



Committee on Development
The Chair

11.5.2023

Monika Hohlmeier
Chair
Committee on Budgetary Control
BRUSSELS

Subject: Opinion on the ‘Control of the financial activities of the European Investment Bank - annual report 2022’ (2023/2046(INI))

Dear Ms Hohlmeier,

Under the procedure referred to above, the Committee on Development has decided to submit an opinion to your committee. By written procedure, the committee decided to send the opinion in the form of a letter.

The Committee on Development considered the matter at its meeting of 23 May 2023. At that meeting, it decided to call on the Committee on Budgetary Control, as the committee responsible, to incorporate the following suggestions into its motion for a resolution.

Yours sincerely,

Tomas Tobé

SUGGESTIONS

1. Welcomes the setting up of EIB Global as a dedicated development branch within the EIB Group;
2. Reaffirms the EIB's specific role within the EU and globally – as set out in Article 209 of the Treaty on the Functioning of the European Union and in Article 36 of the Neighbourhood, Development and International Cooperation Instrument – Global Europe; highlights the important role of the EIB in delivering EU investments under policy first principle and expects it to play a crucial role in the implementation of the Global Gateway Initiative of the EU, and to contribute to support EU partner countries in increasing their resilience and sustainable development recognises the EIB's flagship role in the European Green Deal and sustainable blue economy, and its substantial contribution to the EU's economic response to the COVID-19 pandemic; calls for the EU to further maximise the potential of the EIB as a tool to leverage the EU's strategic autonomy, particularly in terms of energy and raw materials, and promote its external policy priorities in its relations with non-EU countries in full respect and alignment with the environmental and social due diligence process, as well as with strong coordination between the Commission and the EEAS and EU delegations to facilitate discussions and cooperation with relevant actors on the ground in order to identify projects which best meet development effectiveness objectives;
3. Draws attention to the fact that there are divergent views amongst Member States about how to ensure the required financing and coverage from the EU budget in order to allow the EU Bank's continued engagement in Ukraine which threatens to come to a halt if there is no solution found, welcomes EIB's EU for Ukraine Initiative aiming to help rebuild infrastructure, support priority investment needs and back business and encourages Member States to ensure continuing a solid support to the country and its needs; calls for a continued thorough analysis of financial needs for Ukraine's reconstruction and sustainable development prioritizing local needs, including of the war's impact on the environment;
4. Building on the EIB's first Regional Hub in Kenya, encourages the EIB (EIB Global) to further strengthen its presence in the field in third countries, while exploiting possible synergies and strengthening cooperation with other European and non-European actors, especially DFIs; calls for a concrete and strong development mandate for EIB Global rooted in the reduction of inequalities and the eradication of poverty and in support of the Sustainable Development Goals, support an increase in the guarantees granted to the EIB by the EU budget in order to allow the EU Bank to expand its activities in the Global South;
5. Expects EIB Global and its coordination mechanisms with other financial development institutions to be fully transparent, and welcomes in this context the regular exchanges with the European Parliament in Brussels and most recently in Luxembourg as well as the EU Bank's ongoing open dialogue with all stakeholders, in particular civil society organisations and local actors;
6. Welcomes the EIB policies and practices and its transparency, and calls for further improvements, in particular by implementing the recommendations formulated by the European Ombudsman to 'take several transparency steps to enable the public to more

easily see the potential environmental impact of the projects it finances’;

7. Welcomes the EIB Group Strategy on Gender Equality and Women’s Economic Empowerment and Gender Action Plan; acknowledges that Gender equality and, in particular women’s economic empowerment is part of the EIB business model; calls on the EIB to further implement gender mainstreaming in all operations in order to advance gender equality and inclusive development;
8. Notes the EIB efforts concerning the due diligence process on social and environmental standards of its operations, encourages to further strengthen meaningful consultation of the local population throughout the implementation of the projects, be equipped with solid accountability mechanisms for impacted communities and closely monitor, and report on, the shortcomings of its involvement and the role of its intermediaries in projects which have negatively impacted local populations in developing countries;
9. Appreciates stepped up efforts since the establishment EIB Global, yet encourages the EIB to be more proactive in furthering overall EU communication and visibility, especially as regards its work in the Global South; warns, however, that in a drive for visibility, grassroots projects should not get crowded out by big projects, and stresses that local actors must be sufficiently involved;
10. Encourages the EIB to continue to actively engage in developing planning, monitoring and evaluation at country level, hand in hand with the EU delegations and national and local actors, and through co-financing with development finance institutions;
11. Encourages further cooperation and adaptation of working methods and tools of the EIB and the EBRD especially, for the future, with regard to investment needs in Africa, in order to facilitate large-scale investments, whilst at the same time maintaining EU support for smaller scale local projects, ultimately contributing to the achievement of the goals of Agenda 2030;
12. Calls on the EIB to work more closely with the African Development Bank and to possibly assess the advantages of establishing a joint subsidiary ; underlines the need to finance long-term investments that foster sustainable development; encourages the creation of joint project and advisory hubs, to create effective contact points for local actors as well as to improve local ownership for common development projects, in order to maximise the development impact and efficiency; calls, in this regard, for support to local private sector development in Africa, especially through funding African micro, small and medium-sized enterprises; encourages, likewise, closer cooperation with other regional development banks;
13. Recalls that the Tripartite Agreement between the European Commission, the European Court of Auditors and the European Investment Bank of 15 November 2021 gives the Court of Auditors (ECA) access to all information related to guarantees from the EU budget; calls on the ECA to fully scrutinise and regularly report on operations backed by guarantees from the EU budget, including operations of the EIB, addressing any shortcomings in its working methods that are currently preventing it from doing so;