SB/18/17 9 February 2017

PV/17/17

EUROPEAN FUND FOR STRATEGIC INVESTMENTS STEERING BOARD

Minutes of the Meeting held on 23 November 2016



EFSI STEERING BOARD - MEETING 17/2016

Minutes of the meeting held at the EIB Offices in Luxembourg on Wednesday, 23 November 2016

Those attending:

Steering Board members:

Mr G. Thomas (EC) Mr B. Angel (EC) Mr A. Fayolle (EIB)

Excused:

Ms I. Schwimann (EC)

Experts:

Ms S Valtonen (EC)
Ms I. Tsanova (EIB)
Mr W. Molterer (EIB)
M JC. Laloux (EIB)

EFSI Secretariat:

Ms E. Bois-Willaert (EIB) Ms O. Pascenco (EIB) The Chairperson declared the meeting open at 16:10 on 23 November 2016.

1. Quorum

It was recorded that there was a quorum.

2. Approval of the agenda

The agenda was approved.

3. <u>FOR DISCUSSION</u> Quarterly Reporting from the Managing Director on Q 3 / 2016

The EFSI Managing Director presented to the Steering Board the EFSI Quarterly results, for the Infrastructure and Innovation Window, and for the SME Window, describing the breakdown by country and by sector, as well as the total financing by approvals and signatures. He also gave information on the loan grading of EFSI operations at signature stage.

The Steering Board welcomed the proposal made by the Managing Director to include in the forthcoming report, additional data on EFSI related investments in respect to GDP, information on EFSI projects involving collaboration with National Promotional Banks / Institutions, Investment Platforms and the combination with ESIF funds. In addition, the Managing Director suggested improving, in the context of Regional or Multi-country operations, the results reflecting the split per country.

Finally, the Steering Board requested that information on EIB new clients is also added in the next report. Additionally, in future it would be useful to see a more dynamic representation of EFSI figures, namely the approvals, signatures and disbursements.

4. FOR DISCUSSION Supervision of the Risk Profile

In line with EFSI Regulation, the Steering Board shall determine the risk profile of EFSI. The Steering Board took note that quarterly data presented by M. Laloux, Director General of Operations, are not audited.

The Steering Board members discussed the supervision of the risk profile in principle: size and availability of overall portfolio, rating at the stage of operation's approval, subsequent down and upgrading.

5. <u>FOR DISCUSSION</u> Revised Strategic Orientations for EFSI

The Steering Board discussed a revised version of the EFSI Strategic Orientation, a document adopted by the Steering Board in December 2015 (PV 15/07 – Steering Board meeting held on 15 December 2015).

The update of the EFSI Strategic Orientation, foreseen in the initial document, aims at reflecting the changes made in the revised EFSI agreement signed in July 2016. It includes new products developed by the EIB Group and provides additional guidance resulting from the feedback of Stakeholders consulted by the Steering Board in 2016.

The Steering Board welcomed the document. The Steering Board requested notably the following changes in the document: (i) no reference to factual data that would be subject to continuous changes, (ii) reflect the on-going discussions related to the simplification of the rules for Structural Funds. In addition, the Steering Board will further discuss the sections on additionality and transparency. As a final general comment the Steering Board recommended that the EFSI Strategic Orientation take a more forward looking approach.

On the basis of this discussion, the Steering Board shall receive a new version of the document.

6. FOR DECISION

Geographical eligibility of cross-border operations involving non-EU entities under EFSI (document 31-2016)

The Steering Board approved the document Geographical eligibility of cross-border operations involving non-EU entities under EFSI.

Cross-border projects, in the meaning of Article 8 of the EFSI Regulation, refer to operations involving entities located in the EU and extending outside the EU, in a defined list of third countries or territories. This document clarifies how the EFSI Regulation is to be interpreted in the context of investments in cross-border projects with non-EU components, notably Overseas Countries and Territories. In this respect, this document provides detailed information on the eligibility criteria.

The Steering Board took note that as of November 2016, no cross-border operations involving non-EU countries was submitted to the Investment Committee.

7. ANY OTHER BUSINESS

7.1. Programme loans for EFSI operations

The Steering Board had a discussion on EIB-EFSI operations under IIW that were pre-approved as an envelope of financing for multiple underlying operations.

The Steering Board asked that operations for which the EFSI financing amount exceeds 50 M EUR, are not part of such envelopes, but considered as individual operations to be submitted to the Investment Committee. This request shall apply for envelopes of financing approved since September 2016.

7.2. Stakeholders consultation

The Steering Board had a first exchange of views on meetings to be organized by the EFSI Secretariat with various stakeholders in 2017, to pursue its consultation on EFSI implementation. A proposal for a consultation event will be submitted at a later stage.

7.3. Date for next Steering Board meeting

The next meeting with be held on 9 February 2017.

The Chairperson declared the meeting closed at 17:30.

Schedule A

Decisions taken by the Steering Board (Meeting 17/2016)

Agenda Item	Description	Decision taken
6	Geographical eligibility of cross- border operations involving non- EU entities under EFSI	The Steering Board unanimously approved the document.

Decisions taken by the Steering Board under Written Procedure in September 2016

As allowed by Article 8 of the Steering Board Rules of Procedure, one decision was unanimously taken by the Steering Board under written procedure with an expiry date which was scheduled the **26**th **September 2016**:

- <u>EFSI Thematic Investment Platform for Italian SMEs</u>, a framework for future risk-sharing agreements between Cassa Depositi e Prestiti S.p.A. and EIF, involving EFSI SMEW resources (e.g. COSME LGF, InnovFin SMEG, etc.)

Decisions taken by the Steering Board under Written Procedure in November 2016

As allowed by Article 8 of the Steering Board Rules of Procedure, one decision was unanimously taken by the Steering Board under written procedure with an expiry date which was scheduled the **11**th **November 2016**:

- Minutes of the Steering Board meeting held on 7 September 2016