

EUROPEAN INVESTMENT BANK

SB/31/19
8 April 2018

PV/19/30

EUROPEAN FUND FOR STRATEGIC INVESTMENTS
STEERING BOARD

Minutes of the Meeting held on 29 January 2019

Questions concerning this note should be referred to EFSI Secretariat: EFISecretariat@eib.org

EFSI STEERING BOARD – MEETING 30/2019

Minutes of the meeting held at the EIB Office in Brussels on Tuesday, 29 January 2019

Those attending:

Steering Board members:

Mr G. Thomas (EC)
Ms I. Schwimann (EC)
Mr A. Fayolle (EIB)

Steering Board Alternate members:

Ms S. Valtonen (EC)

Excused Steering Board members:

Ms K. Jorna (EC)
Mr. L. Andor (EP)

Observers:

Mr W. Molterer (EFSI Managing Director)
Ms I. Tsanova (EFSI Deputy Managing Director)

Experts:

Mr J.L. Laloux (EIB) – for item 5, 6 and 7
Ms C. Gaye (EIB) – for item 6 and 7
Mr N. Pochettino (EIB) – for item 7
Mr R. Charrier (EIF) – for item 8

EFSI Secretariat:

Ms E. Bois-Willaert (EIB)
Mr R. Wouters (EIB)

The Chairperson declared the meeting open at 08:00 on 29 January 2019.

1. Quorum

The Chairperson recorded that there was a quorum.

2. Approval of the agenda

The agenda was adopted without comment.

3. FOR DECISION

Approval of the minutes of the meeting held on 14 December 2018 (PV/18/29)

The draft minutes of the 29th Steering Board meeting, held on 14 December 2018 at the EIB Offices in Luxembourg were approved with minor comments.

The minutes shall be published on the EIB website and will subsequently be communicated to the European Parliament.

4. FOR DECISION

Approval of the Summary report of the 14 December 2018 Stakeholders Consultation Event

The draft summary report of the EFSI Stakeholder event on 14 December 2018 at the EIB headquarters in Luxembourg was approved with minor comments.

The summary report shall be published on the EIB website and will subsequently be communicated to the European Parliament.

5. FOR DISCUSSION

Quarterly reporting from EFSI Managing Director on Q4-2018

The EFSI Managing Director presented the EFSI quarterly results for the Infrastructure and Innovation Window (IIW) and for the SME Window (SMEW) to the Steering Board.

Mr W. Molterer described the total financing by approvals and signatures, by country, by sector and provided information on cancellations. He also gave data on climate action financing under the IIW, on investment platforms (49 approved to date) and on the combination with European Structural and Investment Funds (ESIF) (34 operations approved to date).

The EFSI Managing Director further stated that cooperation with national promotional banks and institutions remains strong and indicated that four out of ten EIB operations under the IIW benefit projects including investments in

cohesion areas. He also provided an update on cross-border and multi-country operations and, while elaborating on the impact of Brexit, gave an overview of the activities of EFSI in the UK.

The Steering Board expressed its satisfaction with the comprehensive information provided and the results achieved. In particular, it made positive remarks on the amount of investments related to climate action goals.

The Steering Board further observed that the top three countries, measured by signed amounts, were currently accounting for 46%, just above the indicative concentration limits. The Steering Board acknowledged the importance of Brexit, meaning that a large jurisdiction is leaving the EU, on the geographical concentration of the EFSI portfolio and emphasized the efforts that are being done to originate projects in smaller member states. The Steering Board also referred to the positive results on investments in cohesion regions and was further informed by the EFSI Managing Director that, measured against the size of the economy, the biggest impact of EFSI is in countries that were hard hit by the crisis.

Alongside the impact of Brexit on the geographical and sectoral concentration of the EFSI portfolio, the Steering Board discussed the EFSI exposure to the UK. It also observed that, after the UK would have withdrawn from the EU, UK project components could only indirectly benefit from an EFSI guarantee as part of new cross-border operations with a physical link to an EU member state or as part of the permitted non-EU content, e.g. in fund investments that meet the applicable rules.

6. FOR DECISION EFSI strategic orientation, review of January 2019

Mr J.-C. Laloux, Director General of the Operations Directorate, presented the revised version of the EFSI Strategic Orientation.

The Steering Board expressed its satisfaction with the changes introduced in the document since its previous meeting on 14 December 2018. It recalled that the Strategic Orientation takes into account the revised EFSI Regulation that entered into force on 30 December 2017, and integrates recommendations, made in the different evaluations reports issued in the second half of 2018.

The Steering Board indicated that it will decide, at a later stage how to reflect, if needed and relevant, the outcome of the Performance audit conducted by the European Court of Auditors, which was published on 29 January 2019.

The Steering Board endorsed the EFSI Strategic Orientation, reviewed as of January 2019, and stated that the formal adoption would happen after the approval of the document by the EIB Board of Directors.

7. FOR DISCUSSION **IC documentation since the amended EFSI Regulation**

Ms C. Gaye, Head of the Mandator Management unit at the operations directorate and Mr N. Pochettino, Head of the Project Impact & Reporting division within the projects directorate, gave a presentation on the documentation presented to the Investment Committee (IC) under the amended EFSI Regulation.

It was explained that the documentation prepared for the IC has continuously been adjusted since the start of the meetings of the IC in 2016 and has been designed to provide the right level of detail on relevant topics. The presenters further elaborated on the inclusion of a more comprehensive description of the different factors supporting the additionality of projects in the documentation since the entry into force of the amended EFSI Regulation on 30 December 2017. They also discussed in detail several market failures through examples.

The Steering Board expressed its appreciation with the information provided in the presentation and with the evolution of the documentation that is being prepared for the IC by the EIB. As the assessment of the appropriateness of granting the EU Guarantee is done by the IC, the Steering Board emphasized the importance of the information that is being provided to the IC.

The Managing Director further elaborated on the attention that is given by the IC to the documentation that they receive and to the information that is included in the project proposals in order to assess their additionality in line with the EFSI Regulation.

8. FOR DECISION **EIF - EFSI MULTIPLIER CALCULATION METHODOLOGY: Update of January 2019**

Mr R. Charrier presented the update of the EIF EFSI Multiplier Calculation Methodology as of January 2019. He explained that the update incorporates two new products, i.e. "Private Credit for SMEs" and "EFSI Combination products", approved by the Steering Board in 2018 and provides for a further alignment between the EIB and EIF EFSI Multiplier Calculation Methodologies, notably in regards to operations receiving EFSI support from both EIB and EIF.

The Steering Board approved the document.

9. Any other business

The Steering Board discussed the calendar of next Steering Board meetings, recalling that the next meeting would be held on Monday 8 April 2019.

Depending on the outcome of consultations between EC and EIB legal services, the Steering Board indicated that the liability insurance, that the IC members have to subscribe, could be discussed at the next meeting.

The Chairperson declared the meeting closed at 09:30.

Schedule A

Decisions taken by the Steering Board (Meeting 30/2019)

Agenda Item	Description	Decision taken
4	Minutes of the meeting held on 14 December 2018.	The Steering Board approved the document with minor comments.
5	Approval of the Summary report of the 14 December 2018 Stakeholders Consultation Event	The Steering Board approved the document with minor comments.
6	EFSI strategic orientation, review of January 2019	The Steering Board endorsed the document without comment.
8	EIF - EFSI MULTIPLIER CALCULATION METHODOLOGY: Update of January 2019	The Steering Board approved the document without comment.