

InvestEU Steering Board

Minutes of the meeting held on 6 March 2023

Questions concerning this note should be referred to the InvestEU Steering Board Secretariat:

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INVESTEU STEERING BOARD – MEETING 9/2022

Minutes of the meeting

6 March 2023, physical attendance and WebEx

Those attending:

Steering Board members:

Ms Elena Flores (EC, Chair)
Mr Herald Ruijters (EC)
Ms Andriana Sukova (EC)
Ms Merete Clausen (EC)
Mr Christoph Kuhn (EIB)
Ms Laura Piovesan (EIB)
Mr Laurent Braun (EIF)
Mr Massimo d'Eufemia (CDP)
Mr Michel Casselman (PMV)

Steering Board alternate members:

Ms Fotini Koutzoukou (EIB)
Ms Christa Karis (EIF)
Mr Antonio Bandés Cajal (ICO)
Mr Csaba Harsányi (MFB)

Presenters:

Mr Fabio Pammolli (InvestEU Investment Committee Chair) only for agenda point 4
Ms Ines Rocha (EBRD) only for agenda point 5
Ms Sophie Barbier (CDC) only for agenda point 5
Mr Nicolas Pinton (CDC) only for agenda point 5

Observers:

Mr Pedro Santos (EC)
Mr Samuel Ben Soussan (EC)
Mr Joaquin Guzman Carrizosa (EIB)
Mr Davide Galli de Paratesi (CDP)
Ms Iulia Cernopolc (EC) only for point 3

Mr Michael Feith (EC) only for point 4
Mr Michal Dorociak (EBRD) only for point 5
Ms Galena Koleva (EBRD) only for point 5
Ms Seva Rustamova (EBRD) only for point 5

Secretariat:

Ms Aleksandra Koziara (EC)
Ms Mariela Chukanska (EC)

Drawing up of attendance list and verification of quorum

Ms Flores opened the meeting, welcomed the members and alternates to the ninth Steering Board ('Board') meeting and recorded that there was a quorum.

1. Adoption of the agenda

The draft agenda was approved without modification.

2. Adoption of the minutes of the previous meeting

The draft minutes of the eighth Board meeting, held on 25 November 2022, were adopted.
The minutes will be published on the InvestEU website.

3. FOR DISCUSSION

Update by the Chair on progress of InvestEU

Ms Flores presented an update on the progress of the InvestEU implementation, supported by a report based on financial and operational indicators reported by the Implementing Partners for 2022. The update covered:

- i) New agreements signed under the InvestEU Fund and the Advisory Hub since the last Board meeting¹: overview of the guarantee agreements and the agreed financial products;

¹ Guarantee Agreement with the Council of Europe Development Bank (CEB) on 28 November 2022; Nordic Investment Bank (NIB) on 12 December 2022; European Bank for Reconstruction and Development (EBRD) on 14

- ii) Overview of six contribution agreements signed under the InvestEU Member State compartment²;
- iii) Implementation of the InvestEU Fund, including volume of the EU guarantee approved and signed, as well as the EU guarantee distribution across policy windows, Member States, eligible areas and sectors;
- iv) Update on the InvestEU Advisory Hub, which is now fully operational, and an overview of the advisory agreements with six advisory partners³, which provide advisory support across EU Member States and under all InvestEU policy windows;
- v) Update on the InvestEU Portal with more than 1500 active projects promoted (as of the end of January 2023).

Ms Flores also presented the main priorities for 2023 in particular:

- i) Concluding the guarantee agreement negotiations with potential Implementing Partners;
- ii) Amendments to the guarantee agreements to provide for financial products to be implemented by the EIF and the EBRD under the Member State compartments;
- iii) Onboarding of new Implementing Partners by the Commission and the Investment Committee;
- iv) Overview of communication activities on InvestEU through regular press releases, social media, the InvestEU website, signature events with new Implementing and Advisory Partners, InvestEU ‘roadshow’ events organised in each Member State.

Mr Kuhn informed that the EIB’s deployment of InvestEU is well on track, and expected to achieve the NGEU target for approvals by end of 2023. He underlined however the challenges linked to the NGEU target for the signature of operations by the end of 2024 and remarked that any flexibility in this regard would be highly welcomed. More attention was needed to smaller-volume financial operations (i.e. venture debt, Impact Finance), as so far - due to the NGEU requirements - the focus has been on higher-volume operations.

Mr Braun announced that the EIF had already reached 85% of its target for 2023 approvals and expects its full achievement by year-end. Market response has been positive, however financial

December 2022; Caisse des dépôts et consignations (CDC, FR) on 20 December 2022; Instituto de Crédito Oficial (ICO, ES) on 14 February 2023; Cassa Depositi e Prestiti (CPD, IT) on 16 February 2023.

Advisory Agreement with the Council of Europe Development Bank (CEB) on 26 January 2023; the European Bank for Reconstruction and Development (EBRD) on 9 February 2023.

² Contribution Agreements under the InvestEU Member State Compartment signed with Romania, Finland, Czechia, Greece, Bulgaria, Malta.

³ EIB, EBRD, CEB, CDP, Bpifrance, CDC.

intermediaries are concerned by the reduced volume of guarantee operations. Therefore, the EIF is working on how to best portion and allocate the available guarantee.

Ms Clausen and Ms Sukova expressed their interest in the InvestEU implementation report and provided views on what they would like to receive in future reports (i.e. more granular data, especially on financial intermediaries; signed operations per country; climate targets; correlations between geographic distribution and policy windows; the functions of the InvestEU Advisory Hub to support the development of the project pipeline). More comprehensive reports are expected to better demonstrate the achievement of InvestEU objectives across policy windows and Member States, to provide necessary quantitative data ahead of the upcoming MFF review, and to allow better identification of areas that require stronger policy steer. The need for the Advisory Hub to trigger projects, in particular in the Social Investments and Skills policy window, was underlined.

Mr Santos took note of the request for more granular data in the next InvestEU implementation reports.

Ms Flores thanked the Board members for their inputs on information to be further included in future reports on InvestEU implementation. She also added that future reports will be based on the data provided by a wider group of Implementing Partners. To that end, the reports are expected to be more comprehensive in terms of demonstrating the impact of the InvestEU.

4. FOR DISCUSSION

Exchange with Mr Fabio Pammolli, Chairperson of the Investment Committee, on the work of the Investment Committee

There was an exchange of views with the Investment Committee Chair (IC Chair) Mr Fabio Pammolli, who was invited at a request of the Board members.

Mr Pammolli gave an overview of the functioning of the Investment Committee. He emphasized that the Investment Committee operates smoothly, with a good support of the Secretariat provided by the Commission. Regarding the assessment of operations, he underlined the importance of the additionality. He explained that the Investment Committee assesses additionality *vis-à-vis* current market conditions and financing from other sources available to the Implementing Partners. The current expectations of the Investment Committee concerning additionality are higher than it used to be under the EFSI. It follows that to assess it correctly a well-documented description of the proposed InvestEU operation, including the demonstration of the appropriate risk-taking, is a key.

The presentation of the Investment Committee Chair was well received. An exchange of views between the Board members and the IC Chair followed. Mr Kuhn and Mr Braun underlined very good collaboration with the Investment Committee and proposed to share their experience with new Implementing Partners. Implementing Partners appreciated to hear that despite high number of operations there were no delays in the work of the Investment Committee.

Ms Clausen mentioned that she appreciates the remarks on the additionality, which is particularly relevant for the SME policy window.

In response to Ms Sukova's comment on mobilising the InvestEU Advisory Hub support to generate investment project pipeline in the social investment sector, Mr Pammolli agreed there is indeed a niche in that area. In his view, e.g. refinement of the additionality requirements might be needed to address significant market failures in areas such as the social sector.

Mr d'Eufemia proposed that the IC Chairperson is invited to the Board meetings twice a year. The Chair agreed.

[Mr Kuhn and Mr Braun left the meeting at 16h30 in order to attend an exchange of views on InvestEU in the European Parliament.]

5. FOR INFORMATION

Introductions by new implementing partners

6.1 Presentation by the European Bank for Reconstruction and Development (EBRD)

Ms Ines Rocha provided an overview of the Guarantee Agreement with EBRD signed on 14 December 2022 and the agreed financial products. EBRD will implement four financial products under three of InvestEU policy windows: Sustainable Infrastructure; Research, Innovation and Digitalisation; and Social Investment and Skills for a maximum total amount of EU guarantee of EUR 450 million. Through two debt products (general and thematic) EBRD will address market failure in a broad area of policy priorities from transport, smart mobility, clean energy, digital connectivity. EBRD will also implement two intermediated financial products under the Sustainable Infrastructure policy window focused on smaller size final recipients in the policy areas of energy efficiency, decarbonisation of industry, renewable energy, circular economy, etc. Investments planned under the Social Investment and Skills policy window cover housing and health infrastructure.

6.2 Presentation by Caisse des dépôts (CDC)

Ms Sophie Barber thanked the Board for the opportunity to present CDC and their Guarantee Agreement. Then, Mr Nicolas Pinton presented the agreement and the agreed financial products. CDC will implement three financial products under two InvestEU policy windows: Sustainable Infrastructure and Social Investment and Skills for a maximum total amount of EU guarantee of EUR 350 million. Through two debt products CDC will address market failures in France in the areas of social investment and tourism, while the intermediated equity product, in a form of co-investment platforms, will focus on data centers, industrial premises and industrial wastelands.

Board members look forward to the implementation phase.

6. Any other business

7.1 Next meeting of the Steering Board

Ms Flores informed that the calendar of Steering Board meetings in 2023 are to be aligned to the InvestEU reporting dates to allow for providing the most recent data on InvestEU implementation at the upcoming Board meetings. It was proposed that the next meeting would take place on 7 July.

7.2 Steering Board composition

Ms Flores recalled that as set out in the InvestEU Regulation, Steering Board members representing Implementing Partners other than the EIB Group are appointed for a term of two years. As the current term expires in April 2023, the Implementing Partners other than the EIB Group will appoint their new representatives in the Steering Board.

Ms Flores thanked Mr d'Eufemia and Mr Casselman for excellent collaboration in the past two years.

Mr Flores thanked all participants for their contributions and closed the meeting.