

EIB loans: eligibility of Central Asian countries granting a Community guarantee to the EIB against losses under loans and loan guarantees for projects outside the Community

2008/0067(CNS) - 04/09/2008 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 614 votes to 3, with 8 abstentions, a legislative resolution amending the proposal for a Council decision on the eligibility of Central Asian countries under Council Decision 2006/1016/EC granting a Community guarantee to the European Investment Bank against losses under loans and loan guarantees for projects outside the Community. The report had been tabled for consideration in plenary by Esko **SEPPANEN** (GUE/NGL, FI) on behalf of the Committee on Budgets.

The main amendments - adopted under the consultation procedure - were as follows:

- the guarantee agreement between the Commission and the EIB, as foreseen in Article 8 of Council Decision 2006/1016/EC, shall lay down the detailed provisions and procedures relating to the Community guarantee and shall contain conditions with clear benchmarks regarding respect for human rights;
- on the basis of the information received from the EIB, the Commission shall produce an assessment and a report, on an annual basis, to be forwarded to the European Parliament and the Council, on the EIB financing operations carried out under this Decision. The report should include an assessment of the contribution of the EIB financing operations to the achievement of the external policy objectives of the EU and especially the contribution to the general objective of developing and consolidating democracy and the rule of law, the objective of respecting human rights and fundamental freedoms, and the observance of international environmental agreements to which the European Community or its Member States are parties;
- the EIB shall ensure that framework agreements between the Bank and the countries concerned are made available to the public and that adequate and timely objective information is made available to enable them to play a full part in the decision making process.

Parliament noted in an amended recital that the macro-economic conditions prevailing in the Central Asian countries, and in particular the situation of external finances and debt sustainability, have improved in the recent years as a result of strong economic growth and prudent macroeconomic policies, and they should therefore be allowed access to financing from the EIB. There should nevertheless be pre-conditions for their eligibility for EIB loans: these countries must show clear progress in establishing the rule of law, freedom of speech and the media and freedom of NGOs, and in achieving the Millennium Development Goals as specified in the EU Partnership and Cooperation Agreements. They should not be subject to EU sanctions for human rights violations and they should have made real progress in terms of the human rights situation.