

EUROPEAN INVESTMENT BANK

SB/27/18
19 July 2018

PV/18/26

EUROPEAN FUND FOR STRATEGIC INVESTMENTS
STEERING BOARD

Minutes of the Meeting held on 18 May 2018

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

EFSI STEERING BOARD – MEETING 26/2018

Minutes of the meeting held at the EIB Offices in Luxembourg on Friday, 18 May 2018

Those attending:

Steering Board members:

Mr G. Thomas (EC)
Ms I. Schwimann (EC) – via video conference
Ms K. Jorna (EC) – via video conference

Steering Board alternate members:

Ms M. Santoni (EIB)

Observers:

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

Experts:

Mr G. Chiarion Casoni (EC) – for item 4

EFSI Secretariat:

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

The Chairperson declared the meeting open at 17:00 on 18 May 2018.

1. Quorum

The Chairperson recorded that there was a quorum.

2. Approval of the agenda

The agenda was adopted.

3. FOR DECISION

Approval of the minutes of the meeting held on 18 April 2018 (PV/18/25)

The draft minutes of the 25th Steering Board meeting, held on 18 April 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 DISCUSSION

Independent Evaluation of the EFSI Regulation – 2015/1017: Final Report

Mr G. Chiarion Casoni, head of unit in the treasury and financial operations department of DG ECFIN presented the findings of the independent evaluation, performed by an external contractor, on the application of Regulation (EU) 2015/1017. He indicated that such an evaluation is required by Article 18(6) of this regulation and that the final report will be published on 6 June 2018.

Mr G. Chiarion Casoni mentioned that the scope of the independent evaluation included not only the functioning of the EFSI (IIW and SMEW), but also the European Investment Advisory Hub (EIAH), the European Investment Project Portal (EIPP) and the use of the EU Guarantee. He specified that the data of the evaluation have been collected as of mid-2015 until 31 December 2017.

Mr G. Chiarion Casoni clarified several findings of the evaluation report, such as the observation that the volumes of investment mobilised under EFSI are of sufficient scale to make a significant contribution to investment needs in Europe and the introduction of new higher risk products by the EIB, reflecting the objective of taking on higher risk investments.

It was mentioned that the report observed that EFSI was geographically diversified, with some concentration in certain member states, but as EFSI is a market-based instrument, this concentration is mostly linked with the size of the economies of the respective countries. The report also found that the governance

structures for EFSI are well defined, that the scoreboard is considered relevant and that the planned publication of the scoreboard would improve transparency.

It was also mentioned that the report noticed a five-fold increase in investment in Special Activities by the EIB and strong evidence of EFSI operations being characterised by a higher level of risk as compared to standard (non-EFSI) EIB operations, while the burden on project promoters was generally modest.

Whereas it was observed that the report indicated that a potential risk of crowding out might have been perceived for some operations and that the measurement of the concepts of additionality and sub-optimal investment situation could be better clarified, references were also made to read in a nuanced manner these specific findings. Mr G. Chiarion Casoni further clarified that the report also stated other benefits from EFSI in terms of attracting new investors and providing demonstration effects and market testing of new products and financing models, while observing only a limited effect on the opportunity costs of provisioning EFSI in relation to existing other EU policy instruments.

The Steering Board welcomed the substantive information provided in the presentation and took note of the findings of the independent evaluation report. The Steering Board referred to the upcoming report of the evaluation division of the EIB, which is expected to be published in July 2018, and the Court of Auditors Performance audit, in order to incorporate the findings of all three reports in the implementation of its mandate. The Steering Board mentioned in particular how some conclusions and recommendations may be integrated in its Strategic Orientations or in other documents issued by the Steering Board.

The Steering Board emphasised the importance of transparent communication and indicated that the EFSI Stakeholders consultation event, which is scheduled in the last quarter of 2018, could be a good setting to discuss the findings of the different evaluations and the measures undertaken by the Steering Board to implement some of the recommendations with external stakeholders. The Steering Board also referred to the entry into force of the extended EFSI Regulation in January 2018, which was not part of the scope of the independent evaluation.

5. Any other business

At its meeting held on 28 April 2017 and reconvened on 17 May 2017, the Steering Board decided to appoint eight members of the Investment Committee for an 18-month period from 1 August 2017 on. Accordingly, each current Investment Committee member's contract has a term, which ends on 31 December 2018.

The Steering Board acknowledged the good work executed by the Investment Committee members and, in order to maintain continuity of good working processes and to increase efficiency, discussed the possibility to re-appoint all Investment Committee members for an additional period of 2 years (from 1 January 2019 to 31 December 2020). This period would also be in line with the remaining investment period during which the EU guarantee may be granted for

supporting financing and investment operations covered by Regulation 2017/2396.

The Chairperson declared the meeting closed at 18:00.

Schedule A

Decisions taken by the Steering Board (Meeting 26/2018)

Agenda Item	Description	Decision taken
3	Minutes of the meeting held on 18 April 2018.	The Steering Board approved the document with minor comments.