

European Investment Bank (EIB): amendment of the Statute

2024/0803(CNS) - 14/11/2024 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 510 votes to 105, with 27 abstentions, following a special legislative procedure (consultation), a legislative resolution on the draft Council decision on amendment of the EIB's Statute.

Parliament **approved** the proposal without amendments.

As a reminder, the European Investment Bank (EIB) submitted to the Council a request to amend the first subparagraph of Article 16, paragraph 5 of its Statute.

The aim of the targeted amendment proposed by the EIB is to implement a recommendation stemming from the G20 commissioned review of Multilateral Development Banks' (MDB) capital adequacy frameworks, namely to remove statutory lending limits from their statutes. The underlying intention of the change is to give the relevant governing bodies of MDB full authority over risk management metrics and leverage metrics. As per the proposed change, **the maximum 250 % gearing ratio in the EIB statute should be replaced** by a unanimous decision by the Board of Governors.

According to the EIB Group, the current maximum gearing ratio of 250 % would severely constrain the 2024-27 Strategic Roadmap. In addition, it would neither take into account the quality of the EIB portfolio nor credit enhancements, such as EU budget guarantees.

Lastly, the ratio would especially penalise equity investments.