EIB loans: Community guarantee to the EIB against losses under loans and loan guarantees for projects outside the Community

2008/0268(COD) - 24/02/2009

The Committee on Budgets unanimously adopted the report drawn up by Esko SEPPANEN (GUE/NGL, FI) amending, under the first reading of the codecision procedure, the proposal for a decision of the European Parliament and of the Council on granting a Community guarantee to the European Investment Bank against losses under loans and loan guarantees for projects outside the Community. The committee noted that the Court of Justice (case C-155/07) held on 6 November 2008, that the existing Decision 2006 /1016/EC is annulled and that its effects are maintained for a 12 months period. It stated that the proposal should be "fast-tracked" to take into consideration the difficulty of having a regular codecision procedure before 6 November 2009 due to the Parliament's elections. The proposal should also be transitional since the conclusions of the mid-term review of the EIB have to be taken into consideration in a new Decision. The next proposal for a Decision, taking into account the conclusions of the mid-term review, must be presented before the end of the mandate of the current Commission.

The main amendments are as follows:

- the Community guarantee established by this Decision should cover EIB Financing Operations signed during a period beginning on 1 February 2007 and ending on 31 August 2011 (rather than 31 December 2013);
- the Commission should present, before 28 February 2010, a proposal for a new decision also taking into consideration the conclusions of the mid-term review;
- that proposal for a new decision should address, amongst other things, the issue of greater scrutiny by the European Parliament and the Council of all budgetary and political decisions to be taken by the EIB and the Commission in the framework of that new decision, the issue of transparency of the whole financing mechanism, and the issue of the limitation of Community guarantee compared to disbursed appropriations.

Lastly, the report notes that the Court’s judgment implies that the codecision procedure will now apply for the activation of the optional mandate, the eligibility of countries listed in Annex I, and the suspension of new EIB financing in a specific country in the event of serious concerns over the political or economic situation.