



EP must have bigger role in new investment fund, say budget and economics MEPs

[12-03-2015 - 10:32]

Parliament should have a bigger role in supervising the operations of the new European Fund for Strategic Investment (EFSI), in selecting its top officials and in the decisions on how to feed the guarantee fund, says the draft report by the budgets and the economic and monetary affairs committees, presented and discussed on Thursday in Strasbourg.

The report, drawn up by [José Manuel Fernandes](#) (EPP, PT) for the budgets committee and [Udo Bullmann](#) (S&D, DE) for the economics committee, suggests the following changes to [the European Commission's](#) proposal:

Parliamentary supervision over EFSI operations

The European Investment Bank (EIB) and the Investment Committee must *report to Parliament every six months*; and the chairs of the Steering Board and of the EIB can be *summoned for hearings*.

Greater control over leadership and setup of new bodies

The *eight* members of the Investment Committee must be *heard and approved by Parliament*, and its *ninth member*, the managing director, must be *selected from a shortlist*, with *Parliament's approval*;

Feeding the €16 billion guarantee fund

As the EU budget is the single largest source of public funding for the EFSI, the money must be put into the guarantee fund *as part of the annual budget procedure*; any endowment of the guarantee fund of over €8 billion should remain in the EU budget and be available for projects in areas including research and transport.

Quotes from the meeting:

Mr Fernandes: "We want to ensure the most flexibility possible in provisioning the guarantee fund. The two arms of budgetary authority have to agree on how to build it up. (...) The European Parliament must have scrutiny over this plan. We need to make sure that there is a separation of powers, an objectivity in decision-making, that there is no selection of projects based on political persuasion... The political guidelines serving as the basis of project selection must be clear and respected."

Mr Bullmann: "We are not going to be bankrolling something that has already been bankrolled. We are not going to shuffle projects from one financing model to another. In turn we want to support risky investments for which the money has not been forthcoming, be it broadband, transport, energy, small and medium sized enterprises. In all of these areas we are prepared to put money behind investment that would otherwise be difficult. (...) The guarantee is required to obtain leverage: the source of guarantee is the EU budget, that is where the financial risk is being borne."

Press release

Next steps

20 April, Brussels: vote in BUDG-ECON on the proposed amendments

June 24, or the latest at the July plenary: plenary vote

Background

The European Committee presented its [€315-billion plan to boost investment](#) in the European Union in November 2014 and tabled a legislative proposal in January. The co-legislators Council and Parliament must agree on the final text by early June in order to have the fund up and running by mid-2015, in line with the Commission's plan.

Further information

- Steps of the procedure: [http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2015/0009\(COD\)&l=en](http://www.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2015/0009(COD)&l=en)
- Committee on Budgets: <http://www.europarl.europa.eu/committees/en/budg/home.html>
- Committee on Economic and Monetary Affairs: <http://www.europarl.europa.eu/committees/en/econ/home.html>
- Udo Bullmann (S&D, DE): <http://www.europarl.europa.eu/meps/en/4267.html>
- José Manuel Fernandes (EPP, PT): <http://www.europarl.europa.eu/meps/en/96899.html>
- Video recording of the debate (click on 12.03.2015): <http://www.europarl.europa.eu/ep-live/en/committees/video?event=20150312-0800-COMMITTEE-ECON-BUDG>

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