

Proposed Amendments to Draft Opinion Implementation of European Fund for Strategic Investments February 2017

I. EFSI for Social Services

The European Association of Service providers for Persons with Disabilities (EASPD) is a European not-for-profit organisation, representing over 15,000 social service provider organisations across Europe and disability. The main objective of EASPD is to promote equal opportunities for people with disabilities through effective and high-quality service systems.

EASPD is registered on the Transparency Register under the following number: 120906010805-50

In July 2015, the Regulation for the European Fund for Strategic Investments entered into force. On the 14th September 2016, the European Commission proposed the [Regulation](#) (COM(2016) 597 final) to extend the duration of the European Fund for Strategic Investments (EFSI), as well as the introduction of technical enhancements for that Fund and the European Investment Advisory Hub.

Social Services are one of the **biggest job creators** in Europe today with [over 1.7 million new jobs](#) created since 2008 and play a key role in empowering all people to play an active role in society. The sector already employs over **10 million people**. With an ageing population, evolving family patterns and changes to how services should be provided, [the sector will continue to grow](#) over the next few decades; with **–if properly financed and monitored–** millions of new jobs to be created and a more inclusive economy as a result.

The development of **high quality community-based care and support services, fit for 21st century** needs, has been significantly hindered due to a decrease in both public and private investment. There is currently a significant investment gap when it comes to investment in building **the social infrastructure of tomorrow**.

In facilitating access to private financing for so-called “riskier projects”, the European Fund for Strategic Investments can play a key role in **bridging this gap**. Yet, to date, only 4% of EFSI has been dedicated to this sector, with [under 1% going into social services](#); **despite its key role towards jobs, growth and achieving a social Triple A for Europe**.

To unlock this potential, **EASPD published a [study](#)** looking at how the social services sector could access EFSI; as well as a list of current barriers and possible solutions or improvements.

[The draft report on the implementation of the European Fund for Strategic Investments](#) proposed by Mr José Manuel Fernandes and Mr Udo Bullmann acknowledges several issues regarding sectorial diversification. The suggested proposals in this field provide a much welcomed general guidance towards tackling this issue.

With the below amendments, **EASPD wishes to add to this guidance several key proposals** we believe would successfully unlock EFSI for Social Infrastructure investment, as well as other underinvested sectors.

EASPD calls on Members of the European Parliament interested to ensure that EFSI contributes to unlocking investment into social infrastructure to propose the below amendments to the draft opinion. The **suggested amendments can be found in red below, followed by a short justification.**

II. Proposed Amendments to Draft Report

DRAFT REPORT

on the implementation of the European Fund for Strategic Investments
(2016/2064(INI))

Committee on Budgets
Committee on Economic and Monetary Affairs

Rapporteurs: José Manuel Fernandes, Udo Bullmann

Sectorial diversification

16. Emphasises that EFSI is a demand-driven instrument, which should, however, be guided by the political objectives set out in the regulation and defined by the Steering Board; **notes that more efforts should be made to bring to light projects in sectors with high demand for investment, which have not yet taken full advantage of EFSI instruments;**
17. Welcomes that all sectors defined in the EFSI Regulation have been covered by EFSI financing; points out, however, that certain sectors are under-represented; notes that this might be due to the fact that certain sectors already offered better investment opportunities in terms of shovel-ready, bankable projects when EFSI started up; **remarks that this may also be due to a lack of experience and technical knowhow of certain sectors in gaining access to such financial instruments offered by EFSI;** invites the EIB against this backdrop to discuss how to improve sectorial diversification,



linking it to the goals set out in the Regulation as well as the issue of whether EFSI support should be extended to other sectors;

EASPD JUSTIFICATION:

EASPD's [Study and survey](#) to the social sector providers in 6 European countries have demonstrated that there is significant -and currently unmet- demand for private investment; in particular when it comes to building social infrastructure (social housing, integrated care facilities, rehabilitation or respite services, etc). The study shows that the main problem hindering access to EFSI for social services remains in the lack of technical experience and knowhow in accessing such private investment. Similarly, the European Investment Bank and many financial intermediaries have very little experience in working with organisations from this sector; despite the huge demand for investment. Developing measures which help to strengthen the capacity of social sector organisations to engage with EFSI instruments -and vice versa- will be key to unlocking this potential. The EFSI -through EaSI- has recently launched a Capacity Building Investments Windows which provides support to financial intermediaries to build their sustainability. A possible Capacity Building Investment Window for, in this case, the Social sector help to build knowledge and expertise on access to private financing could be a gamechanger for investment into the sector.

The European Policy Centre has also recently launched a publication ([“Rethinking the EU’s investment strategy: EFSI 2.0 needs a Social Pillar to address economic insecurity”](#)) which supports the argument that EFSI must do more towards unlocking investment in social infrastructure.

The [EMPL Committee report](#) on the Implementation of EFSI -written by MEP Romana Tomc- also “calls on the Commission, the EIB Group and the Member States to step up their efforts, build capacity, raise awareness, develop an appropriate ecosystem and increase the attractiveness of investment in social services such as education, training, healthcare and housing”.

European Investment Advisory Hub (EIAH)

31. Is pleased that the EIAH has been up and running since September 2015, moving through a quick implementation phase; acknowledges that, due to the limited period of its existence and a shortage of staff at the initial stage, not all EIAH services have been fully developed and that activity has predominantly focused on providing support for project development and structuring, policy advice, and project screening; **believes it essential that the EIAH includes staff with expertise on a variety of different stakeholders and sectors in order to better target advice, communication and support to sectors currently not accessing EFSI to their full potential.**



EASPD JUSTIFICATION:

The EASPD [Study](#) and ongoing exchange and discussions with the EIB have also demonstrated a lack of knowledge and expertise on how the social sector is organised and financed. This clearly affects the communication, advice and expertise the EIB and the EIAH are able to provide to the sector. Developing knowledge of a broader variety of sectors -in particular those underinvested in- within the EIB and EIAH could significantly help to unlock demand in those sectors.

III. Relevant Information

- EASPD Study: [Unlocking EFSI for Social Services](#) (2015)
- EASPD Briefing: [Contribution of Social Services to Jobs, Growth and Social Cohesion](#) (2016)
- EASPD Letter to President Juncker: [Unlock EFSI for Social Services](#) (2016)
- EASPD Briefing: [State of Play of EFSI and Social Services](#) (January 2017)
- EASPD Press Release: [Time for the EU Investment Plan to do more for social services](#) (September 2016) & New Europe [Article](#) (October 2016)
- European Policy Centre: [“Rethinking the EU’s investment strategy: EFSI 2.0 needs a Social Pillar to address economic insecurity”](#) (2016)
- European Parliament’s [EMPL Committee report on the Implementation of EFSI](#) (2017)

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