

Workshop

Microfinance under the European Social Fund 2014-2020

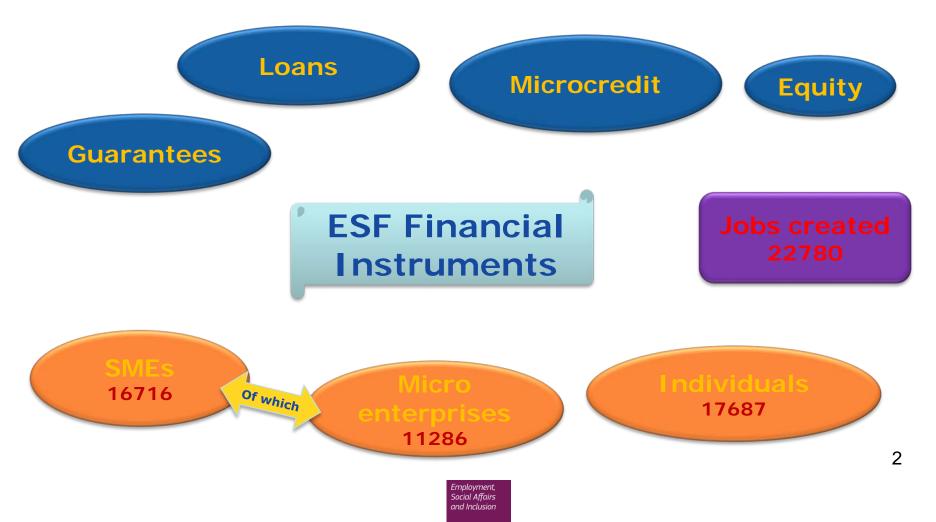
03 February 2016 Brussels

> Andrea DA POZZO EMPL F1

Employment, Social Affairs and Inclusion



Use ESF FIs 2007-2013





ESF contributions to EU level instruments

Art. 38 (1)(a) & ((b) of Regulation (EU) 1303/2013

(a) financial instruments set up at Union level, managed directly or indirectly by the Commission;

(b) financial instruments set up at national, regional, transnational or cross-border level, managed by or under the responsibility of the managing authority.





FIs (2014-2020): MFF Overview

Creative Europe

Guarantee Facility

(EUR 121m)

Erasmus for all

Guarantee Facility

(EUR 517m)

Employment. Social Affairs and Inclusion

EU-level Instruments (Financial Regulation + Specific Rules)

Horizon 2020

Equity and Risk Sharing Instruments (EUR 2.8 bn, including at least EUR 710m for RSI II)

Research, **Development** & Innovation

Growth, Jobs and Social Cohesion

Infrastructure

Energy

Digital

Agenda

COSME **Competitiveness & SME** Equity & guarantees (EUR 1.4 bn, incl. EUR 700m for SME guarantees)

> EASI Social Change & Innovation

Connecting Europe Facility (CEF) Total budget cap EUR 2.9bn

Risk sharing (e.g. project bonds) and equity instruments (Project Bonds Initiative – EUR 460m)

> Life + Risk sharing and guarantees and equity (Deep Green, Natural Capital and RSI II) (EUR 350m)

Regional/National Instruments (Common Provision Regulation)

Instruments under **European Structural and Investment Funds**

- > EU level instruments (central management)
- \geq National/Regional instruments (shared management)
 - Off-the shelf FIs
 - Tailor made FIs



EU Level Instruments' Features

Greater implementation flexibility

- Time and Resources
- Co-financing requirements
- Economies of scale





The Implementation Mode - I

Establishment of FIs implemented directly or indirectly by the Commission at EU level

- Equality of treatment
- Risk of administrative costs & burdens
- EU level FIs compatibility with ESIF
- ESIF contribution should amplify the outcomes of EU level FIs
- Decision of MAs to make ESIF programme contribution to the Union level FIs

Ex-ante assessment

- > Investment strategy (delivery structure, financial products, final recipients)
- > adequate analyses/scenarios for informed decisions

> Minimum ticket size





The Implementation Mode - II

Funding agreement with the entrusted entity

- MAs create ESIF compartments
- Funding agreement => MA & Entrusted Entity
- Funding agreement => COM/EU FIs & Entrusted Entity

Implementation – investments

- Portfolio of investments
- Ring-fenced ESIF contributions and returns
- Programme contributions
 - > Up to 100% of paid support may come from ESIF
 - Separate priority axis for EU FIs

Annual reporting, management and control

Eligibility, exit and legacy provisions



Questions & Answers

Thank you for your attention!

