



# FRAMEWORK PARTNERSHIP AGREEMENT ON THE EUROPEAN INVESTMENT ADVISORY HUB

between the

EUROPEAN UNION

and the

EUROPEAN INVESTMENT BANK

Brussels, 22 July 2015

This Agreement is entered into between:

the **European Union**,

represented by the European Commission, Rue de la Loi 200, B-1049 Brussels, Belgium, which is represented for the purposes of the signature of this Agreement by Mr. Jyrki KATAINEN, Vice-President,

hereinafter referred to as the "EU",

of the one part, and

the **European Investment Bank**,

established at 98-100, boulevard K. Adenauer, L-2950 Luxembourg, Grand Duchy of Luxembourg, represented by Mr. Werner HOYER, President,

hereinafter referred to as the "Bank",

of the other part,

and jointly referred to as the "Parties",

WHEREAS:

- 1) Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 – the European Fund for Strategic Investments (OJ L 169, 1.7.2015, p.1) (the "**EFSI Regulation**") establishes a European Investment Advisory Hub (the "EIAH") within the EIB and foresees that the Commission shall conclude an agreement with the EIB for the implementation of the EIAH.
- 2) This Agreement shall be governed by the terms of the Financial and Administrative Framework Agreement signed between the Parties on 8 May 2014 (hereinafter the "**FAFA**") and, in particular, provisions governing the technical assistance set out in Article 10.2 of the FAFA.

NOW THEREFORE, the Parties have agreed as follows:

## **Article 1**

### **Definitions and Interpretation**

1.1 The definitions set out in the FAFA shall apply equally to this Agreement.

1.2 Wherever used in this Agreement, the following terms shall have the meanings opposite them:

|   |   |
|---|---|
| <b>“Action”</b>                                   | means the EIAH activities described in Annex 1 to this Agreement;   |
| <b>“Agreement”</b>                                | means this Framework Partnership Agreement on the European Investment Advisory Hub, as may be amended, supplemented or modified from time to time;  |
| <b>“Coordination Committee”</b>                   | means the committee set out in Article 4;   |
| <b>“EIAH”</b>                                     | means the European Investment Advisory Hub;   |
| <b>“EFSI Account”</b>                             | means an account, opened by the Bank in its books for the purposes of collecting the EU revenues resulting from EFSI guaranteed operations and recovered amounts and to the extent of the available balance, for the payment of calls under the EU guarantee and other sums as set out in the Agreement on the Management of the European Fund for Strategic Investments and on the EU Guarantee; |
| <b>“EIAH Budget”</b>                              | means the resources available to cover the eligible costs of the Action;  |
| <b>“EIAH Fees”</b>                                | means fees charged by the Bank for EIAH services;   |
| <b>“National Promotional Banks”<br/>or “NPBs”</b> | means legal entities carrying out financial activities on a professional basis which are given a mandate by a Member State or a Member State’s entity at central, regional or local level, to carry out development or promotional activities;  |
| <b>“Work Programme”</b>                           | means the work programme of EIAH to be attached to each Specific Grant Agreement.   |

1.3 In this Agreement, unless the context otherwise requires,

- (a) headings are for convenience only and do not affect the construction or the interpretation of any provisions of this Agreement;
- (b) words importing the singular include the plural and vice versa;
- (c) a reference to an article, section, part or annex is a reference to that article, section, part of, or annex to this Agreement.

1.4 The terms set out in the FAFA shall take precedence over those in this Agreement or in a Specific Grant Agreement and their Annexes, in the event that there is any conflict between the terms of the FAFA and this Agreement or a Specific Grant Agreement and their Annexes.

1.5 The terms set out in this Agreement shall take precedence over those in any Specific Grant Agreement and its Annexes in the event there is any conflict between the terms of this Agreement and a Specific Grant Agreement.

## **Article 2**

### **Scope and Purpose of this Agreement**

- 2.1 This Agreement defines the general rights and obligations of the Parties in implementing their partnership concerning the EIAH. This Agreement applies to EIAH activities carried out according to the relevant Specific Grant Agreements and financed by the EIAH Budget.
- 2.2 Signature of this Agreement shall not give rise to any obligation of the EU to award specific grants. It shall be without prejudice to the award of grants to the Bank outside the scope of the EIAH.
- 2.3 The structure, governance, budget arrangements, terms and conditions of existing initiatives including joint EU-Bank initiatives and partnerships shall not be affected by this Agreement.

## **Article 3**

### **Specific Grant Agreements**

- 3.1 For the purposes of implementing the EIAH, specific grants may be awarded to the Bank annually on the basis of a request including the proposed Work Programme for the subsequent year and estimated budget to be submitted by the Bank no later than 30 November each year. The Work Programme shall contain, inter alia, an indication of the type of advisory services that will be available in a given period and the allocated resources.
- 3.2 Where the EU decides to award a specific grant, it shall propose to the Bank to sign a Specific Grant Agreement in accordance with the model set out in Annex II. Each Specific Grant Agreement shall be signed by authorised representatives of the Parties.
- 3.3 By signing the Specific Grant Agreement, the Bank shall agree to carry out the Action in accordance with the terms and conditions laid down in the FAFA, the Agreement and the Specific Grant Agreement.
- 3.4 Specific Grant Agreements shall be signed before the date when this Agreement expires. Where the Action is carried on thereafter, the terms of the FAFA and of the Agreement shall continue to apply to the implementation of the Specific Grant Agreements governed by the Agreement.

## **Article 4**

### **Coordination Committee**

- 4.1 A Coordination Committee consisting of four members shall be established. Each Party will appoint two members. The members of the Coordination Committee shall be duly empowered to act on behalf of the Party appointing them. The EU shall appoint one of its representatives to act as the Chairperson of the Coordination Committee.
- 4.2 The Coordination Committee shall meet at least twice a year and shall adopt its rules of procedure. The Coordination Committee shall act by consensus, subject always to the internal decision making bodies of the Parties. The Coordination Committee Secretariat shall be provided by the Bank.
- 4.3 The Coordination Committee shall:
  - (a) review and agree strategy and policy relating to EIAH, taking into account the specificities and needs of Member States with less developed financial markets;

- (b) review, on a regular basis, progress on and implementation of the Work Programme of EIAH;
- (c) consider and if appropriate, propose for inclusion in the Work Programme, the extension of existing programmes and/or creation of new services funded by the EIAH Budget or termination of such services;
- (d) review annual report(s) and annual financial statements of EIAH;
- (e) review the communication strategy;
- (f) review terms of reference for evaluations of EIAH;
- (g) approve a pricing policy for EIAH services to non-public sector entities, including cost sharing principles for activities and services performed by NPBs on behalf of EIAH as per Articles 14(5) and 14(6) of the EFSI Regulation;
- (h) approve the structure of technical reports as referred to in Article 6.1(a).

## **Article 5**

### **Costs and Payments**

- 5.1 The EU shall contribute 75% of the EIAH Budget (net of EIAH Fees actually received), up to a maximum amount of EUR 10 million for 2015 and up to a maximum amount of EUR 20 million per year during the period 2016-2020.
- 5.2 The Bank shall contribute 25% of the EIAH Budget (net of EIAH Fees actually received), up to a maximum amount of EUR 3.3 million for 2015 and up to a maximum amount of EUR 6.6 million per year during the period 2016-2020.
- 5.3 The specific grants awarded under the Agreement shall take the form of the reimbursement of eligible costs of the Action which are:
  - (a) declared on the basis of the rates ("reimbursement of unit costs") set out in Schedule VIII of the FAFA for staff and mission rates, applying "Rate 1" for staff costs; and
  - (b) actually incurred ("reimbursement of actual costs") for the costs of subcontracting of consultancy services. These include the following costs:
    - (i) external consultancy services;
    - (ii) external audit costs incurred by the Bank in auditing activities under this Agreement; and
    - (iii) costs incurred for decentralised services provided by NPBs based on the relevant contractual partnership.
- 5.4 Each specific grant shall be disbursed to the Bank according to the following payment timeline in accordance with the provisions of Article 2 of Schedule VI of the FAFA:
  - (a) a first pre-financing payment corresponding to 40% of the maximum amount specified in Article 3 of the Specific Grant Agreement shall be paid to the Bank within thirty (30) calendar days from the date of signature of the Specific Grant Agreement;
  - (b) subsequent pre-financing payments (under Specific Grant Agreement starting from 2016) and interim payments of up to 40% of the maximum amount specified in Article 3 of the Specific Grant Agreement shall be made following approval of

the request for payment and of the accompanying documents referred to in Article 6.1(a) and (b) which in case of subsequent pre-financing payments shall confirm that at least 70% of the last payment has been used to cover costs of the Action by the Bank. Without prejudice to Article 2.3 of Schedule VI of the FAFA, on receipt of the documents referred above, the Commission shall pay to the Bank the amount due within sixty (60) days;

- (c) the amount of balance shall be determined by the EU on receipt of a payment request issued by the Bank accompanied with the documents referred to in Article 6.1 and:
  - (i) if the balance is positive in favour of the Bank, the balance, which cannot exceed the maximum amount specified in Article 3 of the Specific Grant Agreement, shall be paid to the Bank within sixty (60) calendar days from the date of receipt of the documents;
  - (ii) if the balance is positive in favour of the EU, the EU shall recover the corresponding amount.

5.5 Eligible costs of the Action incurred by the Bank between 1 April 2015 and the date on which this Agreement enters into force shall be considered as part of the Bank's contribution to the EIAH Budget.

5.6 For each payment under Article 5.4, the EU shall make a payment to the Bank's account indicated in the Specific Grant Agreement of the amount of the EU contribution. The EU, for these purposes, may instruct the Bank to debit an amount corresponding to the EU contribution from the EFSI Account. No interest shall be due to the EU on the pre-financing payments.

## **Article 6**

### **Reporting and Evaluation**

6.1 In line with Article 10.5 of the FAFA, the Bank shall provide the EU with:

- (a) a quarterly technical report – no later than thirty (30) days after the end of each quarter, unless a lesser frequency is agreed by the Coordination Committee;
- (b) a financial statement drawn up in accordance with the structure of the estimated budget or, if a subsequent pre-financing payment is requested, a statement on the amount of the previous pre-financing instalment;
- (c) no later than six months after the end of each year:
  - (i) an annual audited financial statement;
  - (ii) an annual technical report.

6.2 By 1 September 2016, and annually thereafter, the EIB shall submit a report to the European Parliament, to the Council and to the Commission with regard to the services provided by the EIAH under Article 14(2) of the EFSI Regulation and the execution of the EIAH Budget, including information on the EIAH Fees received and the use thereof (as required by Article 14(9) of the EFSI Regulation).

6.3 The Parties agree that within three years from entry into force of the EFSI Regulation, the EU shall conduct an independent mid-term evaluation of the functioning of EIAH.

## Article 7

### Entry into Force and Term

- 7.1 This Agreement shall enter into force on the date on which it is signed by both Parties.
- 7.2 Individual contracts implementing this Agreement and Specific Grant Agreements shall be signed by the Bank no later than 31 December 2020.
- 7.3 This Agreement shall apply until the end of the implementation of the last Specific Grant Agreement.

## Article 8

### Communication details of the Parties

- 8.1 Any communication addressed to the EU shall be sent to the following address:  
European Commission  
Directorate General for Economic and Financial Affairs  
Directorate L, Unit 3  
L-2920 Luxembourg
- 8.2 Any communication from the EU to the Bank shall be sent to the following address:  
European Investment Bank  
Head of Advisory Services  
98-100, boulevard K. Adenauer  
L-2950 Luxembourg

## Article 9

### Annexes

The recitals and the following Annexes form an integral part of this Agreement:

- I. Description of the Action.
- II. Model Specific Grant Agreement.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be executed in two originals in the English language, each one taking one copy, as of the day and the year written below.


Brussels, 22 July 2015.

For and on behalf of the  
EUROPEAN UNION



Jyrki KATAINEN  
Vice-President

For and on behalf of the  
EUROPEAN INVESTMENT BANK



Werner HOYER  
President

## **DESCRIPTION OF THE ACTION**

### **1. GENERAL DESCRIPTION**

The Action consists of establishing, implementing and managing the EIAH.

EIAH will be based at the Bank in Luxembourg and will be operated in close partnership with the European Commission. The Bank will implement EIAH through a combination of dedicated staff resources, other resources available to the Bank and where appropriate the use of external consultants. EIAH shall be provided with the necessary flexibility to adapt to market demand and to the actual needs of public/ private promoters.

The regional presence of the EIAH may be enhanced by building on existing Bank's offices as well as in cooperation with NPBs, other providers of similar services and managing authorities of the European Structural and Investment Funds (ESIF).

The EIAH will be established within the Bank and implemented by the Bank in line with its internal rules and procedures. The EIAH initiative shall have as its objective to build upon existing EIB and Commission advisory services in order to provide advisory support for the identification, preparation and development of investment projects and to act as a single technical advisory hub for project financing within the Union.

EIAH will offer the services set out below.

#### **1.1 Single Point of Entry**

EIAH will offer a single point of entry for guidance and advice for investments within the Union by means of an interactive, easily accessible web portal and a support team. EIAH services shall be available to public and private project promoters, including NPBs and investment platforms or funds and public sector entities.

The interactive web portal will provide information and guidance on EIAH and the different advisory services available while guiding potential investors and public authorities to the most appropriate advisory services to support their needs. The web portal will have links to existing and new advisory programs, including those of partner institutions such as the EU and NPBs, and to the European Investment Project Portal.

The support team will guide counterparts through the services available. EIAH shall aim at putting in place a single telephone number across the Union for reaching the EIAH support team. The support team shall also assess the needs not covered at present by existing technical assistance initiatives and, where possible, match requests with the most appropriate Bank, EU or other support available. A tracking system shall be developed to monitor the request for EIAH services.

#### **1.2 Cooperation Platform**

EIAH will offer a cooperation platform between the EU, the Bank, public sector entities including ESIF managing authorities and NPBs. The cooperation platform shall link the EIAH advisory services and existing platforms with the expertise of NPBs and relevant entities at national and regional level. The cooperation platform shall provide a peer-to-peer exchange and sharing of know-how.

Under the EIAH, networking between institutions, including the Bank, the EU and NPBs shall be coordinated and an integrated collaboration model for effective provision of advisory services shall be developed to ensure wide coverage while avoiding overlap. EIAH shall establish an NPB working group for providing feedback and updates on operations under the Hub and identifying potential needs and gaps for advisory support. The European Commission shall be invited to such external working group.



EIAH shall ensure the complementarity of new cooperation platforms and advisory services with the existing ones. Where endorsed by its Coordination Committee, EIAH may extend existing cooperation platforms where appropriate and in line with their respective legal basis or create new platforms for capacity building activities and exchange of good practice (including, where appropriate development of guidelines; manuals; case studies; methodological guidance for cost benefit analysis, value for money, financial instruments and project structuring) and facilitate networking events, training and e-learning modules.

EIAH shall seek active participation of NPBs and ESIF managing authorities and, where relevant, facilitate their contribution to working groups, discussion fora, web libraries and other initiatives that will be established by EIAH with the objective of sharing knowledge and expertise among these institutions.

EIAH thematic workshops in areas relevant to its activities shall be regularly organised.

### **1.3 Strengthening Advisory Support**

The advisory function coordinated by EIAH is a key priority and it will be provided by existing technical assistance initiatives and, if needs cannot be addressed by such existing initiatives, new initiatives. It shall concern all aspects of the project life cycle as well as horizontal issues related to projects. The advisory function of EIAH shall also include project implementation support and capacity building. Advisory support under EIAH shall be complementary to those already available under existing Union initiatives, creating synergies between existing and new programmes and services wherever possible.

EIAH's components may cover the following areas throughout the project cycle:

- sectorial strategy, upstream pipeline identification and project origination, i.e. involvement in project planning and preparation throughout the project cycle,
- preparation and development of quality projects and investments,
- project structuring in order to attract private investment and / or make efficient use of public resources where appropriate including advice on the use of innovative financial instruments and the use of public-private partnerships,
- support for projects aggregation,
- support during project implementation,
- provide access to advice on relevant issues relating to Union law in cooperation with the European Commission the details of which shall be endorsed by the Coordination Committee.

EIAH may also provide advisory support to accelerate preparation of quality projects as well as projects that can be potential candidates for EFSI financing. EIAH may also provide advice on the establishment of investment platforms.

Under the EIAH, fair access to services shall be ensured taking into account the specificities and needs of Member States with less developed financial markets.

The Bank shall inform beneficiaries of the EIAH on the existence of the European Investment Project Portal and request NPBs to do the same.

The EIAH shall be able to provide technical assistance in the areas listed under Article 9 (2) of the EFSI Regulation and, in particular, in the areas of energy efficiency, TEN-T and urban mobility.

### **1.4 Cooperation with NPBs**

NPBs play an important role in access to finance and are an important source of local / regional knowledge. EIAH shall offer the following forms of collaboration in an effort to build on NPBs expertise and try to optimise synergies and complementarities:

- Level 1: Participation in knowledge / best practice sharing and dissemination;
- Level 2: Acting as a local point of entry / local screening for EIAH's potential beneficiaries and promotional and visibility actions;
- Level 3: Decentralised delivery of services on behalf of EIAH.

Irrespective of the form of participation(s), each partner NPB and the Bank (on behalf of EIAH) will sign an engagement letter/memorandum of understanding setting the general terms of cooperation. Participation to Level 3 shall be governed by a service contract.

A cost sharing mechanism for activities and services performed on behalf of EIAH by NPBs shall follow the policy approved by the Coordination Committee.

### **1.5 Cooperation with similar service providers**

In order to ensure broad coverage for services provided by EIAH across the whole Union, EIAH may cooperate where possible with similar service providers at Union, regional, national or sub-national level. Cooperation between the EIAH and such service providers, including those acting as a national advisor, may take the form of a contractual partnership.

## **2. COMMUNICATION STRATEGY**

The visibility and publication requirements detailed under Article 23 of the FAFA shall apply to this Action. The detailed provisions of the communication strategy which may include inter alia, promotion activities, conferences, workshops, case studies, brochures, targeted awareness raising and website development shall be agreed by the Coordination Committee on an annual basis.

The Parties shall consult each other on progress and situation reports, publications, press releases and updates relevant to the EIAH before they are issued or published and shall communicate such documents to each other when they are issued.

The names of recipients of EIAH services and a summary description of services provided shall be published on EIAH website, unless such disclosure risks harming the commercial interests of the recipients, with due observance of the requirements of confidentiality and security, in particular the protection of personal data.

## **3. MANAGEMENT OF EIAH**

EIAH shall be managed by a dedicated team funded by the EIAH Budget. The employment of staff members working for EIAH shall be subject to the Bank rules concerning its staff and/or external consultants. EIAH will also be open to secondments from the EU and participating NPBs. The Bank shall keep the European Commission informed about the organisation structure of the Bank's advisory activity relevant to EIAH (including existing and new initiatives).

The Head of the Bank's Advisory Services shall manage EIAH and shall present an activity and forecast report to the Coordination Committee.

The Head of the Advisory Services will consult with the Commission on material operational matters concerning EIAH. If necessary, matters may be raised by either Party at the Coordination Committee.

## **4. ADMINISTRATIVE ARRANGEMENTS WITH BENEFICIARIES**

Entities that make use of the advisory services of the EIAH shall be under no obligation to use the Bank's or any participation NPB's financing. There shall be no obligation for the Bank to finance a project which is prepared with the assistance of the EIAH.

No fees shall be charged for the access to the information available under the EIAH. Fees can be charged to private beneficiaries of incremental advisory services provided through the EIAH, depending on their nature and in accordance with the policy endorsed by the Coordination Committee. If fees are charged, these will be used to cover the costs associated with these services. Fees charged to SMEs shall be capped at one third of the costs of the technical assistance provided to them.

## MODEL SPECIFIC GRANT AGREEMENT

### implementing the Framework Partnership Agreement on the EIAH between the EU and the EIB for the year [•]

This Specific Grant Agreement is entered into between:

the **European Union**, represented by the European Commission, (hereinafter referred to as the "EU"), which is represented for the purposes of the signature of this Specific Grant Agreement by [name, function]

of the one part, and

the **European Investment Bank** (hereinafter referred to as the "Bank"), represented for the purposes of the signature of this Specific Grant Agreement by [name, function,]

of the other part,

and jointly referred to as the "Parties",

**The Parties have agreed** to this Specific Grant Agreement and the following annexes which form an integral part of the Specific Grant Agreement:

- Annex I. Work Programme
- Annex II. Estimated budget
- Annex III. Financial Identification Form

#### **Article 1: Subject matter of the Specific Grant Agreement**

- 1.1 The Specific Grant Agreement is concluded in the context of the partnership established between the Parties. It is drawn up in accordance with the relevant terms of Framework Partnership Agreement on the EIAH signed between the EU and the Bank on [•] 2015 (the "**Framework Partnership Agreement**").
- 1.2 The EU has decided to award a grant under the terms and conditions set out in the Specific Grant Agreement and the Framework Partnership Agreement on the EIAH, as described in Annex I.
- 1.3 With the signature of the Specific Grant Agreement, the Bank accepts the grant and agrees to implement the action in accordance with the terms and conditions of the Specific Grant Agreement and the Framework Partnership Agreement, acting on its own responsibility.

#### **Article 2: Entry into force and duration**

- 2.1 This Specific Grant Agreement shall enter into force on the date on which it is signed by both parties.
- 2.2 The action to be financed under the Specific Grant Agreement shall run and eligible expenditure can be incurred from [1 January year N] until [31 December year N+2].

#### **Article 3: Maximum amount and form of the grant**

The EU Contribution shall be of a maximum amount of EUR [•] million. It shall take the form of the reimbursement of 75% of the EIAH Budget net of EIAH Fees actually received as set out in Article 5 of the Framework Partnership Agreement.

The Bank shall contribute 25% of the EIAH Budget net of EIAH Fees actually received, up to a

maximum amount of EUR [•] million, as set out in Article 5 of the Framework Partnership Agreement.

**Article 4: Payment arrangements**

- 4.1 The payment arrangements set out in Article 5 of the Framework Partnership Agreement shall apply.
- 4.2 The payments to the Bank shall be done to the account specified in the Financial Identification Form (Annex III).
- 4.3 The EU shall systematically inform the Back-Office Treasury of the Bank at least five (5) Business Days prior to the payment date, by e-mail to [FI\\_PRO\\_BOT\\_LPC\\_CM@eib.org](mailto:FI_PRO_BOT_LPC_CM@eib.org) (or to such other e-mail address as may be indicated by the Bank from time to time) when such payment has been initiated. The SWIFT message instruction shall include the remittance information (field 70): "EIAH grant contribution [year N]".

**Signatures**

For the Bank,

For the EU,

