EUROPEAN INVESTMENT BANK

EUROPEAN FUND FOR STRATEGIC INVESTMENTS

<u>STEERING BOARD</u>

Summary of discussions with the stakeholders held in Luxembourg on Thursday, 18 July 2019

Questions concerning this note should be referred to EFSI Secretariat - Email address: <u>EFSISecretariat@eib.org</u>

Summary of discussions with stakeholders held in Brussels on Thursday, 18 July 2019

In line with the <u>Stakeholders' consultation paper</u>, adopted on 14th March 2016, the EFSI Steering Board (SB) held a meeting with representatives of different stakeholders on EFSI's contribution to Climate Action goals. The purpose of the meeting was to discuss the implementation of EFSI operations under the Investment and Innovation Window (IIW) through the EIB and the SME Window through the European Investment Fund (EIF).

The representatives of the invited stakeholders were:

- Mr. Fedor Unterlohner (Transport & Environment)
- Mr. Dominique Perrut (Independent Consultant and Researcher)
- Mr Ian Talbot (Eurochambres)
- Mr David Donnerer (Energy Cities)
- Mr Kajetan Czyz (Cambridge Institute for Sustainability Leadership)

The Steering Board reiterated the importance of such discussions as a significant means to exchange views on the implementation of EFSI.

Key elements of the discussion were: (a) EFSI's contribution in the energy transition process (b) EFSI and its successor programme InvestEU (c) the importance of the alignment between different EU programmes and also national policies.

The invited stakeholders gave an overview of key aspects related to EFSI's contribution towards climate action goals.

It was indicated that society, investors and promoters are becoming more and more engaged in sustainable development and that more awareness raising on EFSI would be beneficial in reaching further market participants, including public promoters, SMEs and Midcaps. The Steering Board agreed with this assessment and highlighted the need for more communication efforts.

All participants acknowledged the importance of the transition from fossil fuels to a carbon free economy and discussed the pace of this conversion. References were made to EFSI's contribution in this transition. In particular, exchanges were made related to the transport sector. EFSI's support towards the electrification of the transport sector was strongly welcomed and should be further enhanced, yet some of the stakeholders also reflected on lock-in effects of other investments in more traditional infrastructure projects. In general, the invitees perceived EFSI as a significant tool to support sustainable development and climate action goals and discussed the alignment of different EU programmes and national policies. It was stressed that a simplification of rules on the combination of different EU programmes, in particular EFSI-ESIF combinations, would be beneficiary to enhance the realization of important projects. Furthermore, invitees also encouraged a stronger financial and strategic engagement of EU member states in EFSI and later in InvestEU.

The Steering Board acknowledged that no particular positive effect of the Omnibus Regulation could yet be observed on facilitating the creation of EFSI-ESIF combinations and that further improvements would still be welcomed.

While referring to dedicated programs, such as ELENA and URBIS, the continued need for technical assistance and capacity building was highlighted, also in the context of InvestEU, while it was indicated that more investments in sustainable heating and cooling systems under EFSI would be welcomed.

The participants raised the importance of the catalytic effect of EFSI and reflected how EFSI could further leverage retail deposits and private capital towards green investments.

Steering Board members indicated that the EIB is a frontrunner in the development of green bonds, earmarked to match disbursements to lending projects contributing to climate action in the fields of renewable energy and the energy efficiency sector. The Steering Board also elaborated how the EIB, with the backing of EFSI, supports local banks in financing projects, supporting sustainable development goals, through intermediate lending.

While recognizing the difference in programmes, the need for a continuous access to finance during the transition from EFSI towards InvestEU was further indicated.

The Steering Board thanked the different stakeholders for their feedback and reiterated the importance of dialogue between external stakeholders and the institutions in achieving results.