

P7_TA(2014)0201

European Investment Bank annual report 2012

European Parliament resolution of 11 March 2014 on the European Investment Bank (EIB) – Annual Report 2012 (2013/2131(INI))

The European Parliament,

- having regard to the 2012 Annual Report of the European Investment Bank (EIB),
- having regard to Articles 15, 126, 175, 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 its resolution of 26 October 2012 on innovative financial instruments in the context of the next Multiannual Financial Framework¹,
- having regard to the report of its Committee on regional Development on risk sharing instruments for Member States experiencing or threatened with serious difficulties with respect to their financial stability, its position thereon of 19 April 2012² and in particular the opinion of its Committee on Economic and Monetary Affairs,
- having regard to its resolution of 7 February 2013 on the 2011 Annual Report of the European Investment Bank³,
- having regard to the report by the President of the European Council of 26 June 2012, entitled ‘Towards a genuine economic and monetary union’,
- having regard to the European Council conclusions of 28 and 29 June 2012, which, notably, foresee an increase in EIB capital of EUR 10 billion,
- having regard to the European Council conclusions of 27 and 28 June 2013, which call for the creation of a new investment plan to support SMEs and boost the financing of the economy,
- having regard to the European Council conclusions of 22 May 2013, which set out the objective of mobilising all EU policies in support of competitiveness, jobs and growth,
- having regard to the Commission’s communications on innovative financial instruments: ‘A framework for the next generation of innovative financial instruments’ (COM(2011)0662) and ‘A pilot phase for the Europe 2020 project bond initiative’ (COM(2011)0660),
- having regard to the capital increase of the European Bank for Reconstruction and Development (EBRD), notably in relation to the question of relations between the EIB and the EBRD,

¹ Texts adopted, P7_TA(2012)0404.

² OJ C 258 E, 7.9.2013, p. 131.

³ Texts adopted, P7_TA(2013)0057.

- having regard to the decision on extending the scope of the EBRD to the Mediterranean area,
 - having regard to the new Memorandum of Understanding between the EIB and the EBRD signed on 29 November 2012,
 - having regard to Decision No 1080/2011/EU of the European Parliament and of the Council¹ on the EIB External Mandate 2007-2013,
 - having regard to Rules 48 and 119(2) of its Rules of Procedure,
 - having regard to the report of the Committee on Budgetary Control and the opinion of the Committee on Economic and Monetary Affairs (A7-0137/2014),
- A. whereas the EIB was set up by the Treaty of Rome and, under Article 309 TFEU, its task is to contribute, by having recourse to the capital market and utilising its own resources, to the balanced and steady development of the internal market with the aim of helping to realise the Union's priorities by selecting economically viable projects for investment by the EU;
- B. whereas in these particularly difficult social and economic circumstances, marked by public budgetary restrictions, all EU resources and policies, including those of the EIB, need to be mobilised in efforts to sustain economic recovery and identify new sources of growth;
- C. whereas the EIB also acts as the financing arm of, and complement to, other sources of investment by substituting or correcting market gaps;
- D. whereas the EIB is helping the EU to maintain and reinforce its competitive edge on a global scale;
- E. whereas the EIB will continue to be the cornerstone for, and catalyst of the development of, EU policies, providing for the continued presence of the public sector, and offering investment capacities, while ensuring the best possible integration and implementation of the EU 2020 flagship initiatives;
- F. whereas the EIB, as a core stability instrument, will focus on playing a counter-cyclical role, acting as a reliable partner for sound projects throughout the EU and beyond;
- G. whereas the EIB is supporting the key drivers of the growth and jobs objectives of the Europe 2020 strategy, such as growth-driving infrastructure, cutting-edge innovation and competitiveness;
- H. whereas there is a crucial need to ensure that the EIB keeps its triple A credit rating, in order to preserve its access to international capital markets under best funding conditions, with subsequent positive impacts on project life and for stakeholders;
- I. whereas in June 2012 the European Council launched a Compact for Growth and Jobs comprising a range of policies aimed at stimulating smart, sustainable, inclusive, resource-efficient and job-creating growth;

¹ OJ L 280, 27.10.2011, p. 1.

- J. whereas the use of innovative financial instruments is seen as one way of extending the scope of existing tools, such as grants, and of improving the overall effectiveness of the EU budget;
- K. whereas it is crucial to restore normal lending to the economy and to facilitate the financing of investment;
- L. whereas international financial instruments provide a new space for collaboration opportunities among all the institutional players and offer real economies of scale;
- M. whereas the EIB's operations outside the EU are undertaken in support of the Union's external action policies and should be in line with, and promote, EU objectives, in accordance with Articles 208 and 209 TFEU;
- N. whereas the EIB's activities are complemented by specific instruments provided by the European Investment Fund (EIF) that focus on providing both risk finance, for the benefit of SMEs and start-ups, and micro-finance;
- O. whereas the capital increase has strengthened the EIB balance sheet, allowing for ambitious operational lending targets;
- P. whereas specific effort has been made to undertake more joint interventions (combining EIF guarantees with EIB loans for SMEs);

Policy framework and guiding principles for EIB intervention

1. Welcomes the EIB Annual Report 2012 and the attainment of the agreed operational plan to finance some 400 projects in over 60 countries for an amount of EUR 52 billion;
2. Welcomes the EIB Board of Governors' approval of a EUR 10 billion capital increase, facilitating an additional EUR 60 billion (amounting to a 49 % expansion of lending targets) for long-term lending for projects in the EU in the period 2013-2015;
3. Asks the EIB to keep the anticipated targets in relation to its additional activity and to unlock EUR 180 billion in extra investments across the EU for the aforementioned period;
4. Recalls that for projects in the EU, prospects are particularly interesting for a number of priority thematic areas under the 'Europe 2020' strategy: innovation and skills, including low carbon infrastructure, investment in SMEs, cohesion, resource and energy efficiency (including the shift to low-carbon economy) 'packages'; notes that these focal areas have been duly identified in the EIB Groups' Operational Plan for 2013-2015, and welcomes the allotment of an additional EUR 60 billion in lending capacity in order to finance their implementation;
5. Strongly believes, however, that within these broad priorities greater focus should be placed on investing in long-term growth and job creation and on generating a durable and visible impact in the real economy, and calls, therefore, for a comprehensive evaluation providing viable figures on the long-term employment created through, and the impact on the economy as a result of, EIB lending, in all areas, following the financial crisis;

6. Welcomes the launch of the Growth and Employment Facility (GEF), which will enable the EIB to monitor in greater depth the employment and growth impact of the projects it finances;
7. Calls on the EIB to continue to support the EU's long-term priorities for economic and social cohesion, growth and employment, environmental sustainability, climate action and resource efficiency, through further development of new financial and non-financial instruments designed to address both short-term market inefficiencies and the more long-term structural gaps of the EU economy;
8. Encourages the EIB to negotiate and conclude memorandums of understanding (MoUs) with regional development banks active in its regions of operation in order to foster synergies, share risks and costs, and ensure sufficient lending to the real economy;
9. Regards the Compact for Growth and Jobs as an important but not sufficient response to the challenges facing the EU, noting that the EIB capital increase and an enhanced recourse to joint Commission-EIB risk sharing instruments, coupled with synergies between EIB and EIF specialised activities, are key elements for its success;
10. Asks the EIB to prioritise its financing on projects that contribute strongly to economic growth;
11. Recalls that the Commission presented, together with the EIB, a report on the opportunities and targeted priorities to be identified through the implementation of the Pact for Growth and Employment, especially with regard to infrastructure, energy efficiency and efficient use of resources, the digital economy, research and innovation and SMEs; calls, on the basis of this report, for a political debate in Parliament to be attended by the Presidents of the European Council, the Commission and the European Investment Bank;
12. Is particularly concerned that finance in Programme Countries (Greece, Ireland, Portugal, Cyprus) remained low in the course of 2012, representing roughly +/- 5 % of overall EIB investment; notes that the EIB's targets of investment in Programme Countries for 2013 represent up to EUR 5 billion, out of an overall EU target of EUR 62 billion;
13. Is concerned that the EIB has maintained a somewhat risk-averse policy in its lending, thus limiting the scope of potential borrowers to meet EIB's lending requirements and, subsequently, hindering the value-added of loans;
14. Demands that the EIB increase its internal risk-taking capacity by ensuring that its risk-management systems are adapted to the current environment;
15. Acknowledges that it is fundamental for the EIB to maintain its triple A rating in order to preserve its financial strength and capacity to inject money in the real economy; urges, however, the EIB together with the EIF to consider increasing its engagement in more risk-related activities, in order to safeguard a reasonable cost-benefit perspective;
16. Notes the increase in the EIB's higher-risk special activity targets to EUR 6 billion in 2013, the increase in funding for risk-sharing and credit enhancement initiatives to EUR 2,3 billion, and the recent launch of the Growth Financing Initiative (GFI) easing access to finance for innovative mid-cap companies;

17. Calls on EIB to increase its activity under the Risk Capital Mandate (RCM) and the Mezzanine for Growth (MFG) mandate provided by the EIB to the EIF;
18. Welcomes the EIF's increase of its EIB-funded risk capital resources mandate with EUR 1 billion, with particular focus on higher-risk mezzanine financing as part of the joint EIB-EIF actions to tackle financing constraints for new innovation and growth plans of European mid-sized businesses;
19. Invites the EIB to be more proactive in providing its technical expertise in all key areas of activities with high growth potential throughout all Member States; recalls that technical and financial advice is an efficient means of helping project delivery and speeding up disbursements and real investment; believes, therefore, that EIB expertise should be augmented and made available at early stages in projects co-financed by the EU and the EIB, and in ex-ante appraisal of large scale projects, including through the Joint Assistance to Support Projects in European Regions (JASPERS) instrument;
20. Urges the EIB, in the current context of critically low absorption rates in many Member States, to enhance efforts to support Member States' absorption capacity of EU resources, including Structural Funds, by further developing additional joint risk-sharing instruments and by adapting the existing ones already funded by the EU budget;
21. Calls on the Member States, where appropriate, to work with the Commission in using part of their Structural Fund allocations in order to share the EIB loan risk and provide loan guarantees for knowledge and skills, resource and energy efficiency, strategic infrastructure and access to finance for SMEs;
22. Appreciates that unused structural funds can now be used as a special guarantee fund for EIB lending, especially in Greece;
23. Notes that in 2012 the Bank signed Structural Programme Loans (SPL) to a value of EUR 2,2 billion, enabling support for numerous small and medium-sized schemes in line with the priorities of the Cohesion Policy in various sectors;
24. Calls on the EIB, in light of the different economic and financial conditions that prevail within the EU, to develop, in close cooperation with the Member States, result-driven investment plans that are properly adjusted to national, regional and local growth priorities, taking into due account the horizontal priorities of the Commission's Annual Growth Survey and the European Semester for economic governance;
25. Encourages the Bank to explore possibilities of expanding its involvement by pro-actively participating in partnership agreements between the Commission and Member States;
26. Notes the decreasing trend in the number of public-private partnerships (PPPs) during and following the crisis, and recalls, at the same time, the particularly important role they play in investment, especially in transport networks and in research and innovation; notes that while the EU PPP market has grown in value, it has recorded significantly fewer transactions;
27. Believes State guarantees (SGs) to be valuable instruments in addressing market imperfections that may hold up the delivery of PPP programmes and projects; drawing on

EIB's expertise in this field, calls for the increase of its participation in the loan guarantees provided to the PPPs via the SGs;

28. Believes, moreover, that the EIB advisory capacity, based on expertise gathered in the European PPP Expertise Centre (EPEC), could be used to provide targeted technical and specialised assistance at government level and where appropriate also at regional level, in order to facilitate proper assessments regarding the benefits of involving a SG in a PPP programme;
29. Recalls the launch in 2012, by the EIB and the Commission and with the support of Member States, of the pilot phase of the Project Bond Initiative, which aims at boosting the funding for key-infrastructure projects by attracting institutional investors;
30. Welcomes the Projects Bonds Pilot Phase first six-monthly report indicating the approval of nine projects in six countries; calls for the continued and increased use of such bonds and for a regular review of their efficiency in order to boost viable investment in debt instruments that channel private capital into the transport, energy and ICT infrastructure projects that are needed, especially those with a cross-border dimension; believes, however, that the EIB should conduct better evaluations as to the projects in which it wishes to invest, including evaluations of the safety and risk profiles thereof; recalls that the EU budget is providing EUR 230 million in support of EIB credit enhancement activity for infrastructure investment in the transport, energy and communications sectors;
31. Demands that it be informed about the selected projects in an appropriate manner and in due time;
32. Notes with concern that key challenges (e.g. turning interest into commitments, limited experience with bond solution from procuring authorities, hesitation to engage from institutional investors, concern over costs from sponsors) remain; invites the Bank to assess properly the possibility of co-investing in early bond deals in order to reassure investors and sponsors; calls on the EIB to ensure that the Project Bond Initiative is consistent with the EU long-term climate target, i.e. that it focuses on low-carbon infrastructures;
33. Is concerned about the poor project performance in relation to the Castor Project; demands that the Bank provide details on the soundness of its due diligence and to deliver information on whether the geological studies carried out indicate the possibility of a seismic risk or not, what the percentage was and how it was addressed;
34. Awaits the final evaluation report concerning the PBI Pilot Phase, expected in 2015;
35. Welcomes the EIB's new energy policy, introducing new energy lending criteria that reflect the EU's energy and climate policies as well as current investment trends; demands that EIB energy investments be made public and be analysed on an annual basis, showing what energy sources are supported by the EIB; wishes to emphasise, however, that the EIB's investment policy ought to focus even further on sustainable projects; recalls, nevertheless, the need to present a comprehensive phase-out plan for lending for non-renewable energy;
36. Welcomes the introduction by the EIB of a new Emissions Performance Standard, to be applied to all fossil fuel generation projects in order to screen out investments with

projected carbon emissions exceeding a threshold level; calls on the Board of the EIB to keep the Emissions Performance Standard under review and to consider more restrictive commitments in the future;

37. Urges the Bank, in view of the 2030 climate package, including its decarbonisation priorities, to step up its low-carbon investment efforts and to work on policies leading to more ambitious climate targets; requests that the EIB perform a climate assessment and review of all its activities in 2014, leading to a renewed climate protection policy, e.g. through project assessment and an integrated approach to smartly combine sector-specific policies for key sectors; calls on the EIB to annex this review to its next annual report;
38. Recalls the important role played by the EIB in financing public and private sector investment in energy infrastructure and in supporting projects that contribute to achieving EU climate and energy policy goals; recalls its 2007 resolution calling for an end to public funding for fossil fuel projects and a shift to energy efficiency and renewable energies; believes that the EIB, in cooperation with the Commission, should, in line with Union and international climate change objectives and the best international standards, update its climate change strategy as regards its financing operations before the end of 2015;
39. Calls for the EIB's resources and expertise to be boosted in order to provide for climate change adaptation;
40. Demands that the EIB enforce the best international standards regarding hydropower, namely the World Commission on Dams guiding principles and the Hydropower Sustainability Assessment Protocol (HSAP), which means investing only where countries have put in place a legal framework establishing energy planning mechanisms (including 'no go' areas), that negative impacts on ecosystems and local communities must be properly assessed, avoided, mitigated and monitored, and that the projects may not be located in or near protected areas or on river stretches with good ecological status;
41. Calls on the EIB to carefully factor into its projects the vision and targets of the EU Biodiversity Strategy to 2020 'Our life insurance, our natural capital';

Strengthening the range of support for SMEs and mid-cap companies

42. Recalls that SMEs are considered the backbone of the EU's economy and the main driver of European growth and employment, accounting for more than 80 % of employment in the private sector;
43. Welcomes the particular focus (in the context of increasing the lending activity in the EU) on helping to improve access to finance for SMEs, and welcomes, subsequently, the EIB Group's target for 2013 of more than EUR 19 billion in SME lending to be signed within the EU;
44. Calls on the Council also, in this connection, to agree swiftly on the joint Commission-EIB initiatives and to blend EU budget resources intended for SMEs, as well as to take more resolute action in implementing cooperation with the ECB so as to reduce the financing constraints placed upon SMEs; points out that the main problem in several Member States is that the fragmentation of financial markets results in a lack of funding and in higher funding costs, especially for SMEs; calls for the EIB's efforts to be

redirected towards defragmentation in order to promote funding for SMEs, entrepreneurship, exports and innovation, which are vital for economic recovery;

45. Welcomes the enhanced bank lending to SMEs through the revitalisation of the SME securitisation market by means of the EIB Group's new ABS initiative; invites the EIB to provide for a market analysis with a view to better calibrating this EIB offer to stakeholders needs; welcomes the enhancement of the credit capacity of the EIF through a capital increase and mandate, and invites the EIB and the Commission to finalise the process by early next year;
46. Supports the initiatives of the EIB Group on innovative financings for SMEs and mid-cap companies through the launching of Horizon 2020 and COSME financial instruments and the Risk Sharing Instruments (RSI) in order to encourage banks to provide financial resources by means of loans and guarantees, and to ensure the provision of long-term risk capitals;
47. Supports the Commission-EIB joint SME Initiative under the new MFF, blending EU funds available under the COSME and Horizon 2020 programmes, with up to EUR 8,5 billion of resources dedicated to the European Structural and Investment Funds (ESIF), in view of generating additional lending to SMEs;
48. Calls on the Member States to participate actively, by contributing to the Joint Instruments from their ESIF allocations, in order to support increased lending to SMEs in their territory, thus increasing the overall leverage effects;
49. Encourages the EIB to expand the Trade Finance Initiative; considers that this guarantee mechanism for SMEs is of key importance and should be widened at EU scale, wherever it is deemed most needed; calls on the EIB to develop its own trade facilitation programme; calls on the EIB as a first step to establish measures to ensure the provision of the guarantees needed for companies to realise their full export potential;
50. Supports the EIB's focus on the regional and local dimension and calls on the Member States to make full use of financial engineering shared management instruments such as the JEREMIE programme and regional fund-to-fund schemes providing equity and debt finance to local SMEs;
51. Welcomes the ex post evaluation of EIB intermediated lending to SMEs in the EU for the period 2005-2011; acknowledges that in this area, over the period 2005-2012, the EIB signed EUR 64 billion in loans to around 370 financial institutions within the EU 27; notes that by the end of 2012, EUR 53 billion of this money had been disbursed to those financial institutions which, in turn, had lent nearly EUR 48 billion to SMEs through around 300 000 sub-loans;
52. Notes that the evaluation shows EIB-SME intermediate lending (via the L4SME product) to be consistent with EU objectives; calls, nonetheless, for a better assessment of complementarity between the EIB product and the national policy mixes, in order to improve further the operations' relevance; asks the EIB to bring forward proposals for enhancing the effect of the L4SME product so that it can be mobilised to fill specific gaps, instead of funding a broad spectrum of SMEs, thereby optimising EIB's contribution to growth and employment;

53. Notes with concern that during the period under review the EIB loans had ‘some’ impact on growth and employment, but with great variations across countries (only 1/3 of SMEs attributed the growth of turnover to the EIB funding); is concerned that there is only limited evidence that the EIB loans helped maintain employment; notes that the relative impact on growth and employment was found to be higher in the new Member States; acknowledges, however, that the period under review included the financial and economic crisis and that the relatively modest level of job creation was achieved despite a background of falling employment levels;
54. Is concerned that EIB funding, for a majority of operations, seems to have been used in support of SME ‘champions’, not as ‘gap funding’; notes, however, that more than 80 % of the SMEs reached were companies with less than 50 employees, which proves that the EIB reaches out to the smaller segment of the SME universe;
55. Demands that the EIB make full use of the eligibility criteria in order to influence the targeting of financial beneficiaries in a more effective way;
56. Invites the EIB to identify and select higher-value-added and higher-risk projects, notably by identifying start-ups, micro-enterprises, cooperatives, clusters of enterprises, SMEs and mid-cap companies undertaking research, development and innovation projects in priority technologies area;
57. Emphasises the need to increase the level of awareness and understanding among potential investors and beneficiaries of the existence of innovative financial tools; encourages the setting up of a communication policy to promote the visibility of various actions carried out by the EU, through these new financial instruments, via the EIB; stresses, furthermore, that extensive and systematic access to project information, as well as greater involvement on the part of project beneficiaries and local civil society – which could be improved through EIB-financed investments – should be ensured;
58. Calls on the EIB to establish an action plan to simplify access to information and funding for SMEs, focusing in particular on the administrative formalities for access to funding;
59. Recalls that intermediate lending represents over 20 % of the total annual lending of the EIB;
60. Reiterates with concern that a considerable number of outstanding issues remain unresolved in this area, notably the lack of transparency (especially concerning information about the final beneficiaries), the difficulty in assessing the economic and social impact of the loans (resulting in a flawed targeted approach) and the reliance, via outsourcing of responsibilities, on financial intermediaries for carrying out the due diligence; urges the Bank to provide details on its approach to accelerate measures addressing these issues and asks for a stringent list of criteria for selection of these financial intermediaries to be established by the EIB jointly with the Commission and be made publicly available;
61. Urges the EIB to make an up-to-date and comprehensive evaluation of how the financial crisis has affected the final recipients of EIB funding, and to provide a thorough assessment of the effects and impact of the financial crisis on the current status of financial intermediaries used by the Bank, both within and outside of the EU;

62. Demands that the EIB ensure that its goal of generating employment for around a half a million people, through lending to infrastructure, resource efficiency and knowledge economy projects in 2013 alone, is accomplished;
63. Notes that, due to the difficult economic environment and tighter credit markets, the funding constraints on companies and the public sector continue to hold back the employment of young people and to limit the scope for improving vocational training;
64. Believes the EIB's Youth Employment programme (with a lending volume of EUR 6 billion), comprising the Jobs for Youth and Investing in Skills components, to be of utmost importance in addressing these issues; welcomes the interim implementation report showing important achievements in this sector, such as the EUR 4,9 billion provided in loans through the Investing in Skills sub-programme, complemented by the EUR 2,7 billion provided under the Jobs for Youth pillar; acknowledges the early accomplishment of its objectives;
65. Supports the Bank's objective of further maximising its lending targeting to SMEs in order to establish a clear link between EIB lending and the creation of new jobs for young people;
66. Invites the Bank to widen its scope of action and to make use of additional instruments in order to provide viable incentives for generating youth employment, especially in Member States with notoriously high rates of youth unemployment;

The EIB's contribution to EU external policies

67. Asks the EIB, in line with the review of EIB's mandate for operations outside the European Union, to support the European Union's foreign policy objectives as conceived by the Commission and the European External Action Service;
68. Welcomes the EU Guarantee for external lending, provided to the EIB by the EU budget, of a size similar to the current one, set at a maximum ceiling of EUR 30 billion (split into a General Mandate of EUR 27 billion and an optional EUR 3 billion subject to the Mid-Term Review) for the next financial period by using reflows from unused FEMIP (Facility for Euro-Mediterranean Investment and Partnership) operations dating back to before 2007;
69. Asks the European Court of Auditors (ECA) to carry out a special report on the performance and alignment with EU policies of EIB external lending activities before the mid-term review of the EIB's external mandate and to compare their added value with regard to the own resources used by the EIB; asks the ECA furthermore to differentiate in its analysis between the guarantees granted by the EU budget, the investment facility guaranteed by the EDF, the various forms of blending used in the EU-Africa infrastructural trust fund, the Caribbean investment fund and the investment facility for the Pacific and the usage of reflows for these investments;
70. Welcomes the increased flexibility provisions provided under the new external lending mandate of the EIB; calls on the EIB to maximise its support of EU policies and objectives;

71. Asks the EIB to make additional flexible use of the Guarantee Fund, and to focus more on own-risk lending, by extending its area of reach for bankable projects; insists that the EIB ensure a high level of visibility to the final beneficiaries of the projects of the European financial support it provides;
72. Notes that the pre-accession countries and the eastern and southern neighbourhood are at the top of the EIB's priority areas; emphasises, in particular, the need to maintain support to democratic and economic transitions following the Arab Spring, with specific focus on support for civil society's components, job creation and economic recovery in the Southern countries and Eastern partner countries; notes with satisfaction the focus on SMEs and access to finance;
73. Supports, in the context of the EU's external policies, the progressive development of new financial products with the Commission and the Member States, such as products blending EU grants, loans and risk sharing instruments in order to reach new categories of firms; demands that best practices and well-defined eligibility criteria be defined for the use of those instruments, accompanied by structured reporting, monitoring and control conditions; calls for the finalisation of allocation policy;
74. Expects, therefore, the governance report on the implementation of the platform for cooperation with international financial instruments on blending to include detailed and consistent information in this regard and to ensure an adequate role for the EIB; calls on the Commission to provide a full-fledged report on the impact and results of the implementation of financial facilities in the context of the platform for cooperation on blending;
75. Welcomes the EIB's support for projects, across several energy sectors, targeting growth and jobs; recalls the need to maintain consistency with the new developments in the EU's energy and climate policies; encourages the EIB, in the context of its renewed energy policy, to continue to support, both within and outside of the EU, projects dedicated to energy efficiency and sustainable renewable energies, and thereby pave the way towards a low carbon economy;

The EIB's cooperation with other international financial institutions

76. Recalls that structured cooperation between EU bodies (the Commission and the EIB) and other financial institutions is the only efficient means to prevent overlapping activities;
77. Welcomes the updated Memorandum of Understanding agreed between the EIB and the EBRD reflecting the willingness on the part of the EU to intensify the level of coordination and cooperation between these two major international financial institutions; encourages the EIB also to negotiate and conclude Memorandums of Understanding (MoUs) with regional development banks active in its regions of operation in order to foster synergies, share risks and costs, and ensure sufficient lending to the real economy;
78. Calls on both institutions to engage in the best possible operational coordination in terms of complementarity and division of labour, in order to research systematically the best opportunities and synergies, and to find optimal leverages in the support and implementation of EU policy objectives while respecting their respective comparative advantages and specificities;

79. Encourages the EIB and EBRD to strengthen, at the earliest possible stage (ex-ante evaluation or identification phases of action), their expertise, their strategic and programming approaches in the various fields of intervention and, in particular, their cooperation on risk management instruments (financial, operational or country risks), in order to enhance the supervision of risk;
80. Welcomes the new Joint Action Plan agreed in November 2012 between the EIB, the EBRD and the World Bank Group, aimed at supporting economic recovery and growth in Central and South Eastern Europe, noting that the action plan sets out more than EUR 30 billion in joint commitments for the period 2013-2014; calls on the EIB to commit a minimum of EUR 20 billion, as agreed;
81. Reiterates its proposal for the European Union to become a member of the EIB;

The EIB's governance, compliance and control framework

82. Calls on the EIB and other associated partners and stakeholders to further improve their governance mechanisms through, *inter alia*, the development of exhaustive and sound monitoring, reporting and control systems;
83. Welcomes the EIB's reinforcement of its commitment to transparency by joining the International Aid Transparency Initiative (IATI);
84. Demands that the Bank ensure the full independence and viable functionality of its complaints mechanism;
85. Calls on the EIB to comply with the provisions of the Aarhus Convention by setting up a public Register of documents, in order to guarantee the right of access to documents as enshrined in the EU Treaties; asks the Bank to keep its commitment and to make the Register public as of 2014;
86. Demands that the next annual report be complemented with a set of cross-cutting performance indicators on the impact of the financing operations for the main domains of EIB interventions, the expected multiplier effect when appropriate and the transfer of financial advantages in the programmes funded;
87. Reiterates and accentuates the Bank's responsibility in enhancing the level of transparency in the selection of financial intermediaries and partners for co-financed projects and as regards the final beneficiaries;
88. Stresses that the EIB should reduce bureaucracy in order to allocate funding more effectively and swiftly;
89. Calls on the EIB to further enhance transparency in its lending through financial intermediaries by reporting annually on its lending to SMEs, providing aggregated data on the level of disbursements made to SMEs, the number of SMEs targeted, average loan size and supported sectors, including an evaluation of the accessibility of the loans for SMEs and the effectiveness thereof;
90. Calls on the EIB to refrain from cooperation with financial intermediaries with a negative track record in terms of transparency, fraud, corruption and environmental and social

impacts; encourages the EIB to form partnerships with transparent and accountable financial intermediaries with established links to the local economy in each country of operation; calls on the EIB, in this connection, to ensure greater transparency, especially in the intermediated loans business, as well as to exercise enhanced due diligence in preventing the use of tax havens, transfer pricing, tax fraud, tax evasion and aggressive tax avoidance or planning; calls for the establishment of a stringent, publicly available list of criteria for the selection of financial intermediaries; calls on the EIB to strengthen its cooperation with national public credit institutions in order to maximise the positive impact of its funding programmes for SMEs;

91. Calls on the EIB immediately to engage in an inclusive revision process of its Non-Cooperative Jurisdictions policy, duly taking into account recent developments in this respect at EU and international level; Calls for the EIB, therefore, to ensure that all companies and financial institutions involved in its projects publicly disclose the beneficial ownership of any legal structure directly or indirectly related to the company, including trusts, foundations and bank accounts;
92. Asks also for a public exclusion list for financial intermediaries to be developed jointly with the Commission, based on their track record in terms of transparency, fraud, links to offshore jurisdictions and social and environmental impacts;
93. Considers it to be fundamental that the EIB maintains its triple A rating, which enabled it to borrow EUR 71 billion on the international capital markets in 2012 at favourable rates; encourages the EIB, however, to strengthen its capacity to prioritise higher-value-added projects with higher risk;
94. Recalls and stresses, as in previous years, the need for prudential banking supervision of the EIB and calls for a legal study into ways of finding a possible solution to this issue;
95. Proposes that this regulatory supervision be:
 - (i) exercised by the ECB on the basis of Article 127(6) TFEU or
 - (ii) exercised in the context of the future Banking Union envisaged in the Commission's communication of 12 September 2012 or
 - (iii) failing that, and on the basis of a voluntary approach by the EIB, carried out by the European Banking Authority, with or without the participation of one or more national supervisors, or else by an independent auditor;

regrets that the Commission has proposed no action in this regard, despite Parliament's requests dating back to 2007;

96. Welcomes the new internal developments within the EIB related to the overall compliance with best banking practices; demands that the EIB's banking partners also comply with best banking practices which are compatible with Union law on financial services and with financial market stability, in the context of its operations both within and outside the EU; requests that the EIB, in its annual work plan, include an audit of one activity area in order to give assurance that best banking practices are part of the Bank's internal written procedures;

97. Calls on the EIB to increase further the transparency and accessibility of its activities, evaluations and outcomes through better access to information, both internally to EIB staff, by incorporating participation at relevant internal EIB meetings, and externally, for example on its website;
98. Welcomes the fact that the EIB has taken measures in the area of anti-money laundering and combating the financing of terrorism, and has reinforced the resources of its compliance function through the appointment of a new Group Chief Compliance Officer; requests that Parliament be updated regularly on the results presented in the Group Chief Compliance Officer's report;
99. Calls on the EIB to follow the country-by-country reporting in order to combat the financing of illegal activities; considers that, in order to be eligible for EIB financing, all beneficiaries, whether corporations or financial intermediaries, that are incorporated in different jurisdictions must be obliged to disclose country-level information about their sales, assets, employees, profits and tax payments in each country in which they operate in their audited annual reports; considers also that beneficiaries must make contracts with host governments public and, in particular, disclose the fiscal regime in each country in which they operate;
100. Requests that the control environment be adapted to accommodate future increase in the volume of funding requests generated as a result of the EIB capital increase and within other financial partnerships, notably for risk management functions;

The EIB's follow-up of Parliament resolutions

101. Calls on the EIB to report on the state of play and status of previous recommendations issued by Parliament in each annual report, especially as regards the impact of its lending activities in its various regions of operation on growth and job creation therein and in the EU, and on economic integration between the EU and candidate and neighbourhood countries;

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102. Instructs its President to forward this resolution to the Council, the Commission, the European Investment Bank and the governments and parliaments of the Member States.