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REPORT

on the Annual Report on the Financial Activities of the European Investment Bank
(2016/2099(INI))

Committee on Economic and Monetary Affairs

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(*) Associated committee – Rule 54 of the Rules of Procedure

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(*) Associated committee – Rule 54 of the Rules of Procedure

MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the Annual Report on the Financial Activities of the European Investment Bank (2016/2099(INI))

The European Parliament,

- having regard to the 2015 Activity Report of the European Investment Bank,
- having regard to the 2015 Financial Report and the 2015 Statistical Report of the European Investment Bank,
- having regard to the September 2016 Evaluation of the Functioning of the European Fund for Strategic Investments (EFSI) of the European Investment Bank,
- having regard to the Corporate Operational Plan 2016-2018 published on the EIB website,
- having regard to the Sustainability Report 2015 of the European Investment Bank,
- having regard to Articles 15, 126, 175, 177, 208, 209, 271, 308 and 309 of the Treaty on the Functioning of the European Union and to Protocol No 5 thereto on the Statute of the EIB,
- having regard to the External Lending Mandate (ELM) 2014-2020 granted by the Commission for European Investment Bank operations outside the European Union,
- having regard to the Commission Communication of 26 November 2014 entitled ‘An Investment Plan for Europe’ (COM(2014)0903),
- having regard to the Commission Communication of 28 January 2016 on an ‘External Strategy for Effective Taxation’ (COM(2016)0024),
- having regard to Regulation (EU) No 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 – the European Fund for Strategic Investments¹,
- having regard to the proposal for a regulation of the European Parliament and of the Council amending Regulations (EU) No 1316/2013 and (EU) 2015/1017 as regards the extension of the duration of the European Fund for Strategic Investments as well as the introduction of technical enhancements for that Fund and the European Investment Advisory Hub (COM(2016)0597),
- having regard to its resolution of 28 April 2016 on the European Investment Bank (EIB) – Annual Report 2014²,

¹ OJ L 169, 1.7.2015, p. 1.

² Texts adopted, P8_TA(2016)0200.

- having regard to the Commission Communication of 1 June 2016 entitled ‘Taking stock of the Investment Plan and next steps’ (COM(2016)0359),
 - having regard to the ‘EIB Policy towards weakly regulated, non-transparent and uncooperative jurisdictions’ of 15 December 2010 and the addendum to the ‘NCJ Policy’ of 8 April 2014,
 - having regard to its approval of the ratification of the Paris Agreement by the European Union of 4 October 2016,
 - having regard to President Juncker’s speech on the State of the Union delivered on 14 September 2016 at the plenary session of the European Parliament in Strasbourg,
 - having regard to the letters sent by the European Ombudsman to the EIB on 22 February 2016 and 22 July 2016,
 - having regard to Article 3 of the Treaty on European Union (TEU),
 - having regard to Rule 52 of its Rules of Procedure,
 - having regard to the report of the Committee on Economic and Monetary Affairs and the opinions of the Committee on Development, the Committee on International Trade, the Committee on Budgets and the Committee on Transport and Tourism (A8-0121/2017),
- A. whereas the EIB is considered to be the ‘financial arm of the EU’ and the key institution for sustaining public and private investments within the EU, while also playing an important role outside the EU through its external lending activities; whereas the EIB is continuing to strengthen European integration and its role has proven to be even more essential since the start of the financial crisis in 2008;
 - B. whereas comprehensive and proper parliamentary accountability of the EIB should be developed;
 - C. whereas the EIB maintained solid profitability in 2015, with a net annual surplus of EUR 2.8 billion;
 - D. whereas the EIB must retain a strong credit standing and must remain selective in its operations, taking into account not only the high volumes and returns of its investments but also the social and economic impacts in different sectors and regions and the contribution of its investments to the wider social good;
 - E. whereas the EIB should continue to strengthen its efforts to expand its loan activities effectively, especially in regions with a low level of investment capacity, while reducing administrative burdens for applicants;
 - F. whereas the EIB, as the institution responsible for the implementation of the European Fund for Strategic Investments (EFSD), should maintain the pursuit of a high-quality asset portfolio and the achievement of solid financial results with long-term economic benefits that generate quality jobs as its main priorities;

- G. whereas the EIB should, through all its available instruments, help address regional inequalities by advising on the development of new private projects and by financing sound and prudent investment projects without interfering with or replacing pre-existing programmes which have the same purpose and those projects which have a strong environmental, social and corporate governance (ESG) dimension; whereas, in particular, the EIB should devise additional ways of sustaining the economic development of countries that have had to apply a stabilisation programme;
- H. whereas the EIB's investments in sound projects can help tackle youth unemployment by equipping young people with the necessary set of skills and help provide access to finance linked to the employment of young people;
- I. whereas special consideration must be given to ESG criteria and climate change in particular in the assessment and monitoring of all projects; whereas the promotion of economic, social and territorial cohesion is vital to the full development and enduring success of the Union;
- J. whereas, with more than a trillion euros invested in the transport sector thanks to the support of the EIB since its foundation in 1958, this is the sector in which the EIB has been most active;
- K. whereas lowering emissions in the transport sector is a major challenge, and significant reductions in NOx, CO2 and other relevant emissions from transport are needed if the EU is to achieve its long-term climate goals; whereas congestion and air pollution are major problems in developing all forms of mobility and protecting human health;
- L. whereas in 2015 the EIB invested EUR 14 billion in transport projects that will benefit 338 million passengers per year and save 65 million travel hours per year;

Investment in the EU

1. Stresses that the current crisis has significantly weakened growth in the European economy and that one of the main factors is the decline in investment in the EU; underlines that the fall in public and private investment has reached alarming levels in the countries most affected by the crisis, as evidenced by Eurostat's finding that Gross Fixed Capital Formation (GFCF) fell by 65 % in Greece and 35 % in Portugal between 2007 and 2015; expresses concern about macroeconomic imbalances and unemployment rates that remain high in some Member States;
2. Underlines the fact that the strengthening of EU competitiveness, higher economic growth and employment depend, inter alia, on an increase in investment, especially in research, innovation, digitalisation, energy efficiency and sustainability, the circular economy, and in support for start-ups and existing SMEs;
3. Notes the urgent need for the EIB to participate in the reduction of the investment gap on the basis of sound economic criteria; calls on the EIB to focus its efforts on more effective and energy efficient investments, as well as on attracting and enabling private investment; asks the EIB to avoid large-scale infrastructure projects that may have a serious environmental impact and that fail to demonstrate real added value for the economy and the local population; calls on the EIB to boost its technical assistance in

order to address low project generation capacity and to help Member States to identify fundable projects;

4. Notes the stability of the EIB lending signed in 2015 (EUR 77.5 billion, after EUR 77 billion in 2014); points out that, while the figure complies with the target announced in the EIB Operational Plan 2015-2017, the current context should encourage the bank to adopt more ambitious objectives and to increase lending signed by the EIB; recalls that the EIB should play a fundamental role in the implementation of the Europe 2020 Strategy through the Horizon 2020 instrument;
5. Considers that the EIB, as ‘the EU bank’ incorporated and governed by the Treaties and relevant annexed Protocol, must live up to this particular status, which entails particular rights and responsibilities; observes that the bank is playing a key role in implementing an ever greater number of financial instruments leveraging on EU budgetary funds;
6. Takes note of the positive news that the EIB was able to deliver the commitment entered into with its shareholders of at least 180 billion in overall investment;
7. Points out that a fresh increase in EIB capital, with the aim of safeguarding the bank’s financing capacity for the future, deserves serious consideration, while stressing the importance of ensuring the efficient and responsible management of resources;
8. Takes the view that an increase in EIB lending activity could be achieved through better synergies with public funds, which would in turn boost public and private investment; stresses that such an increase should be accompanied by a corresponding diversification of the EIB’s product range, including a greater and fiscally prudent use of public-private partnerships (PPP) – while maintaining public and private benefits in balance – and of other innovative in order to better address the needs of the real economy and the market; stresses that such action should be taken while also recognising that new products often require additional governance tools to ensure their suitability and that particular attention should be paid to the strategic allocation of funding and the promotion of EU policy objectives;
9. Notes the fact that in 2015 the EIB provided EUR 1.35 billion for investment in projects across Greece; notes that the EIB has provided more than EUR 12 billion for investment in Greece since the beginning of the crisis in 2008;
10. Welcomes the fact that the EIB has responded to the crisis by expanding its activities significantly, including in the worst affected countries; calls on the EIB to further support EU countries under adjustment programmes in order to contribute to jump-starting their economic recovery and to favour their transition to a sustainable economy while ensuring that they still adhere to EIB criteria for sound investments; points out that this support should be provided in the form of both financial support and capacity-building in order to help projects become investment-ready; stresses the importance of regional development and calls for enhanced dialogue and cooperation with regional and local authorities;
11. Draws attention to the numerous calls on the EIB to catalyse and facilitate best practice dissemination throughout Member States, in particular through the relevant national promotional banks and institutions that constitute a major tool for a coordinated EU

response to the low level of investment;

12. Expects the EIB to continue to work with the Commission and Member States in order to address systemic shortcomings that prevent certain regions or countries from taking full advantage of the EIB's financial activities;
13. Notes that the EIB uses a wide range of financial instruments – such as loans, guarantees, project bonds and PPPs – to support public and private investment in transport; stresses that it is important to coordinate various types of EU funding in order to ensure that EU transport policy objectives are met across all of the EU, taking into account that not all projects are suitable for funding from PPP types of instrument;
14. Emphasises that the EIB should give priority to innovation-based projects which offer clear added European value; points out that it is important to fund projects that maximise the impact in terms of job creation; calls on the EIB to step up its assessment of projects, paying particular attention to the number and quality of direct and indirect jobs created; calls on the EIB to act in a market-conforming manner so as to create a level playing field for other investors;
15. Calls for financial support to be given to indigenous energy sources in order to overcome Europe's heavy dependence on external energy and to ensure security of supply;
16. Supports the Commission in its attempt to revise the current Financial Regulation; supports, in particular, the regulation's provisions concerning the use of innovative financial instruments such as project bonds, provided they do not entail socialising the losses and privatising the profits;
17. Invites the EIB to present a comprehensive assessment of the potential impact that the UK's decision to leave the EU might have on its financial status and activities; underlines the necessity for the EIB to take the UK's decision to leave the EU into account when engaging in long-term commitments; calls on the EIB to maintain dialogue with the UK Government in order to ensure much needed certainty for UK-based projects which are currently in receipt of EIB funding or in the process of applying; invites the EIB to investigate and outline the various possible relationships the EIB might have with the UK following the UK's decision to leave the EU;
18. Encourages the EIB Group to fully adhere to the Commission's stance on aggressive tax avoidance structures and underlines that, further to the EIB's own safeguards, the deployment of public funds managed by the EIB under mandate is also subject to control by the European Court of Auditors; calls on the EIB, in this regard, to end cooperation with intermediaries, countries and jurisdictions that are on the EU list of non-cooperative tax jurisdictions; notes that all projects funded by the EIB, including those funded by financial intermediaries, are published on the EIB's website; suggests that the EIB enhance its research and sectoral analysis capacities;
19. Underlines that combating all forms of harmful tax practices should remain an important priority of the EIB; calls on the EIB to swiftly apply the relevant EU legislation and standards on tax avoidance, tax havens and other related issues, and to require its clients to comply with these rules accordingly; expresses concern at the lack

of information disclosed by the EIB on ultimate beneficial ownership, especially when the financing relies on private equity funds; urges the EIB to take proactive measures and carry out increased due diligence measures where EIB projects are found to have links with jurisdictions that raise tax concerns;

20. Highlights that the EU list of non-cooperative tax jurisdictions is expected by the end of 2017; calls on the EIB, in this regard, to review and enhance its non-transparent and uncooperative jurisdictions policy (NCJ Policy) as soon as possible once the EU list of non-cooperative tax jurisdictions is drawn up;
21. Calls on the EIB to further improve its transparency practices at all levels of the institution; encourages the EIB to make sure that both direct funding and funding via intermediaries contain country-by-country data; urges the EIB to act on the European Ombudsman's recommendations and calls for the independence of the EIB's complaint mechanism to be strengthened;
22. Calls on the EIB to continue improving its communication with financial intermediaries so that the latter can better inform the beneficiaries of the EIB financing opportunities at their disposal; welcomes, in this regard, the recently established mechanism whereby lending institutions using EIB funds to finance a project must send a letter to the beneficiary explicitly stating the use of EIB financing;
23. Believes that transparency, and access for citizens to information on financing plans and structures, are essential to ensuring resonance for, and citizens' acceptance of, the projects;

Supporting SMEs

24. Strongly supports the emphasis placed by the EIB on the financing of small and medium-sized enterprises (SMEs), with 37 % of the new lending granted in 2015 (EUR 28.4 billion); welcomes in particular the fact that the EIB operations helped to create and sustain 4.1 million jobs in Europe's SMEs and mid-caps (+13 % as compared to 2014); recalls that SMEs are the backbone of Europe's economy, providing 85 % of all new jobs, and that supporting them must remain a fundamental objective of the bank; underlines that the EIB is one of the institutions helping to reduce the financing gap that SMEs face;
25. Welcomes the EIB's role in local private-sector development; points out that the EIB's support for microfinance was particularly successful, with just EUR 184 million microcredits sustaining 230 500 jobs in microenterprises, while close to EUR 3 billion loans to SMEs and mid-caps have proved much less effective, sustaining only 531 880 jobs; points out that the leverage ratio of microfinance investment vehicles was also considerably higher than that of private equity funds; points out that microcredits have a strong gender perspective, generating twice as many jobs for women as for men; asks the EIB to devote more resources to microfinance; calls on the Commission and the Member States to acknowledge this success by means of an increase in the budget provisioning for micro credits in the EU's external lending mandate; regrets that the EIB has not supported any microfinance institution outside the ACP region and demands that similar microfinance support be provided to all other developing countries where the EIB is active;

26. Welcomes the fact that, in recent years, the EIB has placed greater emphasis on supporting SMEs; is concerned that the EIB's funding may be biased in favour of larger enterprises by targeting the number of jobs sustained (which includes pre-existing jobs without risk of layoffs); asks that the EIB target and report not only jobs sustained, but also jobs created by its funding activities, and aim at complying with ILO standards;
27. Calls on the EIB to require that companies participating in projects co-financed by the EIB adhere to the principle of equal opportunities and equitable treatment of men and women in matters of pay, employment and occupation; calls on the EIB, when deciding which projects to finance, to take into account the corporate social responsibility measures taken by candidate companies;
28. Recalls the need to support local SME projects pursuing sustainable and long-term investments and providing employment in the fields of innovation, R&D and energy efficiency;
29. Takes the view that, given the strategic role of micro, small and medium-sized enterprises, the EIB should also devise a strategy to increase their financing in countries with unfavourable economic and banking environments; believes that particular attention should also be paid to competitive and agile very small enterprises in need of financing, micro-enterprises and micro-entrepreneurs, which account for 30 % of private sector employment in the EU and are more susceptible to economic shocks than larger firms; believes that this strategy should include the reinforcement of administrative and advising capacities with a view to providing information and technical support to SMEs in developing and applying for finance; believes that in the domain of access to finance, the EIB could emphasise bridging possible funding gaps for microenterprises through financial instruments and products such as microfinance facilities and guarantees;
30. Welcomes the EIB's financing activity in the area of infrastructure and transport, as these projects significantly increase the potential of trade and can have a leverage effect in the internationalisation of SMEs, especially in regions with geographical disadvantages;
31. Is of the opinion that the EIB should take special care to ensure that the network of financial intermediaries that it has developed is trustworthy and in a position to finance dynamic and competitive SMEs effectively and in accordance with EU policies; calls on the EIB to cooperate more closely with regional public institutions with a view to optimising the financing possibilities for SMEs; stresses the need to tailor investment programmes towards small-scale projects in order to ensure the participation of SMEs;
32. Stresses that access to finance is one of the most pressing challenges for SMEs; underlines the need for an EIB strategy to enable further and improved access to funding for SMEs, including through trade facilitation programmes and initiatives such as the European Progress Microfinance facility and the new facilities for financing European and Latin American/Caribbean SME trade activities; suggests the establishment of more proactive SME and microenterprise policy requirements for intermediary banks disbursing EIB funds; suggests further improvements in transparency with regard to the assessment of the local economic and social impact of the EIB's intermediated loans; underlines that the EIB's contribution to SME-related

programmes in third countries which have preferential trading regimes with the EU should be geared towards their integration into global supply chains, while specifically in the Eastern and Southern neighbourhood such EIB programmes should be oriented to the integration of SMEs into European value chains;

33. Urges that EIB funds be directed not only towards SMEs, but also towards sensible infrastructure development, since the lack thereof in many partner countries can act as a serious impediment to growth in trade and to their inhabitants' ability to buy and sell goods and services in the EU;

EFSI

34. Welcomes the start of the EFSI, the legislation governing which entered into force in July 2015; underlines that the success of the programme is dependent upon its swift and full implementation;
35. Particularly stresses the fact that at the time of drafting of this report, and with the figures still rising, total investment in EFSI approvals amounts to EUR 168.8 billion, which is equivalent to 54 % of the original target value (EUR 315 billion); draws attention to the fact that 450 transactions have so far been approved in 28 Member States; invites the EIB to do more to ensure additionality in the selection of projects under EFSI and to make efforts to improve the geographical coverage of projects and their contribution to sustainable and smart growth;

Innovation and competitiveness

36. Welcomes the strong increase in EIB lending to innovative projects, which stood at EUR 18.7 billion in 2015, as compared to less than EUR 10 billion in 2008, and is of the opinion that it should be further increased; urges the EIB to continue this effort and to focus on the development of technologies for the future, such as energy-efficiency transport, robotics, the bio economy, the digital economy and new medical treatments for a better life; believes that concentrating on InnovFin and FinTech will attract projects with added value in the Member States; believes that the EIB could strengthen its support to innovation through targeted investments in education and training, as well as for start-ups and growing enterprises, and in particular in less developed regions;
37. Calls on the EIB, in its financing of transport projects, to take into account and seek synergies with tourism, with a view to promoting the development and competitiveness of the tourism sector in the EU;
38. Believes that an innovative and effective economy needs an advanced and high-quality transport system and infrastructure, and that these should be among the priorities, with a special focus on the EU's eastern region as well as on innovative multimodal infrastructure solutions such as short multimodal tunnels, bridges or ferries in sparsely populated areas;
39. Calls on the EIB to step up its efforts in developing technical assistance through its advisory hub in order to promote the best management practices;

Tackling youth unemployment

40. Emphasises that the EIB should develop its ‘Skills and Jobs – Investing for Youth’ programme and carry on investing in education and human capital in order to equip young people with the necessary set of skills to provide them with access to finance linked to the employment of young people in SMEs and mid-caps;
41. Takes the view that the EIB should devise ways of relaxing the conditionality for benefitting firms in regions with youth unemployment above 25 % so as to boost young entrepreneurship and support firm creation, without calling into question the viability of the projects;
42. Recalls that EIB investments in sound investment projects can help foster social inclusion, especially in Member States with high levels of unemployment and low rates of productivity; calls on the EIB to further develop its strategic planning programme in order to tackle high levels of unemployment; welcomes the fact that the EIB’s support for social housing projects has continuously risen in recent years and invites the EIB to further strengthen its investments in social housing projects;
43. Stresses the need for the EIB Resilience Initiative to focus on high-quality projects, and underlines the important role to be played by the EIB under the EU’s proposed External Investment Plan in building more resilient economies that tackle root causes of poverty; stresses the importance of EIB initiatives that focus particularly on young people and women, that contribute to investment in socially important sectors such as water, health and education, or that step up support for entrepreneurship and the private sector;

Climate action

44. Notes that in 2015 the EIB, after public consultation, published a formal Climate Action Strategy geared towards helping to implement the Paris Agreement both at Member State and international level; recalls the need to implement the EIB Climate Strategy of 2015 and asks for concrete reporting on the implementation of the action included in the strategy;
45. Calls on the EIB to step up its involvement in the fight against climate change, which was linked to 27 % of the projects approved in 2015 and accounted for a total investment of EUR 20.6 billion – the largest ever annual amount invested in climate change by the EIB, while climate and environment were the focus of almost 50 % of EIB-approved projects in 2015 reiterates the importance of moving away from fossil fuels and towards renewable energy sources and the improvement of energy efficiency in accordance with the commitment made by the European Union in March 2015 to reduce its carbon emissions by at least 40 % by 2030; highlights the importance of financial support to indigenous energy sources in overcoming Europe’s heavy dependence on external energy and ensuring security of supply;
46. Encourages the EIB to continue to support sustainable, safe, climate-friendly and innovative transport solutions, and to continue to promote accessibility for passengers with reduced mobility; underlines that it is the Union’s priority to ensure sufficient funding for projects with European added value, including cross-border transport links and, in particular, abandoned or dismantled cross-border regional rail connections; underlines the need for European investment policy to pay more attention to horizontal issues, particularly as regards future means of transport and services, which will require

the simultaneous and coherent development of alternative energy and telecommunications networks;

47. Stresses the importance in combating climate change of the goals set by COP 21 with regard to transport; underlines that the financial means should be available to bring about a modal shift from road to rail and waterborne and inland waterway transport; insists also that attention should be paid to investment in clean power and modern services for transport; proposes, to this end, that the capacities of financing tools that are specialised for this purpose, such as the European Clean Transport Facility (ECTF), be increased;
48. Emphasises that investments should be based on minimising external costs, including those caused by climate change, thereby reducing the challenges for public budgets of the future;
49. Calls on the Commission and the EIB to support investment in sustainable urban mobility, ideally based on sustainable urban mobility plans (SUMPs) with proper criteria for reducing congestion, climate change, air pollution, noise and road accidents;
50. Notes that in order to reduce the burden of infrastructure construction and maintenance on taxpayers, and on public finances in general, transport infrastructure projects of the PPP type should generally be based on the 'user pays' principle;
51. Recommends focusing lending operations on smaller-scale, off-grid decentralised renewable energy projects involving citizens and communities, and integrating the Energy Efficiency First principle into all EIB policies and operations;

External lending mandate

52. Recalls that the external policy of the EIB, and in particular the regional technical operational guidelines, should be consistent with the external action goals of the EU as defined in Article 21 TEU and the European Charter of Fundamental Rights;
53. Insists on the coherence and streamlining of all EU external action financial instruments, including the EIB 'Resilience' initiative, the future EU External Investment Plan and the revision of the EIB external mandate; expects in particular the updated regional technical operational guidelines or any equivalent document used to link EU objectives and EIB external action to be more detailed than hitherto;
54. Expects that, in the context of the revision of its external mandate, both arms of the budgetary authority will agree on an ambitious level regarding the allocation for the Eastern Neighbourhood region, taking into account that the ceiling in the Eastern Neighbourhood will be reached as of mid-2017 and the EIB may not be able to continue lending in the region for the entire period of the ELM;
55. Emphasises that EIB activities should contribute to the fulfilment of the Agenda 2030 and, to this end, calls on the EIB to reinforce its capacity to assess projects according to their impact on Agenda 2030 goals, including social, gender, environmental and climate impacts; welcomes the current work of the EIB to develop a gender strategy, the adoption of the EIB External Lending Mandate Climate Strategy in December 2015 and

the commitment to increase the share of climate-related projects to 35 % of its investments in developing countries by 2020; highlights the need for sound consultations of projects, including via the application of the principle of Free, Prior and Informed Consent (FPIC) with regard to affected indigenous communities in land-based and natural resource-based investments;

56. Welcomes the EIB's development operations under the Cotonou Agreement, and the External Lending Mandate for 2014-2020 which provides an EU guarantee covering the EIB's external operations up to EUR 30 billion; emphasises compliance with EU treaty obligations (including Article 21 of the TEU and Article 208 of the TFEU), with the EU Strategic Framework and Action Plan for Human Rights, with the European Charter of Fundamental Rights and with the Development Effectiveness Principles (including additionality, recipient country ownership, alignment with recipient country developing strategies and transparency in project selection); also points to the 2014 European Court of Auditors' special report No. 16 asking the Commission to ensure a documented assessment of the added value resulting from EU grants in terms of achieving EU development objectives;
57. Urges the EIB to improve the ex-ante and ex-post assessment of the impact of its projects outside the EU in order to ensure they are successfully implemented, generate real added-value and fully comply with the objective of sustainable and inclusive growth for local communities;
58. Welcomes the increase in transparency and accountability due to the EIB's Results Measurement (ReM) Framework; asks that a random sample of the nearly 400 projects that have gone through ReM assessment at appraisal be reassessed after completion by independent experts; asks that the results of this ex-post evaluation be reported to Parliament;
59. Recalls that for other financial intermediaries used by the EIB (commercial banks in particular, but also including microfinance institutions and cooperatives), in order to ensure a high level of transparency the EIB should ensure that intermediated loans are subject to the same transparency requirements as other types of loans;
60. Regrets that the EIB's report on its extra-EU activities is completely silent on the volume and number of non-performing EIB loans; asks that the EIB provide Parliament with an annual overview of payment deferrals and losses incurred in its sustainable development funding; asks that this information be structured by type of funding and region;
61. Calls for a political debate involving Parliament on the EIB's envisaged cooperation with the Asian Infrastructure Investment Bank (AIIB); notes with concern that so far the AIIB's governance structures do not foresee adequate involvement of shareholders in project financing decisions, and that the publicly available project documentation lacks any detail on the fulfilment of the environmental and social measures that the AIIB requires from its lenders; calls for the EIB to establish synergies and possibly to pool resources with other regional development banks in order to ensure that their activities are not in competition; regards it as important that the EIB should advocate high transparency and social and environmental performance standards in its cooperation with other development banks, as a condition for any capital involvement; calls on the

EIB to ensure that companies participating in projects cofinanced by the EIB are required to adhere to the principle of equal pay and pay transparency and to the principle of gender equality as set out in Directive 2006/54/EC of the European Parliament and of the Council of 5 June 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation; points out furthermore that when deciding which projects to finance, the EIB should take into account the corporate social responsibility measures taken by candidate companies;

62. Approves of the fact that the European Council has endorsed the EIB's initiative to rapidly mobilise additional financing in support of sustainable growth and social cohesion in Southern Neighbourhood and Western Balkans countries; recalls that the technical assistance facility of the EIB is an essential complement to approved financing, especially in the poor countries; calls on the EIB to take into account the local context when investing in third countries; urges the EIB to reinforce transparency on beneficial owners and the ultimate recipients of funding, especially when the financing in question relies on private equity funds; believes that the choice of financial intermediaries should be stricter;
63. Calls on the EIB to take into account the local context when investing in third countries; recalls that investing in third countries cannot be based solely on a profit maximisation approach but should also aim to generate long-term, private sector-led sustainable economic growth and reduce poverty through job creation and improved access to productive resources; believes that the choice of financial intermediaries should be stricter in this regard;
64. Notes that the EIB Resilience Initiative for the Southern Neighbourhood and the Western Balkans should be seen as complementing the Commission's new initiative to set up an External Investment Plan;
65. Stresses the need for increased visibility of the bank's involvement in project financing to various projects stakeholders, in particular outside the European Union, as this is crucial in order for local citizens to be aware of their right to appeal and lodge complaints at the Complaints Mechanism Office and with the European Ombudsman;
66. Calls on the EIB to focus its attention closely on developing countries, particularly those suffering from conflict and extreme poverty, and urges the EIB to continue actively to promote sustainable growth in developing countries; calls on the EIB to work alongside the African Development Bank (AfDB) to finance long-term investments in the service of economic development; welcomes the fact that EU grants are increasingly blended with EIB lending in order to achieve better project results in developing countries;
67. Takes note of the results of the Commission's mid-term review of the external lending mandate for the European Investment Bank (EIB); underlines that the EIB is operating under a development mandate and needs to be guided by the principle of policy coherence for development; urges the Commission to ensure that the projects financed by the EIB are in line with EU policies and respect European interests, and underlines the need for the EIB to work in line with the UN's Sustainable Development Goals (SDGs) in its capacity as the financial arm of the EU;

68. Takes note of the positive fact that in some regions the volumes of funds allocated at mid-term represent a high percentage of the regional ceiling; regards this as an indication that a more precise targeting on the Union's priorities in order to improve the response to external policy objectives, for example in response to the migration crisis, is both possible and desirable;
69. Calls on the Commission to establish a framework for annual reporting by the EIB on its operations outside the EU as regards compliance with the general principles guiding the Union's external action; supports the conclusion of the mid-term review that the EIB's Regional Technical Operational Guidelines should, in close cooperation with the EEAS, be updated in order to better reflect the EIB's alignment with Union priorities; calls on the Commission to use this update for establishing the bases for EIB reporting on Article 21 TEU compliance; considers that the optional additional amount for the EIB should be released only if progress on such reporting is achieved;
70. Calls on the EIB to pay greater attention to the impact its operations have on human rights and labour rights, and to further develop its policy on social standards into a human rights policy in the area of banking; suggests, for this purpose, the inclusion of human rights benchmarks in its project evaluations;

Refugee crisis and migration within the EU

71. Asks the EIB to continue its action to tackle migrant and refugee flows by financing emergency projects in destination and transit countries and, where possible, by making long-term commitments to projects which aim to create jobs and boost growth in the countries of origin;
72. Asks the EIB to continue its social housing project lending in order to cope with the arrival of a large number of refugees in the EU Member States, especially in Greece and Italy;
73. Insists on the need for the EIB to ensure a higher level of transparency and accountability; underlines the fact that the EIB submits three different reports on its activities to the European Parliament every year and that the EIB President and staff regularly attend hearings at the request of the European Parliament and its various committees; considers that there is still room for improvement, however, with regard to increased parliamentary oversight of the EIB's activities; reiterates its call, in this regard, for the signing of an interinstitutional agreement between the EIB and Parliament on the exchange of information, including the possibility for Members to address written questions to the President of the EIB;
74. Welcomes the EIB's commitment to tackle the phenomenon of forced migration and to take action in countries particularly affected by the migration crisis, including strengthening humanitarian action and providing support for economic growth, the construction of infrastructure and job creation; welcomes, in this regard, the EIB's Crisis Response and Resilience Initiative, which aims to increase the volume of aid for countries in Europe's southern neighbourhood and in the Balkans by EUR 6 billion; calls for this initiative to lead to genuine additionality as regards current EIB activities in the region;

75. Calls on the EIB to rapidly implement the ‘Migration for ACP countries’ package, and insists that funded projects must focus as a priority on the prevention of forced migration in the sub-Saharan region;
76. Welcomes the Commission’s proposal to set up a European External Investment Plan (EEIP) which aims at tackling the root causes of migration, by contributing to the achievement of the SDGs; in this regard, looks forward to seeing the EIB play a significant role, in particular by providing additional financing to private-sector beneficiaries;
77. Calls on the EIB to implement stringent criteria on conflict of interest, fraud and corruption in order to safeguard public interest;
78. Calls on the EIB to improve the participation of national governments and regional and local authorities; encourages the EIB to facilitate the exchange of best practices and to strengthen the involvement of the EIB’s national offices;
79. Instructs its President to forward this resolution to the Council, the Commission, the EIB, and the governments and parliaments of the Member States.

11.11.2016

OPINION OF THE COMMITTEE ON BUDGETS (*)

for the Committee on Economic and Monetary Affairs

on the Annual Report on the Financial Activities of the European Investment Bank
(2016/2099(INI))

Rapporteur(*): Eider Gardiazabal Rubial

(*) Associated committee – Rule 54 of the Rules of Procedure

SUGGESTIONS

The Committee on Budgets calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Considers that the EIB, as ‘the EU bank’ incorporated and governed by the Treaties and relevant annexed Protocol, must live up to this particular status, which entails particular rights and responsibilities; observes that the bank is playing a key role in implementing an ever greater number of financial instruments leveraging on EU budgetary funds;
2. Draws attention to the numerous calls on the EIB to catalyse and facilitate best practice dissemination throughout Member States, in particular through the relevant national promotional banks and institutions that constitute a major tool for a coordinated EU response to the low level of investment;
3. Recalls the agreement¹ by the European Parliament and the Council to address the issue of the treatment of the European Investment Fund’s dividends in the framework of the next revision of the financial rules applicable to the general budget of the Union or, at the latest, in the context of the interim report on the achievement of the objectives set therein, to be delivered by Commission by 31 December 2016;

¹ Stated in the Annex to Decision No 562/2014/EU of the European Parliament and of the Council of 15 May 2014 on the participation of the European Union in the capital increase of the European Investment Fund (OJ L 156, 24.5.2014, p. 1).

4. Considers that the information currently made available to citizens and to the budgetary authority on financial instruments could be improved in terms of completeness, timeliness and exploitability for making informed decisions on budgetary allocations, future EU financial rules and the future EU financial framework; expects the EIB to contribute actively to the EU budget's legibility, given its unique expertise and position; feels that it is particularly necessary to set up 'information channels' leading to regional and local government bodies so that they can receive higher-quality information in a timely manner on financial possibilities; calls on the EIB to develop its transparency policy by duly taking into account the decisions of the European Ombudsman;
5. Considers that the role of the EIB after the entry into force of the European Fund for Strategic Investments has been greatly enhanced and welcomes in this respect the proposal to extend EFSI beyond the initial period foreseen;
6. Expects the EIB to continue to work with the Commission and Member States in order to address systemic shortcomings that prevent certain regions or countries from taking full advantage of the EIB's financial activities;
7. Insists on the coherence and streamlining of all EU external action financial instruments, including the EIB 'Resilience' initiative, the future EU External Investment Plan and the revision of the EIB external mandate; expects in particular the updated regional technical operational guidelines or any equivalent document used to link EU objectives and EIB external action to be more detailed than hitherto;
8. Expects that, in the context of the revision of its external mandate, both arms of the budgetary authority will agree on an ambitious level regarding the allocation for the Eastern Neighbourhood region, taking into account that the ceiling in the Eastern Neighbourhood will be reached as of mid-2017 and the EIB may not be able to continue lending in the region for the entire period of the ELM;
9. Calls on the EIB to establish a new, responsible taxation policy and to transpose good governance requirements in its contracts with all selected financial intermediaries in line with the 'External Strategy for Effective Taxation'; expects that the forthcoming EIB Tax Action Plan will lead to an improved quality of information on ultimate beneficiaries and to the prevention of transactions with financial intermediaries that have a negative record in terms of transparency, fraud or corruption, or are registered in offshore financial centres or tax havens;
10. Calls on the EIB to assess and apply swiftly the provisions of the EU anti-tax avoidance directive adopted by the Council on 12 July 2016, as well as the revised administrative cooperation directive adopted by the Council on 25 May 2016.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	10.11.2016
Result of final vote	+: 27 -: 3 0: 1
Members present for the final vote	Jean Arthuis, Richard Ashworth, Reimer Böge, Lefteris Christoforou, Jean-Paul Denanot, Gérard Deprez, José Manuel Fernandes, Eider Gardiazabal Rubial, Jens Geier, Esteban González Pons, Ingeborg Gräßle, Monika Hohlmeier, Vladimír Maňka, Ernest Maragall, Clare Moody, Siegfried Mureşan, Liadh Ní Riada, Jan Olbrycht, Paul Rübig, Patricija Šulin, Indrek Tarand, Isabelle Thomas, Inese Vaidere, Monika Vana, Daniele Viotti, Marco Zanni, Auke Zijlstra
Substitutes present for the final vote	Stanisław Ożóg, Nils Torvalds, Tomáš Zdechovský
Substitutes under Rule 200(2) present for the final vote	John Stuart Agnew

10.11.2016

OPINION OF THE COMMITTEE ON DEVELOPMENT

for the Committee on Economic and Monetary Affairs

on Annual Report on the Financial Activities of the European Investment Bank
(2016/2099(INI))

Rapporteur: Bernd Lucke

SUGGESTIONS

The Committee on Development calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Emphasises that EIB activities should contribute to the fulfilment of the Agenda 2030 and, to this end, calls on the EIB to reinforce its capacity to assess projects according to their impact on Agenda 2030 goals, including social, gender, environmental and climate impacts; welcomes the current work of the EIB to develop a gender strategy, the adoption of the EIB External Lending Mandate Climate Strategy in December 2015 and the commitment to increase the share of climate-related projects to 35 % of its investments in developing countries by 2020; highlights the need of sound consultations of projects, including via the application of the principle of Free, Prior and Informed Consent (FPIC) with regards to affected indigenous communities in land-based and natural resource-based investments;
2. Welcomes the EIB's development operations under the Cotonou Agreement, and the External Lending Mandate for 2014-2020 which provides an EU guarantee covering the EIB's external operations up to EUR 30 billion; emphasises compliance with EU treaty obligations (including Article 21 of the TEU and Article 208 of the TFEU), with the EU Strategic Framework and Action Plan for Human Rights, with the European Charter of Fundamental Rights and with the Development Effectiveness Principles (including additionality, recipient country ownership, alignment with recipient country developing strategies and transparency in project selection); also points to the 2014 European Court of Auditors' special report No. 16 asking the Commission to ensure a documented assessment of the added value resulting from EU grants in terms of achieving EU development objectives;
3. Welcomes the increase in transparency and accountability due to the EIB's Results Measurement (ReM) Framework; asks that a random sample of the nearly 400 projects

that have gone through ReM assessment at appraisal be reassessed after completion by independent experts; asks that the results of this ex-post evaluation be reported to Parliament;

4. Is concerned that many of the private equity instruments the EIB is using as financial intermediaries are located in countries suspected to be tax havens and secrecy jurisdictions; supports the Commission's 2016 External Strategy for Effective Taxation on compliance with international tax transparency standards (including promoting international country-by-country reporting); calls on the EIB to reinforce its due diligence activities so as to improve the quality of information on ultimate beneficiaries, and to effectively prevent transactions with financial intermediaries with a negative record in terms of transparency, fraud, corruption, organised crime, money laundering and harmful social and environmental impacts; calls on the EIB to ensure effective measures to tackle tax evasion and to review its policy on non-cooperative jurisdictions (NCJ policy);
5. Recalls that for other financial intermediaries used by the EIB (commercial banks in particular, but also including microfinance institutions and cooperatives), in order to ensure a high level transparency, the EIB should ensure that intermediated loans are subject to the same transparency requirements as other types of loans;
6. Welcomes the EIB's role in local private-sector development; points out that the EIB's support for microfinance was particularly successful, with just EUR 184 million microcredits sustaining 230 500 jobs in microenterprises, while close to EUR 3 billion loans to SMEs and midcaps have proved much less effective, sustaining only 531 880 jobs; points out that the leverage ratio of microfinance investment vehicles was also considerably higher than that of private equity funds; points out that microcredits have a strong gender perspective, generating twice as many jobs for women as for men; asks the EIB to devote more resources to microfinances; calls on the Commission and the Member States to acknowledge this success by means of an increase in the budget provisioning for micro credits in the EU's external lending mandate; regrets that the EIB has not supported any microfinance institution outside the ACP region and demands that similar microfinance support be provided to all other developing countries where the EIB is active;
7. Welcomes the fact that, in recent years, the EIB has placed greater emphasis on supporting SMEs; is concerned that the EIB's funding may be biased in favour of larger enterprises by targeting the number of jobs sustained (which includes pre-existing jobs without risk of layoffs); asks that the EIB target and report not only jobs sustained, but also jobs created by its funding activities, and aim at complying with ILO standards;
8. Calls on the EIB to require that companies participating in projects co-financed by the EIB adhere to the principle of equal opportunities and equitable treatment of men and women in matters of pay, employment and occupation; calls on the EIB, when deciding which projects to finance, to take into account the corporate social responsibility measures taken by candidate companies;
9. Stresses the need for increased visibility of the bank's involvement in project financing to various projects stakeholders, in particular outside the European Union, as this is crucial in order for local citizens to be aware of their right to appeal and lodge complaints at the Complaints Mechanism Office and the European Ombudsman;

10. Asks the EIB to ensure that all companies and financial institutions involved in its transactions disclose information regarding beneficial ownership of any legal structure directly or indirectly related to the company, including trusts, foundations and bank accounts;
11. Recalls that the international private financial sector should not be used by the EIB as a primary vehicle for channelling development funding to local and indigenous private companies. Believes that, as a result of screening by financial intermediaries, both ex-ante and ex-post phases would use up too many resources without necessarily promoting a positive outcome, and that this could divert capacity from efforts to support local public and private sectors directly in line with a development logic of mobilising domestic resources and capacities;
12. Recalls the need to support local SME projects pursuing sustainable and long-term investments and providing employment in the fields of innovation, R&D and energy efficiency;
13. Regrets that the EIB's report on its extra-EU activities is completely silent on the volume and number of non-performing EIB loans; asks that the EIB provide Parliament with an annual overview of payment deferrals and losses incurred in its sustainable development funding; asks that this information be structured by type of funding and region;
14. Stresses the need for the EIB Resilience Initiative to focus on high-quality projects, and underlines the important role to be played by the EIB under the EU's proposed External Investment Plan in building more resilient economies that tackle root causes of poverty; stresses the importance of EIB initiatives that focus particularly on young people and women, that contribute to investment in socially important sectors such as water, health and education or that step up support for entrepreneurship and the private sector;
15. Calls on the EIB to focus its attention closely on developing countries, particularly those suffering from conflict and extreme poverty, and urges the EIB to continue actively to promote sustainable growth in developing countries; calls on the EIB to work alongside the African Development Bank (AfDB) to finance long-term investments in the service of economic development; welcomes the fact that EU grants are increasingly blended with EIB lending in order to achieve better project results in developing countries.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	8.11.2016
Result of final vote	+: 19 -: 1 0: 2
Members present for the final vote	Louis Aliot, Nicolas Bay, Beatriz Becerra Basterrechea, Ignazio Corrao, Raymond Finch, Enrique Guerrero Salom, Maria Heubuch, Teresa Jiménez-Becerril Barrio, Arne Lietz, Linda McAvan, Norbert Neuser, Cristian Dan Preda, Elly Schlein, Eleni Theoharous, Paavo Väyrynen, Bogdan Brunon Wenta, Anna Záborská
Substitutes present for the final vote	Marina Albiol Guzmán, Bernd Lucke, Judith Sargentini, Patrizia Toia
Substitutes under Rule 200(2) present for the final vote	Maria Grapini

24.11.2016

OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE

for the Committee on Economic and Monetary Affairs

on Annual Report on the Financial Activities of the European Investment Bank
(2016/2099(INI))

Rapporteur: Yannick Jadot

SUGGESTIONS

The Committee on International Trade calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Takes note of the results of the Commission's mid-term review of the external lending mandate for the European Investment Bank (EIB); underlines that the EIB is operating under a development mandate and needs to be guided by the principle of policy coherence for development; urges the Commission to ensure that the projects financed by the EIB are in line with EU policies and respect European interests, and underlines the need for the EIB to work in line with the UN's Sustainable Development Goals (SDGs) in its capacity as the financial arm of the EU;
2. Takes note of the positive fact that in some regions the volumes of funds allocated at mid-term represent a high percentage of the regional ceiling; regards this as an indication that a more precise targeting on the Union's priorities in order to improve the response to external policy objectives, for example in response to the migration crisis, is both possible and desirable;
3. Calls on the Commission to establish a framework for annual reporting by the EIB on its operations outside the EU as regards compliance with the general principles guiding the Union's external action; supports the conclusion of the mid-term review that the EIB's Regional Technical Operational Guidelines should, in close cooperation with the EEAS, be updated in order to better reflect the EIB's alignment with Union priorities; calls on the Commission to use this update for establishing the bases for EIB reporting on Article 21 TEU compliance; considers that the optional additional amount for the EIB should be released only if progress on such reporting is achieved;
4. Welcomes any further initiative by the EIB to enhance transparency and ensure that stakeholders are consulted in a detailed and constant fashion, as it is essential that the

funds provided by Member State governments be subject to the highest standards regarding effectiveness and accountability; calls on the EIB to improve appropriate access to information, not only for the European Parliament and other institutions but also for the general public, especially with regard to the system of contracts and subcontracts and the financial data concerning projects financed by the EIB;

5. Calls on the EIB to pay greater attention to the impact its operations have on human rights and labour rights, and to further develop its policy on social standards into a human rights policy in the area of banking; suggests, for this purpose, the inclusion of human rights benchmarks in its project evaluations;
6. Welcomes the fact that the EIB's quantitative targets for climate-related actions are well on track; suggests introducing stricter qualitative criteria on what is counted as climate action, for example lowering emission thresholds to 350g CO₂/kWh so that only the most efficient fossil fuel power plants receive support; calls on the EIB to design ambitious action plans under its new climate strategy, in order to strengthen its position as a leader in the climate field, especially an ambitious timetable for the phasing-out of all support for fossil fuels;
7. Recommends focusing lending operations on smaller-scale, off-grid decentralised renewable energy projects involving citizens and communities, and integrating the Energy Efficiency First principle into all EIB policies and operations;
8. Welcomes the EIB's commitment to tackle the phenomenon of forced migration and to take action in countries particularly affected by the migration crisis, including strengthening humanitarian action and providing support for economic growth, the construction of infrastructure and job creation; welcomes, in this regard, the EIB's Crisis Response and Resilience Initiative, which aims to increase the volume of aid for countries in Europe's southern neighbourhood and in the Balkans by EUR 6 billion; calls for this initiative to lead to genuine additionality as regards current EIB activities in the region;
9. Calls on the EIB to rapidly implement the 'Migration for ACP countries' package, and insists that funded projects must focus as a priority on the prevention of forced migration in the sub-Saharan region;
10. Calls on the EIB to continue improving its communication with financial intermediaries so that the latter can better inform the beneficiaries of the EIB financing opportunities at their disposal; welcomes, in this regard, the recently established mechanism whereby lending institutions using EIB funds to finance a project must send a letter to the beneficiary explicitly stating the use of EIB financing;
11. Welcomes the EIB's financing activity in the area of infrastructure and transport, as these projects significantly increase the potential of trade and can have a leverage effect in the internationalisation of SMEs, especially in regions with geographical disadvantages;
12. Stresses that access to finance is one of the most pressing challenges for SMEs; underlines the need for an EIB strategy to enable further and improved access to funding for SMEs, including through trade facilitation programmes and initiatives such as the European Progress Microfinance facility and the new facilities for financing European and Latin American/Caribbean SME trade activities; suggests the establishment of more proactive

SME and microenterprise policy requirements for intermediary banks disbursing EIB funds; suggests further improvements in transparency with regard to the assessment of the local economic and social impact of the EIB's intermediated loans; underlines that the EIB's contribution to SME-related programmes in third countries which have preferential trading regimes with the EU should be geared towards their integration into global supply chains, while specifically in the Eastern and Southern neighbourhood such EIB programmes should be oriented to the integration of SMEs into European value chains;

13. Welcomes the Commission's proposal to set up a European External Investment Plan (EEIP) which aims at tackling the root causes of migration, by contributing to the achievement of the SDGs; in this regard, looks forward to seeing the EIB play a significant role, in particular by providing additional financing to private-sector beneficiaries;
14. Calls on the EIB to further strengthen the arrangements for providing technical assistance and financial expertise to local and regional authorities before projects have been approved, in order to improve accessibility and involve all Member States, especially those with a lower success rate in terms of projects approved;
15. Urges that EIB funds be directed not only towards SMEs, but also towards sensible infrastructure development, since the lack thereof in many partner countries can act as a serious impediment to growth in trade and to their inhabitants' ability to buy and sell goods and services in the EU;
16. Calls for a political debate involving Parliament on the EIB's envisaged cooperation with the Asian Infrastructure Investment Bank (AIIB); notes with concern that so far the AIIB's governance structures do not foresee adequate involvement of shareholders in project financing decisions, and that the publicly available project documentation lacks any detail on the fulfilment of the environmental and social measures that the AIIB requires from its lenders; calls for the EIB to establish synergies and possibly to pool resources with other regional development banks in order to ensure that their activities are not in competition; regards it as important that the EIB should advocate high transparency and social and environmental performance standards in its cooperation with other development banks, as a condition for any capital involvement; calls on the EIB to ensure that companies participating in projects cofinanced by the EIB are required to adhere to the principle of equal pay and pay transparency and to the principle of gender equality as set out in Directive 2006/54/EC of the European Parliament and of the Council of 5 June 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation; points out furthermore that when deciding which projects to finance, the EIB should take into account the corporate social responsibility measures taken by candidate companies;
17. Calls on the EIB to publish detailed information on its website about decisions on the selection of projects to be financed, with particular reference to the reasons for rejection of projects submitted, the outcome of in-house investigations, the selection, supervision, and assessment of its activities and programmes based on clear measurable indicators, and the methods used for, and the findings of, ex ante assessments and ex post reports for every project financed;
18. Calls on the EIB, taking into account the insufficient project generation capacity in the

public and private sectors and the lower borrowing capacity in some Member States, and with a view to reducing the investment shortfall in the EU, to consider an approach whereby contributions made on a one-off basis to EIB-funded projects by Member States, whether by a Member State as such or by national promotional banks classified in the general government sector or acting on behalf of a Member State, would qualify as one-off measures within the meaning of Article 5 of Council Regulation (EC) No 1466/97 and Article 3 of Council Regulation (EC) No 1467/97.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	10.11.2016
Result of final vote	+: 34 -: 2 0: 1
Members present for the final vote	Laima Liucija Andrikiienė, Maria Arena, Tiziana Beghin, David Borrelli, David Campbell Bannerman, Daniel Caspary, Salvatore Cicu, Santiago Fisas Ayxelà, Christofer Fjellner, Karoline Graswander-Hainz, Ska Keller, Jude Kirton-Darling, Bernd Lange, David Martin, Anne-Marie Mineur, Sorin Moisă, Alessia Maria Mosca, Franz Obermayr, Artis Pabriks, Franck Proust, Godelieve Quisthoudt-Rowohl, Inmaculada Rodríguez-Piñero Fernández, Marietje Schaake, Helmut Scholz, Joachim Schuster, Joachim Starbatty, Adam Szejnfeld, Hannu Takkula, Iuliu Winkler, Jan Zahradil
Substitutes present for the final vote	Klaus Buchner, Nicola Danti, Syed Kamall, Frédérique Ries, Fernando Ruas, Jarosław Wałęsa
Substitutes under Rule 200(2) present for the final vote	Philippe Loiseau

15.11.2016

OPINION OF THE COMMITTEE ON TRANSPORT AND TOURISM

for the Committee on Economic and Monetary Affairs

on the Annual Report on the Financial Activities of the European Investment Bank
(2016/2099(INI))

Rapporteur: Bogusław Liberadzki

SUGGESTIONS

The Committee on Transport and Tourism calls on the Committee on Economic and Monetary Affairs, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas, with more than a trillion euros invested in the transport sector thanks to the support of the EIB since its foundation in 1958, this is the sector in which the EIB has been most active;
- B. whereas lowering emissions in the transport sector is a major challenge, and significant reductions in NOx, CO₂ and other relevant emissions from transport are needed if the EU is to achieve its long-term climate goals; whereas congestion and air pollution are major problems in developing all forms of mobility and protecting human health;
- C. whereas in 2015 the EIB invested EUR 14 billion in transport projects that will benefit 338 million passengers per year and save 65 million travel hours per year;
 1. Welcomes the plan, announced by Commission President Juncker, to review the regulation on the European Fund for Strategic Investments (EFSI), which aims to increase the capacity of the Investment Plan for Europe from EUR 315 billion to EUR 630 billion until 2022; underlines, however, that this should not lead to a reduction in well-functioning sources of sustainable transport infrastructure funding; believes, in particular, that the funding cut from instruments such as the Connecting Europe Facility to the benefit of the EFSI will be restored; highlights the importance of a balanced allocation of funds between regions, and stresses the need to complete the TEN-T core network by 2030;
 2. Believes that as only 8 % of EFSI investments to date have reached the EU-13 countries, the current functioning of EFSI is contrary to the Fund's regulation, which states that

EFSI should contribute to strengthening of the Union's economic, social and territorial cohesion; further believes that the concentration of capital in the EU-15 countries, and the underserving of EU-13 countries, widens social and economic disparities between the EU's western and eastern regions; notes that such disparities are fuelling brain drain and emigration of youth from the poorer Member States towards the western Member States, which, in turn, puts extra pressure on the former's social safety nets; notes further the growing discontent in western Member States to changes in their labour market structures caused by immigration from poorer Member States, often instigating governments in the former to adopt changes to their social legislation which are de-facto discriminatory in their nature;

3. Encourages the EIB to continue to support sustainable, safe, climate-friendly and innovative transport solutions, and to continue to promote accessibility for passengers with reduced mobility; underlines that it is the Union's priority to ensure sufficient funding for projects with European added value, including cross-border transport links and, in particular, abandoned or dismantled cross-border regional rail connections; underlines the need for European investment policy to pay more attention to horizontal issues, particularly as regards future means of transport and services, which will require the simultaneous and coherent development of alternative energy and telecommunications networks;
4. Calls on the EIB, in its financing of transport projects, to take into account and seek synergies with tourism, with a view to promoting the development and competitiveness of the tourism sector in the EU;
5. Believes that an innovative and effective economy needs an advanced and high-quality transport system and infrastructure, and that these should be among the priorities, with a special focus on the EU's eastern region as well as on innovative multimodal infrastructure solutions such as short multimodal tunnels, bridges or ferries in sparsely populated areas;
6. Highlights the disparity¹ between the number of investment projects financed in western and eastern Member States; underlines, in view of this, the importance of geographical balance in investments with EIB involvement, and expects the EIB and the Commission to deliver appropriate technical and administrative assistance to project preparation in countries that need it; stresses the important role of local and regional authorities in this process;
7. Supports the Commission in its attempt to revise the current Financial Regulation; supports, in particular, the regulation's provisions concerning the use of innovative financial instruments such as project bonds, provided they do not entail socialising the losses and privatising the profits;
8. Warns against the trend whereby investment funds based on public-private partnerships (PPPs) are replacing the EU's conventional funding mechanisms and, within the context of EFSI, are partly funded using money that has previously been earmarked for other purposes; notes that as EFSI has thus far been incapable of contributing towards the EU's

¹ EIB independent evaluation report 'Evaluation of the functioning of the European Fund for Strategic Investments' (<http://www.eib.org/infocentre/publications/all/evaluation-of-the-functioning-of-the-efsi.htm>).

economic, social and territorial cohesion, the EU's structural funds are still the main funds capable of serving the EU's cohesion policy aims;

9. Stresses the importance in combating climate change of the goals set by COP 21 with regard to transport; underlines that the financial means should be available to bring about a modal shift from road to rail and waterborne and inland waterway transport; insists also that attention should be paid to investment in clean power and modern services for transport; proposes, to this end, that the capacities of financing tools that are specialised for this purpose, such as the European Clean Transport Facility (ECTF), be increased;
10. Emphasises that investments should be based on minimising external costs, including those caused by climate change, thereby reducing the challenges for public budgets of the future;
11. Calls on the Commission and the EIB to support investment in sustainable urban mobility, ideally based on sustainable urban mobility plans (SUMPs) with proper criteria for reducing congestion, climate change, air pollution, noise and road accidents;
12. Notes that in order to reduce the burden of infrastructure construction and maintenance on taxpayers, and on public finances in general, transport infrastructure projects of the PPP type should generally be based on the 'user pays' principle;
13. Notes that the EIB uses a wide range of financial instruments – such as loans, guarantees, project bonds and PPPs – to support public and private investment in transport; stresses that it is important to coordinate various types of EU funding in order to ensure that EU transport policy objectives are met across all of the EU, taking into account that not all projects are suitable for funding from PPP types of instrument;
14. Underlines the importance of optimising the Union's investment policies by blending the various investment support tools (EFSI, ESIFs, CEF, projects bonds, the various funds, etc.); calls for a coordination structure to be set up between the EIB and the Commission with a view to optimising the joint use of these various tools on a project-by-project basis so that loans, subsidies and guarantee mechanisms can be mixed for the same project under the best possible conditions;
15. Believes that transparency, and access for citizens to information on financing plans and structures, are essential to ensuring resonance for, and citizens' acceptance of, the projects.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	10.11.2016
Result of final vote	+: 34 -: 3 0: 2
Members present for the final vote	Daniela Aiuto, Lucy Anderson, Marie-Christine Arnautu, Georges Bach, Izaskun Bilbao Barandica, Deirdre Clune, Michael Cramer, Luis de Grandes Pascual, Andor Deli, Karima Delli, Isabella De Monte, Ismail Ertug, Jacqueline Foster, Bruno Gollnisch, Merja Kyllönen, Miltiadis Kyrkos, Bogusław Liberadzki, Peter Lundgren, Marian-Jean Marinescu, Cláudia Monteiro de Aguiar, Renaud Muselier, Jens Nilsson, Markus Pieper, Salvatore Domenico Pogliese, Gabriele Preuß, Dominique Riquet, Massimiliano Salini, David-Maria Sassoli, Claudia Schmidt, Jill Seymour, Claudia Țapardel, Pavel Telička, István Ujhelyi, Wim van de Camp, Roberts Zile, Elżbieta Katarzyna Łukacijewska
Substitutes present for the final vote	Maria Grapini, Ramona Nicole Mănescu, Matthijs van Miltenburg

INFORMATION ON ADOPTION IN COMMITTEE RESPONSIBLE

Date adopted	22.3.2017						
Result of final vote	<table style="width: 100%; border: none;"> <tr> <td style="width: 100px;">+:</td> <td style="text-align: right;">37</td> </tr> <tr> <td>–:</td> <td style="text-align: right;">7</td> </tr> <tr> <td>0:</td> <td style="text-align: right;">2</td> </tr> </table>	+:	37	–:	7	0:	2
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–:	7						
0:	2						
Members present for the final vote	Hugues Bayet, Pervenche Berès, Udo Bullmann, Esther de Lange, Markus Ferber, Jonás Fernández, Sven Giegold, Neena Gill, Brian Hayes, Gunnar Hökmark, Danuta Maria Hübner, Cătălin Sorin Ivan, Georgios Kyrtos, Alain Lamassoure, Sander Loones, Bernd Lucke, Olle Ludvigsson, Ivana Maletić, Gabriel Mato, Costas Mavrides, Stanisław Ożóg, Dimitrios Papadimoulis, Sirpa Pietikäinen, Pirkko Ruohonen-Lerner, Alfred Sant, Peter Simon, Theodor Dumitru Stolojan, Kay Swinburne, Paul Tang, Ramon Tremosa i Balcells, Ernest Urtaşun, Marco Valli, Tom Vandenkendelaere, Cora van Nieuwenhuizen, Jakob von Weizsäcker, Steven Woolfe, Marco Zanni						
Substitutes present for the final vote	Enrique Calvet Chambon, David Coburn, Syed Kamall, Jan Keller, Paloma López Bermejo, Thomas Mann						
Substitutes under Rule 200(2) present for the final vote	Krzysztof Hetman, Agnes Jongerius, Tatjana Ždanoka						

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

37	+
ECR	Syed Kamall, Sander Loones, Bernd Lucke, Stanisław Ożóg, Pirkko Ruohonen-Lerner, Kay Swinburne
PPE	Markus Ferber, Brian Hayes, Krzysztof Hetman, Gunnar Hökmark, Danuta Maria Hübner, Georgios Kyrtos, Alain Lamassoure, Ivana Maletić, Thomas Mann, Gabriel Mato, Sirpa Pietikäinen, Theodor Dumitru Stolojan, Tom Vandenkendelaere, Esther de Lange
S&D	Hugues Bayet, Pervenche Berès, Udo Bullmann, Jonás Fernández, Neena Gill, Cătălin Sorin Ivan, Agnes Jongerius, Jan Keller, Olle Ludvigsson, Costas Mavrides, Alfred Sant, Peter Simon, Paul Tang, Jakob von Weizsäcker
Verts/ALE	Sven Giegold, Ernest Urtegasun, Tatjana Ždanoka

7	-
ALDE	Enrique Calvet Chambon, Ramon Tremosa i Balcells, Cora van Nieuwenhuizen
EFDD	David Coburn
ENF	Marco Zanni
GUE/NGL	Paloma López Bermejo
NI	Steven Woolfe

2	0
EFDD	Marco Valli
GUE/NGL	Dimitrios Papadimoulis

Key to symbols:

+ : in favour

- : against

0 : abstention