The European Parliament,

– having regard to the European Investment Bank (EIB) Group 2019 Activity Report,


– having regard to the EIB Group Sustainability Report 2019 and its accompanying EIB Group Carbon Footprint Report,

– having regard to the Report on the implementation of the EIB Group Transparency Policy in 2019,

– having regard to the EIB Complaints Mechanism Report 2019,

– having regard to the Annual Report 2019 on EIB Activity in Africa, the Caribbean, the Pacific, and the Overseas Countries and Territories,

– having regard to the Audit Committee Annual Report for the year 2019,

– having regard to the EIB Investment Report 2019/2020: accelerating Europe’s transformation,

– having regard to the EIB Group Corporate Governance Report 2019,

– having regard to the Fraud investigations Activity Report 2019,

– having regard to the EIB Group Operational Plan 2019,

– having regard to the 2019 EFSI Report from the European Investment Bank to the European Parliament and the Council,
having regard to European Court of Auditors (ECA) Special Report no 03/2019 of 29 January 2019 entitled ‘European Fund for Strategic Investments: Action needed to make EFSI a full success’

having regard to ECA Special Report no 12/2020 of 12 May 2020 entitled ‘The European Investment Advisory Hub – Launched to boost investment in the EU, the Hub’s impact remains limited’,

having regard to the European Investment Advisory Hub Report 2019,

having regard to the Commission’s evaluation of Decision No 466/2014/EU of the European Parliament and of the Council of 16 April 2014 granting an EU guarantee to the European Investment Bank against losses under financing operations supporting investment projects outside the Union (SWD(2019)0333), and the executive summary thereof (SWD(2019)0334), published on 13 September 2019,

having regard to Articles 3 and 9 of the Treaty on European Union,

having regard to Articles 15, 126, 174, 175, 208, 209, 271, 308 and 309 of the Treaty on the Functioning of the European Union (TFEU), to Protocol No 5 thereto on the Statute of the EIB and to Protocol No 28 thereto on economic, social and territorial cohesion,

having regard to the Rules of Procedure of the European Investment Bank,


having regard to the Commission report of 28 May 2019 on the management of the guarantee fund of the European Fund for Strategic Investments (EFSI) in 2018 (COM(2019)0244),

having regard to the Tripartite Agreement of September 2016 between the European Commission, the European Court of Auditors and the European Investment Bank,

having regard to its resolution of 10 July 2020 on control of the financial activities of the European Investment Bank – annual report 2018

having regard to Rule 54 of its Rules of Procedure,

having regard to the report of the Committee on Budgetary Control (A9-0215/2021),

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

2 OJ L 169, 1.7.2015, p. 1.
B. whereas the primary objective of the EIB, according to Article 309 TFEU, is to contribute to the balanced and steady development of the internal market in the interest of the Union, by facilitating the financing of projects for developing less developed regions, and projects of common interest to several Member States which are of such a size or nature that they cannot be entirely financed by the various means available in the individual Member States;

C. whereas the EIB Group is treaty-bound to contribute to EU integration and regional development, in accordance with Article 309 TFEU and Protocol 28;

D. whereas the EU has experienced severe underinvestment since the financial crisis while facing an urgent investment demand to cope with the required green and digital transformation of the economy and society;

E. whereas the EIB adopted a new Energy Lending Policy in November 2019 and a Climate Bank Roadmap in December 2020;

F. whereas the EIB is expected to play a key role in financing the European Green Deal through the Sustainable European Investment Plan;

G. whereas the EIB is expected to support a fair green transition through the Just Transition Mechanism;

H. whereas public policy goals such as territorial and social cohesion, sustainable development, and tackling (youth) unemployment, poverty and social exclusion should be the core focus and targets of the Bank in its task of contributing to the balanced and steady development of the internal market;

I. whereas from 2014 to 2019, the Bank provided more than EUR 100 billion of financing in cohesion regions;

J. whereas the EIB is considering becoming the first Multilateral Development Bank to be aligned with the Paris Agreement and the Council already asked the EIB and the EBRD to present these plans for future discussions;

K. whereas safeguards against fraud, including tax fraud and money laundering, and against the financing of terrorism risks and corruption have to be duly included in the EIB’s due diligence and contractual conditions;

L. whereas the EIB plays an important role outside the EU through its external lending activities as the biggest multilateral financial institution in the world;

M. whereas the EIB plays a central role in the efforts of the EU to ensure the implementation of the Agenda for Sustainable Development;

Main track record of EIB funding activities 2019

1. Notes that in 2019, the Bank’s lending signatures amounted to EUR 63,3 billion (of which EUR 61,9 billion under the Bank’s own resources), in line with the target set in the 2019 Operational Plan (EUR 63 billion +/-10 %) and significantly above 2018 volumes (EUR 55,6 billion, of which EUR 54,3 billion under the Bank’s own resources); notes that total disbursements reached EUR 48,1 billion in 2019 (of which EUR 47,5 billion under
the Bank’s own resources), compared to EUR 52.6 billion in 2018 (of which EUR 51.8 billion under the Bank’s own resources); observes that the EIB generated healthy financial results, recording an annual net surplus of EUR 2.4 billion in 2019 as compared to EUR 2.3 billion in 2018;

2. Takes note of the rate of impaired loans, which stood at 0.4 % of the total loan portfolio at the end of 2019 (0.3 % at the end of 2018) despite the Bank’s recent move towards higher risk lending operations;

3. Notes with appreciation that in 2019 the EIB met its annual target for cohesion lending of at least 30 % of all new operations in the EU, pre-accession and EFTA countries; notes that in 2019 the EU provided EUR 16.13 billion to projects in EU cohesion regions; highlights the paramount importance of the continued support to the regional development and EU social and economic cohesion objectives as laid down in Protocol 28 to the Treaties;

4. Notes the inclusion in the EIB Operational Plan 2019 of references to the UK withdrawal from the EU and of the outcomes of discussions on the EIB’s role in the multiannual financial framework for 2021-2027; supports the focus on the higher-risk ‘Special Activities’ business line, including projects linked to EFSI and the Advisory Services, with 530 new assignments expected in 2019 to support EUR 35 billion in investments;

5. Welcomes the new EIB Group Equity Strategy that will aim to better address investment gaps in the equity market; calls on the EIB to implement the recommendation from the study ‘The EIB and the new EU missions framework’ to further promote higher risk-taking by developing suitable patient, long-term, higher-risk financial instruments building on existing risk-sharing mechanisms (e.g. EFSI, InnovFin);

6. Welcomes the adoption in 2019 of the new Climate Risk Assessment (CRA) to provide a systematic assessment of the physical climate risk in direct lending, allowing the EIB and its client to understand how climate change may affect the financed project and to identify remedial measures;

7. Welcomes the adoption of a new tax policy in March 2019, incorporating measures to counter tax avoidance via tax integrity due diligence checks and an anti-tax avoidance toolbox; notes that the EIB will not be able to invest in countries featured on the EU black list of prohibited jurisdictions, and that non-compliant jurisdictions will receive ‘enhanced vigilance’; reiterates that heightened tax due diligence should apply whenever tax havens appears in the corporate structure of clients, promoters or intermediaries;

8. 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 anti-money laundering and countering the financing of terrorism (AML-CFT) framework and calls on the EIB to update its policy in light of the 5th Anti-Money Laundering Directive, which entered into force in January 2020, and to cooperate with the relevant authorities to ensure adequate sanctions for breach of law and stringent standards on financial intermediaries;

9. Notes that in 2019 the EIB’s complaint Mechanism registered 84 new cases, handled 173 cases and closed 113 cases; invites the EIB to continue its effort to enable civil society to report cases of concern that will be dealt with in an effective and independent manner;
stresses the importance of monitoring how the Complaint Mechanism’s recommendation are implemented; calls on the EIB to address the findings of the Complaint Mechanism with concrete actions;

10. Welcomes the fact that the EIB is implementing its exclusion policy and is committed to applying it rigorously through discretionary exclusion proceedings and settlement agreements; asks the EIB to report about the number and scope of the decisions on suspension/interruption of payments and/or retrieval of loans or requests for anticipated reimbursement of loans as a consequence of prohibited conduct or other malpractices affecting the financed activities; calls on the EIB to report about the nature of the financial support affected by the alleged misbehaviours and about the geographical distribution of such cases, if it is legally possible to do so;

11. Welcomes the EIB Group Update on COVID-19 in the EIB Financial Report 2019, shedding light on the emergency response package adopted in 2020 to support the small and medium-sized enterprise (SME) and mid-cap sectors in the Union, encompassing liquidity lines and guarantee schemes for banks and asset-backed securities purchase programmes and considering the creation of a European Guarantee Fund (EGF) focused on financing support to SMEs; notes with appreciation that the EIB Group has extended its contribution outside of the EU, with a focus on investments in the health and private sectors; urges the EIB to require companies supported by the EGF or other funding programmes put in place to tackle the COVID-19 crisis to contribute to achieving the 2030 targets proposed by the Commission in the European Pillar of Social Rights Action Plan, as well as to comply with social and environmental conditions, including the adoption of decarbonisation plans, so as to increase their resilience, and to refrain from paying out dividends, bonuses for senior management and share buy-backs;

12. Welcomes in this sense the SMEs window in the InvestEU fund; stresses the need to focus on long-term financing, namely 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; calls on the EIB to increase investment in breakthrough innovations, especially for the green transition, in order to support European companies;

13. Calls on the EIB to increase financing to address the technological transition, support development of skills adapted to the current and future labour market needs, further promote investment in digital skills of employees and entrepreneurs, digital infrastructure and capacity-building for digitalisation, provide funds for long-term research and innovation and SMEs, support the social economy and enhance social and territorial cohesion, namely by filling current investment gaps in public housing and infrastructure;

14. Notes the different economic situations and capacities of the Member States and underlines the importance of ensuring a just transition to help the most affected regions and countries to adjust to imminent changes so that no one is left behind; highlights the need to proactively support areas where jobs are currently dependent on high-emitting industries, with substantial investment in training and alternative economic opportunities to guarantee quality jobs, thereby ensuring a smooth transition; takes the view that consistency and coordination with other EU financing instruments in this regard will be crucial;
15. Recalls the Gender Action Plan, endorsed with the intention of guiding the implementation of the EIB gender strategy and integrating the promotion of gender equality into the EIB business model; calls on the EIB to report on the progress achieved in the first phase of the action plan, on objectives such as revising the due diligence framework to address impacts and risks of EIB investments for the rights of women, ensuring equal access to benefits generated by EIB investment, and investing in women’s participation in the economy and the labour market;

**EFSI functioning and effectiveness**

16. Recalls that the EFSI has a distinct governance structure than the EIB and its investment operations take place within two thematic areas, i.e. the Infrastructure and Innovation Window managed by the EIB and the SME Window managed by the European Investment Fund (EIF);

17. Takes note of the results presented in the European Investment Advisory Hub Report 2019; commends the positive impact of the European Investment Advisory Hub (EIAH); calls to further strengthen the EIB’s in-house financial and advisory capacities to ensure long-lasting commitment to the implementation and long-term financing horizon of EU missions such as beating cancer, adapting to climate change, ensuring a fair transition in the regions most impacted by the Green Deal transformations, protecting our oceans, living in greener cities and ensuring soil health and food; welcomes the fact that in following up on the ECA’s recommendations, the EIB presented its ‘Study in response to ECA Recommendation 5: improving the geographical spread of EFSI supported investment’ in July 2019; takes note of the conclusions of this analysis; which documents considerable efforts on the side of the EIB and the Commission to facilitate a more balanced geographical distribution of EFSI investment to contribute to sustainable long-term economic convergence across the Union;

18. Calls on the EIB to make geographical distribution of EIB financing more balanced, in accordance with its role in ensuring territorial and social cohesion; calls for the EIB to address shortcomings that prevent certain regions or Member States from taking full advantage of its financial instruments;

19. Calls for the strengthening of technical assistance and the financial expertise of local and regional authorities, especially in regions with low investment capacity, before project approval, in order to improve accessibility; calls for intensified cooperation with national promotional banks and institutions;

**The EIB’s role in financing the European Green Deal**

20. Recalls that in November 2019, in line with the political ambition behind the European Green Deal, the EIB Board of Directors decided to increase the level of climate and environment commitment for the EIB Group with the aim to transform the EIB from ‘an EU bank supporting climate’ into ‘the EU’s climate bank’ and pledged to gradually increase the share of its financing dedicated to climate action and environmental sustainability to reach 50% of its operations in 2025 and to align all financing activities with the goals of the Paris Agreement from the end of 2020; welcomes the adoption of the Climate Roadmap; calls on the EIB to assess the consistency of the projects already in the pipeline before November 2020 with the objective of climate neutrality by 2050 while
ensuring business continuity, taking into account the transition period provided for until the end of 2022;

21. Welcomes the EIB’s use of a progressively increasing shadow cost of carbon as part of the overall approach to ensure that EIB operations are consistent with the 1.5°C target, while ensuring a just transition towards a carbon-neutral economy that leaves no one behind;

22. Notes that the climate problem cannot be solved without the support of industry, and that large-scale change can only be achieved if the needs of industry are taken on board and the necessary incentives are given for innovative climate solutions;

23. Notes that according to the EIB Sustainability Report, absolute emissions of the EIB portfolio in 2019 are estimated at 3.9 million tonnes of CO2e per year, up from 2.2 million tonnes of CO2e per year in 2018; notes that the overall reduced or avoided emissions from the same financing are estimated at 3.1 million tonnes of CO2e per year in 2019 compared to 3.5 million tonnes of CO2e per year in 2018; calls on the EIB to increase efforts to decrease absolute emissions; calls on the EIB to systematically disclose greenhouse gas (GHG) footprint calculations for all projects that are subject to carbon foot printing, in order to enhance transparency;

24. Welcomes the Energy Lending Policy agreed by the EIB Board of Directors in November 2019 and in particular the decision to end financing for fossil fuel energy projects; notes however that gas infrastructure projects included in the fourth list of Projects of Common Interest and gas projects already under appraisal by 14 November 2019 are not excluded from EIB financing until the end of 2021; highlight that these projects could be financed as long as they contribute to the task of the EIB to facilitate a just transition and balanced development in the EU; notes that in 2019 the EIB provided EUR 685 million of financing to natural gas transmission and distribution; calls on the EIB to assess and address potential risks linked to lock-in of carbon intensive assets;

25. Reminds the EIB of Parliament’s call to explain how the Trans Anatolia Natural Gas Pipeline and Trans-Adriatic Pipeline will be aligned with the goals of the Paris Agreement by the end of 2020; notes that the project is subject to an enquiry by the European Ombudsman concerning the failure of the EIB to ensure proper climate impact assessment for both projects; urges the EIB to address any shortcomings of the environmental impact assessment and address negative environmental, climate and social impacts as a matter of priority;

26. Notes that under the current Energy Lending Policy, gas-fired power plants and gas network projects that are planned to transport low carbon gas are eligible under the condition of a ‘credible plan’ including an emissions trajectory included in the EIB finance contract; calls on the EIB to ensure that the criteria for these plans to be considered credible are in accordance with its mandate in contributing to a just transition, in order to avoid the risk of supporting gas projects which are not aligned with climate targets; notes that the EIB will make a mid-term review of the energy lending policy in early 2022;

1 Filed by environmental NGOs CEE Bankwatch Network, Counter Balance, Re:Common and Friends of the Earth Europe.
27. Notes that in 2019 the EIB supported several projects involving hydropower; welcomes the Environmental, Climate and Social Guidelines on Hydropower Development; welcomes the fact that the EIB is currently upgrading its reporting requirements for intermediated lending to account for counterparty alignment with the Paris Agreement and the EU Taxonomy on Sustainable Finance, as well as reviewing its Environmental and Social Sustainability Framework; stresses that such new requirements should enhance the transparency of EIB operations involving financial intermediaries in order to identify and avoid potential negative environmental or human rights impacts of hydropower operations both inside and outside the EU, while safeguarding access to finance for SMEs;

28. Recalls that the EIB Group has in place an Environment and Social Framework, welcomes the fact that the EIB reports on environmental, social, and economic impacts and provides ex-ante as well as ex-post evaluations of the screening exercise regarding environmental and social impacts; expresses its concern over the risk that the EIB and the EIF finance carbon intensive activities via financial intermediaries; calls on the EIB Group to further monitor the compliance of binding environmental, social, governance and fair taxation criteria as part of the upcoming guidelines on counterparty alignment, including lists of restricted activities and the requirement for clients to have clear and binding decarbonisation plans in line with the Paris Agreement, while safeguarding access to finance for SMEs;

29. Underlines that the financial needs of farmers, especially young farmers and new entrants, are significant, and that farmers and enterprises in this sector have a lower rate of success when applying for financing; calls for the EIB to work on financing initiatives that will boost the accessibility of finance for the agricultural sector;

30. Notes the EIB Group’s growing involvement in the agricultural sector; insists that EIB financing needs to support rural communities and the transition of the agricultural sector in line with European policy objectives including with more respect for animal welfare, and that it should avoid contributing to stocking densities exceeding the carrying capacity of the land;

31. Notes that the financing provided within the Union in 2019 for transport was higher than in 2018 (EUR 9 325 million against EUR 8 237 million in 2018) and that the contraction of financing for roads and motorways was offset by increases in financing for railways and air transport; stresses the importance of aligning the Transport Lending Policy and the EIB’s transport portfolio with the Climate Bank Roadmap, in particular the decarbonisation of the transport sector by 2050 but also with the Commission’s upcoming strategy for sustainable and smart mobility as a response to the new European Green Deal, with other areas of EU transport policy, while ensuring a just transition and balanced social and territorial development; welcomes the EIB’s commitment not to finance existing airport capacity expansion and port infrastructure dedicated to the transport and storage of fossil fuels; calls for the policy to avoid locking in carbon intensive assets and to support modal shifts towards zero-carbon mobility both for freight and passengers at urban and inter-urban level, such as rail, safe cycling and clean public transport, in particular for underserved communities and localities, and for renewables-based electrification infrastructure;

32. Welcomes the EIB’s leading role in the Green Bond Market in 2019 by issuing EUR 4,1 billion in Climate Awareness Bonds (CABs) and Sustainability Awareness Bonds (SABs); stresses the importance of transparent and credible documentation and tracking of
proceeds underlying CABs and SABs and to ensure consistency with the EU Sustainable Finance Taxonomy and the upcoming EU Green Bond Standard;

33. Welcomes the upcoming revision of the EIB’s environmental and social framework and the development of climate, environmental and social risk management tools to assess physical, transition and systemic risks; calls on the EIB to ensure it is in place by the end of 2021; welcomes the EIB’s commitment to adopt the ‘do no significant harm’ criteria from Regulation (EU) 2020/852 as a basis and to set stricter standards whenever justified;

The EIB’s operations outside the EU

34. Recognises that the most important mandate guiding EIB operations outside the Union is the External Lending Mandate (ELM), under which EIB operations during the period from 2014 to 2020 were backed by a dedicated guarantee fund, with a ceiling of EUR 32.3 billion, providing a legal basis and a guarantee to the EIB against losses under financing operations in 68 eligible countries outside the EU; notes that the Commission proposed that the External Lending Mandate (ELM) would not continue in its present form; notes the creation of the European Fund for Sustainable Development Plus (EFSD+) guarantee accommodating new EIB mandates;

35. Welcomes the support of the EIB provided throughout 2019 in the formulation of the Just Transition Mechanism, which helps territories and regions most affected by the transition to a climate-neutral economy, especially those with the least capacity to deal with the cost of the transition; highlights the importance of the EIB for implementing the Mechanism in the next years, ensuring that no regions are left behind;

36. Notes that the Union development policy will be implemented via the new Neighbourhood, Development and International Cooperation Instrument (NDICI), of which the EIB is a key implementer; expresses concern about the use of EU development funds for de-risking private investment given the lack of evidence as to its capacity to provide additionality and fulfil development objectives, as recently reported in the final review of EFSD as well as opinion of the European Court of Auditors No 7/2020 of 11 September 2020; stresses the need for donors to prioritise grant-based financing as the default option, especially to least developed countries, in order to avoid increasing the debt burden;

37. Reiterates that the EIB’s external operations are expected to contribute to EU policy objectives, fostering developing countries’ sustainable economic, social and environmental development, particularly in the most disadvantaged among them, as well as compliance with objectives approved by the Union; recognises poverty eradication, domestic resource mobilisation and human rights as core topics within the EU development finance architecture; recalls that stakeholder engagement is the cornerstone of sustainable and inclusive development;

38. Notes that the EIB is bound by the EU Charter of Fundamental Rights; stresses that human rights principles are integrated into its due diligence procedures and standards at project level including by allowing for the suspension of disbursements in the case of

---

serious violations of human rights or environmental and social standards; notes that the complaints mechanisms was reinforced at the end of 2018; calls on the EIB to ensure that its complaints mechanism is easily accessible, timely and effective, in order to detect and redress possible human rights violations in EIB-related projects; asks the EIB to report to Parliament and the Board of Governors about this;

39. Calls on the EIB to fully support the achievement of United Nations Sustainable Development Goals through its activities within the framework of specific mandates decided by the EU Council of Ministers and the European Parliament;

**EIB governance, transparency and accountability**

40. Reiterates the importance of ethics, integrity, transparency, communication and accountability of the EIB Group in all its operations and policies;

41. Expresses its concern about the lack of transparency of the EIB’s operations through financial intermediaries such as commercial banks and investment funds; stresses the need to assess the economic and social impact of intermediated loans by making information about ultimate beneficiaries available; calls for the EIB to establish standard reporting obligations with financial intermediaries and by the final beneficiaries, respecting where needed the confidentiality agreements between the financial intermediary and the final beneficiary but providing a solid structure for gathering data and information;

42. Expresses grave concern about allegations against the EIB of harassment and sexual harassment in the workplace, impunity for perpetrators of harassment, dissatisfaction of employees, deficiencies in recruitment procedures for senior staff and a lack of functioning employee participation in management; calls on the EIB to ensure that all alleged cases of harassment are independently investigated and to ensure transparency on the outcomes of past and current investigations and the sanctions applied, so as to restore trust and create a culture of accountability; calls on the EIB to publish the results of staff satisfaction surveys for the period 2010-2021; calls for an independent assessment of the transparency and quality of recruitment procedures of senior, managerial, professional and administrative positions in the EIB; calls on the EIB to present an action plan to restore trust between management and staff and to strengthen employee participation in decision-making;

43. Expresses its concern over reports that several former vice-presidents have taken up employment at entities associated with the EIB without respecting a cooling-off period; deplores the fact that such practices are not strictly regulated and prohibited by the EIB’s code of conduct; regrets that the ongoing review of post-employment policy has not yet been finalised and stresses that stricter rules should be implemented; calls on the EIB to align its policy on post-employment with that of the Commission and peer institutions;

44. Expresses concern that the vice-presidents are still responsible, among other countries, for their country of origin which can create conflict of interest; calls on the EIB to act on Parliament’s request to include in the Code of Conduct of the Management Committee a provision excluding the possibility of their members overseeing lending or the implementation of projects in their home countries;

45. Welcomes the EIB decision of 6 February 2019 laying down internal rules concerning the processing of personal data by the Fraud Investigations Division within the Inspectorate
General and the Office of the Chief Compliance Officer; stresses that in terms of Corporate Compliance, adequate resources must be devoted to control and monitor external activities, conflict of interests, procurement and gifts;

46. Regrets the still persistent lack of diversity and gender balance at the senior management level and within the EIB Group’s governing bodies as well as a very high share of women in support functions; notes that the bank set targets to increase the percentage of female managers to 33 % and the share of women at senior executive level to 40 %, and the share of women at executive level to 50 % by 2021; urges the EIB to strengthen its efforts at promoting gender balance at all levels of staff; urges the EIB to encourage the Member States that put forward vice-president nominees to also consider diversity and gender balance targets; calls on the EIB to establish proper representation within its secretariat of nationals from all Member States, while at the same time respecting the competencies and merits of the candidates; calls on the EIB to publish a gender and nationality breakdown of middle and senior management positions;

47. Regrets that the EIB still does not fully disclose the details of the beneficial ownership of its clients; stresses that in some cases the data of the involved economic operators is not communicated by the promoters or financial intermediaries; stresses that the disclosure of beneficiaries and their beneficial ownership is in line with the existing legal framework; recalls, however, that it is possible for Member States to provide for exemptions to the disclosure through the registers of beneficial ownership information and to access to such information, in exceptional circumstances; asks the EIB to use the available tools and to implement the standards promoted by the fifth AML Directive to make accessible such data; invites the Bank to explore which measures could be taken in case of unjustified refusal by a jurisdiction to provide such information; reiterates the need that EIF Compliance and EIB OCCO work together to bring consistency to the design and implementation of the EIB Group policies in the sectors of AML-CFT;

48. Invites the EIB to disclose details of the beneficial ownership of its customers on its website with a view to increasing the visibility of its operations and helping prevent cases of corruption and conflicts of interest;

49. Asks the EIB to make the disbursement of direct and indirect loans conditional on the publication of country-by-country tax and accountancy data, and on the disclosure of information on beneficial ownership by the beneficiaries and financial intermediaries involved in financing operations;

50. Calls on the EIB to finalise the revision of the EIB Group Anti-Fraud Policy (AFP) launched in 2019, in line with demands expressed by Parliament; welcomes the intensive dialogue between the EIB and the European Anti-Fraud Office (OLAF) on its updating; invites the EIB to take advantage of OLAF’s support role, enhanced with the new Commission Anti-Fraud Strategy (CAFS) adopted in April 2019; maintains that the European Public Prosecutor’s mandate should include the prosecution of criminal activities affecting EIB financing;

51. Reiterates the importance of the involvement of relevant national, regional and local stakeholders, including climate experts, trade unions, civil society actors, business representatives, SMEs and academia, when assessing the impact of investments; including through transparent communication, as well as the importance of assessing the needs and expectations of the people impacted by the project; emphasises that consultations must be
inclusive of all the interested communities, accessible to vulnerable groups, tailored to the individual needs of the stakeholders and continuous throughout the project lifecycle; calls for respect for the principle of compliance with the principle of free, prior, and informed consent from all the affected communities (besides the indigenous population) in case of land and natural resource-based investments; asks the EIB to report on the implementation of the above principles; welcomes the Bank’s consultation of stakeholders on selected policies, as laid down in Article 7.10 and 7.11 of EIB Group’s Transparency Policy;

52. Calls on the EIB to take account of all risks to the environment posed by large-scale infrastructure projects, and to finance only projects with proven added value both for the local population as well as in environmental, social and economic terms; stresses the importance of both rigorous monitoring of possible risks of corruption and fraud in this context and conducting meticulous ex-ante and ex-post evaluations of the projects to be financed;

53. Recalls that Article 287(3) TFEU defines the ECA’s audit powers in relation to the EIB; recalls that the ECA is competent to audit the EIB’s activity in managing Union expenditure and revenue; recalls that the Audit Committee is competent to audit the EIB’s share capital according to Article 12 of Protocol 5 (Statute of the EIB); points out that this results in the ECA being unable to provide a complete overview of the links between the EIB Group operations and the Union budget; recalls that Article 308(3) TFEU allows the Council to amend the Protocol on the Statute of the EIB by simple decision without a full Treaty revision; emphasises the increased importance under the new multiannual financial framework of EU guarantees and other financial instruments managed by the EIB; calls therefore on the Council to amend Article 12 of Protocol 5 to give the ECA a role in auditing the EIB’s share capital; notes that the current tripartite agreement between the Commission, the EIB and the ECA concerning audits of operations which are financed or backed by the Union budget expires in 2020; calls on the Commission, the ECA and the EIB to enhance the role of the ECA and further strengthen its auditing powers regarding activities of the EIB in the renewal of the tripartite agreement governing the rules of engagement;

54. Invites the EIB Group and the Commission to launch the revision process of the Financial and Administrative Framework Agreement (FAFA) provisions dating back to May 2014, setting out the rules governing the centrally managed EU instruments entrusted to the EIB Group;

55. Asks the EIB to explore together with the Commission ways to coordinate the Early Detection and Exclusion System (EDES) and the Exclusion Policy of the EIB in order to achieve synergies and to guarantee full coverage of critical situations affecting EIB operations and the Union’s financial interests;

56. Notes the adoption in March 2019 of the EIB Group Whistleblowing Policy and takes note of its compliance with the general principles and standards integrated in Directive (EU) 2019/1937, which entered into force at a later time; regrets that the policy applies solely to cases of internal whistleblowing; expects the EIB’s whistle-blower protection policy to be ambitious and to set high standards; urges the EIB to include both

---

internal and external whistleblowers and to establish clear and well-defined procedures, time frames and guidelines in order to provide whistleblowers with the best guidance and protect them from any possible retaliation;

57. Invites the EIB to enhance its communication strategy; believes that, as the world’s leading donor and multilateral borrower, it is essential that the EIB communicates with clarity and relevance on its mission and its status and that it addresses a wide variety of audiences;

58. Notes the further increase in the number of allegations reported to the EIB Investigative Division in 2019, with 228 new allegations (184 in 2018) out of which 69% originated from staff members and 30% from external sources including project-related parties, civil society and the media; observes that 59% of the investigative actions concern cases of fraud, followed by corruption (15%) and collusion (6%) and that more than one third of the allegations scrutinised are related to the transport sector;

59. Notes that in 2019, out of the 220 cases completed, 40 were substantiated, corresponding to 18% of the cases completed, and resulted either in referrals to competent authorities or in recommendations to EIB Group services; notes also that 62% of such referrals (25 out of 40) were made to OLAF; asks the EIB to report on the outcome of actions undertaken including, where available, amounts that were recovered;

60. Calls on the EIB to increase proactive transparency by making non-confidential documents publicly available in a user-friendly database in a timely manner; reiterates its call to operate on the basis of the ‘presumption of disclosure’ rather than the ‘presumption of confidentiality’;

61. Calls on the EIB Group to improve its accountability; asks for a Memorandum of Understanding between the EIB Group and the Parliament to improve Parliament’s access to EIB documents and data related to strategic orientation and financing policies in order to strengthen the Bank’s accountability; suggests the idea of a quarterly dialogue with the relevant committees of Parliament to participate in the investment strategy of the EIB and ensure adequate oversight; stresses the importance of greater Parliament scrutiny over decision of the EIB Board of Directors; calls for better information sharing from the Commission in order to increase its transparency towards Parliament on the positions it takes in the EIB Board of Directors; reiterates its call for the disclosure of the opinions issued by the Commission within the framework of the procedure in accordance with Article 19 of the EIB Statute on the EIB financing operations for the purpose of assessing their compliance with the relevant EU legislation and EU policies; calls on the Commission and the EIB to reach an agreement to ensure full transparency on such opinions and their underlying rationale as far as is legally possible;

62. Calls for the timely publication of the full agendas and minutes of meetings of the Management Committee and Board of Directors; underlines that the future Transparency Policy should reinforce the transparency requirements for all its operations and require project promoters to make Environmental Impact Assessments and related documents publicly available, by including stringent transparency obligations in the specific contractual clauses signed with all EIB clients; asks the EIB to publish more regular, in-depth and comprehensive information on the financial intermediaries responsible for leveraging EIB funds and to include contractual clauses concerning mandatory disclosures from these institutions on lending activity;
Follow-up to Parliament’s recommendations

63. Calls on the EIB to continue reporting on the state of play and status of the previous recommendations issued by Parliament in its annual resolutions, especially as regards:

(a) impacts (economic, environmental and social) of its investment strategy and results achieved to contribute to the balanced and steady development of the internal market in the interests of the Union,

(b) actions adopted to enhance the prevention of conflicts of interests,

(c) measures to strengthen transparency following integrity due diligence of clients in order to prevent tax avoidance, fraud and corruption,

(d) actions undertaken to follow up on the calls and requests adopted via the present resolution;

64. Instructs its President to forward this resolution to the Council and the Commission and asks that the Council and EIB Board of Directors hold a debate on Parliament’s positions presented herein.