Resolution on the control of the financial activities of the European Investment Bank – Annual Report 2021

2022/2153(INI) - 19/01/2023 - Text adopted by Parliament, single reading

The European Parliament adopted by 475 votes to 47, with 26 abstentions, a resolution on the control of the financial activities of the European Investment Bank - Annual Report 2021.

Performance of the EIB's financial transactions

In 2021, the total EIB Group balance sheet stood at **EUR 568 billion**, which was an increase of EUR 11.9 billion compared to 31 December 2020. The bank's new lending signatures amounted to EUR 65.4 billion which are close to the results of the previous years (EUR 66.1 billion in 2020 and EUR 63.3 billion in 2019). EUR 54.3 billion of this amount was under the bank's own resources (compared to EUR 64.6 billion in 2020, also under the bank's own resources).

The biggest share was allocated in **Italy, France and Spain** (16 %, 14 % and 12 % of the total signatures respectively) with the **transport, global loans and energy sectors** receiving the largest shares (30.2 %, 18.5 % and 14.8 % respectively).

The EIB is called on to play an active role in supporting projects that contribute to the just transition, such as research, innovation, digitalisation, SMEs' access to finance, social investment and skills.

Actions related to the COVID-19 pandemic

Members stressed that the European Union's 2021-2027 long-term budget (EUR 1.2 trillion in current prices), together with the NextGenerationEU (NGEU) temporary recovery instrument (EUR 806.9 billion in current prices), are an unprecedented and unique response aimed at helping to repair the economic and social damage caused by the COVID-19 pandemic and facilitating the digital and green transitions.

In 2021, the various pandemic waves disrupted the activities of many of the bank's clients, including SMEs and large companies as well as financial institutions, which resulted in reductions in volumes and disbursements.

The EIB approved 109 stand-alone transactions aiming to respond directly to the COVID-19 crisis totalling EUR 12.9 billion (out of a total approved volume of EUR 55.8 billion). Since the start of the COVID-19 pandemic, the EIB Group has approved almost EUR 72 billion in targeted support for the **public health sector, the delivery of vaccines and for businesses** which have been severely hit by the crisis.

EIB support in key policy areas

The EIB will be the key implementing partner for the **InvestEU programme** to be deployed under the 2021-2027 MFF. The EIB is called upon to respect the Union's priorities supported by the InvestEU instrument and to ensure strong protection of the Union's financial interests.

Members congratulated the EIB Group, whose financial support in 2021 to more than **431 000 SMEs** and mid-cap companies has helped to safeguard 4.5 million jobs. They called on the EIB to continue its actions and strengthen its support with additional growth capital to enable SMEs to scale up their activities.

Concerned about high energy prices, Members asked the EIB to assess whether the current level of support for SMEs is sufficient in the context of **high energy prices** and rising raw material costs and to inform Parliament how it intends to adapt its actions to meet these new challenges.

The EIB should also:

- increase investment in **breakthrough innovations** to facilitate the digital and green transition;

- exercise **due diligence** in the preparation phase of all projects to ensure that they include careful consideration and respect for human rights and indigenous communities, and develop a clear human rights strategy;

- increase funding to **stimulate the technological transition**, provide funding to SMEs for long-term research and innovation, support the development of skills adapted to the real labour market needs, and promote investment in digital skills for employees and entrepreneurs, digital infrastructure and digitalisation capacity building;

- continue to prioritise investment in **health infrastructure**, staff training and quality of health services to reduce inequalities between countries.

Parliament reiterated its call for a fair and transparent geographical distribution of projects and investments, as well as for increased technical assistance to and financial expertise for local and regional authorities, especially in regions with low investment capacity.

Members called for EIB Global to focus on an equitable and sustainable development agenda in beneficiary countries while clearly demonstrating development additionality.

EIB compliance, transparency and accountability

While stressing the need to preserve the EIB's AAA rating, Members consider that financial strength, good governance, conservative risk appetite, long-term sustainability and EU support are essential components and intrinsic qualities of its successful business model. Members believe that there is a need to strengthen the monitoring, management and supervision of operational and technological risks, including IT and other non-financial risks.

The EIB is urged to ensure that its **complaints mechanism** is accessible, effective and independent, in order to detect and correct possible human rights violations in the projects with which it is associated. Parliament believes that a **strengthened anti-fraud policy** should indicate effective ways of correcting misconduct and mitigating risks and provide a set of tools compatible with the regulatory framework to freeze projects where there are credible suspicions and to terminate contracts with non-compliant clients.

Members reiterated their call for the EIB to be **more transparent and accountable to Parliament**. They reiterated the need for greater parliamentary scrutiny of EIB board decisions and for greater transparency on the part of the Commission on the positions it adopts on the EIB board.