Financial Activities of the European Investment Bank - annual report 2022

2022/2062(INI) - 05/06/2023 - Committee report tabled for plenary, single reading

The Committee on Economic and Monetary Affairs adopted the own-initiative report by Stefan BERGER (EPP, DE) on the financial activities of the European Investment Bank – annual report 2022.

Context

In 2022, the EIB launched a new arm, EIB Global, to handle investments outside the EU. Given the many geopolitical challenges in 2022, the role of EIB Global was very important in terms of investment and of Europe's position in the world. This external action must be aligned with the policy objectives of the EU, in particular regarding the Global Gateway.

General remarks

The committee welcomed the EIB's investment of EUR 72.4 billion of financing in 2022 and the bank's focus on the EU's long-term challenges of competitiveness, productivity, social cohesion, climate change, sustainability and digital transformation. It also stressed that the EIB's 'triple A' rating is an important asset that enables the EIB to take greater risks in funding public-interest projects than private commercial banks.

Implications of Russia's war of aggression against Ukraine for the EIB's activities in 2022

Members praised the EIB's engagement in Ukraine, which amounted to EUR 1.7 billion of disbursed funds in 2022. They emphasised that the EIB should play an important role in the reconstruction of Ukraine's economy and infrastructure in the future.

As regards security and defence, the report welcomed the EIB's new Strategic European Security Initiative (SESI) to strengthen European security and defence by mobilising up to EUR 6 billion, by 2027, for investment in research, development and innovation, civilian security infrastructure, and cutting-edge technology projects.

Support for innovation, small and medium-sized enterprises, industry and digitalisation

Recalling that SMEs are the backbone of Europe's economy, the committee welcomed the fact that in 2022 the EIB provided financing amounting to a total investment of EUR 16.35 billion for SMEs and mid-caps. The EIB is called on to develop a long-term strategy to support the SME sector in the EU.

EU climate bank

Members noted that 58.3 % of lending in 2022 was climate- and environment-related, up from 50.8 % in 2021. They welcomed the EIB's contribution to REPowerEU in the form of an additional EUR 30 billion in investments. They also welcomed the introduction of the EIB's new transport lending policy in July 2022 and called for its swift implementation.

In addition, the report called on the EIB to:

- step up support for affordable and energy efficient housing and the renovation of buildings, in line with the considerable investment needs;

- give particular attention to funding decisions relevant to peripheral, mountainous, sparsely populated or island regions given the difficulties they face in complying with European Green Deal requirements, while simultaneously maintaining and improving their connectivity.

EIB Global

While welcoming the fact that EIB Global supported EUR 9.1 billion in global investment outside the EU in 2022, the committee expected EIB investments in non-EU countries to be fully aligned with EU and EU external action policies.

The EIB is called on to:

- further strengthen its procedures and practices with respect to human rights and good governance violations emanating from projects it finances, directly or through intermediaries;

- clarify how it evaluates financial and reputational risk when deciding whether to launch an investigation of alleged fraud or corruption in relation to investment projects;

- better evaluate its effectiveness when it comes to financing for SMEs and mid-caps in Africa;

- place greater emphasis on mobilising domestic resources and called for a general increase of the EIB's commitment in less developed countries that are aligned with the principles and values of the EU.

Transparency and governance

While welcoming the Development Finance Institutions Transparency Index in 2023, Members called for clear and comprehensive information to be shared with the EU institutions, in particular Parliament. They also called for the EIB's senior positions to be filled by people selected based on merit, ability and experience and for its core areas of activity to be likewise staffed by such people. Gender and geographical balance should be improved. Once again, Members expressed serious concerns about allegations regarding harassment and the working conditions at the EIB.

Lastly, the report reiterated the request for an interinstitutional agreement between Parliament and the EIB.