Financial Activities of the European Investment Bank - annual report 2022

2022/2062(INI) - 12/07/2023 - Text adopted by Parliament, single reading

The European Parliament adopted by 443 votes to 74, with 98 abstentions, a resolution on the financial activities of the European Investment Bank – annual report 2022.

General remarks

Parliament 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

The EIB's engagement in Ukraine was praised, which amounted to EUR 1.7 billion of disbursed funds in 2022. Members 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 resolution 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, Parliament 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. It also called on the EIB to:

- develop a long-term strategy to support the SME sector in the EU.

- design its programmes in a way that avoids unnecessary red tape and regulatory burdens, thus making them as accessible as possible to SMEs;

- focus on start-ups and projects directed at tackling the growing problem of youth unemployment with a view to creating secure and high-quality jobs;

- increase support directed at scaling up European start-ups.

EU climate bank

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

In addition, the resolution 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;

- finance viable projects that align with the EU taxonomy and projects that aim to reduce the carbon footprint of the maritime sector, such as Green Corridor projects;

- 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 investment in social infrastructure and welfare

Parliament expected anincrease in EIB-financed operations in the area of social housing, in line with the principles established in the European Pillar of Social Rights and in view of the current EU housing crisis. The EIB is also called on to:

- keep up its focus on the economic empowerment of women and gender equality when targeting new financing;

- evaluate the possibilities for further investment in the healthcare sector with the aim of tackling the EU's structural deficiency in this sector.

EIB Global

In 2022, the EIB launched a new arm, EIB Global, to handle investments outside the EU. This external action must be aligned with the policy objectives of the EU, in particular regarding the Global Gateway. The resolution noted that EIB Global supported EUR 9.1 billion in global investment outside the EU in 2022.

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, Parliament called for clear and comprehensive information to be shared with the EU institutions, in particular Parliament. It 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, serious concerns were raised about allegations regarding harassment and the working conditions at the EIB.

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