



Council of the
European Union

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OUTCOME OF PROCEEDINGS

From:	General Secretariat of the Council
To:	Delegations
No. prev. doc.:	8511/19
Subject:	European Court of Auditors' Special Report No 3/2019: European Fund for Strategic Investments: Action needed to make EFSI a full succes
	- Council Conclusions (13 May 2019)

Delegations will find in the annex the Council conclusions on the European Court of Auditors' Special Report No 03/2019: "European Fund for Strategic Investments: Action needed to make EFSI a full success", adopted by the Foreign Affairs Council at its 3688th meeting held on 13 May 2019.

COUNCIL CONCLUSIONS

on

European Court of Auditors' Special Report No 03/2019:

"European Fund for Strategic Investments: Action needed to make EFSI a full success"

THE COUNCIL OF THE EUROPEAN UNION:

1. WELCOMES the European Court of Auditors' Special Report No 03/2019: "European Fund for Strategic Investments: Action needed to make EFSI a full success";
2. TAKES NOTE of the Court's findings and WELCOMES the recommendations made by the Court;
3. NOTES that the audit covered European Fund for Strategic Investments (EFSI) operations from 2015 until July 2018 and focused on EFSI 1, primarily on the infrastructure and innovation window;
4. WELCOMES the fact that EFSI has been effective in supporting substantial additional investment in the EU, in addressing market failures or sub-optimal investment situations and in contributing to reducing the investment gaps in the Union, but AGREES with the Court of Auditors that there is significant room for improvement in certain areas;
5. STRESSES that projects supported by EFSI should provide additionality and that crowding-out effects must be avoided, particularly in more favourable market circumstances; AGREES that the assessment of whether EFSI projects could have been financed from other sources should be improved;
6. STRESSES that the demand-driven nature of EFSI is a cornerstone of its success while RECOGNISING that the geographic distribution of supported investments should be improved, notably in member states without developed financial markets and well-established national promotional banks and institutions, in particular by addressing the root causes of the observed geographical spread;

7. AGREES that complementarity between EU financial instruments and EU budgetary guarantees must be encouraged;
 8. AGREES with the need for continued work on the calculation methodology and reporting arrangements to estimate the investment mobilised, and STRESSES the importance of accurate estimation of the impact of EFSI;
 9. WELCOMES the fact that the Commission and the European Investment Bank (EIB) agree with the Court of Auditors' recommendations and have already taken steps with a view to their implementation, and NOTES that two recommendations have been already implemented and one recommendation has been addressed;
 10. UNDERLINES that many of the concerns expressed have already been taken into account in the revision of EFSI and particularly in the InvestEU Regulation;
 11. STRESSES the need for the Commission, the EIB and the future InvestEU implementing partners to ensure proper implementation of these recommendations;
 12. CONSIDERS that implementing these recommendations will, among others, ensure high value added by supported investments, improve the geographical balance, limit duplication and promote synergies among different instruments;
 13. LOOKS FORWARD to the yearly Court updates of the implementation of the recommendations and the next report on the EFSI implementation.
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