



2015/2127(INI)

20.11.2015

OPINION

of the Committee on International Trade

for the Committee on Budgetary Control

on the European Investment Bank (EIB) – Annual Report 2014
(2015/2127(INI))

Rapporteur: Yannick Jadot

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SUGGESTIONS

The Committee on International Trade calls on the Committee on Budgetary Control, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Calls on the Commission to establish, in cooperation with the EEAS, a framework for annual reporting by the EIB on its operations outside of the EU with regard to compliance with the general principles guiding Union external action as referred to in Article 21 TEU and the EU Strategic Framework and Action Plan for Human Rights; urges the Commission to ensure that the projects supported by the EIB are in line with EU policies and respect European interests, and recommends improving ex-post controls assessing the economic, social and environmental impact of EIB supported projects against EEAS goals; calls, with regard to investments outside the EU, for an in-depth report about any possible losses and about how and in what cases the guarantee instrument has been used;
2. 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;
3. Welcomes any initiative by the EIB to increase transparency and stakeholder consultation, and in particular the EIB public consultation on climate action; commends the work that the EIB has done so far on an active climate policy, including the provision of EUR 19.1 billion to support climate action projects; believes that the EIB can further strengthen its position as a leader in the climate field; looks forward to the update of the EIB climate strategy outside of the EU, with the expectation of an action plan detailing an increase in the number of climate-related projects in its portfolio; calls on the EIB to annually report on the implementation of its climate policy;
4. Urges the EIB to continue to actively promote sustainable growth in both developed and developing countries in order to support sustainable development around the world; stresses that the EIB as the financial arm of the Union has to play its part in fulfilling the UN Sustainable Development Goals; calls for the post-2015 development agenda to be given special attention in the review of the mid-term external lending mandate of the EIB in 2016;
5. Asks the EIB to review its emissions performance standard in 2016 and to lower emission thresholds to 350g CO₂/kWh so that only the most efficient fossil fuel power plants are given support;
6. Recommends focusing lending operations on smaller-scale, off-grid decentralised renewable energy projects involving citizens and communities, and integrating the Energy Efficiency First principle in all EIB policies and operations;
7. Welcomes the fact that the EIB has held a series of seminars on business and human rights;
8. Urges the EIB to take greater advantage of the fact that it is subject to EU human rights,

social and environmental rules and to EU judicial mechanisms which allow it to upgrade its substantive and procedural accountability towards external stakeholders;

9. Commends the high level of transparency achieved by the EIB; suggests further improvements in transparency with regard to the assessment of the economic and social impact of the EIB's intermediated loans;
10. Recalls that SMEs are the backbone of the European economy; stresses that over 600 000 SMEs, employing more than six million people, are responsible for one third of EU total exports; emphasises that access to finance is one of the most pressing issues for EU SMEs and calls therefore on the EIB to ensure that SMEs are one of the main recipients of EIB funding;
11. Recommends that the internal Complaints Mechanism Division of the EIB should launch an investigation into the transparency, effectiveness and development impacts of the intermediated lending of the EIB, and for the EIB to act on the outcomes of this investigation, leading to a list of criteria for the selection of financial intermediaries;
12. Calls on the EIB to provide Parliament and the public with detailed information on EIB funding and the performance of the Business Ombudsman in the Ukraine;
13. Asks the EIB to refrain from cooperation with financial intermediaries which have a negative track record in terms of transparency, tax evasion or aggressive tax planning practices, or which use other harmful tax practices such as tax rulings, abusive transfer pricing, fraud, and corruption or which cause harmful environmental and social impacts, or which have no substantial local ownership;
14. Commends the EIB's engagement in favour of SMEs and against discrimination of smaller economic entities, and calls on the EIB to improve effective access to funding for SMEs originating from the EIF and EIB's external lending capacities; suggests the establishment of pro-active SME and micro-enterprise policy requirements for intermediary banks disbursing EIB financing through global loans, ensuring policy coherence with EU development policies aimed at formalising the informal economy; welcomes the EIB trade facilitation programs, in particular, the SME Trade Finance Facility offering guarantees to foreign banks providing trade finance to SMEs and thereby contributing to reigniting trade flows and alleviating cash collateral constraints, and other new trade finance projects aimed at countries heavily impacted by the economic crisis or tailor-made financial solutions such as the European Progress Microfinance Facility dedicated to financial inclusion;
15. Welcomes in particular the EIB's financing activity in support of infrastructure and transport projects in Europe's regions; emphasises that financial support of this kind significantly increases the development potential of trade, by fostering growth and competitiveness, in particular in those areas with natural geographical disadvantages;
16. Calls on the EIB to ensure that companies participating in projects co-financed by the EIB should be 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. Considers the Deep and Comprehensive Free Trade Area (DCFTA) Facility for Small and Medium Enterprises to be insufficiently funded considering the importance of its objective to foster quality jobs and sustainable development, with EUR 200 million to be provided over a ten-year period in three different Eastern Partnership countries via the European Bank for Reconstruction and Development (EBRD) and the EIB;
18. Calls on the EIB to concentrate the funds earmarked for developing countries on infrastructure development and to work alongside the African Development Bank (AfDB) to finance long-term investments in the service of economic development;
19. Welcomes the solution found in conjunction the World Bank enabling the EIB to contribute to facilitating Ukrainian gas purchases;
20. Calls on the EIB to leverage financial resources by partnering with others and by blending EU grants with EIB lending;
21. Considers that the EIB's contribution to SME support programmes in trading partner countries in the eastern and southern neighbourhood should focus on facilitating the participation of these enterprises in European value chains; points out that the method of relying on partner banks on local financial markets can be problematic for access to finance for SMEs when the local interest rates are very high such as in Ukraine;
22. Calls on the EIB, in the context of the ex-ante assessments of undertakings which are the subject of judicial investigations, to update its policies on anti-money laundering and on combating the financing of terrorism and organised crime, including the establishment of a new responsible taxation policy, starting with a review of its policy on non-cooperative jurisdictions (NCJ policy) in 2016;
23. Calls on the EIB to retain the necessary flexibility within its mandate to react to disruptive developments abroad and to potentially increase external financing for the EU's eastern and southern Mediterranean neighbourhood in times of crises;
24. Recommends that the EIB should make both direct funding and funding via intermediaries contingent upon the disclosure of country-by-country tax-relevant data along the lines of the CRD-4 (Capital Requirements Directive) provision for credit institutions;
25. Calls on the EIB to collect data on the tax payments resulting from its investment and lending operations, especially on taxation of corporate profits and particularly in developing countries, and to analyse and publish this data annually;
26. Believes that any further development of the EIB's missions and responsibilities must be matched by a commensurate increase in the bank's capital.

RESULT OF FINAL VOTE IN COMMITTEE ASKED FOR OPINION

Date adopted	19.11.2015
Result of final vote	+: 32 -: 0 0: 2
Members present for the final vote	Maria Arena, Tiziana Beghin, Daniel Caspary, Salvatore Cicu, Marielle de Sarnez, Santiago Fisas Aixelà, Christofer Fjellner, Eleonora Forenza, Karoline Graswander-Hainz, Ska Keller, Gabrielius Landsbergis, David Martin, Emmanuel Maurel, Alessia Maria Mosca, Franck Proust, Inmaculada Rodríguez-Piñero Fernández, Tokia Saïfi, Marietje Schaake, Helmut Scholz, Joachim Schuster, Adam Szejnfeld, Hannu Takkula
Substitutes present for the final vote	Klaus Buchner, Nicola Danti, Edouard Ferrand, Agnes Jongerius, Seán Kelly, Fernando Ruas, Marita Ulvskog
Substitutes under Rule 200(2) present for the final vote	Beatriz Becerra Basterrechea, Edward Czesak, Rosa D'Amato, Dario Tamburrano, Janusz Wojciechowski

