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Committee on International Trade

2013/0152(COD)

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OPINION

of the Committee on International Trade

for the Committee on Budget

on the proposal for a decision of the European Parliament and of the Council on granting an EU guarantee to the European Investment Bank against losses under financing operations supporting investment projects outside the Union (COM(2013)0293 – C7-0145/2013 – 2013/0152(COD))

Rapporteur: Yannick Jadot

PA_Legam

SHORT JUSTIFICATION

With this legislative proposal for a Decision the Commission aims to ensure the continuation of the EU guarantee for EIB external financing for the next financial perspectives 2014-2020, whilst introducing some changes which your rapporteur fully supports, namely the focussing of the geographical scope of the mandate on countries most in need of credits, the reinforcement of the climate change dimension of the mandate, and the reinforcement of coherence of EIB external lending with the Union's policies and external action goals.

The EU guarantee for EIB external financing is an important instrument of fostering Union policies globally and of complementing the Union's financial instruments in the field of external action. While fully recognizing the enormous progress which the EIB has achieved in recent years with regard to incorporating newly arising EU policy goals into its operations, we need to remain aware that the Union's external credibility is at stake with each project financed by the EIB. Therefore, scrutiny by the Parliament and the public at large of EIB lending operations remains crucial.

Your rapporteur wishes to make sure that the Decision fully reflects the evolving standards in the EU with regard to transparency, consultation of stakeholders, compliance with EU Treaty obligations, as well as the evolving development and climate change goals of the Union. Given the increasing role of the EIB in contributing to development, it is moreover important to ensure that its lending operations indeed reach the intended beneficiaries, which often are local SMEs, aiming at the strengthening of local economies. This makes it particularly important that Global Loans administered by financial intermediaries in the beneficiary countries are subject to better oversight and transparency.

While acknowledging the specific character of the EIB being a bank which has to remain competitive in the landscape of financial institutions, your rapporteur is convinced that the proposed amendments to the Decision would add to the success of the EIB and align it ever closer to the family of European institutions and their common trade and economic cooperation policy.

AMENDMENTS

The Committee on International Trade calls on the Committee on Budget, as the committee responsible, to incorporate the following amendments in its report:

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 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 2

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 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. ***Through its cooperation agreements with those intermediary institutions, the EIB should make sure that their client's projects can be checked against criteria which reflect the Union's development goals and the Bank's standards. The financial intermediaries' activities in support of SMEs should be fully transparent and checked regularly by the***

EIB.

Justification

Investments for development should primarily serve local needs and aspirations. For reason of sustainability investment funds should be balanced with local financing. Foreign support should support the scaling up of successful local initiatives and their replication elsewhere. SME's play an important role in this respect in the frame of EIB "Global Loans" to intermediary financial institutions which on-lend to the ultimate beneficiaries. However, intermediaries are often not development or SME oriented, while Global Loans come with reduced transparency and due diligence. This needs to be addressed.

Amendment 3

Proposal for a decision

Recital 12 a (new)

Text proposed by the Commission

Amendment

(12a) The EIB should invest in research and innovation by SMEs as a means of supporting local development.

Amendment 4

Proposal for a decision

Recital 13

Text proposed by the Commission

Amendment

(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.***

(13) The EIB should continue to finance investment projects in the areas of social, environmental and economic infrastructure, and should ***progressively increase*** its activity in support of health and education infrastructure ***in line with the objectives of the Union's development policy and the Millennium Development Goals.***

Amendment 5

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) Regional integration among countries, ***including*** economic integration between Pre-accession countries ***and the Union, on the one hand, and*** Neighbourhood countries and the Union, ***on the other***, should be an underlying objective for EIB financing operations ***in areas covered by the general objectives such as transport, energy, combating climate change and managing natural resources***. 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 6

Proposal for a decision Recital 15 (new)

Text proposed by the Commission

Amendment

(15 new) In supporting climate change mitigation projects in eligible third countries, the EIB should take into account the conclusions of the G-20 meeting in Pittsburgh to phase out environmentally or economically harmful subsidies, including for fossil fuels, and prevent from financing projects which

could have a negative impact to foster this goal.

Justification

The EIB should help transforming industry and public infrastructure to curb emissions and build more democratic, sustainable and small-scale production systems as well as more democratic, effective and controllable distribution networks. .

Amendment 7

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 external action goals of the Union according to Article 21 TEU and*** 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.

Justification

The aim of developing Regional Operational Technical Guidelines is to foster the consistency of EIB financing operations with the external policy objectives of the EU. Therefore it should be an essential element of the new mandate. Civil society organizations and authorities on national and local level in the beneficiary countries should also be regularly involved in consultation processes to provide feedback on definitions of priorities.

Amendment 8

Proposal for a decision

Recital 17

Text proposed by the Commission

(17) In accordance with Article 19 of the Statute of the EIB, applications made directly to the EIB for EIB financing operations to be carried out under this Decision are to be submitted to the Commission for an opinion on the conformity with relevant EU legislation and policies. In the event that the Commission delivers a negative opinion on an EIB financing operation in the framework of the Article 19 procedure, the operation shall not be covered by the EU guarantee.

Amendment

(17) In accordance with Article 19 of the Statute of the EIB, applications made directly to the EIB for EIB financing operations to be carried out under this Decision are to be submitted to the Commission for an opinion on the conformity with relevant EU legislation and policies. In the event that the Commission delivers a negative opinion on an EIB financing operation in the framework of the Article 19 procedure, the operation shall not be covered by the EU guarantee ***or by any financial instrument covered by the EIB's own resources.***

Justification

The EIB should not consider funding a project which received a negative answer from the European Commission in the framework of the Article 19 procedure. It is clearly stated in Article 19 of the EIB statute that the Commission opinion on the conformity of EIB operations with relevant EU legislation and policies has to be respected by the Bank.

Amendment 9

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

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,

fundamental freedoms, and to the implementation of international environmental agreements to which the Union is a party. ***In particular***, 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 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.

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. ***Furthermore, EIB actions should be in accordance with Article 3(5) of the EU Treaty, which, as confirmed by the ECJ on 21 December 2011 in its ATAA judgement, requires the Union to contribute to the strict observance of international law, and in particular the principles of the UN 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 campaign against poverty, ***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 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 the achievement of the UN's 2015 Millennium Development Goals in all regions where it is active.

Amendment 10

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

Amendment

(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 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, 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.

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 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, 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, in line with the Union's social and environmental principles, *as well as in full respect of legislation 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.

Justification

There should be no exemption regarding requiring project promoters to carry out due diligence and ensure that projects supported by the EIB are fully in line with EU environmental and social principles. Under the mentioned Paris Declaration of 2005 and the Accra Agenda for Action of 2008, EIB external actions should also be consistent with the development strategies of the 'recipient' countries.

Amendment 11

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 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

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. 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 their respective comparative advantages, was updated in 2012 to cover the extension of EBRD's geographical scope to the Mediterranean region and should continue

financing is implemented through cooperation agreements with other European *Financial Institutions* and *International Financial Institutions*.

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 such as the Agence Française de Développement (AFD), the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) and the Department for International Development (DFID)*.

Amendment 12

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.

Amendment 13

Proposal for a decision Recital 25

Text proposed by the Commission

Amendment

(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

(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.

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 European Commission's most recent criteria to identify jurisdictions which do not meet minimum standards of good governance in tax matters.***

Amendment 14

Proposal for a decision

Article 3 – paragraph 2 a (new)

Text proposed by the Commission

Amendment

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

Amendment 15

Proposal for a decision

Article 3 – paragraph 4

Text proposed by the Commission

Amendment

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.

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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 16

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

Amendment

5. 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. ***Legal conditions under which operations are to be carried out shall also include environmental, social, human rights and labour standards.***

Justification

The Framework agreements concluded between the EIB and recipient countries include among others provisions on taxation, currency convertibility, transfer of funds, custom and fiscal treatment of projects, tendering and treatment of bank’s representatives. There are no reasons why framework agreements should not include provisions referring to obligations in environmental, social, human rights and labour matters.

Amendment 17

Proposal for a decision Article 5 - paragraph 1

Text proposed by the Commission

1. The Commission shall update, together with the EIB, the existing regional technical operational guidelines for EIB

Amendment

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.

The regional technical operational guidelines shall be consistent with the wider Union regional policy framework set out in Annex IV. In particular the regional technical operational guidelines shall ensure that EIB financing under this Decision is complementary to corresponding Union assistance policies, programmes and instruments in the different regions.

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.

The Commission shall transmit to the European Parliament and to the Council the updated guidelines, as soon as they are established.

Within the framework set out by the regional technical operational guidelines, the EIB shall define corresponding financing strategies and ensure their implementation

The regional technical operational guidelines shall be reviewed following the review referred to in Article 18.

financing operations within one year following the adoption of this Decision.

Further updates shall be accomplished on a bi-annual basis.

The regional technical operational guidelines shall be consistent with the wider Union regional policy framework set out in Annex IV. In particular the regional technical operational guidelines shall ensure that EIB financing under this Decision is complementary to corresponding Union assistance policies, programmes and instruments in the different regions.

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.

The Commission shall transmit to the European Parliament and to the Council the updated guidelines, as soon as they are established

Within the framework set out by the regional technical operational guidelines, the EIB shall define corresponding financing strategies and ensure their implementation.

The regional technical operational guidelines shall be reviewed following the review referred to in Article 18.

Justification

The aim of developing Regional Operational Technical Guidelines is to foster the consistency of EIB financing operations with the external policy objectives of the EU. Therefore it should be an essential element of the new mandate. Civil society organizations and authorities on national and local level in the beneficiary countries should also regularly be involved in consultation processes to provide feedback on definitions of priorities.

Amendment 18

Proposal for a decision Article 5 - paragraph 2

Text proposed by the Commission

2. An EIB financing operation shall not be covered by the EU guarantee in the event that the Commission delivers a negative opinion on such an operation within the framework of the procedure provided for in Article 19 of the Statute of the EIB.

Amendment

2. An EIB financing operation shall not be covered by the EU guarantee ***or any financial instrument covered by the EIB's own resources*** in the event that the Commission delivers a negative opinion on such an operation within the framework of the procedure provided for in Article 19 of the Statute of the EIB.

Justification

The EIB should not consider funding a project which received a negative answer from the European Commission in the framework of the Article 19 procedure. It is clearly stated in Article 19 of the EIB statute that the Commission opinion on the conformity of EIB operations with relevant EU legislation and policies has to be respected by the Bank.

Amendment 19

Proposal for a decision Article 6 – paragraph 2

Text proposed by the Commission

2. The cooperation shall be carried out on a region-by-region basis, ***including at EU Delegation level***, taking into consideration the EIB's role as well as the policies of the Union in ***each region***.

Amendment

2. The cooperation ***between the EIB and beneficiary countries*** shall be carried out on a region-by-region basis. ***The EU Delegations in the regions concerned should be kept informed during the preparation and implementation of projects***, taking into consideration the EIB's role as well as the policies of the Union in ***the respective regions***.

Amendment 20

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

Text proposed by the Commission

Amendment

2a. The EIB shall engage in a dialogue with the European Commission on identifying jurisdictions which do not meet minimum standards of good governance in tax matters.

Amendment 21

Proposal for a decision Article 7 a (new)

Text proposed by the Commission

Amendment

***Cooperation with financial intermediaries
When operating under the Community guarantee, the EIB should only cooperate with financial intermediaries not operating in offshore financial centers, and are equipped to implement a pro-development approach supporting the specificity of SMEs in the countries of operation.***

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 22

Proposal for a decision Article 8 - paragraph 5

Text proposed by the Commission

Amendment

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

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.

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 publicly available on the EIB website. For each operation to be financed by the EIB outside of the EU, the EIB website shall after the project approval stage indicate whether a EU guarantee will be used or not.***

Justification

Under article 10.4 of the current mandate the EIB is required to "develop a clear and transparent allocation policy for deciding upon the source of financing of operations which are eligible both for coverage by the EU guarantee and for EIB own-risk financing". However, neither the allocation policy of the EIB nor the selection criteria whether a project will be financed under the Union guarantee or under the EIB own resources is currently publicly available. This impedes public scrutiny over EIB activities.

Amendment 23

Proposal for a decision Article 9 – paragraph 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, require appropriate local public consultation, on development-related aspects of investment projects covered by the EU guarantee. ***The EIB must remain in communication with the promoters and beneficiaries of the projects it funds throughout the project programming process. It must also take account of the impact of the projects on***

Where appropriate, the appraisal according to first subparagraph shall include an assessment of how the capacities of the beneficiaries of EIB financing can be reinforced throughout the project cycle with technical assistance.

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.

those directly and indirectly affected by them.

Where appropriate, the appraisal according to first subparagraph shall include an assessment of how the capacities of the beneficiaries of EIB financing can be reinforced throughout the project cycle with technical assistance.

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, *in line with relevant Union legislation as well as legislation and environmental and social standards of the beneficiary countries*, to ensure that only investment projects that are economically, financially, environmentally and socially sustainable are supported under this Decision.

Amendment 24

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 development, environmental, *social* and human rights impact of the investment project. The EIB shall verify the information provided by the project promoters.

Amendment 25

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 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 26

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 wide 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 should be complementary to the assistance given by other EU bodies in the framework of the EU's trade and development policy.

Amendment 27

Proposal for a decision

Article 10 - paragraph 1 - point d a (new)

Text proposed by the Commission

Amendment

(da) an assessment of the impact of EIB lending through financial intermediaries, demonstrating how intermediated lending contributes to the poverty eradication, and social and environmental objectives of EU external action. Information about final beneficiaries of EIB operations should be disclosed.

Justification

Presently it is impossible to assess the economic and social impact of loans distributed by intermediary banks under the Global Loan facility. This prevents a targeted approach to certain sectors or types of SMEs.

Amendment 28

Proposal for a decision

Article 11 - paragraph 1

Text proposed by the Commission

Amendment

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

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

Justification

Access to information and documents covered by this guarantee should be directly based on the EU's existing legislation on access to documents and information disclosure (Regulation No 1049/2001 of 30 May 2001 and Regulation No 1367/2006 of 6 September 2006). The EIB is already subject to these regulations and any form of its operation which is guaranteed by the EU funds should be subject to transparency rules based directly on the EU existing legislation.

Amendment 29

Proposal for a decision

Article 11 - paragraph 1 - point c (new)

Text proposed by the Commission

Amendment

***(c) framework agreements concluded
between the EIB and a recipient country***

Justification

Framework agreements concluded between the EIB and a recipient country constitute important public information which should be subject of the EIB's active dissemination.

Amendment 30

Proposal for a decision

Article 12

Text proposed by the Commission

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 OECD, the Financial Action Task Force or other relevant international organisations.

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 ***using the European Commission's criteria on identifying non-cooperative jurisdictions, as well as*** by the OECD, the Financial Action Task Force or other relevant international organisations.

PROCEDURE

Title	EU guarantee to the European Investment Bank against losses under financing operations supporting investment projects outside the Union						
References	COM(2013)0293 – C7-0145/2013 – 2013/0152(COD)						
Committee responsible Date announced in plenary	BUDG 10.6.2013						
Opinion by Date announced in plenary	INTA 10.6.2013						
Rapporteur Date appointed	Yannick Jadot 17.6.2013						
Discussed in committee	5.9.2013						
Date adopted	14.10.2013						
Result of final vote	<table> <tr> <td>+: </td><td>24</td></tr> <tr> <td>–: </td><td>0</td></tr> <tr> <td>0: </td><td>0</td></tr> </table>	+:	24	–:	0	0:	0
+:	24						
–:	0						
0:	0						
Members present for the final vote	Laima Liucija Andrikienė, Maria Badia i Cutchet, Nora Berra, Daniel Caspary, María Auxiliadora Correa Zamora, Andrea Cozzolino, George Sabin Cutaş, Marielle de Sarnez, Christofer Fjellner, Yannick Jadot, Franziska Keller, Bernd Lange, Vital Moreira, Paul Murphy, Niccolò Rinaldi, Helmut Scholz, Peter Šťastný, Robert Sturdy, Jan Zahradil						
Substitute(s) present for the final vote	Jarosław Leszek Wałęsa						
Substitute(s) under Rule 187(2) present for the final vote	Elisabeth Jeggle, Krzysztof Lisek, Iosif Matula, Catherine Stihler						