



Intergroupe sur l'investissement de long terme

Discours prononcé par Dominique RIQUET lors de la seconde conférence d'#Invest4Future sur le thème : "The Contribution of National Promotional Banks and Institutions to long-term financing"

Mercredi 6 mai 2015, Parlement européen

Ladies and Gentlemen,

It is a great pleasure for me to be here with you tonight and I would to thank my colleague Mr Balz for hosting the second event of our long term investment and reindustrialization intergroup.

I'm happy to see that it gets off to a good start. It now gathers more than 70 Members of the European Parliament and 30 partners from the civil society, and has attracted much attention from the other national and European institutions. This demonstrates the value and the richness of a regular and structured dialogue on Long Term Investment.

Further all what has been primarily said on the contribution of national promotional banks to long-term financing, I just wanted to add that:

→ Well... first of all, **they were the ones who initiated this intergroup** on long-term investment and we would not be all here today without their dynamic

action. Having such a structure, at the heart of one the two EU co-legislators will certainly be key in increasing the visibility and integration of this issue within our work. The force of long term investment has awoken.

→ On the ground, as we just discussed, **national promotional have long proved their usefulness in with regards to projects that require an engagement on period covering several decades.**

→ However:

- I believe we can further **progress on cross-border cooperation** in order to reduce financial fragmentation within the EU market. A pilot project has been tabled by the ECON committee to the 2015 budget in order to strengthen this cooperation, including with the EIB.

- Concerning the **Juncker investment plan**:
 1. It is important to promote a stronger cooperation between the EIB and the NPBI. Indeed, the success of the Juncker Plan relies on their capacity to work together. On this issue, the NPBI should not be seen as being competitors to the EIB. On the contrary, there should be complementarity between those two types of actors.
 2. As such, one shall stay focused on the Plan top priority: **to attract private finance**. The EU is expecting a lot from the EU public financial institutions, especially regarding the creation of a significant leverage effect of 15. The European public financial sector shall have a leading role in driving private investments towards priority areas: infrastructures, SMEs.
 3. At the same time, it may seem that the European Commission is sometimes questioning the NPBI legitimacy, by instance when proposing to restrict their role to market failures. **There is only one way to address the strongest market failures: grants**, whereas even

public interest investments rely on a certain interest rate. This is why Horizon 2020 and Connecting Europe Facilities cannot just be replaced with new financial instruments.

4. In any case, I think **the Juncker plan provides the NPBs with great opportunities through:**

- ✓ The investment platforms, by which they can benefit from the guarantee
- ✓ the project pipeline which will further bring to their knowledge potential projects.

→ The intergroup will be of great support in order to better understand and calibrate the role of the different actors for the financing of the real economy. I count on it to accompany and appraise the European regulatory work during this legislature. **"Long live long term!"**