

AMENDMENTS 001-098

by the Committee on Budgets

Report**Ivailo Kalfin****A7-0392/2013**

EU guarantee to EIB against losses under financing operations supporting investment projects outside the Union

Proposal for a decision (COM(2013)0293 – C7-0145/2013 – 2013/0152(COD))

Amendment 1**Proposal for a decision****Recital 1***Text proposed by the Commission*

(1) In addition to its core mission of financing investment in the Union, the European Investment Bank (EIB) undertakes financing operations outside the Union *in* support *of* the Union's external policies. This allows the budget funds of the Union available to the external regions to be complemented by the financial strength of the EIB for the benefit of the targeted third countries. In undertaking such financing operations, the EIB contributes to the general principles and policy objectives of the Union.

Amendment

(1) In addition to its core mission of financing investment in the Union, ***which remains its priority and main objective,*** the European Investment Bank (EIB) undertakes financing operations outside the Union ***to*** support ***and complement*** the Union's external policies. This allows the budget funds of the Union available to the external regions to be complemented by the financial strength of the EIB for the benefit of the targeted third countries. In undertaking such financing operations, the EIB contributes to the general principles ***of the Union, in particular those defined in Article 21 of the Treaty on European Union (TEU), most importantly democracy, the universality and indivisibility of human rights,*** and ***to*** policy objectives of the Union, ***including fostering the sustainable economic, social and environmental development of developing countries, eradicating poverty,***

and the prosperity of the Union in the changing global economic circumstances. The EIB financing operations in support of Union external policies should continue to be conducted in accordance with the principles of sound banking practices.

Amendment 2

Proposal for a decision

Recital 3

Text proposed by the Commission

(3) With a view to supporting Union external action, and in order to enable the EIB to finance investments outside the Union without affecting the credit standing of the EIB, the majority of its operations outside the Union have benefited from an EU budgetary guarantee ('EU guarantee') administered by the Commission.

Amendment

(3) With a view to supporting Union external action, and in order to enable the EIB to finance investments outside the Union without affecting the credit standing of the EIB, the majority of its operations outside the Union have benefited from an EU budgetary guarantee ('EU guarantee') administered by the Commission. ***It is of high importance that the EIB maintains its AAA rating.***

Amendment 3

Proposal for a decision

Recital 4 a (new)

Text proposed by the Commission

Amendment

(4a) The Guarantee Fund for external actions ("Guarantee Fund"), established by Council Regulation (EC, Euratom) No 480/2009^{4a}, provides a liquidity cushion for the Union budget against losses incurred on EIB financing operations and other Union external action.

^{4a} Council Regulation (EC, Euratom) No 480/2009 of 25 May 2009 establishing a Guarantee Fund for external actions (OJ L 145, 10.6.2009, p. 10).

Amendment 4

Proposal for a decision

Recital 6 a (new)

Text proposed by the Commission

Amendment

(6a) Bhutan should be added to Annex III following the recent developments which allowed the Union to open a new chapter in its relations with Bhutan and in order to support the on-going political and economic reforms in the country.

Amendment 5

Proposal for a decision

Recital 7

Text proposed by the Commission

Amendment

(7) In order to reflect significant policy developments, the list of countries actually eligible for EIB financing operations under the EU guarantee should be reviewed as appropriate and the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission in respect of amendments to Annex III to this Decision. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing-up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and Council.

(7) In order to reflect significant policy developments, the list of countries actually eligible for EIB financing operations under the EU guarantee should be reviewed as appropriate and the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission in respect of amendments to Annex III to this Decision. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing-up delegated acts, should ensure a simultaneous, timely and appropriate transmission of ***all*** relevant documents to the European Parliament and Council.

Amendment 6

Proposal for a decision

Recital 8

Text proposed by the Commission

Amendment

(8) In order to cater for the potential evolution of the actual provisioning needs of the Guarantee Fund in accordance with Council Regulation (EC, Euratom) No 480/2009 ***of 25 May 2009 establishing a Guarantee Fund for external actions***⁵, the maximum ceiling of the EU guarantee

(8) In order to cater for the potential evolution of the actual provisioning needs of the Guarantee Fund in accordance with Council Regulation (EC, Euratom) No 480/2009⁵, the maximum ceiling of the EU guarantee should be broken down into a fixed ceiling of a maximum amount of

should be broken down into a fixed ceiling of a maximum amount of **EUR 25 bn** and an optional additional amount of EUR 3 bn.

EUR 27 billion and an optional additional amount of EUR 3 billion. **The provisioning of the Guarantee Fund for external actions in the budget (budget line 01 03 06) is made ex-post on the basis of the outturn figures for outstanding guaranteed external lending at the end of year n-2; in view of the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No. 1638/2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument⁵⁵, "reflows" deriving from Mediterranean risk capital and loan investments under the past MEDA programme (before 2007) using EU budget funds should be returned to the EU budget as external assigned revenue.**

⁵ OJ L 145, 10.6.2009, p. 10.

⁵ OJ L 145, 10.6.2009, p. 10.

^{5a} COM((2008)0308).

Amendment 7

Proposal for a decision

Recital 9

Text proposed by the Commission

(9) The amounts covered by the EU guarantee in each region should continue to represent ceilings for the EIB financing under the EU guarantee and not targets that the EIB is required to meet. The ceilings should be evaluated as part of the mid-term review of this Decision.

Amendment

(9) The amounts covered by the EU guarantee in each region should continue to represent ceilings for the EIB financing under the EU guarantee and not targets that the EIB is required to meet. The ceilings should be evaluated as part of the mid-term review of this Decision. **Changes to the list of eligible regions and countries in Annex III should be taken into account when adjusting regional ceilings.**

Amendment 8

Proposal for a decision

Recital 10

Text proposed by the Commission

(10) In order to enhance the coherence and the focus of the EIB external financing activity on supporting Union policies, and for the maximum benefit of beneficiaries, Decision No 1080/2011/EU set out general objectives for EIB financing operations across all eligible regions and countries, i.e. local private sector development, in particular in support of small and medium-sized enterprises (SMEs), social and economic infrastructure and climate change mitigation and adaptation, building on the comparative strengths of the EIB in areas where it has a well-proven track record. These objectives should be maintained in this Decision.

Amendment

(10) In ***order to respect developing countries' ownership of development strategies, all EIB investments should be aligned to country owned development strategies. Against this background, in*** order to enhance the coherence and the focus of the EIB external financing activity on supporting Union policies, and for the maximum benefit of beneficiaries, Decision No 1080/2011/EU set out general objectives for EIB financing operations across all eligible regions and countries, i.e. local private sector development, in particular in support of small and medium-sized enterprises (SMEs), social and economic infrastructure and climate change mitigation and adaptation, building on the comparative strengths of the EIB in areas where it has a well-proven track record. These objectives should be maintained in this Decision.

Amendment 9

**Proposal for a decision
Recital 11**

Text proposed by the Commission

(11) Improving access to financing for SMEs, including SMEs from the Union investing in the regions covered by this Decision, can play an essential role in stimulating economic development and in combating unemployment. In order to effectively reach out to SMEs, the EIB should cooperate with local financial intermediary institutions in the eligible countries, in particular to ensure that part of the financial benefits is passed on to their clients and provide added value compared to other sources of finance.

Amendment

(11) Improving access to financing for SMEs, including SMEs from the Union investing in the regions covered by this Decision, can play an essential role in stimulating economic development and in combating unemployment. In order to effectively reach out to SMEs, ***the EIB financing operations should be results-oriented and, where appropriate, include seed-capital for SMEs. The EIB should invest in research and innovation by SMEs as a means of supporting local development. The EIB*** should cooperate with local financial intermediary institutions in the eligible countries, ***which should be integrated into the local economy and should contribute to the welfare of the local population, in***

particular to ensure that part of the financial benefits is passed on to their clients and provide added value compared to other sources of finance. *Where appropriate through its cooperation agreements with those intermediary institutions, the EIB should request that their client's projects be checked against the regional technical operational guidelines, the Results Measurement framework (REM) and the EIB standards. In particular, the financial intermediaries' activities in support of SMEs should be fully transparent and be reported regularly to the EIB.*

Amendment 10

Proposal for a decision

Recital 11 a (new)

Text proposed by the Commission

Amendment

(11a) The EIB should draw up a list of all recipients of EIB funding and make it publicly available on its website. It should include recipients of both direct financing or financing via local financial intermediaries. Unless already published in some form, and prior to project approval, the EIB should make available relevant information on the beneficiaries of long-term loans and guarantees, on all its financial intermediaries, project eligibility criteria and venture capital loans to SMEs, specifying in particular the amounts disbursed, the number of loans granted, and the region and industrial sector concerned.

Amendment 11

Proposal for a decision

Recital 12

Text proposed by the Commission

Amendment

(12) The coverage of the EU guarantee, which is limited to risks of a sovereign and political nature, is not sufficient in itself to ensure a meaningful EIB activity in

(12) The coverage of the EU guarantee, which is limited to risks of a sovereign and political nature, is not sufficient in itself to ensure a meaningful EIB activity in

support of micro-finance. Therefore such activity, where appropriate, should be carried out in connection with budgetary resources available under other instruments.

support of micro-finance. Therefore such activity, where appropriate, should be carried out in connection with budgetary resources available under other instruments ***and/or via intermediary institutions. The EIB should also be encouraged to strengthen its interventions in this area through its partners at local level, as a means to promote growth and poverty reduction in poorer countries.***

Amendment 12

Proposal for a decision

Recital 13

Text proposed by the Commission

(13) The EIB should continue to finance investment projects in the areas of social, environmental ***and*** economic infrastructure, and should consider increasing its activity in support of health and education infrastructure when there is clear added value in doing so.

Amendment

(13) The EIB should continue to finance investment projects in the areas of social, environmental, economic ***and transport*** infrastructure, and should consider increasing its activity in support of health and education infrastructure when there is clear added value in doing so. ***The EIB should also continue to provide projects with technical advice and assistance, as such support has an important role in the improvement and quality control of projects.***

Amendment 13

Proposal for a decision

Recital 14

Text proposed by the Commission

(14) The EIB should also ***continue to finance*** investment projects in support of climate change mitigation and adaptation, to further the promotion of the Union's climate goals on a global scale.

Amendment

(14) The EIB should also ***increase its financing of*** investment projects in support of climate change mitigation and adaptation, to further the promotion of the Union's climate goals on a global scale. ***To this end, priority should be given to small-scale, off-grid decentralised renewable energy projects, to ensure energy access to rural areas. The EIB could contribute its expertise and resources, in close cooperation with the Commission, to support public authorities as well as the private sector in order to address the***

challenge of climate change and to make the best possible use of available financing. For mitigation and adaptation projects, the resources of the EIB should, where possible and appropriate, be complemented with concessional funds available under the Union budget through the efficient and consistent blending of grants and loans for climate change financing in the context of Union external assistance. In this regard, it is appropriate that the Commission's annual report to the European Parliament and the Council should contain a detailed report on the financial instruments used for financing these projects, identifying the amounts of EIB financing under the external mandate and the corresponding amounts of grants.

Amendment 14

Proposal for a decision Recital 14 a (new)

Text proposed by the Commission

Amendment

(14a) Eligibility to receive EIB financing for climate-change mitigation under the EU guarantee could be restricted for countries that are deemed not to have committed themselves to meeting appropriate climate change-related targets. Any such restriction of eligibility should be based on comprehensive political assessments. Therefore, the Council should have the power to decide, on a proposal from the Commission with the involvement of the European External Action Service (EEAS), to restrict the eligibility of a country to receive EIB financing for climate-change mitigation under the EU guarantee. When supporting climate change mitigation projects, the EIB should take into consideration the conclusions of the European Council of 22 May 2013 regarding the need to prioritise the phasing out of environmentally or

*economically harmful subsidies,
including for fossil fuels.*

Amendment 15

Proposal for a decision

Recital 15

Text proposed by the Commission

(15) Within the areas covered by the general objectives, regional integration among countries, in particular economic integration between Pre-accession countries, Neighbourhood countries and the Union, should be an underlying objective for EIB financing operations. Within the aforementioned areas, the EIB should be able to support partner countries through foreign direct investments by companies from the Union that contribute to promoting technology and knowledge transfer, providing that due consideration has been made during the investment projects' due diligence to minimise the risks that EIB financing operations lead to negative repercussions on employment in the Union. ***The EIB should also be encouraged to support foreign direct investment in partner countries by companies from the Union at its own risk.***

Amendment

(15) Within the areas covered by the general objectives, regional integration among countries, in particular economic integration between Pre-accession countries, Neighbourhood countries and the Union, should be an underlying objective for EIB financing operations. Within the aforementioned areas, the EIB should be able to support partner countries through foreign direct investments by companies from the Union that contribute to promoting technology and knowledge transfer, providing that due consideration has been made during the investment projects' due diligence to minimise the risks that EIB financing operations lead to negative repercussions on employment in the Union. ***EIB financing should not contribute to the relocation of jobs away from the Union. Care should also be taken to ensure that foreign direct investment by businesses based in the Union which is supported by the EIB genuinely contributes to economic integration between pre-accession countries, neighbourhood countries and the Union. The EIB should therefore indicate in what form it is specifically supporting businesses and how the businesses are using this support.***

Amendment 16

Proposal for a decision

Recital 15 a (new)

Text proposed by the Commission

Amendment

(15a) The EIB should regularly conduct evaluations of the costs and benefits of

supported projects to ensure their economic viability and contribution to sustainable development.

Amendment 17
Proposal for a decision
Recital 16

Text proposed by the Commission

(16) The practical measures for linking the general objectives of the EU guarantee and their implementation are to be set out in regional technical operational guidelines. Such guidelines should be consistent with the wider Union regional policy framework. The regional technical operational guidelines should be reviewed and further updated following the review of this Decision in order to ***adapt to the*** developments in the Union external policies and priorities.

Amendment

(16) The practical measures for linking the general objectives of the EU guarantee and their implementation are to be set out in regional technical operational guidelines. Such guidelines should be consistent with the wider Union regional policy framework. The regional technical operational guidelines should be ***regularly updated to align them to the Union priorities across regions, as defined by the European Parliament and the EEAS, as well as with political developments in eligible countries. The regional technical operational guidelines should also be reviewed following consultation with relevant stakeholders*** and further updated following the ***mid-term*** review of this Decision in order to ***reflect*** the developments in the Union external policies and ***its*** priorities.

Amendment 18

Proposal for a decision
Recital 18

Text proposed by the Commission

(18) While the EIB's strength remains its ***distinctiveness as an investment bank***, EIB financing operations should contribute to the general principles guiding Union external action, as referred to in Article 21 of the Treaty on European Union (TEU), of promoting and consolidating democracy and the rule of law, human rights and fundamental freedoms, and to the implementation of international environmental agreements to which the Union is a party. In particular, in relation to

Amendment

(18) While the EIB's strength remains its ***distinctive model as a publicly owned international financial institution whose remit is that of providing long-term lending so as to meet the policy goals set by its shareholders***, EIB financing operations should contribute to the general principles guiding Union external action, as referred to in Article 21 TEU, of promoting and consolidating democracy and the rule of law, human rights and fundamental freedoms, and to the

developing countries, EIB financing operations should foster their sustainable economic, social and environmental development, particularly in the most disadvantaged amongst them, their smooth and gradual integration into the world economy, the campaign against poverty, as well as compliance with objectives approved by the Union in the context of the United Nations and other competent international organisations. While contributing to the implementation of the measures necessary to further the objectives of Union development cooperation policy in accordance with Article 209(3) *of the Treaty*, the EIB should strive to support *indirectly* the achievement of the UN's 2015 Millennium Development Goals in all regions where it is active.

implementation of international *commitments and agreements, including* environmental agreements to which the Union is a party. In particular, *the EIB should contribute to economic, financial and technical cooperation with third countries in accordance with Article 212 TFEU. Furthermore, EIB actions should be in accordance with Article 3(5) TEU, which requires the Union to contribute to the strict observance of international law, including respect for the principles of the United Nations Charter.* In relation to developing countries, EIB financing operations should foster their sustainable economic, social and environmental development, particularly in the most disadvantaged amongst them, their smooth and gradual integration into the world economy, *the reduction of poverty and food insecurity*, as well as compliance with objectives approved by the Union in the context of the United Nations and other *relevant* international organisations. While contributing to the implementation of the measures necessary to further the objectives of Union development cooperation policy in accordance with Article 209(3) *TFEU*, the EIB should strive to support the achievement of the UN's 2015 Millennium Development Goals *(MDG), and after 2015 the achievement of any new development targets which might modify or replace the MDGs*, in all regions where it is active.

Amendment 19

Proposal for a decision Recital 19

Text proposed by the Commission

(19) The EIB activity under this Decision should support the Agenda for Change proposed by the Commission and be coherent with the relevant principles of the European Consensus on Development and the principles of aid effectiveness outlined in the Paris Declaration of 2005, the Accra

Amendment

(19) The EIB activity under this Decision should support the *implementation of the European Consensus on Development, of* the Agenda for Change and *of* the principles of aid effectiveness outlined in the Paris Declaration of 2005, the Accra Agenda for Action of 2008 and the Busan

Agenda for Action of 2008 and the Busan Partnership Agreement of 2011. Furthermore, it should be coherent with the EU Strategic Framework and Action Plan on Human Rights and Democracy adopted by the Council on 25 June 2012 and international environmental agreements including biodiversity commitments. It should be implemented through a number of concrete measures, in particular by reinforcing the EIB's capacity to appraise environmental, social and development aspects of investment projects, including human rights and conflict-related risks, and by promoting local consultation with public authorities and civil society. In this context, the EIB should implement and further develop its Results Measurement framework (REM) which provides a detailed set of performance indicators measuring the economic, environmental, social, and development impact of its financing operations throughout the lifecycle of the underlying investment. The implementation of the REM should be evaluated as part of the mid-term review of this Decision. When carrying out due diligence in respect of an investment project, the EIB should, where appropriate and in line with the Union's social and environmental principles, require the investment project promoter to carry out local consultations and disclose their results to the public. EIB financing agreements involving public counterparts should explicitly include the possibility to suspend disbursements in case of revocation of eligibility under this Decision of the country in which the investment project takes place.

Partnership Agreement of 2011. Furthermore, it should be coherent with the EU Strategic Framework and Action Plan on Human Rights and Democracy adopted by the Council on 25 June 2012 and international environmental agreements including biodiversity commitments. It should be implemented through a number of concrete measures, *in* particular by reinforcing the EIB's capacity to appraise environmental, social, development aspects of investment projects, including human rights, ***fundamental freedoms*** and conflict-related risks, and by promoting local consultation with public authorities and civil society. In this context, the EIB should implement and further develop its REM which provides a detailed set of performance indicators measuring the economic, environmental, social, and development impact of its financing operations throughout the lifecycle of the underlying investment. The implementation of the REM should be evaluated as part of the mid-term review of this Decision. When carrying out due diligence in respect of an investment project, the EIB should, where appropriate and in line with the Union's social and environmental principles ***and legislation, as well as in full respect of national law and environmental and social standards of the beneficiary country***, require the investment project promoter to carry out local consultations and disclose their results to the public. EIB financing agreements involving public counterparts should explicitly include the possibility to suspend disbursements in case of revocation of eligibility under this Decision of the country in which the investment project takes place. ***EIB financing agreements should also refer to the relevant EU decisions and conclusions regarding an assessment of the human rights situation of the countries where it operates and the Commission should, by means of a delegated act, decide upon countries' eligibility for new EIB financing operations under the EU***

guarantee. In accordance with the development effectiveness agenda, the EIB should ensure that its interventions are consistent with the development strategies of beneficiary countries.

Amendment 20

Proposal for a decision

Recital 20

Text proposed by the Commission

(20) At all levels, from upstream strategic planning to downstream investment project development, it should be ensured that EIB financing operations comply with and support Union external policies and the general objectives set out in this Decision. With a view to increasing the coherence of Union external action, dialogue on policy and strategy should be further strengthened between the Commission and the EIB, including the *European External Action Service* (EEAS). The Memorandum of Understanding to be revised in 2013 to enhance cooperation and early mutual exchange of information between the Commission and the EIB at operational level should continue to be applied. It is of particular importance to have an early exchange of views between the Commission and the EIB, including the EEAS, as appropriate, in the process of preparing programming documents in order to maximise synergies between their activities. The cooperation in relation to the respect of human rights and conflict prevention issues should also be reinforced.

Amendment

(20) At all levels, from upstream strategic planning to downstream investment project development, it should be ensured that EIB financing operations comply with and support Union external policies and the general objectives set out in this Decision. With a view to increasing the coherence of Union external action, dialogue on policy and strategy should be further strengthened between the Commission and the EIB, including the EEAS, ***while keeping the European Parliament duly informed. EIB offices outside the Union should whenever possible be located within Union delegations in order to foster such cooperation while sharing operating costs.*** The memorandum of understanding to be revised in 2013 to enhance cooperation and early mutual exchange of information between the Commission, ***the EEAS*** and the EIB at operational level should continue to be applied. It is of particular importance to ***systematically*** have an early exchange of views between the Commission and the EIB, including the EEAS, as appropriate, in the process of preparing ***relevant*** programming documents in order to maximise synergies between their activities. The cooperation in relation to the respect of human rights, ***fundamental freedoms*** and conflict prevention issues should also be reinforced.

Amendment 21
Proposal for a decision
Recital 21

Text proposed by the Commission

(21) Union external relations should be supported by new instruments from 2014, including an umbrella Regulation establishing common rules and procedures for the implementation of the Union's instruments for external action⁶. With a view to enhancing the coherence of overall Union support in the regions concerned, opportunities should be seized to combine EIB financing with Union budgetary resources when and as appropriate, in the form of financial instruments provided for in Title VIII of Regulation (EU, Euratom) No 966/2012 **of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002**⁷ and technical assistance for project preparation and implementation, through the Instrument for Pre-Accession Assistance II (IPA II)⁸, the European Neighbourhood Instrument (ENI)⁹, the Development Cooperation Instrument (DCI)¹⁰, the Partnership Instrument for cooperation with third countries¹¹, the Instrument for the promotion of Democracy and Human Rights worldwide¹², the Instrument for Stability¹³, and the Instrument for Nuclear Safety Cooperation¹⁴. Following Decision No 1080/2011/EU, the Commission established an EU Platform for Blending in External Cooperation with a view to optimising the functioning of mechanisms for the blending of grants and loans outside the Union.

⁶ COM(2011)842 *Final*

Amendment

(21) Union external relations should be supported by new instruments from 2014, including an umbrella Regulation establishing common rules and procedures for the implementation of the Union's instruments for external action⁶. With a view to enhancing the coherence of overall Union support in the regions concerned, opportunities should be seized to combine, EIB financing with Union budgetary resources when and as appropriate, in the form of financial instruments provided for in Title VIII of Regulation (EU, Euratom) No 966/2012⁷ and technical assistance for project preparation and implementation, through the Instrument for Pre-Accession Assistance II (IPA II)⁸, the European Neighbourhood Instrument (ENI)⁹, the Development Cooperation Instrument (DCI)¹⁰, the Partnership Instrument for cooperation with third countries¹¹, the Instrument for the promotion of Democracy and Human Rights worldwide¹², the Instrument for Stability¹³, and the Instrument for Nuclear Safety Cooperation¹⁴. Following Decision No 1080/2011/EU, the Commission established an EU Platform for Blending in External Cooperation with a view to optimising the functioning of mechanisms for the blending of grants and loans outside the Union ***respecting the role and prerogatives of the Commission and of the EIB in implementing the Union budget and EIB loans respectively. The participation of the EIB and other financial institutions in blending mechanisms should be fully in line with the Union's development objectives, aid effectiveness principles and transparency.***

⁶ COM(2011)0842.

⁷ OJ L 298, 26.10.2012, p. 1.

⁸ COM(2011)838 *Final*

⁹ COM(2011)839 *Final*

¹⁰ COM(2011)840 *Final*

¹¹ COM(2011)843 *Final*

¹² COM(2011)844 *Final*

¹³ COM(2011)845 *Final*

¹⁴ COM(2011)841 *Final*

⁷ *Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002* (OJ L 298, 26.10.2012, p. 1).

⁸ COM(2011)0838.

⁹ COM(2011)0839.

¹⁰ COM(2011)0840.

¹¹ COM(2011)0843.

¹² COM(2011)0844.

¹³ COM(2011)0845.

¹⁴ COM(2011)0841.

Amendment 22

Proposal for a decision

Recital 22

Text proposed by the Commission

(22) In its financing operations outside the Union that fall within the scope of this Decision, the EIB should endeavour further to enhance coordination and cooperation with European *Financial Institutions* and *International Financial Institutions*, notably those participating in the EU Platform for Blending in External Cooperation. This cooperation includes, where appropriate, cooperation on sector conditionality and mutual reliance on procedures, use of joint co-financing and participation in global initiatives, such as those promoting aid coordination and effectiveness. Such coordination and cooperation should strive to minimise possible duplication of costs and unnecessary overlap. The tripartite *Memorandum of Understanding* between the Commission, the EIB Group and the European Bank for Reconstruction and Development (EBRD) in respect of cooperation outside the Union, which allows the EIB Group and the EBRD to act in a complementary way by relying on

Amendment

(22) In its financing operations outside the Union that fall within the scope of this Decision, the EIB should endeavour further to enhance coordination and cooperation with European *financial institutions* and *international financial institutions*, notably those participating in the EU Platform for Blending in External Cooperation **and to promote the introduction of common standards of governance and common evaluation criteria**. This cooperation includes, where appropriate, cooperation on sector conditionality and mutual reliance on procedures, use of joint co-financing and participation in global initiatives, such as those promoting aid coordination and effectiveness. Such coordination and cooperation should strive to minimise possible duplication of costs and unnecessary overlap. **Cooperation should be based on the principle of reciprocity**. The tripartite *memorandum of understanding* between the Commission, the EIB Group and the European Bank for Reconstruction and Development (EBRD)

their respective comparative advantages, was updated in 2012 to cover the extension of EBRD's geographical scope to the Mediterranean region and should continue to be applied. The principles set out in this Decision should also be applied when EIB financing is implemented through cooperation agreements with other *European Financial Institutions and International Financial Institutions*.

in respect of cooperation outside the Union, which allows the EIB Group and the EBRD to act in a complementary way by relying on their respective comparative advantages, was updated in 2012 to cover the extension of EBRD's geographical scope to the Mediterranean region and should continue to be applied. The principles set out in this Decision should also be applied when EIB financing is implemented through cooperation agreements with other *European financial institutions and international financial institutions, or with Member States' development and cooperation agencies including regarding consistency with the Union's development objectives, aid effectiveness principles, transparency and democratic scrutiny*.

Amendment 23

Proposal for a decision Recital 22 a (new)

Text proposed by the Commission

Amendment

(22a) The EIB should expand its provision of technical assistance to beneficiaries, with the aim of supporting local capacity-building and economic, environmental, social and political development. In particular, it should expand its provision of technical assistance to SMEs, with the aim of supporting innovative ideas and helping start-ups attract funding from financial intermediaries.

Amendment 24

Proposal for a decision Recital 23

Text proposed by the Commission

Amendment

(23) The EIB should be encouraged to increase its operations and to diversify its operations outside the Union without recourse to the EU guarantee so that the

(23) The EIB should be encouraged to increase its operations and to diversify its operations outside the Union without recourse to the EU guarantee so that the

use of the EU guarantee can be focused on countries and investment projects with poor access to the market, taking into account debt sustainability considerations, where the EU guarantee therefore provides greater added value. Consequently, and always with the aim of supporting the objectives of the Union external policies, the EIB should be encouraged to lend at its own risk, including in support of Union economic interests, in countries and in favour of investment projects having a sufficient creditworthiness according to the assessment of the EIB and taking into account its own risk absorption capacity.

use of the EU guarantee can be focused on countries and investment projects with poor access to the market, taking into account debt sustainability considerations, where the EU guarantee therefore provides greater added value. ***The EIB should be encouraged to focus its operations where it can have the highest impact in terms of sustainable economic, social and environmental development.***

Consequently, and always with the aim of supporting the objectives of the Union external policies, the EIB should be encouraged to lend at its own risk, including in support of Union economic interests, in countries and in favour of investment projects having a sufficient creditworthiness according to the assessment of the EIB and taking into account its own risk absorption capacity.

Amendment 25
Proposal for a decision
Recital 24

Text proposed by the Commission

(24) The EIB should expand the range of innovative financial instruments it offers, including by focusing more on developing guarantee instruments. Moreover, the EIB should actively seek to participate in risk sharing instruments and debt capital market financing of projects with stable and predictable cash flow generation. In particular, it should consider supporting debt capital market instruments issued or granted for the benefit of an investment project carried out in the eligible countries. In addition, the EIB should increase its provision of loans in local currencies and issue bonds in local markets, provided that beneficiary countries put in place the necessary structural reforms, in particular in the financial sector, as well as other measures to facilitate EIB activities.

Amendment

(24) The EIB should expand the range of innovative financial instruments it offers, including by focusing more on developing guarantee instruments. Moreover, the EIB should actively seek to participate in risk sharing instruments and debt capital market financing of projects with stable and predictable cash flow generation. In particular, it should consider supporting debt capital market instruments issued or granted for the benefit of an investment project carried out in the eligible countries. In addition, the EIB should increase its provision of loans in local currencies and issue bonds in local markets, provided that beneficiary countries put in place the necessary structural reforms, in particular in the financial sector, as well as other measures to facilitate EIB activities. ***The EIB should explore opportunities for cooperation with the Commission and the EEAS to support local authorities in carrying out the necessary reforms in***

their financial sector. In the diversification and expansion of capital market instruments, special care should be taken to ensure that they are compatible with Union law on financial services and do not help to establish risky financial practices which for example entail greater risks of securitisation and indebtedness and may therefore jeopardise financial stability. The use of debt instruments, covered by the EU guarantee, should be consistent with the ceilings set out in this Decision.

Amendment 26

Proposal for a decision Recital 24 a (new)

Text proposed by the Commission

Amendment

(24a) The annual EIB report should in particular assess the compliance of EIB financing operations with this Decision, taking into account the regional technical operational guidelines, and should include sections on the following: EIB added value, such as support to Union external policies; mandate requirements; the quality of financed operations; the transfer of financial benefits to clients; and sections on cooperation, including co-financing, with the Commission and with other IFIs and bilateral donors. The report should also assess the extent to which the EIB has taken into account economic, financial, environmental and social sustainability in the appraisal and monitoring of the projects financed. It should also contain a specific section devoted to a detailed evaluation of the measures taken by the EIB to comply with the current mandate, paying particular attention to the EIB financing operations using financial vehicles situated in non-cooperative jurisdictions. It should be made public to the extent possible, thus allowing civil society and recipient countries to express their views. Where necessary, the report should include

references to significant changes in circumstances that would justify further amendments to the mandate before it ends.

Amendment 27

Proposal for a decision Recital 25

Text proposed by the Commission

(25) The EIB financing operations in support of Union external policies should continue to be conducted in accordance with the principles of sound banking ***practice***. They should continue to be managed in accordance with the ***EIB's own*** rules and procedures, including appropriate ***control*** measures and compliance with the EIB's statement on social and environmental standards, as well as with the relevant rules and procedures concerning the Court of Auditors and the European Anti-Fraud Office (OLAF). In its financing operations the EIB should ***adequately implement its policies towards*** weakly regulated or non-cooperative jurisdictions in order to contribute to the international fight against tax fraud, tax evasion and money-laundering.

Amendment

(25) The EIB financing operations in support of Union external policies should continue to be conducted in accordance with ***the rules and procedures provided for under*** the principles of sound banking practice, including appropriate ***supervision*** measures and compliance with the EIB's statement on social and environmental standards, as well as with the relevant rules and procedures concerning the Court of Auditors and the European Anti-Fraud Office (OLAF). In its financing operations the EIB should ***avoid any kind of direct or indirect cooperation with*** weakly regulated or non-cooperative jurisdictions in order to contribute to the international fight against tax fraud, tax evasion and money-laundering ***and should follow the Commission's most recent criteria to identify jurisdictions which do not meet minimum standards of good governance in tax matters. Particularly in the case of financing via local financial intermediaries, it should therefore be ensured that the financing made available by the intermediaries avoids the risk of fraud and corruption. In the interests of transparency, the EIB should draw up, in cooperation with the local financial intermediaries, a list of the final borrowers. The EIB should also, as far as possible, increase the diversification of its financial partners in the countries in which it operates, and encourage the establishment of public-private partnerships.***

Amendment 28

Proposal for a decision

Recital 26

Text proposed by the Commission

(26) The EIB should take appropriate measures ensuring that, when financing operations subject to the EU guarantee, the financial interests of the European Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities and that OLAF is entitled to conduct on-the-spot checks and *Inspections* in the premises of the beneficiaries.

Amendment

(26) The EIB should take appropriate measures ensuring that, when financing operations subject to the EU guarantee, the financial interests of the European Union **and its Member states** are protected by the application of preventive measures against fraud, corruption, **money laundering** and any other illegal activities, **particularly in connection with States classified as tax havens**, and that OLAF is entitled to conduct on-the-spot checks and *inspections* in the premises of the beneficiaries. **The EIB should, in line with its internal guideline entitled "Policy on preventing and deterring prohibited conduct in European Investment Bank activities" ("the EIB anti-fraud policy") adopted in 2008, cooperate closely with Member States' financial intelligence units (FIUs), the Commission, the European Banking Authority (EBA), the European Securities and Markets Authority (ESMA), the European Insurance and Occupational Pensions Authority (EIOPA), the Single Supervisory Mechanism, and the competent authorities of the foreign countries where the EIB operates in order to strengthen the anti-money laundering and terrorist-financing measures in force and help improve their enforcement.**

Amendment 29

Proposal for a decision

Recital 26 a (new)

Text proposed by the Commission

Amendment

(26a) In order to ensure that the EIB meets the requirements of the mandate across regions and sub regions, sufficient human and financial resources should,

over time, be allocated to its external activities. This should in particular include having sufficient capacity to support Union external policy objectives including development cooperation under the mandate, to increase focus on ex ante appraisal of the environmental, social and development aspects of its activities, and to effectively monitor projects during implementation. Opportunities to further enhance efficiency and effectiveness should be exploited, and synergies should be actively pursued.

Amendment 30
Proposal for a decision
Article 1 – paragraph 2

Text proposed by the Commission

2. Eligible for the EU guarantee shall be the EIB loans, loan guarantees, and debt capital market instruments that are granted for or issued for the benefit of investment projects carried out in eligible countries in accordance with the EIB's own rules and procedures and in support of the relevant Union external policy objectives, where EIB financing has been granted in accordance with a signed agreement which has neither expired nor been cancelled ("EIB financing operations").

Amendment

2. Eligible for the EU guarantee shall be the EIB loans, loan guarantees, and debt capital market instruments that are granted for or issued for the benefit of investment projects carried out in eligible countries in accordance with the EIB's own rules and procedures ***including the EIB's statement on environmental and social principles and standards***, and in support of the relevant Union external policy objectives, where EIB financing has been granted in accordance with a signed agreement which has neither expired nor been cancelled ("EIB financing operations").

Amendment 31
Proposal for a decision
Article 1 – paragraph 5

Text proposed by the Commission

5. If, on expiry of the period referred to in paragraph 4, the European Parliament and the Council have not adopted a decision granting a new EU guarantee to the EIB against losses under its financing operations outside the Union, that period shall be automatically extended by six

Amendment

5. If, on expiry of the period referred to in paragraph 4, the European Parliament and the Council have not adopted a decision granting a new EU guarantee to the EIB against losses under its financing operations outside the Union, that period shall be automatically extended ***once*** by

months.

six months.

Amendment 32

Proposal for a decision

Article 2 – paragraph 1 – subparagraph 1

Text proposed by the Commission

The maximum ceiling of the EIB financing operations under EU guarantee throughout the period 2014-2020 shall not exceed EUR **28** 000 000 000. Amounts cancelled shall not count against the ceiling.

Amendment

The maximum ceiling of the EIB financing operations under EU guarantee throughout the period 2014-2020 shall not exceed EUR **30** 000 000 000. Amounts ***initially earmarked for financing operations but subsequently*** cancelled shall not count against the ceiling.

Amendment 33

Proposal for a decision

Article 2 – paragraph 1 – subparagraph 2 – point a

Text proposed by the Commission

(a) a fixed ceiling of a maximum amount of EUR **25** 000 000 000;

Amendment

(a) a fixed ceiling of a maximum amount of EUR **27** 000 000 000;

Amendment 34

Proposal for a decision

Article 2 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The EIB financing operations in support of Union external policies shall be managed in accordance with the principles of sound banking practices.

Amendment 35

Proposal for a decision

Article 3 – paragraph 1 – point a

Text proposed by the Commission

(a) local private sector development, in particular support to SMEs;

Amendment

(a) local private sector development, in particular support to ***local*** SMEs;

Amendment 36

Proposal for a decision

Article 3 – paragraph 1 – point b

Text proposed by the Commission

(b) development of ***social, environmental and economic*** infrastructure;

Amendment

(b) development of ***economic, social and environmental and transport*** infrastructure;

Amendment 37

Proposal for a decision

Article 3 – paragraph 2

Text proposed by the Commission

2. EIB financing operations carried out under this Decision shall contribute to the general principles guiding Union external action, as referred to in Article 21 TEU and shall contribute to the implementation of international environmental agreements to which the Union is a party.

Amendment

2. EIB financing operations carried out under this Decision shall contribute to the general principles guiding Union external action, as referred to in Article 21 TEU and shall contribute to the implementation of international environmental agreements to which the Union is a party. ***The EIB governing bodies are encouraged to take the necessary measures to adapt the bank's business model, including its resources, local presence and link with beneficiaries, to ensure effectiveness in supporting the EU external policies and to adequately meet the requirements set out in this Decision.***

Amendment 38

Proposal for a decision

Article 3 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The EIB shall take care, in its choice of projects, to safeguard the European interest.

Amendment 39

Proposal for a decision

Article 3 – paragraph 3

Text proposed by the Commission

3. Regional integration among countries, including economic integration between Pre-accession countries, Neighbourhood countries and the Union, shall be an underlying objective for EIB financing operations within areas covered by the general objectives as defined in paragraph 1.

Amendment

3. Regional integration among countries, including ***in particular*** economic integration between Pre-accession countries, Neighbourhood countries and the Union, shall be an underlying objective for EIB financing operations within areas covered by the general objectives as defined in paragraph 1. ***It shall also be ensured that the foreign direct investment that is supported by the EIB genuinely contributes to economic integration between Pre-accession countries, Neighbourhood countries and the Union.***

Amendment 40

**Proposal for a decision
Article 3 – paragraph 4**

Text proposed by the Commission

4. In developing countries, as defined in the Organisation for Economic Cooperation and Development (OECD) list of official development assistance (ODA) recipients, EIB financing operations shall contribute ***indirectly*** to the objectives of the Union policy ***in development cooperation as referred to in Article 208 TFEU.***

Amendment

4. In developing countries, as defined in the Organisation for Economic Cooperation and Development (OECD) list of official development assistance (ODA) recipients, ***the*** EIB financing operations shall contribute, ***in accordance with Articles 208 and 209 TFEU,*** to the objectives of the Union ***development cooperation*** policy, ***such as reducing poverty through inclusive growth and sustainable economy, environmental and social development.***

Justification

The word “indirectly” is not clear within this context. The EIB should, in principle, strive to support the objectives of the Union policy in development cooperation as referred to in Article 208 TFEU. It is unjustified to limit the EIB’s support only to the indirect support, especially if such support is not defined.

Amendment 41

**Proposal for a decision
Article 3 – paragraph 5**

Text proposed by the Commission

5. EIB financing operations supporting the objectives provided for in paragraph 1(a) **may** include support to investment projects by SMEs from the Union.

Amendment

5. The EIB shall always, as a priority, endeavour to strengthen the local private sector in beneficiary countries. To ensure that investments in the private sector have the greatest development impact, EIB financing operations supporting the objectives provided for in paragraph 1(a) **shall target local companies within developing countries whenever possible, but may also** include support to investment projects by SMEs from the Union. **However, it shall be ensured that EIB financing is genuinely used in the specific investment projects for the benefit of the SMEs concerned and not channelled to other areas as concealed support for undertakings. In order to ensure that funding is used as intended, the EIB shall draw up practical reporting standards to be complied with by borrowers.**

Amendment 42

**Proposal for a decision
Article 3 – paragraph 6**

Text proposed by the Commission

6. EIB financing operations supporting the objectives provided for in paragraph 1(b) shall support investment projects in the areas of transport, energy, including renewable energy, energy systems transformation enabling a switch to lower carbon intensive technologies and fuels, energy security and energy infrastructure, including **for gas production and transportation to EU energy market**, environmental infrastructure, including water and sanitation and green infrastructure, information and communication technology, including telecommunications and broadband network infrastructure, health and education.

Amendment

6. EIB financing operations supporting the objectives provided for in paragraph 1(b) shall **predominantly** support investment projects in the areas of transport, energy, including **decentralised off-grid** renewable energy, energy systems transformation enabling a switch to lower carbon intensive technologies and fuels, **sustainable** energy security and energy infrastructure, including **electricity transmission infrastructure, in particular interconnections that facilitate the integration of electricity from renewable sources**, environmental infrastructure, including water and sanitation and green infrastructure, information and communication technology, including telecommunications and broadband network infrastructure, health and

education. *Priority consideration shall be given to electricity and gas infrastructure projects connecting the Union and third countries which provide mutual economic, development, social and environmental benefits. The EIB shall ensure compliance with the provisions of the United Nations Economic Commission for Europe Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (Aarhus Convention) at the various relevant stages of projects.*

Amendment 43
Proposal for a decision
Article 3 – paragraph 7

Text proposed by the Commission

7. EIB financing operations supporting the objectives provided for in paragraph 1(c) shall support investment projects in climate change mitigation and adaptation which contribute to the overall objective of the United Nations Framework Convention on Climate Change, in particular by avoiding or reducing greenhouse gas emissions in the areas of renewable energy, energy efficiency and sustainable transport, or by increasing resilience to the adverse impacts of climate change on vulnerable countries, sectors and communities. Over the period covered by the Decision, the volume of *these* operations shall represent at least 25% of total EIB financing operations.

Amendment

7. EIB financing operations supporting the objectives provided for in paragraph 1(c) shall support investment projects in climate change mitigation and adaptation which contribute to the overall objective of the United Nations Framework Convention on Climate Change, in particular by avoiding or reducing greenhouse gas emissions in the areas of renewable energy, energy efficiency and sustainable transport, or by increasing resilience to the adverse impacts of climate change on vulnerable countries, sectors and communities. *The eligibility criteria for climate change projects need to be clearly defined and shall be further defined in the next revision of the regional technical operational guidelines, after thorough public consultations, and be reflected in the climate change strategy of the EIB during the midterm review of this Decision. To this end, an analysis of the carbon footprint needs to be included in the environmental assessment procedure to determine whether project proposals maximize energy-efficiency improvements.* Over the period covered by the Decision, the volume of operations *in the field of climate change mitigation* shall represent at least 25% of total EIB

financing operations. *By promoting investment projects in the field of renewable energy and better energy efficiency, the EIB shall contribute to a sustainable energy mix with a gradual phasing-out of its financing operations in fossil fuels. Therefore, it must be ensured that investment in the field of renewable energy and better energy efficiency are preferred to investment in fossil fuels which generate high CO₂ emissions.*

Amendment 44

Proposal for a decision Article 3 – paragraph 8

Text proposed by the Commission

8. In line with Union and international climate change objectives, before the end of **2016**, the EIB, in cooperation with the Commission and following a public consultation, shall update its climate change strategy as regards EIB financing operations.

Amendment

8. In line with Union and international climate change objectives, before the end of **2015**, the EIB, in cooperation with the Commission and following a public consultation, shall update its climate change strategy as regards EIB financing operations. *This update shall inter alia integrate concrete actions to phase out financing projects detrimental to the achievement of the Union's climate objectives and step up efforts to support renewable energy sources and energy efficiency.*

Amendment 45

Proposal for a decision Article 3 – paragraph 8 a (new)

Text proposed by the Commission

Amendment

8a. The EU guarantee shall cover only EIB financing operations carried out in eligible countries that have concluded a framework agreement with the EIB establishing the legal conditions under which such operations are to be carried out. Financial agreements with individual promoters relating to EIB operations shall also include appropriate environmental, social, human rights and labour

provisions.

Amendment 46
Proposal for a decision
Article 4 – paragraph 1

Text proposed by the Commission

1. The list of countries potentially eligible for EIB financing under EU guarantee is set out in Annex II. The list of countries eligible for EIB financing under EU guarantee is set out in Annex III and shall include no countries other than those listed in Annex II.

Amendment

1. The list of countries potentially eligible for EIB financing under EU guarantee is set out in Annex II. The list of countries eligible for EIB financing under EU guarantee is set out in Annex III and shall include no countries other than those listed in Annex II. ***For countries not listed in Annex II, eligibility for EIB financing under the EU guarantee shall be decided on a case-by-case basis in accordance with the ordinary legislative procedure.***

Amendment 47

Proposal for a decision
Article 4 – paragraph 2

Text proposed by the Commission

2. The Commission shall be empowered to adopt delegated acts in accordance with Article 17 concerning amendments to Annex III. The Commission's decisions shall be based on an overall economic and political assessment, ***including*** aspects related to the democracy, human rights and fundamental freedoms as well as the relevant European Parliament resolutions and Council decisions and conclusions.

Amendment

2. The Commission shall be empowered to adopt delegated acts in accordance with Article 17 concerning amendments to Annex III. The Commission's decisions shall be based on an overall economic ***social, environmental*** and political assessment, ***in particular*** aspects related to the democracy, human rights and fundamental freedoms as well as the relevant European Parliament resolutions and Council decisions and conclusions.

Amendment 48

Proposal for a decision
Article 4 – paragraph 5

Text proposed by the Commission

5. The EU guarantee shall cover only EIB financing operations carried out in eligible countries that have concluded a framework agreement with the EIB

Amendment

deleted

establishing the legal conditions under which such operations are to be carried out.

Amendment 49

Proposal for a decision

Article 5 – paragraph 1 – subparagraph 1

Text proposed by the Commission

1. The Commission shall update, together with the EIB, the existing regional technical operational guidelines for EIB financing operations within one year following the adoption of this Decision.

Amendment

1. The Commission shall update, together with the EIB ***and in close cooperation with the EEAS***, the existing regional technical operational guidelines for EIB financing operations within one year following the adoption of this Decision

Amendment 50

Proposal for a decision

Article 5 – paragraph 1 - subparagraph 3

Text proposed by the Commission

In updating these guidelines, the Commission and the EIB shall take into account relevant European Parliament resolutions and Council decisions and conclusions. The EEAS shall also be consulted on policy issues, as appropriate.

Amendment

In updating these guidelines, the Commission and the EIB shall take into account relevant European Parliament resolutions and Council decisions and conclusions, ***as well as the political developments taking place in the eligible countries. The guidelines shall reflect the priorities contained in the national or regional programmes drawn up, where appropriate after consultations with local civil society.***

Amendment 51

Proposal for a decision

Article 6 – paragraph 1 – point b

Text proposed by the Commission

(b) the EIB's strategic planning documents and investment project pipelines;

Amendment

(b) the EIB's strategic planning documents and investment project pipelines ***and annual reporting***;

Amendment 52

Proposal for a decision Article 6 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The lending operations of the EIB shall be consistent with the development strategies of the beneficiary country. The EIB shall also require the project promoters to carry out appropriate consultations with the relevant national and local stakeholders, as well as with civil society, at project planning stage and implementation stage.

Amendment 53

Proposal for a decision Article 6 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. The consistency of EIB financing operations under the mandate with Union external policy objectives shall be monitored in accordance with Article 10. In the context of its results measurement framework, the EIB shall develop performance indicators in relation to development, environmental and human rights aspects of projects funded, taking into account the relevant indicators under the Paris Declaration for Aid Effectiveness, in order to facilitate such monitoring. Indicators for environmental aspects of projects shall include criteria for "clean technology" which are oriented in principle at energy efficiency and technologies for reducing emissions.

Amendment 54

Proposal for a decision Article 7 – paragraph 1

Text proposed by the Commission

Amendment

1. EIB financing operations shall be carried

1. EIB financing operations shall be carried

out, where appropriate, in cooperation with other European *Financial Institutions and International Financial Institutions* in order to maximise synergies, cooperation and efficiency, to develop jointly innovative financial instruments, to ensure prudent and reasonable sharing of risks and coherent investment project and sector conditionality, and in order to minimise possible duplication of costs and unnecessary overlap.

out, where appropriate, in cooperation with other European ***multilateral and bilateral financial institutions, international financial institutions and regional development banks*** in order to maximise synergies, cooperation and efficiency, to develop jointly innovative financial instruments, to ensure prudent and reasonable sharing of risks and coherent investment project and sector conditionality, and in order to minimise possible duplication of costs and unnecessary overlap.

Amendment 55

Proposal for a decision

Article 7 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The EIB shall not cooperate with financial intermediaries with a negative track record in terms of transparency, fraud, corruption and environmental or social impacts. A stringent list of criteria for selection of financial intermediaries shall be established by the EIB jointly with the Commission and made publicly available.

Amendment 56

Proposal for a decision

Article 7 a (new)

Text proposed by the Commission

Amendment

Article 7a

Cooperation with financial intermediaries
When operating under the EU guarantee, the EIB shall cooperate only with financial intermediaries that have substantial local ownership, that are not operating in offshore financial centres and that are equipped to implement a pro-development approach supporting the specificity of SMEs in the countries of operation, and that are neither operating

or established in a jurisdiction that:

- provides for tax measures which entail no or nominal taxes or where advantages are granted even without any real economic activity and substantial economic presence within the jurisdiction offering such tax advantages;*
- does not ensure an effective exchange of information in tax matters, including under any multilateral tax agreement, and in particular does not fully comply with the standards on the exchange of information laid down in the OECD Model Tax Convention on Income and on Capital;*
- is listed as a Non-Cooperative Country or Territory by the Financial Action Task Force (FATF).*

Justification

Financial intermediaries are mostly western commercial banks with little or no interest in development and SME development, and often operational in tax havens. They are not adapted to the requirements of local economies and should not be profiting from EIB activities.

Amendment 57

Proposal for a decision

Article 8 – paragraph 3 – introductory part

Text proposed by the Commission

3. For EIB financing operations other than those referred to in paragraph 1 and for EIB financing operations consisting of debt capital markets instruments, the EU guarantee shall cover all payments due to the EIB but not received by it, where the non-receipt has been caused by the realisation of one of the following political risks ("Political Risk Guarantee"):

Amendment

3. For EIB financing operations other than those referred to in paragraph 1 and for EIB financing operations consisting of debt capital markets instruments, ***provided that they comply with the principles of sound, sustainable banking practices, with a long-term future, which are based on the real economy,*** the EU guarantee shall cover all payments due to the EIB but not received by it, where the non-receipt has been caused by the realisation of one of the following political risks ("Political Risk Guarantee"):

Amendment 58
Proposal for a decision
Article 8 – paragraph 5

Text proposed by the Commission

5. The Commission and the EIB shall set out in the agreement referred to in Article 13 a method allowing the EIB to identify, within its external activity, the operations to be financed under this Decision and the operations to be financed at the own risk of the EIB. The method shall be based on the creditworthiness of EIB financing operations as assessed by the EIB, the regions and ceilings as defined in Annex I, the nature of the counterparty (whether a sovereign/State, a sub-sovereign as referred to in paragraph 1 or private), EIB risk absorption capacity and other relevant criteria, including added value of the EU Guarantee.

Amendment

5. The Commission and the EIB shall set out in the Guarantee agreement referred to in Article 13 a **clear and transparent** method allowing the EIB to identify, within its external activity, the operations to be financed under this Decision and the operations to be financed at the own risk of the EIB. The method shall be based on the creditworthiness of EIB financing operations as assessed by the EIB, the regions and ceilings as defined in Annex I, the nature of the counterparty (whether a sovereign/State, a sub-sovereign as referred to in paragraph 1 or private), EIB risk absorption capacity and other relevant criteria, including added value of the EU Guarantee. ***The allocation policy shall be made available to the European Parliament and made publicly available on the EIB website. The EIB website shall, after the project approval stage, list all operations financed by the EIB outside the Union benefitting from the EU guarantee.***

Amendment 59
Proposal for a decision
Article 9 – paragraph 1 – subparagraph 1

Text proposed by the Commission

The EIB shall carry out thorough due diligence and, ***where appropriate and*** in line with Union social and environmental principles, ***require*** appropriate local public consultation, on development-related aspects of investment projects covered by the EU guarantee.

Amendment

The EIB shall carry out thorough due diligence and in line with Union social and environmental principles ***and law, as well as*** appropriate local public consultation on ***social, human rights, environmental, economic and*** development-related aspects of investment projects covered by the EU guarantee, ***including an assessment of the contribution to the objectives of the Union policy on development cooperation, referred to in Article 208 TFEU. The EIB shall remain in communication with the***

promoters and beneficiaries of the projects it funds throughout the project programming process. It shall also take account of the impact of the projects on those directly and indirectly affected by them.

Amendment 60

Proposal for a decision

Article 9 – paragraph 1 – subparagraph 3

Text proposed by the Commission

The EIB's own rules and procedures shall include the necessary provisions on assessment of environmental and social impact of investment projects and of aspects related to human rights and conflict prevention, to ensure that only investment projects that are economically, financially, environmentally and socially sustainable are supported under this Decision.

Amendment

The EIB's own rules and procedures shall include the necessary provisions on assessment of environmental and social impact of investment projects and of aspects related to human rights, ***fundamental freedoms*** and conflict prevention ***in line with the relevant Union principles and law, as well as legislation and environmental and social standards of the beneficiary countries*** and to ensure that ***predominantly*** investment projects that are economically, financially, environmentally and socially sustainable are supported under this Decision.

Amendment 61

Proposal for a decision

Article 9 – paragraph 1 – subparagraph 3 a (new)

Text proposed by the Commission

Amendment

Moreover, where possible in its financial operations, the EIB shall ensure that the companies and financial institutions involved in the transaction disclose as much information as possible regarding beneficial ownership of any legal structure directly or indirectly related to the company, including trusts, foundations and bank accounts in order to enhance transparency.

Amendment 62
Proposal for a decision
Article 9 – paragraph 2

Text proposed by the Commission

2. In addition to the *ex-ante* assessment of development-related aspects, the EIB shall monitor the implementation of financing operations. In particular, it shall require the project promoters to carry out thorough monitoring during project implementation until completion, *inter alia*, on the development, environmental and human rights impact of the investment project. The EIB shall verify the information provided by the project promoters.

Amendment

2. In addition to the *ex-ante* assessment of development-related aspects, the EIB shall monitor the implementation of financing operations. In particular, it shall require the project promoters to carry out thorough monitoring during project implementation until completion, *inter alia*, on the ***economic***, development, ***social***, environmental and human rights impact of the investment project. The EIB shall ***systematically*** verify the information provided by the project promoters ***and make it publicly available after signature if the promoter agrees. Where possible, completion reports shall be issued for projects covered by EU guarantees.***

Amendment 63

Proposal for a decision
Article 9 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The EIB shall submit to the Commission annual reports assessing the estimated outputs, outcomes and development impact of the operations financed during the year, on the basis of its results measurement framework, including the performance indicators referred to in Article 6(2b). The Commission shall present the development reports of the EIB to the European Parliament and to the Council in the framework of the annual reporting exercise provided for in Article 10 and make them publicly available so that interested stakeholders, including civil society and recipient countries, are also able to express their views on the matter. The European Parliament shall discuss the annual reports, taking into consideration the views of all interested

parties.

Amendment 64

Proposal for a decision Article 9 – paragraph 3

Text proposed by the Commission

3. The EIB monitoring shall also cover the implementation of intermediated operations and the performance of financial intermediaries in support of SMEs.

Amendment

3. The EIB monitoring shall also cover, ***where possible***, the implementation of intermediated operations and the performance ***and development impact*** of financial intermediaries in support of SMEs, ***including ex-ante and ex-post assessment relating to the projects undertaken***.

Amendment 65

Proposal for a decision Article 9 – paragraph 4

Text proposed by the Commission

4. The EIB shall establish a comprehensive tracking system of monitoring relative and absolute greenhouse gas emissions reduction throughout ***significant*** EIB financing operations where emissions are significant and data is available.

Amendment

4. The EIB shall establish a comprehensive tracking system of monitoring relative and absolute greenhouse gas emissions reduction throughout EIB financing operations where emissions are significant and data is available.

Amendment 66

Proposal for a decision Article 9 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

4a. The results of monitoring shall, where possible, be disclosed.

Amendment 67

Proposal for a decision Article 9 a (new)

Text proposed by the Commission

Amendment

Article 9a

EIB technical assistance

The EIB shall, when appropriate, provide a breadth of technical assistance to beneficiaries for project preparation and implementation, with the aim of supporting local capacity-building and economic, environmental, social and political development. The technical assistance given shall be complementary to the assistance given by other EU bodies in the framework of the Union's trade and development policy.

Amendment 68

Proposal for a decision

Article 10 – paragraph 1 – point b

Text proposed by the Commission

Amendment

(b) an assessment of the application of the method referred to in Article 8(5); ***deleted***

Justification

Article 10 -paragraph 1 (b) moved to Article 18 (Mid-term Review).

Amendment 69

Proposal for a decision

Article 10 – paragraph 1 – point i a (new)

Text proposed by the Commission

Amendment

(ia) recommendations on how to improve EIB reporting.

Amendment 70

Proposal for a decision

Article 10 – paragraph 2

Text proposed by the Commission

Amendment

2. For the purposes of the Commission's

2. For the purposes of the Commission's

reporting referred to in paragraph 1, the EIB shall provide the Commission with yearly reports on EIB financing operations carried out under this Decision including all necessary elements allowing the Commission to report in accordance with paragraph 1. The EIB may also provide to the Commission additional information relevant for the Council and the European Parliament to have a comprehensive overview of EIB external activity.

reporting referred to in paragraph 1, the EIB shall provide the Commission with yearly reports on EIB financing operations carried out under this Decision ***and their contribution to the general principles guiding the Union's external action*** including all necessary elements allowing the Commission to report in accordance with paragraph 1. The EIB may also provide to the Commission additional information relevant for the Council and the European Parliament to have a comprehensive overview of EIB external activity.

Amendment 71

Proposal for a decision Article 10 – paragraph 5

Text proposed by the Commission

5. The EIB shall provide the Commission, at least on a yearly basis, an indicative multiannual programme of the planned volume of signatures of EIB financing operations, so as to ensure compatibility of the EIB's forecast financing with the ceilings established in this Decision and for the Commission to ensure appropriate budgetary planning for provisioning the Guarantee Fund¹⁷. The Commission shall take account of this forecast when preparing the draft budget.

¹⁷ Council Regulation (EC, Euratom) No 480/2009 of 25 May 2009 establishing a Guarantee Fund for external actions (OJ L 145, 10.6.2009, p. 10).

Amendment

5. The EIB shall provide the Commission, at least on a yearly basis, an indicative multiannual programme of the planned volume of signatures of EIB financing operations, so as to ensure compatibility of the EIB's forecast financing with the ceilings established in this Decision and for the Commission to ensure appropriate budgetary planning for provisioning the Guarantee Fund¹⁷. The Commission shall take account of this forecast when preparing the draft budget. ***On the basis of the annual reporting by the EIB, the Commission shall present its own evaluation to the European Parliament and the Council each year and suggest, if necessary, ways of improving compliance. An evaluation of this reporting, including ways to improve it, shall be provided during the mid-term review.***

¹⁷ Council Regulation (EC, Euratom) No 480/2009 of 25 May 2009 establishing a Guarantee Fund for external actions (OJ L 145, 10.6.2009, p. 10).

Amendment 72

Proposal for a decision

Article 10 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

5a. Repayments and revenues under the past MEDA programme (before 2007) accumulated in the Facility for Euro-Mediterranean Investment and Partnership (FEMIP) shall constitute external assigned revenue for the Guarantee fund for external actions.

Amendment 73

Proposal for a decision

Article 10 – paragraph 6

Text proposed by the Commission

Amendment

6. The EIB shall continue to provide the European Parliament, the Council and the Commission with all its independent evaluation reports which assess the practical results achieved by the specific activities of the EIB under this Decision and other external mandates.

6. The EIB shall continue to ***systematically*** provide the European Parliament, the Council and the Commission with all its independent evaluation reports which assess the practical results achieved by the specific activities of the EIB under this Decision and other external mandates.

Amendment 74

Proposal for a decision

Article 10 – paragraph 7

Text proposed by the Commission

Amendment

7. The EIB shall provide the information referred to in paragraphs 2 to 6 at its own expense

7. The EIB shall provide the information referred to in paragraphs 2 to 6 at its own expense. ***The EIB shall also make publicly available the information referred to in paragraphs 2 to 6, in general terms and excluding any confidential information.***

Amendment 75

Proposal for a decision

Article 11 - title

Text proposed by the Commission

Public disclosure of information

Amendment

Transparency and public disclosure of information

Amendment 76

Proposal for a decision

Article 11 – paragraph 1 – introductory part

Text proposed by the Commission

1. In accordance with ***its own transparency policy***, the EIB shall make publicly available on its website information relating to:

Amendment

1. In accordance with ***Union legislation on access to documents and information***, the EIB shall make publicly available on its website information relating to:

Amendment 77

Proposal for a decision

Article 11 – paragraph 1 – point a

Text proposed by the Commission

(a) all EIB financing operations carried out under this Decision, in particular indicating whether an investment project is covered by the EU guarantee;

Amendment

(a) all EIB financing operations carried out under this Decision, in particular indicating whether an investment project is covered by the EU guarantee ***and how it contributes to the goals of the Union external action, noting in particular its economic, social and environmental impact***;

Amendment 78

Proposal for a decision

Article 11 – paragraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(ba) any framework agreement concluded between the EIB and a recipient country.

Amendment 79

Proposal for a decision

Article 12

Text proposed by the Commission

In its financing operations, the EIB shall not tolerate any activities carried out for illegal purposes, including money laundering, financing of terrorism, tax fraud and tax evasion, corruption, and fraud affecting the financial interests of the EU. In particular the EIB shall not participate in any financing operation implemented in an eligible country through a foreign non-cooperative jurisdiction identified as such by the ***OECD, the Financial Action Task Force or other relevant international organisations.***

Amendment

In its financing operations, the EIB shall not tolerate any activities carried out for illegal purposes, including money laundering, financing of terrorism, tax fraud and tax evasion, corruption, and fraud affecting the financial interests of the EU. In particular the EIB shall not participate in any financing operation implemented in an eligible country through a foreign non cooperative jurisdiction identified as such by the ***Union, the United Nations, the OECD or the FATF.***

Amendment 80

Proposal for a decision

Article 12 – paragraph 1 a (new)

Text proposed by the Commission

Amendment

In particular, the EIB shall look at the possibility for EIB beneficiaries, whether corporations or financial intermediaries that are incorporated in different jurisdictions, to disclose country-level information about their sales, assets, employees, profits and tax payments in each country in which they operate in their audited annual reports.

Amendment 81

Proposal for a decision

Article 12 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

In its financing operations, the EIB shall apply the principles and standards of Directive 2005/60/EC of the European Parliament and of the Council^{17a}.

^{17a} *Directive 2005/60/EC of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing(OJ L 309, 25.11.2005, p.15).*

Amendment 82

Proposal for a decision Article 14 – paragraph 1

Text proposed by the Commission

1. Where the Commission makes any payment under the EU guarantee, the EIB shall, in the name and on behalf of the **Commission**, pursue the recovery of claims for the amounts paid.

Amendment

1. Where the Commission makes any payment under the EU guarantee, the EIB shall, in the name and on behalf of the **Union**, pursue the recovery of claims for the amounts paid.

Amendment 83

Proposal for a decision Article 14 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. In the interests of transparency, the Commission shall make publicly available on its website specific information relating to all cases of recoveries under the guarantee agreement referred to in Article 13 unless confidentiality is necessary.

Amendment 84

Proposal for a decision Article 16 – paragraph 1

Text proposed by the Commission

1. The EIB shall inform OLAF immediately when, at any stage of the preparation, implementation or closure of projects subject to the EU guarantee, it detects a potential case of fraud, corruption or other illegal activity that may affect the financial interests of the EU.

Amendment

1. The EIB shall inform OLAF immediately when, at any stage of the preparation, implementation or closure of projects subject to the EU guarantee, it detects a potential case of fraud, corruption, **money laundering** or other illegal activity that may affect the financial

interests of the EU *or of its Member States. The EIB shall pay particular attention to information by whistleblowers regarding potential cases of fraud, corruption or other illegal activity, allowing for a proper follow-up, feedback and protection against retaliation.*

Amendment 85

Proposal for a decision Article 16 – paragraph 2

Text proposed by the Commission

2. OLAF may carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions and procedures laid down in Regulation (EC) No 1073/1999, Regulation (Euratom, EC) No 2185/96 and Regulation (EC, Euratom) No 2988/95 in order to protect the financial interests of the European Union, with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial Interests of the Union in connection with any financing operations.

Amendment

2. OLAF may carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions and procedures laid down in Regulation (EC) No 1073/1999, Regulation (Euratom, EC) No 2185/96 and Regulation (EC, Euratom) No 2988/95 in order to protect the financial interests of the European Union, with a view to establishing whether there has been fraud, corruption, **money laundering** or any other illegal activity affecting the financial Interests of the Union in connection with any financing operations. ***If the financial interests of a Member State are involved, OLAF shall inform the government of that Member State immediately. Where corruption is proven, the EIB shall assist asset recovery efforts by disclosing to the relevant authorities any assets held by the EIB that relate to such corruption or that derive from it.***

Amendment 86

Proposal for a decision Article 16 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

2a. The contracts signed in relation to projects subject to the EU guarantee shall include stringent clauses enabling the suspension of financing support from the EIB to the promoters and financial

intermediaries of projects, where fraud, corruption or other illegal activity are under formal investigation, and the cancellation of such support in the event of such illegal activity being proven.

Amendment 87

Proposal for a decision Article 16 – paragraph 2 b (new)

Text proposed by the Commission

Amendment

2b. The EIB shall designate an anti-corruption officer who serves as contact point for all stakeholders, including concerned populations and organised civil society as well as internally.

Amendment 88

Proposal for a decision Article 18

Text proposed by the Commission

Amendment

By **31 December 2017**, the Commission shall submit to the European Parliament and the Council a mid-term report evaluating the implementation of this Decision in the first years accompanied, ***where appropriate***, by a proposal for its amendment. The report shall draw upon an external evaluation and contribution from the EIB.

By **30 June 2016**, the Commission shall submit to the European Parliament and the Council a mid-term report evaluating the implementation of this Decision in the first years accompanied, by a proposal for its amendment. The report shall draw upon an ***independent*** external evaluation and contribution from the EIB ***as well as an assessment of the application of the method referred to in Article 8(5). The Commission's mid-term report shall contain a detailed account of the criteria in accordance with which the first years of implementation of this Decision have been assessed. It shall also contain a detailed account of the criteria for deciding to what extent the optional amount referred to in Article 2(1)(b) is to be activated. This shall ensure that, in the whole second half of its mandate, the EIB can operate with a budget in which any changes due to the mid-term review are already taken into account.***

Amendment 89

Proposal for a decision

Annex I – point A

Text proposed by the Commission

A. Pre-accession countries: EUR **8 400** 000 000;

Amendment

A. Pre-accession countries: EUR **9 072** 000 000;

Amendment 90

Proposal for a decision

Annex I – point B – introductory part

Text proposed by the Commission

B. Neighbourhood and Partnership countries: EUR **12 400** 000 000, broken down into the following indicative sub-ceilings:

Amendment

B. Neighbourhood and Partnership countries: EUR **13 392** 000 000, broken down into the following indicative sub-ceilings:

Amendment 91

Proposal for a decision

Annex I – point B – point i

Text proposed by the Commission

(i) Mediterranean countries: EUR **8 400** 000 000;

Amendment

(i) Mediterranean countries: EUR **9 072** 000 000;

Amendment 92

Proposal for a decision

Annex I – point B – point ii

Text proposed by the Commission

(ii) Eastern Europe, Southern Caucasus and Russia: EUR 4 **000** 000 000;

Amendment

(ii) Eastern Europe, Southern Caucasus and Russia: EUR 4 **320** 000 000;

Amendment 93

Proposal for a decision

Annex I – point C – introductory part

Text proposed by the Commission

C. Asia and Latin America: EUR 3 **600**

Amendment

C. Asia and Latin America: EUR 3 **888**

000 000, broken down into the following indicative sub-ceilings:

000 000, broken down into the following indicative sub-ceilings:

Amendment 94

Proposal for a decision Annex I – point C – point i

Text proposed by the Commission

Amendment

(i) Latin America: EUR 2 **150 000 000**;

(i) Latin America: EUR 2 **322 000 0000**;

Amendment 95

Proposal for a decision Annex I – point C – point ii

Text proposed by the Commission

Amendment

(ii) Asia: EUR 1 **200 000 000**;

(ii) Asia: EUR 1 **296 000 000**;

Amendment 96

Proposal for a decision Annex I – point C – point iii

Text proposed by the Commission

Amendment

(iii) Central Asia: EUR **250 000 000**

(iii) Central Asia: EUR **270 000 000**

Amendment 97

Proposal for a decision Annex I – point D

Text proposed by the Commission

Amendment

D. South Africa: EUR **600 000 000**.

D. South Africa: EUR **648 000 000**.

Amendment 98

Proposal for a decision Annex III – point C – point 2 – subparagraph 1

Text proposed by the Commission

Amendment

Bangladesh, Brunei, Cambodia, China (including Hong Kong and Macao Special Administrative Regions), India, Indonesia, Iraq, Laos, Malaysia, Maldives, Mongolia,

Bangladesh, **Bhutan**, Brunei, Cambodia, China (including Hong Kong and Macao Special Administrative Regions), India, Indonesia, Iraq, Laos, Malaysia, Maldives,

Myanmar, Nepal, Pakistan, Philippines,
Singapore, South Korea, Sri Lanka,
Thailand, Vietnam, Yemen

Mongolia, Myanmar, Nepal, Pakistan,
Philippines, Singapore, South Korea, Sri
Lanka, Thailand, Vietnam, Yemen