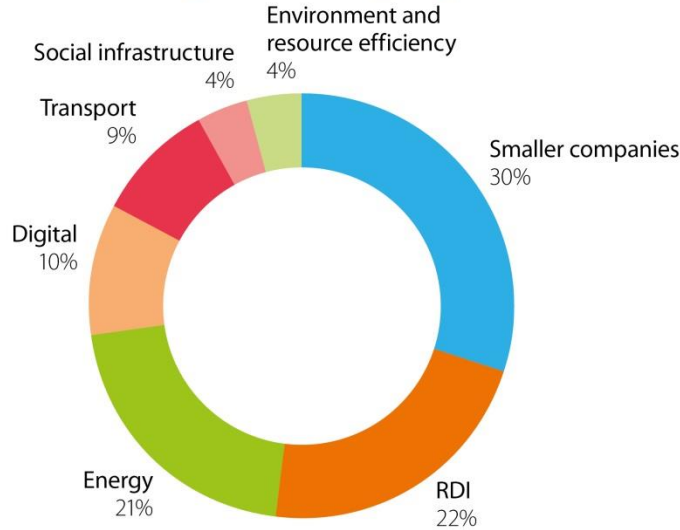
Of which
EUR 28.9bn
signed



* EIB-approved: EUR 36.1bn
EIF-approved: EUR 10.4bn

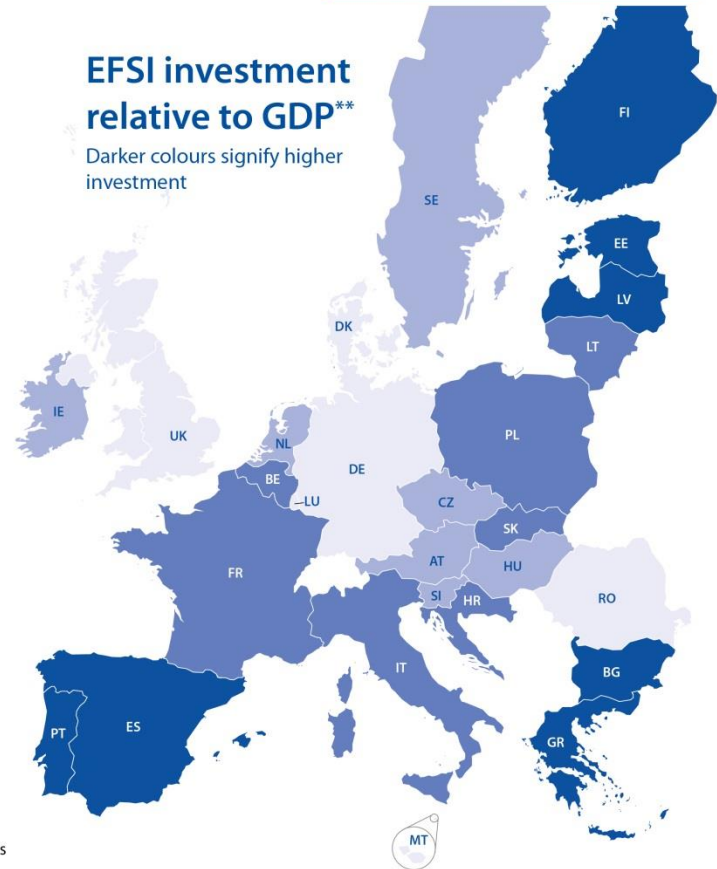


EFSI investment by sector**



EFSI investment relative to GDP**

Darker colours signify higher investment



**based on approved operations



No geographic allocation

No sectoral allocation

Projects' own merits

Approval by independent market experts



1. Consistency with EU policies
2. Additionality
3. Economic and technical viability
4. Maximisation where possible of the mobilisation of private resources





Operations to be consistent with **EU policies** and to support any of the general objectives:

1. Research, development and innovation
2. Energy
3. Transport
4. Information and Communication Technologies
5. Environment and resource efficiency
6. Human capital, culture and health, **including tourism**
7. Support to SMEs and mid-cap companies, through local partner banks and institutions

What are Investment Platforms (IPs)?



EFSI Regulation:

'investment platforms' means special purpose vehicles, managed accounts, contract based co financing or risk sharing arrangements or arrangements established by any other means by which entities channel a financial contribution in order to finance a number of investment projects, and which may include:

- (a) **national or sub national platforms that group together several investment projects on the territory of a given Member State;**
- (b) **multi country or regional platforms that group together partners from several Member States or third countries interested in projects in a given geographic area;**
- (c) **thematic platforms that group together investment projects in a given sector;**

=> Initiatives that bring together several sources of funding, public and private, to address the same policy objective under EFSI



- ***Presence of public and private funding***
- ***Combination of resources*** from EIB, NPBs, private investors, SWFs, with high catalytic effects and value added
- ***Subordination*** – IPs focus on market failures and crowding-in of private sector financing → EFSI can be subordinated to other investors
- ***Complementarity*** to existing financing alternatives
- ***Compliance with EFSI Regulation*** requirements, e.g. additionality, sectorial/geographical eligibility of operations, reporting, accountability, evaluation
- ***IP Product Offering***: equity/quasi-equity investment, loans, guarantees

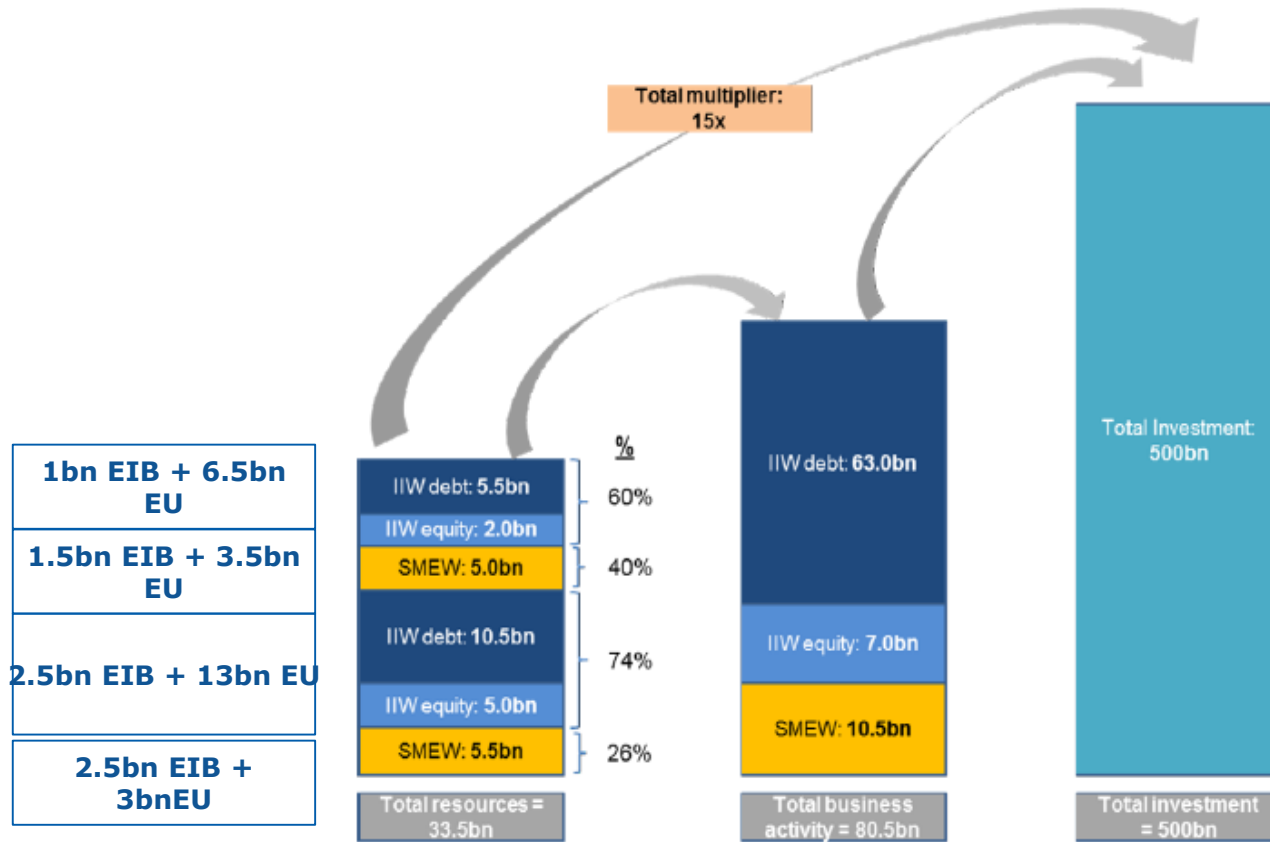
IPs approved to date



- **33 IPs approved to date:** 30 under Infrastructure and Innovation Window (EIB) and 3 under SME Window (EIF)
- **EUR 3.5bn EFSI financing** for over **EUR27bn investments** expected to be mobilised
- Investment platforms are mostly (i) **equity funds** in a large majority and (ii) **risk sharing arrangements** for debt products.
- **Geographic areas:** IPs set up in **IT, FR, ES** mostly. Also examples in PL, EL, NL, DE, FI. Two cross-border IPs and **2 IPs covering all EU-28**
- **Financing tenor** between 9 and 25 years, average 17 years.
- Mostly financing of smaller projects, **SMEs and midcaps for energy, environment, digital, research and development** priorities. Financing of larger infrastructure (ports, highways..) and **social housing**



Extended duration and increased firepower of EFSI to mobilise at least EUR 500 billion by end-2020



- ✓ Reinforced additionality
- ✓ More transparency
- ✓ Enhanced geographic coverage
- ✓ More local technical assistance through the European Investment Advisory Hub
- ✓ Combination with other EU funds
- ✓ Reinforced focus on climate action



Thank you for your attention