The European Parliament,

– having regard to Articles 15, 126, 174, 175, 177, 208, 209, 271, 308 and 309 of the Treaty on the Functioning of the European Union (TFEU) and to Protocol No 5 thereto on the Statute of the European Investment Bank (EIB),

– having regard to the 2019 EIB Group Operational Plan, published on the EIB website,

– having regard to the 2018 Activity Report of the EIB, entitled ‘Opportunity Delivered’,

– having regard to the 2018 Financial Report and Statistical Report of the EIB,

– having regard to the EIB report entitled ‘EIB operations inside the European Union – Annual Report 2018’, published in 2019,

– having regard to the EIB report entitled ‘The EIB outside the European Union – Financing with global impact – Annual report 2018’, published in 2019,


– having regard to the new climate strategy and the new lending policy in the energy sector, adopted by the EIB in November 2019,

– having regard to Regulation (EU) 2017/2396 of the European Parliament and of the Council of 13 December 2017 amending Regulations (EU) No 1316/2013 and (EU) 2015/1017 as regards the extension of the duration of the European Fund for Strategic Investments as well as the introduction of technical enhancements for that Fund and the European Investment Advisory Hub¹,

¹ OJ L 345, 27.12.2017, p. 34.
having regard to the European Ombudsman in case 146/2017/DR on how the European Investment Bank handled a complaint about breaches of environmental, health and safety requirements in a project it financed,

having regard to the Commission communication of 11 December 2019 on ‘The European Green Deal’ (COM(2019)0640),

having regard to the Commission communication of 14 January 2020 on ’Sustainable Europe Investment Plan, European Green Deal Investment Plan’ (COM(2020)0021),

having regard to the Commission proposal for a regulation of 14 January 2020 establishing the Just Transition Fund (COM(2020)0022),


having regard to the EIB Economic Resilience Initiative,

having regard to the EIB’s approval of the ratification of the Paris Agreement by the EU of 7 October 2016,

having regard to the UN 2030 Agenda for Sustainable Development and the Sustainable Development Goals,

having regard to the opening speech delivered on 16 July 2019 by Ursula von der Leyen as candidate for President of the European Commission, at Parliament’s plenary session in Strasbourg,

having regard to the speech by the President of the European Commission, Ursula von der Leyen, delivered on 11 December 2019 at Parliament’s plenary session in Brussels,

having regard to Article 3 of the Treaty on European Union,

having regard to Rule 54 of its Rules of Procedure,

having regard to the opinion of the Committee on Economic and Monetary Affairs,

having regard to the report of the Committee on Budgets (A9-0081/2020),

A. whereas under Article 309 TFEU and having regard to the case law of the Court of Justice of the European Union, the EIB is to contribute to the achievement of the Union’s objectives, and whereas under Article 18 of the Statute of the EIB it must use its funds as rationally as possible in the interests of the Union; whereas this includes complying with the Paris Agreement on Climate Change and the Union’s environmental protection obligations set out in Articles 11 and 191 TFEU;

B. whereas the main credit rating agencies have given EIB bonds an AAA rating, due inter alia to the fact that the EIB belongs to the Member States and to its prudent risk management;
C. whereas EIB maintained profitability in 2018, with a net surplus of EUR 2.3 billion; whereas the EIB Group should maintain its high level of creditworthiness as well as a portfolio of solid and good-quality assets;

D. whereas the EIB, being the world’s largest multilateral borrower and lender, and jointly owned by EU Member States, is the EU’s natural partner for the implementation of financial instruments, in close cooperation with national and multilateral financial institutions;

E. whereas the EIB Group is treaty-bound to contribute to EU integration, economic and social cohesion and regional development, through various investment instruments such as loans, equities, guarantees, risk-sharing facilities and advisory services;

F. whereas the Commission estimates the annual investment needed to achieve the EU’s 2030 targets at EUR 1115 billion; whereas the Commission’s Sustainable Europe Investment Plan aims to unlock EUR 1 trillion worth of investment in the next decade;

G. whereas sustainable investments normally have higher yields than standard ones and volumes therefore tend to be subdued while the associated risks tend to be higher; whereas the liquidity of the markets in sustainable financial products must be deepened and this can only be done by increasing the number of products on the market; highlights that the private sector alone cannot be expected to reach the critical mass and that the public sector must be more present in the sustainable financial assets markets and increase its market share, hence contributing to reducing risks and yields, as well as to increasing market participation and liquidity;

H. whereas the EIB plays an important role in the EU's strategy to tackle climate- and environmental-related challenges - challenges that are this generation's defining task, as outlined by the Commission, with EUR 260 billion of additional investments needed annually to achieve the current 2030 climate and energy targets;

I. whereas continuous attention should be focused on the development of best practices related to the EIB Group's performance policy and management, governance and transparency;

General advice

1. Highlights the importance of the activities of the EIB, as the Union’s bank, with regard to increasing current levels of investment in the EU, which are below historical averages and insufficient to fulfil the EU’s sustainability, economic, social and job creation ambitions or to achieve regional cohesion, innovation and competitiveness at EU level as well as financing at the local level, including by municipalities that answer to the needs of citizens;

2. Recognises that the EU and the Member States need to invest more in the fight against climate change, the digital revolution and public services;

3. Welcomes the coordinated EU response to the COVID-19 pandemic and reiterates the need for urgent action to transform our economies and mitigate the social and economic

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impact of the crisis; particularly welcomes the role that the EIB is called upon to play in supporting the EU’s economy via the European Guarantee Fund, the revised InvestEU programme, the Just Transition Mechanism and the Solvency Support Instrument; underlines the fact that this role is particularly important for SMEs and the sectors most affected; calls on the EIB, at the same time, to uphold its commitment to aligning all of its actions with the EU’s objective of achieving climate neutrality by 2050 at the latest; takes note of the EIB’s position paper of 15 June 2020 on its Climate Bank Roadmap and reiterates its call for ambitious measures and clear targets, in particular on making support conditional on phase-out measures in line with the 2050 EU decarbonisation goals;

4. Notes the worsening world economic climate, in which real GDP growth has slowed and global challenges are contributing to uncertainty; notes the weak levels of investment in the EU in the past decade; calls for more public and private investment in the EU at national, regional and local levels;

5. Notes the EIB's Investment Report 2019-2020, which highlights the challenges that the EU is facing in terms of competitiveness, such as rising inequality and insufficient levels of investment, especially in climate-related R&D and digitalisation, which threaten Europe's economic future; urges the EIB to do its utmost to address these issues in its activities;

6. Notes that in 2018 the EIB invested EUR 64 billion in 854 projects; notes that the EIB adheres to the prudential principle with only 0,3 % non-performing loans;

7. Reiterates the need to make the geographical distribution of EIB financing more balanced; calls for the EIB to address systemic shortcomings that prevent certain regions or countries from taking full advantage of its financial activities, inter alia by strengthening its efforts to expand its loan activities by providing technical assistance and advisory support, especially in regions with low investment capacity, and by advising on the development of projects, with a view to promoting inclusive growth and economic, social and territorial convergence and cohesion and considering the demand-driven nature of EIB financing;

8. Calls for the EIB to play an important role in enhancing sustainable finance both in and outside Europe, and to prioritise through its lending activities the implementation of the 17 Sustainable Development Goals (SDGs) of the UN 2030 Agenda for Sustainable Development by further unlocking investment in social, green and sustainable projects;

9. Calls for adequate support to strengthen the arrangements for providing technical assistance, financial expertise and capacity-building to local and regional authorities before project approval, in order to improve accessibility and involve all Member States; in this regard also calls for increased support for advisory services such as the InvestEU Advisory Hub, Jaspers, Elena and Fi-compass; calls for intensified cooperation with national promotional banks and institutions;

10. Welcomes the EIB’s timely efforts to support the projects it is financing in their implementation stage (by providing experts and support instruments and by producing preparatory studies); asks the EIB and the Commission to work together to draw up proposals for more systematic involvement of the EIB's teams in project implementation in countries which request this, particularly in areas requiring advanced expertise or which are of strategic importance to the Union, such as the fight against climate change;
11. Welcomes the EIB’s support for cohesion objectives,amounting to more than EUR 200 billion between 2009 and 2018 alone;

12. Calls on the EIB to lay stress on its consultations with all stakeholders affected by its projects, in particular local communities, civil society and the general public;

13. Considers that innovation and skills are fundamental elements for ensuring sustainable growth and creating high-quality jobs and driving long-term competitiveness; welcomes the fact that in 2018 the EIB supported innovation and skills with EUR 13,5 billion; expects continuing support by the EIB for innovation and skills;

14. Considers that Europe needs to accelerate the adoption of digital technologies and investment in digital infrastructure and skills in order to stay competitive; calls on the EIB to address the technological transition with enhanced support for digitalisation;

15. Regards the 10 standards laid down in the EIB’s social and environmental manual as of paramount importance and as being a precondition for participation in its lending operations, including in the areas of pollution prevention and abatement, biodiversity and ecosystems, climate-related standards, cultural heritage, involuntary resettlement, rights and interests of vulnerable groups, labour standards, occupational and public health, safety and security and stakeholder engagement;

16. Calls on the Commission to pay special attention to ensuring that EU fiscal rules support future efforts to increase the level of public investment in the EU, which will allow the EIB to leverage that investment;

17. Considers that social projects’ evaluation criteria should take into account the principles of the European Pillar of Social Rights; underlines, in this context, the importance of carrying out ex ante and ex post evaluations of the sustainability, competitiveness and economic, social and environmental impacts of projects;

18. Welcomes the steps the EIB has taken so far; calls on the EIB to improve its reporting and evaluation of actual results achieved and its analysis of the actual economic, social and environmental impacts of its investments;

19. Calls on the EIB to follow up on the conclusions of the Court of Auditors’ special report 03/2019, which assessed whether the European Fund for Strategic Investments (EFSI) was effective in raising finance to support additional investments within the whole EU; notes that the report concluded that some EFSI operations simply replaced other EIB operations and that part of the financing went to projects that could have used other sources of public or private finance, resulting in some cases in overstatement of the extent to which EFSI support actually induced additional investments;

20. Stresses that EFSI’s key quantitative target of mobilising EUR 500 billion of additional private and public investment should not be the main driver of success for the fund, and that measurable targets on sustainability, additionality, geographical coverage and social impact should be at least equally important in future investment strategies;

21. Calls on the EIB to increase the share of EFSI and InvestEU financing for projects that substantially contribute to the EU’s sustainability and social objectives, in line with the relevant EU regulations; calls on the Commission to ensure that InvestEU’s sustainability-proofing methodologies are fully consistent with the EU’s sustainability objectives, and
that evaluation criteria for social projects take into account the principles of the European Pillar of Social Rights; underlines, in this context, the importance of carrying out ex ante and ex post evaluations of the sustainability, competitiveness and economic, social and environmental impacts of projects;

22. Considers that further external evaluation of the additional nature of the EIB’s lending policy is needed, and that the results of this evaluation should be made available to the public;

23. Is of the opinion that following publication of the results of the external evaluation, it should be considered whether there is a need for a general increase of the EIB’s capitalisation to allow for more long-term loans and innovative instruments in the financing of projects, with substantial potential for sustainability and social and innovation gains, including projects creating sustainable growth and reducing inequalities;

24. Calls for the EIB to ensure close coordination, coherence and consistency between EU policies, funding instruments and investments, with a view to avoiding overlaps and enhancing funding synergies;

An EIB more focused on climate and a just transition

25. Welcomes the decisions taken on 14 November 2019 by the EIB’s Management Board to align the EIB’s policies with the goal of limiting global warming to a maximum of 1,5°C above pre-industrial levels;

26. Acknowledges that more risk-taking by the EIB may be necessary, especially in sectors and regions attracting less investment, in order to achieve the above-mentioned ambitions and those put forward in the Green Deal, provided that such lending complies with EIB eligibility criteria and that the EIB maintains its AAA rating;

27. Welcomes the fact that the EIB is the world's largest issuer of green bonds and a pioneer in launching the successful green bonds which have raised more than EUR 23 billion over 11 years, with the global green bond market now worth more than EUR 400 billion; notes that a major challenge has been to set common standards so as to avoid greenwashing; welcomes the EIB's new Sustainability Awareness Bonds, launched in 2018 and designed to support investment related to the UN Sustainable Development Goals; underlines the importance of setting common standards regarding these new bonds to ensure that projects are transparent, verifiable and measurable; calls on the EIB to continue and to expand the issuance of green bonds, aimed at facilitating implementation of the European Green Deal and to be purchased by the European Central Bank, and to help develop the green bonds market built on work under the EU Action Plan on Financing Sustainable Growth, including the EU Sustainable Finance Taxonomy;

28. Calls for the European Investment Fund (EIF) to be fully integrated into all EIB climate measures; calls on the EIF to give greater priority to innovation needs for the transition to a climate-neutral Europe; calls on it to ensure that in all its investments it is actively engaging with investee companies on enhancing their climate-related disclosures, reducing their emissions, and steering investment towards cost-effective alternatives (e.g. energy efficiency or climate-proofing for resilience);

29. Welcomes the fact that in 2018 29 % of the EIB’s lending was climate-related;
30. Calls on the ECB, within its ongoing strategic review, to explore tools for support and coordination with the EIB, in particular in its role as the EU's climate bank, especially in the financing of the green transition and the sustainability of the economy;

31. Recalls that the EIB’s climate strategy was adopted in 2015 together with its eligible sectors and eligibility criteria for climate and the Climate Implementation Strategy; asks for a review in 2020 of the Implementation Strategy for Paris alignment, including a concrete roadmap for reaching the 50 % granular target1 by 2025, as well as guarantees for climate neutrality of the remaining lending following an open and transparent public consultation process; calls on the EIB to extensively inform stakeholders and the wider audience once the documents are adopted; reminds the EIB that green investments must be viable and facilitate cohesion between Member States;

32. Calls for a strengthening of the eligibility criteria for climate action in order to avert the risk of investments not resulting in significant reductions in greenhouse gases (GHG), by ensuring coherence with relevant EU legislation and aligning EIB activities with the new taxonomy framework; considers that a general provision of ‘do no harm’ should underpin all EIB operations and be included in its declaration on environmental and social standards, which needs to be reviewed in 2020 and aligned with the 1.5°C global warming objective;

33. Welcomes the revised EIB carbon footprint evaluation methodology and calls for its comprehensive implementation, with a particular focus on marginal demand emissions and indirect emissions (‘type 3’); calls for projects to be evaluated comprehensively and not merely by means of an economic life-cycle analysis of their emissions; calls for stringent climate accounting, especially in the economic and financial appraisal of projects for climate tracking for allocated resources and actual spending; calls in this regard for the updating of the estimation of utilisation rates calculations;

34. Is of the opinion that the EIB should require its intermediary clients to disclose their exposure to fossil fuels, and should gradually apply restrictions to heavily exposed intermediaries; expects that by the end of 2025 all intermediaries will have a decarbonisation plan, since this is indispensable for their financing to continue; stresses that such new requirements should not operate to the detriment of access to finance for SMEs;

35. Welcomes the fact that the EIB has ended its support to the coal sector effectively already in 2013 by the adoption of the 2013 version of its energy lending policy; is of the opinion that, in line with best practices in the commercial banking sector2, EIB financing should be subject to a science-based transition plan with clear targets and time-based commitments to align with the Paris Agreement, with a view to phasing out its support for

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1 ‘Granularity: where possible and relevant, the Bank will seek to record only the components of climate action embedded within larger overall projects or programmes. This approach allows greater granularity and is in line with the harmonised MDB methodology’ (EIB: ‘Climate Action Lending – List of eligible sectors and eligibility criteria,’ 20 December 2017).

2 Crédit Agricole has undertaken to end support for undertakings which develop or plan to develop their activities in the coal sector. Its zero tolerance policy applies to all enterprises which develop or plan to develop their activities in the coal sector, ranging from extraction and energy production to trade and transport.
projects whose activities lead to significant GHG emissions; calls on the EIB to offer advice on how companies can decarbonise;

36. Calls on the EIB to include clauses in financing documentation requiring the beneficiaries of its loans to undertake to fully deliver any decarbonisation objective that may have been included in their loan application; considers that such clauses should contain a provision that disbursements shall be conditional on the satisfactory fulfilment of these undertakings, and that in cases where disbursements are to be made prior to the delivery of the decarbonisation objectives there should be an efficient ex-post indemnity regime;

37. Welcomes the new EIB energy lending policy, especially its potential to be a game-changer among financial institutions in terms of roll-on effect on other banks; welcomes the fact that the policy covers financial intermediaries, the prioritisation of energy efficiency and renewable energy, with a positive reference to energy communities and micro-grids, and the potential it represents for increased financial support for local energy sources in order to put an end to Europe's high dependence on external sources of energy and to secure supplies; notes that exceptions are applicable to the approval of certain gas projects until the end of 2021, and that support for gas projects planned for the transport of low-carbon gases might continue; stresses the risk of investing in stranded assets via loans to fossil fuel infrastructure; calls on the EIB to clarify that it will not initiate any appraisal of any fossil fuel-related project which had not been submitted to it prior to 14 November 2019; calls for this policy to be regularly reviewed and constantly kept in line with the European Sustainable Finance Taxonomy, and, once it has been formally adopted, for the Taxonomy to be used as a benchmark for its climate and environmental investments, so to stay consistent with a pathway compatible with limiting global warming to below 1.5°C, as well as with the development of appropriate new external actions in the EU;

38. Insists that the EIB implement the principle of energy efficiency and set the objective of tackling energy poverty in all its energy lending, taking into account the impact of energy efficiency on future demand and its contribution to energy security;

39. Believes that the review of the EIB transport lending policy is a key priority; calls for the swift adoption of a new transport financing policy to decarbonise the EU transport sector by 2050; underlines that the EIB should continue its engagement in financing innovation and green technology for aviation, including the development of sustainable biofuels, electrification and hybrid technology, in order to decarbonise aviation and achieve the primary goal of the Paris Agreement;

40. Calls for new policies to be implemented in the carbon-intensive industrial sectors in which the EIB is active, such as cement, petrochemicals and steel, focusing on the sustainability of these sectors and on the promotion of a circular economy based on non-toxic material cycles, with a view to aligning all sectoral loans to achieving climate neutrality by 2050 at the latest; recalls that a large-scale change can only be achieved if industry is taken on board;

41. Reminds the EIB that biodiversity protection is a key element of adaptation to climate change and that the restoration of ecosystems is the only proven technology when it comes to negative emissions; calls on the EIB to further develop biodiversity-proofing components in its financial instruments in order to avoid adverse effects on biodiversity; also calls on the EIB to commit to ending the financing of projects which contribute to the loss and degradation of biodiversity and ecosystems and to illegal deforestation, to
substantially increase its funding with a view to achieving the EU’s objectives in this area, in particular the objective of zero net deforestation and the objectives of marine and coastal protection, and to support pro-biodiversity and adaptation actions, key ecosystem services such as pollination, and green infrastructure;

42. Welcomes the hydropower guidelines adopted in 2018\(^1\), and calls for the extension of the transparency requirements to all infrastructure projects, including those financed by financial intermediaries;

43. Invites the EIB to work with small market players and community cooperatives in order to consolidate small renewable energy projects and thus enable them to meet the conditions for EIB financing;

**The EIB’s role in the European Green Deal and the Just Transition Mechanism**

44. Underlines the crucial role of the EIB in meeting the objectives set out in the Sustainable Europe Investment Plan and achieving the goals of the European Green Deal (EGD) and the Just Transition Mechanism (JTM), while recognising the importance of both private and public sectors in delivering over the next seven years the investment targets of EUR 1 trillion and EUR 100 billion under the EGD and the JTM respectively;

45. Encourages the EIB to support projects aimed at facilitating a just transition in the Member States; considers that, since Member States have different starting-points, the EIB should focus its support on those Member States having the greatest distance to travel; underlines that the transition towards a carbon-neutral economy must leave no one behind; calls on the EIB, therefore, to ensure adequate support, including technical assistance, for the most affected regions, taking into account the different economic situations and capacities of the Member States; highlights, in particular, the need to proactively support areas where jobs are currently dependent on high-emitting industries, by providing investment in training and alternative economic opportunities in order to effectively leverage the necessary private and public resources and promote the transition towards a greener economy;

46. Stresses the need for an anticipatory and participatory approach so as to ensure that all parts of society benefit from the transition; calls for support for affected regions (coal-mining, carbon-intensive, etc) and communities, as well as for the workforces of the sectors most affected by decarbonisation, while also fostering the development of new joint projects and technologies for and with those communities and regions;

47. Considers that for the EIB to become the EU’s climate bank and play a role in the just transition, it needs to advance mechanisms to better incorporate the input from various stakeholders, such as local and regional authorities, trade unions, NGOs and relevant experts, in its investment strategy;

48. Calls on the EIB to commit to and present a fair, coherent and inclusive plan, in consultation with the Member States and regions and in accordance with their social and geographic circumstances, in order to effectively leverage the necessary private and public resources and promote the transition towards a greener economy; emphasises, in this

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regard, that special attention must be paid to the protection of the citizens and workers who will be most affected by the transition, inter alia by providing access to reskilling programmes and promoting investments in new economic sectors that will create new and high-quality jobs;

**Small and medium-sized enterprises (SMEs) and mid-caps**

49. Welcomes the EIB Group's willingness to enhance the EU’s competitiveness and give its backing to growth and job creation, through support in areas including innovation, SMEs, infrastructure, social cohesion, climate and the environment;

50. Underlines that, irrespective of the EIB’s active involvement in working towards achieving the climate neutrality objectives, it should maintain its focus on supporting projects that deliver regenerative growth and job creation;

51. Welcomes the strong financial support of the EIB for SMEs, with a total investment, in 2018, of EUR 23.27 billion, which has benefited 374,000 companies employing 5 million people; takes note of the results of the 2019/2020 EIB investment report with regard to the financing of SMEs and mid-caps; considers that supporting SMEs and mid-caps must remain a fundamental objective for the EIB, and urges increased efforts for and greater emphasis on the financing of SMEs in order to reduce the funding gap for these companies; welcomes, in this sense, the SMEs window in the InvestEU fund; stresses the need to focus on long-term financing, especially by supporting projects that would not be financed otherwise, in particular for innovative start-ups and SMEs; emphasises, however, that the EIB’s financing activities are no substitute for sustainable fiscal policies in the Member States;

52. Notes that SMEs are twice as likely as large firms to be financially constrained in terms of external finance, and that the proportion of finance-constrained firms across the EU ranges from 1% to as high as 13%;

53. Notes that external financing for all firms across the EU accounts for just over one-third of their investment funding;

54. Considers that, given the strategic role of SMEs, the EIB should continue its financial support and reinforce its administrative and advisory capacities so as to provide information and technical support to SMEs with a view to facilitating their access to finance, taking into account the less developed regions;

55. Stresses that, in order to achieve its ambitions, the EIB may need to take further risks, in addition to increasing its own funds and building expertise in innovative financing instruments; calls on the EIB shareholders to ensure adequate resources to enable it to use innovative instruments to finance projects with significant potential to produce sustainable, social and innovative gains; calls, therefore, for an increase in the EIB’s capitalisation following publication of the results of the external evaluation, to allow for more long-term loans and innovative instruments in the financing of projects with substantial potential sustainability and social and innovation gains, including projects creating sustainable jobs and reducing inequalities as well as growth capital to enable SMEs to scale up their operations; emphasises the importance of the additionality factor to be provided by the EIB to investments across the EU, and of cooperation with multiple partners; points out furthermore that the added value provided by EIB financing also
entails providing technical advice and capacity-building in order to help projects become investment-ready and ensure as much geographical balance as possible;

56. Suggests that the EIB further green its SME portfolio, for example by earmarking higher shares to greener projects and by providing support to intermediary banks for setting up products that incentivise energy efficiency or renewable energy; suggests furthermore that the EIB support SME digitalisation with a view to closing the digital divide;

57. Questions, in this context, the EIB’s investment appeal towards small businesses and asks whether it is being overly restricted by its limitations on funding projects with a significant risk component;

**Lending outside the EU**

58. Welcomes the fact that the EIB is active in more than 130 countries outside the EU, lending to projects to support EU external cooperation and development policies;

59. Notes that in 2018 the EIB signed financing contracts for 101 new projects outside the EU with a total of approved financing of EUR 9,05 billion, aiming at enabling total investments of EUR 41 billion, with record levels of lending for climate and social and economic infrastructure;

60. Urges the EIB, the largest multilateral lender in the world, to maintain its leading role in future EU financing and to foster sustainable finance outside Europe, maintaining a key role in the establishment of EU financing mechanisms for third countries;

61. Notes that around 10 % of EIB lending goes to third countries and that most support is allocated to Upper Middle Income Countries, with only a few operations being financed in the Least Developed Countries;

62. Notes the Commission’s evaluation of the EU guarantee to the EIB against losses under financing operations supporting investment projects outside the Union; considers that the EIB should improve the coherence and alignment of its external lending with the EU’s foreign and development policy goals and Member States’ interventions, in order to best support the EU’s policy objectives;

63. Encourages the EIB to improve its expertise on development projects, particularly projects involving direct loans to the private sector;

64. Encourages the EIB to enhance local cooperation, including before and during the implementation of projects, and to improve cooperation with EU delegations;

65. Considers that the EIB should enhance its monitoring of projects and improve its reporting and evaluation of actual results achieved and its analysis of actual economic, social and environmental impacts; suggests, therefore, increasing local staff numbers in partner countries;

66. Notes that the amount of climate-related financing signed in 2014-2018 is above the external lending mandate (ELM) target of 25 %;
67. Asks the EIB to make full use of contractual clauses enabling it to suspend disbursements in cases of projects' non-compliance with environmental, social, human rights, tax and transparency standards;

68. Notes that around 40% of ELM operations go through financial intermediaries, and asks the EIB to provide more comprehensive and regular information on the redistribution of loans by financial intermediaries; asks the EIB to maintain its checks on loans allocated via non-local financial intermediaries; highlights, in relation to the National Promotional Banks and Institutions (NPBIs), the importance of, on the one hand, rethinking their relationships with the EIB, the European Bank for Reconstruction and Development (EBRD) and the development banks, in order to ensure coherence between their respective mandates, and, on the other hand, of strengthening their cooperation with the Commission, the EIB and national, regional and local authorities, in order to create more synergies between the ESI Funds and EIB financing instruments and loans, reduce administrative burdens, simplify procedures, increase administrative capacity, boost territorial development and cohesion, and improve the visibility of ESI Funds and EIB financing;

69. Takes note of the EIB evaluation report of July 2017 on intermediated lending in ACP countries (Africa-Caribbean-Pacific region); is concerned about the visible lack of control over the funds managed by financial intermediaries and the difficulty of monitoring the benefits of the loans; stresses, in particular, that between 2015 and 2018 some 30% of intermediated lending was not specifically earmarked;

70. Notes that human rights principles are integrated into the Bank’s key due diligence procedures and standards; urges the EIB, in the context of the forthcoming revision of its environmental and social standards policy, to strengthen its human rights strategy, including the risk of reprisals against human rights defenders and whistle-blowers, and to respect the requirement to duly inform and consult local communities; believes that this policy should be conducted through the assessment of human rights risks, and in particular should contain a methodology for avoiding negative impacts on human rights defenders, as well as adequate responses should that happen, by, inter alia, guaranteeing the effective right to access to information and the requirement of a genuine ex-ante consultation with indigenous people affected by the investment; considers that the strategy should also include the systematic assessment of human rights risks, including an ex-ante evaluation, and continuous monitoring on the ground; calls on the EIB to include in its contracts clauses allowing for the suspension of disbursements in the case of serious violations of human rights or environmental and social standards, and to ensure that complaints mechanisms are easily accessible even for remote and marginalised communities and are timely and effective;

71. Welcomes the fact that the EIB already employs human rights specialists and recommends that it further recruits such specialists from partner countries, so that it has a better understanding of local situations and can monitor any abuses;

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72. Welcomes the signing of a Memorandum of Understanding by the EIB and the Japanese International Cooperation Agency (JICA) on 26 September 2019, which will allow further co-financing and co-investment to be undertaken in developing countries; believes that this collaboration reinforces the important strategic partnership between the EIB and JICA in supporting projects in third countries which address global issues;

73. Notes the recent statements by the EIB President, Werner Hoyer, on the EIB's focus on development; also notes that the EIB has proposed a dedicated development subsidiary, the European Bank for Sustainable Development; asks the EIB to hold a dialogue with Parliament about its plans to establish a subsidiary integrating its development activities, particularly in the context of the discussions with the Council following the report by the High-Level Group of Wise Persons on the European financial architecture for development;

74. Calls on the EIB to follow best practices and extend the principle of free, prior, and informed consent to all affected communities in case of land and natural resource-based investments, as distinct from only addressing indigenous people;

**Governance, transparency and accountability**

75. Recalls that the same principles of accountability and transparency should apply to all EU bodies; insists that the heightened economic role of the EIB Group and the increase in its investment capacity and use of the EU budget to guarantee its operations must go hand in hand with transparency, responsibility and accountability regarding its economic operations, its use of the EU budget guarantee, the additionality of EIB operations, and possible future plans for a development subsidiary at the EIB; calls for transparent decision-making and close collaboration with the EU institutions in order to assure the coherence and credibility of the objectives set; notes that the EIB Group’s transparency policy is based on a presumption of disclosure, and reminds the EIB of its legal obligations under the Aarhus Convention on access to information, public participation in decision-making and access to justice in environmental matters in the EU;

76. Supports the commitment made by the EIB, under the third Diversity and Inclusion (D&I) strategy, which covers the period 2018-2021, to increase the numbers of women at senior officer level to 50 % by 2021; calls on the EIB to ensure that it meets its objective of obtaining the Economic Dividends for Gender Equality (EDGE) Certification in the next twelve months;

77. Welcomes the fact that, as recommended in the latest Parliament reports, public summaries are now to be produced of Management Committee meetings; stresses the need to publish the content of the meetings of all the EIB’s governing bodies systematically, and asks for more transparency concerning the meetings of the Management Committee and their outcomes;

78. Asks the EIB to publish, in line with EU legislation, information relating to direct loans subject to the approval of the Management Committee, including by publishing for each project the opinion of the Commission and that of the Member State in which the project is located, as well as the Results Measurement (ReM) sheets upon request;

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1 As recalled by the European Court of Auditors in 2018.
79. Calls on the EIB to review its transparency policy in 2020 with a view to the timely publication of more ample information on all its financing activities, so as to ensure that its transparency policy is compliant with its social, climate and environmental commitments; underlines the importance of coherence of the EIB’s activities with EU policies;

80. Calls on the EIB to further enhance transparency and access to information, especially regarding the contracting and subcontracting system, the results of internal investigations and the selection, monitoring and evaluation of its activities and programmes;

81. Calls on the EIB to ensure the highest level of integrity of its financial intermediaries, and that their loans be subject to the same transparency requirements as other types of loan; calls on the EIB to cease working with financial intermediaries with a negative track record as regards transparency, fraud, corruption, organised crime or money laundering or respect for human rights; stresses that such new requirements should not be to the detriment of access to finance for SMEs;

82. Calls for the regulatory framework governing the EIB’s duty of care obligations to be revised, in particular so as to strengthen its contractual terms vis-à-vis its clients, for example regarding fraud and corruption;

83. Calls on the EIB to improve stakeholder engagement and public consultation processes related to projects it finances; requests the EIB to better oversee and monitor the various stages of stakeholder engagement and ensure that project promoters have robust safeguards in place through binding requirements;

84. Calls on the EIB to step up its due diligence obligations in line with the EU anti-money laundering legislation, and to provide a full regulatory framework that enables it to effectively prevent involvement in illegal activity and ensure a proper sanctioning regime for failure to comply with EU law;

85. Expects the EIB to adapt its internal policies to take account of the new legal framework put in place to combat not only tax fraud but also tax evasion and tax avoidance, and stresses the importance of the independence and efficiency of its Fraud Investigations Division; encourages the EIB to increase cooperation with the European Anti-Fraud Office (OLAF) and national authorities to prevent fraud and money laundering, and to ensure that the European Public Prosecutor’s Office (EPPO) is informed and to report all cases of potential fraud to the competent authorities; takes a proactive interest in the EIB’s activities; takes the view that EPPO should in the future have a mandate to prosecute criminal activity with regard to EIB funds in those Member States which are members of EPPO; calls for adequate financial resources to be allocated for this new task;

86. Expresses serious concern about the recent article regarding an internal audit of the EIB that identified serious shortcomings in the bank’s application of anti-money laundering standards; welcomes the fact that the EIB is addressing these shortcomings, and urges it to complete its work as a matter of priority by July 2020 and to report to Parliament on the concrete measures taken, in particular those intended to strengthen due diligence on EIB clients; calls on the EIB to share this internal audit report with Parliament and to publish a

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meaningful summary of the audit report and an assessment of how each shortcoming was concretely addressed, making them available to the wider public, so as to assess the EIB’s progress on these issues; suggests, therefore, that the EIB Group update its policy on whistleblowing to reflect Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law\(^1\), which is currently being implemented by the Member States;

87. Notes that the EIB has an Anti-Fraud Policy with an independent office to investigate allegations of fraud reported internally or externally; calls on the EIB to consider updating its policy in order to improve its anti-fraud framework and to ensure adequate resources, especially given the major role it is playing in implementing EU policies such as InvestEU and the European Green Deal; notes that sanctions and remedies are already foreseen in the EIB Anti-Fraud Policy, making it possible for instance to suspend disbursements, seek reimbursement and suspend or cancel projects; calls on the EIB to suspend disbursements in case of serious mismanagement and/or corruption claims;

88. Welcomes the adoption of the revised EIB Group policy towards weakly regulated, non-transparent and non-cooperative jurisdictions\(^2\); calls on other European financial institutions to apply the same standards; expects the EIB to adopt detailed operational procedures and due diligence measures to implement the new NCJ policy; notes that the EIB publishes details of its clients for each operation on its website and verifies the beneficial ownership of its clients when EIB loans they receive are guaranteed by the EU budget in line with EU legislation; calls, furthermore, for the EIB website to link to the registries at Member State level where beneficial ownership data can be obtained; recalls the utmost importance of strengthening its policy on non-transparent and non-cooperative jurisdictions in light of new and existing ways of avoiding taxes, such as using hybrid mismatches, preferential treatment for intellectual property rights or using low or zero tax jurisdictions to shift profits, notably by subjecting the granting of direct and indirect loans to the country-by-country publication of tax and accounting data; calls on the EIB to present a list of outstanding transactions, especially where the list of international tax havens is concerned; calls on the EIB to make full use of its Anti-Tax Avoidance Toolbox for risk-sensitive projects in the course of its tax due diligence, and to use relocation requirements when necessary; notes the revised EIB Group AML-CFT Framework, and calls on the EIB to update its policy in light of the Fifth Anti-Money Laundering Directive, and to cooperate with the relevant authorities to ensure adequate sanctions for breaches of law and stringent standards on financial intermediaries;

89. Takes note of the review of the EIB complaints mechanism policy and procedures to ensure that the mechanism is fully functional in order to detect and redress possible human rights violations in EIB-related projects; calls on the EIB to ensure the independence and effectiveness of that mechanism; encourages the implementation of the recommendations made by the European Ombudsman;

90. Calls on the EIB to enhance its cooperation with the European Ombudsman;

\(^1\) OJ L 305, 26.11.2019, p. 17.

\(^2\) EIB, ‘EIB Group Policy towards weakly regulated, non-transparent and non-cooperative jurisdictions and tax good governance’, March 2019
91. Welcomes the EIB Group's Strategy on Gender Equality and Gender Action Plan, and looks forward to the Action Plan's second phase of implementation;

92. Calls on the EIB to encourage the participation of women and actively promote a balanced gender representation in its senior positions;

93. Calls on the Commission, the European Court of Auditors (ECA) and the EIB to enhance the role of the ECA in the upcoming renewal of the tripartite agreement governing the rules of engagement; calls for the ECA to be empowered to audit all EIB operations, including evaluating the cost-effectiveness of its investment efforts and the additionality of its projects, and for these audits to be made public; also calls on the ECA to draw up recommendations on the results of the EIB’s external lending activities and their alignment with EU policies;

94. Calls for an interinstitutional agreement between the EIB and Parliament to improve access to EIB documents and data;

95. Calls, as a matter of urgency, for Parliament’s powers to be strengthened as regards the strategic direction and policies of the EIB, in order to ensure democratic scrutiny of investments, including the ability to submit questions for written answer to the EIB as already provided for in the case of the ECB; calls on the EIB Group to improve its accountability on these issues, and suggests the idea of a quarterly dialogue with the relevant committees of Parliament, to ensure participation in the investment strategy of the EIB as well as adequate oversight; stresses the importance of greater scrutiny by Parliament over the decisions of the EIB Board of Directors, and points to the possibility of Parliament having observer status in the Board’s meetings to ensure better information sharing; demands that the Commission increase its transparency towards Parliament on the positions it takes in the EIB Board of Directors; calls for a memorandum of understanding between the EIB and Parliament to improve access to EIB documents and data related to strategic orientation and financing policies in the future, in order to strengthen the Bank’s accountability;

96. Asks the President of the EIB to submit this resolution to the Directors and Governors of the EIB, and calls for it to be debated in the Management Committee;

97. Instructs its President to forward this resolution to the Council and the Commission.