Annual report on the financial activities of the European Investment Bank

2016/2099(INI) - 27/04/2017 - Text adopted by Parliament, single reading

The European Parliament adopted by 431 votes to 134, with 34 abstentions, a resolution on the Annual Report on the Financial Activities of the European Investment Bank.

Investment in the EU: Parliament insisted on the urgent need for the EIB to participate in the **reduction of the investment gap** and the bank to adopt more ambitious objectives and to increase lending signed by it.

Members took the view that an **increase in EIB lending activity** could be achieved through better synergies with public funds, which would in turn boost public and private investment. They stressed that such an increase should be accompanied by a corresponding diversification of the EIB's product range, including a greater and fiscally prudent use of public-private partnerships (PPP).

The EIB is called upon to:

- further support EU countries under **adjustment programmes** in order to contribute to jumpstarting their economic recovery and to favour their transition to a sustainable economy;
- focus its efforts on more effective and **energy** efficient investment.
- boost its **technical assistance** in order to address low project generation capacity and to help Member States to identify fundable projects;
- give priority to **innovation-based projects** which offer clear added European value;
- step up its **assessment of projects**, paying particular attention to the number and quality of direct and indirect jobs created;
- coordinate various types of EU funding in order to ensure that EU **transport** policy objectives are met across all of the EU.

Combating all forms of harmful tax practices should remain an important priority of the EIB.

The EIB is invited to present a comprehensive assessment of the potential impact that the UK's decision to leave the EU might have on its financial status and activities**.**

Supporting SMEs: Members supported the emphasis placed by the EIB on the financing of small and medium-sized enterprises (SMEs), with 37 % of the new lending granted in 2015 (EUR 28.4 billion). The EIB's support for microfinance was particularly successful, with just EUR 184 million microcredits sustaining 230 500 jobs in microenterprises.

The EIB is called upon to devise a strategy to increase their financing in countries with unfavourable economic and banking environments and to enable further and improved access to funding for SMEs.

Innovation and competitiveness: Parliament welcomed the strong increase in EIB lending to innovative projects, which stood at EUR 18.7 billion in 2015, as compared to less than EUR 10 billion in 2008. It suggested increasing this lending to focus on the development of technologies for the future, such as energy-efficiency transport, robotics, the bio economy, the digital economy and new medical treatments for a better life.

Tackling youth unemployment: Parliament called on the EIB to develop its strategic planning programme in order to tackle high levels of unemployment and continue to invest in education and human capital in order to equip young people with the necessary set of skills to provide them with access to finance linked to the employment of young people in SMEs and mid-caps.

The EIB should relax the conditionality for benefitting firms in regions with youth unemployment above 25 % so as to boost young entrepreneurship and support firm creation.

Members recalled the need to support local SME projects pursuing sustainable and long-term investments and providing employment in the fields of innovation, R&D and energy efficiency.

Climate action: Members called on the EIB to step up its involvement in the fight against climate change, which was linked to 27 % of the projects approved in 2015 and accounted for a total investment of EUR 20.6 billion – the largest ever annual amount invested in climate change by the EIB.

The EIB is encouraged to:

- support sustainable and innovative transport solutions;
- continue to promote accessibility for passengers with reduced mobility;
- bring about a **modal shift** from road to rail and waterborne and inland waterway transport;
- invest in **clean energy** and in modern transport services through specialised funding tools, such as the European clean transport facility;
- support investment in sustainable urban mobility, ideally based on **sustainable urban mobility plans**.

Refugee crisis and migration within the EU: Members asked the EIB to continue its action to tackle migrant and refugee flows by financing **emergency projects in destination and transit countries** and, where possible, by making long-term commitments to projects which aim to create jobs and boost growth in the countries of origin. The EIB is also invited to continue its social housing project lending.

External lending mandate: Parliament recalled that the external policy of the EIB, and in particular the regional technical operational guidelines, should be consistent with the **external action goals of the EU**. It insisted on the coherence and streamlining of all EU external action financial instruments.

The EIB is invited to:

- reinforce its capacity to assess projects according to their impact on Agenda 2030 goals;
- ensure, as regards its development operations under the Cotonou Agreement, compliance with EU treaty obligations, with the EU Strategic Framework and Action Plan for Human Rights, with the European Charter of Fundamental Rights;
- improve the ex-ante and ex-post assessment of the impact of its projects outside the EU and take account of the local context when investing in third countries;
- increase transparency and accountability due to the EIB's Results Measurement (ReM) Framework;
- provide Parliament with an annual overview of payment deferrals and losses incurred in its sustainable development funding;
- focus its attention closely on developing countries, particularly those suffering from conflict and extreme poverty.

Lastly, the Commission is called upon to establish a **framework for annual reporting by the EIB** on its operations outside the EU as regards compliance with the general principles guiding the Union's external action.