



EPSCO, 9 March 2015:

The European Fund for Strategic Investments

5 March 2015

Dear Minister,

Eurodiaconia is concerned that the Commission's Investment Plan and the resulting European Fund for Strategic Investments (EFSI) lack a much-needed social dimension. Although the plan and Fund prioritise investment in social infrastructure, to ensure long-term and sustainable results real social investment, in social protection and social services, must also be supported.

The European Commission said that the fund should "target projects delivering higher societal and economic value"¹ and should be consistent with the Europe 2020 Strategy², yet it lacks the necessary elements to ensure that it will make a real contribution to achieving the targets, including bringing people out of poverty and increasing employment, ensuring long-term growth and social cohesion.

The 315 billion euro of the EFSI must support projects that are in line with the EU's social policy priorities; including financing projects actively promoting social inclusion or cohesion, and ensuring others do not have a negative social impact. We therefore call on you to:

1. **Push for the Investment Plan and EFSI to include a clear social dimension, including the promotion of investment in measures developing strong and integrated social protection systems and social services, in line with the 2013 Social Investment Package.**
 - **Request the inclusion of a social dimension and a social investment approach in the investment guidelines, strategic policies and asset allocation of the EFSI**, which is decided by the fund's Steering Board.
 - **Call for the appointment of specialists in social policy to the EFSI Investment Committee, including from the European Commission**, to ensure the implementation of the social dimension of the EFSI and to assess the social impact and rate of return of submitted projects.
2. Request an evaluation strategy for the EFSI, including regular evaluation to examine the economic and social impact of the Fund's investments and provide accountability in the assessment of the social dimension of proposed projects
3. **Insist on the exclusion of social investments from the deficit targets** under the Stability and Growth Pact, as investments made via the EFSI are.

We count on your support for these proposals in view of securing a strong social dimension in the EU investment agenda and achieving smart, sustainable and inclusive growth. We ask that you carefully consider these proposals and remain at your disposition for further information.

Yours sincerely,



Heather Roy, Secretary General

¹ European Commission Communication COM/2014/0903 final on An Investment Plan for Europe

² European Commission Communication COM(2010)2020 Europe 2020: a strategy for smart, sustainable and inclusive growth

