

# European Investment Bank (EIB): amendment of the Statute

2024/0803(CNS) - 11/09/2024 - Legislative proposal

PURPOSE: request from the European Investment Bank (EIB) to launch the Article 308 of the TFEU procedure in order to amend the EIB's Statute.

Having regard to Article 308 of the Treaty on the Functioning of the European Union (TFEU), the European Investment Bank (EIB) may request the Council to amend the Statute by special legislative procedure and after consulting the European Parliament and the Commission, may **amend the Statute of the Bank**.

Article 16.5 of the Statute of the EIB establishing a limit on the total signed debt operations (Gearing Ratio), a limit on disbursed equity operations and a specific allocation of reserve for special activities.

There is a unanimous call for the EIB Group to play an even more important role to close Europe's investment gap, to strengthen Europe's productivity, social and territorial cohesion, climate action, peace, security and open strategic autonomy, to respond to global challenges and reinforce its voice in the new geopolitical context.

The EIB Group's 2024-2027 Strategic Roadmap is intended to heed this call by enabling the EIB Group to deploy its capital in an efficient manner, while at the same time safeguarding its financial strength and preserving adequate capital buffers.

The EIB Group's activities under the 2024-2027 Strategic Roadmap would be severely constrained by the Gearing Ratio, which currently limits the size of the Group's overall nominal exposure to 250%, without accounting for the quality of the EIB Group's portfolio, nor credit enhancements such as guarantees from the EU budget, and especially penalises equity investments, such as those of the European Investment Fund.

The Board of Governors unanimously decided on 21 June 2024 to increase the Gearing Ratio limit to 290%, in order to enable the EIB Group to build on its strong capital position, robust risk management and governance framework and deploy its full potential in support of EU priorities and close the investment gap.

The European Investment Bank hereby requests the Council, in accordance with the procedure set out in Article 308 of the Treaty on the Functioning of the European Union, to amend Protocol (No. 5) on the Statute of the European Investment Bank as follows.

Article 16, Paragraph 5, first sub-paragraph, shall be amended to read as follows:

'The aggregate amount outstanding at any time of loans and guarantees granted by the Bank shall not exceed a maximum ratio in respect of its subscribed capital, reserves, non-allocated provisions and profit and loss account surplus to be established by the Board of Governors acting unanimously. The latter aggregate amount shall be reduced by an amount equal to the amount subscribed (whether or not paid in) for any equity participation of the Bank.'