

Wednesday, 22 November 2017

Invest-NI: The new National Promotional Institution in The Netherlands

Long-term sustainable finance and sustainable, strategic infrastructure and innovation.

Good morning ladies and gentlemen,

My name is Peter Martens and I am the Vice-president and Director of Policy and External Relations at the Netherlands Investment Agency, which is situated in the financial district of Amsterdam. It is a great pleasure to be here on this Investment Seminar concerning long-term sustainable investments in infrastructure and innovation. Infrastructure and innovation are important topics for the Netherlands, for Japan and for economies all over the world. These investments are key for sustainable economic growth. These investments shape economies.

It is my first visit to Japan and I look forward to meeting you, getting to know you and your country and to cooperate closely with you on sustainable investments.

Unlike the NFIA where my colleague Jeroen Nijland just spoke about – an organization with a long service record - the NIA is still a fairly young organization. However, our mission and our goals are mostly the same, promoting investments in the Netherlands. We both work from a public mandate, where NIA's task is mainly to make financing possible. In short, we help to translate investment ambitions and investment plans into concrete, valuable and economic sound investment projects and provide access to finance. Therefore, Co-Financing the economy of tomorrow.

As I mentioned NIA was established two years ago - by the Dutch cabinet and regional authorities - as a direct response to the new European Investment Plan of the European Commission. Established due to the lack of a broad national promotional bank in The Netherlands. From the beginning of next year we will continue as Invest-NL, a private NPI with a public development and investment mandate.

Why an European Investment Plan?

Since the global economic and financial crisis, the EU as a whole as well as individual member states have been suffering from low levels of investment. Collective and coordinated efforts at European level were needed to address this investment gap and put Europe back on track, on the path of sustainable economic growth.

The Investment Plan for Europe, the so-called Juncker Plan, also adopted by The Netherlands is not just about financing, although it is one of the most important pillars. The Investment Plan is based on three pillars, which are mutually reinforcing:

First, Mobilising Finance for Investment (EFSI = European Fund for Strategic Investments).

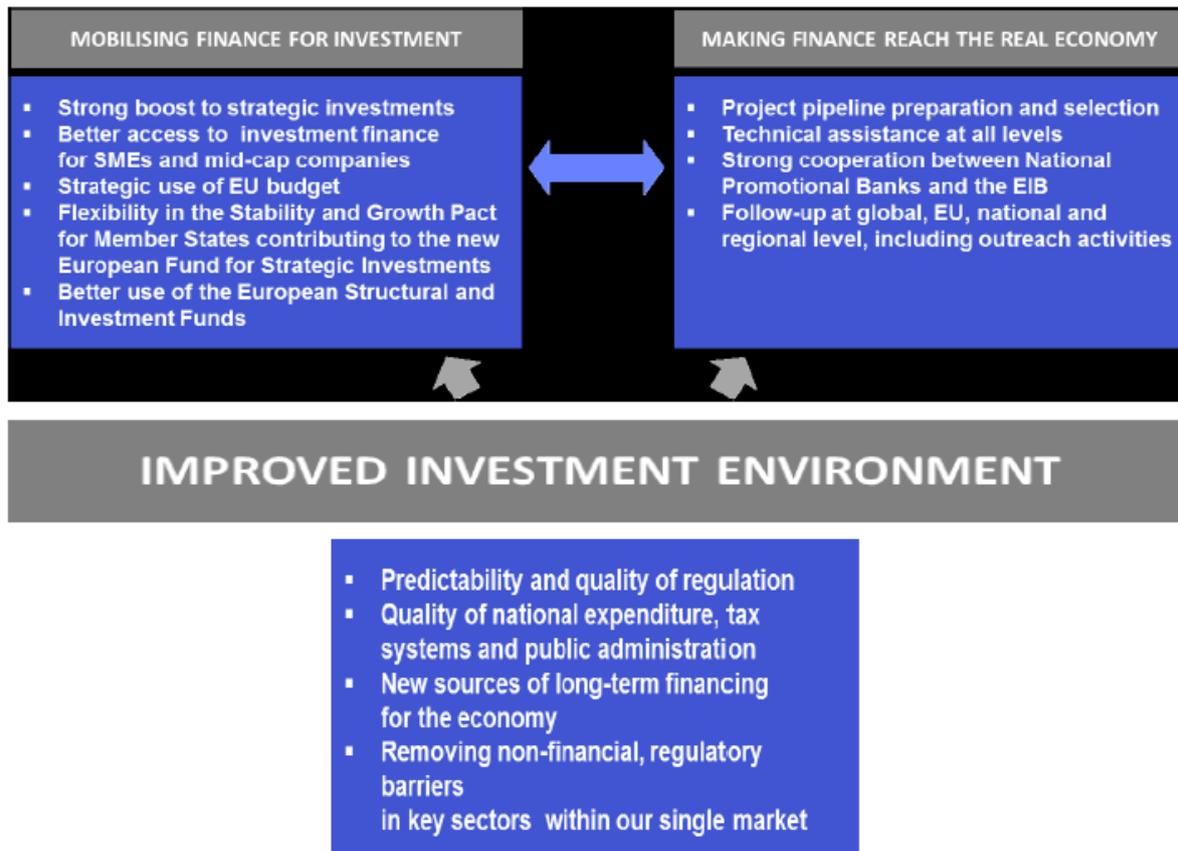
- Making better use of public money on the European and on the national level by shifting from subsidies to guarantees and financing arrangements in order to attract private investors.
- Boosting strategic investments: in strategic sustainable infrastructure and innovation.
- Better access to investment finance for SMEs and mid-cap companies

Second, Making Finance reach the real economy (EIAH=Advisory Hub & EIP =Project Portal EIPP)

- Project pipeline preparation and selection
- Technical assistance and advisory
- Strong cooperation between the European Commission, National Promotional Institutions and the EIB.

And third, measures to improve the investment environment.

- Better governance.
- Excellent business environment
- Predictability and quality of regulation
- Removing non-financial regulatory barriers.



(European Commission, 2017)

The aim is:

- to reduce uncertainty about the potential pipeline of projects;
- reduce uncertainty regarding long term investments;
- reduce fragmentation of financial markets;
- reduce the lack of sufficient risk-bearing capacity that is required to catalyse investments.

This paves the way for unlocking private investment for long-term and sustainable infrastructure.

Netherlands Investment Agency

What about the Netherlands:

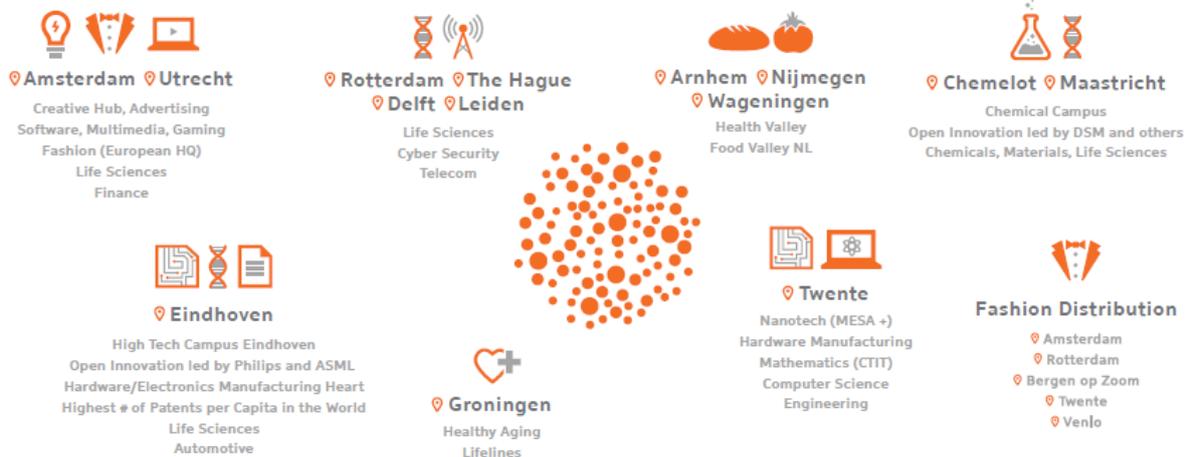
Who we are, where we are, what we have and what we have where.

The Netherlands is one of the best places in the world to do business and to invest. We have a strong economy, we are internationally orientated and The Netherlands is the gateway to Europe in many aspects.

The Netherlands has:

- a strategic location;
- an International Business Climate;
- a Superior Infrastructure;
- a highly educated, multilingual workforce;
- a Creative and Innovative Environment;
- an excellent financial industry.
- an exceptional Quality of Life.

We have strong regions, industrial sectors and industries as:



The new cabinet: Confidence in the Future (2017 – 2021 Coalition Agreement)

Competitive location

The new government has sharpened its focus on measures that make the Netherlands an attractive and highly-competitive location for foreign companies looking to set up business in Europe.

Forward momentum

The new agenda is aimed at moving the country forward. The new cabinet will address the challenge of climate change. The Netherlands will become a sustainable country. This means investments in sustainable energy, clean transport and mobility, innovative industry, circular economy, waste-management and in smart cities and regions.

What is the role of Invest-NL.

- Invest-NL will – as a national promotional institution - first and foremost play a role in high-risk activities within various transition areas. Examples include energy (such as geothermal energy and charging points for electric cars), greening, mobility, food and the digitization of industry. Public sectors such as health care, security and education also come within the purview of Invest-NL.
- We will also assist start-ups and scale-ups: innovative businesses that are still setting up or have just begun expanding their activities and require capital for further growth. Invest-NL is able to supply venture capital, for instance by acquiring an interest in a fund with investments in such businesses. Direct participation in expanding businesses is also an option for Invest-NL.
- A third activity of Invest-NL is to support the international operations of Dutch businesses when it comes to export and foreign investments, especially by contributing solutions to global issues. To this end the Netherlands Development Finance Company (FMO) will enter into a joint venture with Invest-NL. Export credit insurer Atradius, a Dutch State Business will also associate with Invest-NL.
- Invest-NL supplements the activities of banks and pension funds and can provide risk capital: guarantees, subordinated loans and equity to project sponsors and enterprises if necessary. Invest-NL is to be a state-owned enterprise under private law. The State will be the sole shareholder, contributing annual capital into Invest-NL up to an amount of €2.5 billion from 2017 onwards.
- Invest-NL has access to the complete arsenal of financing instruments, knows the supply and demand concerning strategic infrastructure and the regulatory framework through and through.
- Invest-NL will bring parties together and will bundle and restructure projects into attractive investment propositions.
- Invest-NL develops financing constructions and engages in completing transactions.

What does Invest-NL offer:

- Advise and support in the preparation and development of investment projects;
- Gaining support in accessing finance by banks and other financial institutions;
- Connect project owners/sponsors to (international) financial parties.
- Assistance in setting up investment platforms: regional and/or thematic to bundle smaller projects; and
- Stimulate the creation of investment funds to increase access to finance for sme's and small-caps.

Invest-NL will cooperate with numerous strategic partners, such as the European Advisory Hub and the European Investment Project Portal (EIPP). Furthermore, Invest-NL is the national point of contact for the promotion of the Investment Plan for Europe in the Netherlands.

Invest-NL cooperates with other National promotional institutions in Europe and is member of the Association of European Long Term Investors, which consists of the most NPIs in Europe. Objectives of ELTI are to strengthen cooperation, including at an operational level, between European financial institutions as well as with other Institutions of the European Union (EU) acting as long-term financiers. Promote research on long-term investments and strengthen the access of the Members to information on matters related to the EU.

So Invest-NL can unlock knowledge, expertise, cooperation and opportunities in Europe and the Netherlands.

Closing statements

Thank you very much for your attendance and if there are any questions please do not hesitate to reach out to me.

Peter W. Martens.