Basic information

2020/2124(INI) INI - Own-initiative procedure	Procedure completed
Financial Activities of the European Investment Bank - annual report 2020 **Subject** 8.40.07 European Investment Bank (EIB)	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ECON Economic and Monetary Affairs	SILVA PEREIRA Pedro (S&D)	23/04/2020
	Shadow rapporteur SEEKATZ Ralf (EPP) KELLEHER Billy (Renew) EICKHOUT Bas (Greens/EFA) JURZYCA Eugen (ECR) ZANNI Marco (ID) PAPADIMOULIS Dimitrios (GUE/NGL)	

Committee for opinion	Rapporteur for opinion	Appointed
DEVE Development	GOERENS Charles (Renew)	28/05/2020
BUDG Budgets (Associated committee)	CORMAND David (Greens/EFA)	03/09/2020

European Commission

Commission DG	Commissioner
Economic and Financial Affairs	GENTILONI Paolo

Key events

Date	Event	Reference	Summary

17/09/2020	Committee referral announced in Parliament		
17/09/2020	Referral to associated committees announced in Parliament		
03/06/2021	Vote in committee		
11/06/2021	Committee report tabled for plenary	A9-0200/2021	Summary
05/07/2021	Debate in Parliament		
06/07/2021	Results of vote in Parliament		
07/07/2021	Decision by Parliament	T9-0331/2021	Summary

Technical information	
Procedure reference	2020/2124(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Annual report
Legal basis	Rules of Procedure EP 57_o Rules of Procedure EP 55
Stage reached in procedure	Procedure completed
Committee dossier	ECON/9/03589

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	BUDG	PE660.133	04/02/2021	
Committee draft report		PE680.731	10/02/2021	
Amendments tabled in committee		PE689.625	10/03/2021	
Committee opinion	DEVE	PE661.776	19/03/2021	
Committee report tabled for plenary, single reading		A9-0200/2021	11/06/2021	Summary
Text adopted by Parliament, single reading		T9-0331/2021	07/07/2021	Summary

European Commission

Document type	Reference	Date	Summary
Commission response to text adopted in plenary	SP(2021)558	08/11/2021	

Financial Activities of the European Investment Bank - annual report 2020

2020/2124(INI) - 07/07/2021 - Text adopted by Parliament, single reading

The European Parliament adopted by 582 votes to 62, with 48 abstentions, a resolution on the financial activities of the European Investment Bank (EIB) - Annual Report 2020.

The EIB took on a significant role in mobilising finance for the economy, in particular small and medium-sized enterprises (SMEs), following the economic fallout caused by the COVID-19 pandemic which began in 2020. Parliament underlined its crucial role in targeting investments to achieve European priorities and sustainable economic growth, in particular those that would not otherwise be 'bankable', both inside and outside the EU, with a view to meeting the global challenges of the coming decades, in particular the fight against climate change.

Mobilising funds to combat the COVID-19 pandemic

Parliament welcomed the EIB's:

- rapid mobilisation of up to EUR 40 billion in emergency funding to tackle the COVID-19 outbreak, through loans and measures to alleviate the liquidity of SMEs and mid-cap companies;

- the subsequent creation of the EUR 25 billion European Guarantee Fund in response to the prolonged impact of the COVID-19 crisis and its potential operation beyond 2021;

- the creation of a EUR 6 billion investment instrument to support health sector financing and a targeted funding initiative of up to EUR 5.2 billion in response to the COVID-19 pandemic to support countries outside the EU;

- participation in COVAX, with an investment of EUR 400 million in the COVAX Advanced Market Commitment.

Becoming the EU climate bank

In 2020, 40% of EIB lending was environment and climate related. Members welcomed the fact that the **EIB is the world's largest issuer of green bonds** , having raised EUR 34.6 billion in climate-awareness bonds over the past 12 years. They called on the EIB to continue and to expand the issuance of green bonds to enhance the liquidity of that market and to remain involved in the development of an EU green bond standard.

The resolution welcomed the EIB's leadership on climate and the decision to increase EIB financing for climate action and environmental sustainability, including renewable energy, from around 30% to at least 50% by 2025. It approved the EIB's new energy lending policy and its commitment to end investment in fossil fuels by the end of 2021.

Members welcomed the adoption by the EIB's Board of Directors of the **EIB's ambitious climate roadmap for the period 2021-2025** and the inclusion of the shadow carbon pricing mechanism in particular, which provides a crucial framework to support the transition and implementation of the European Green Deal and marks a decisive step towards making the EIB the EU Climate Bank.

Parliament called for the swift adoption of a new transport financing policy strategy aimed at decarbonising the EU transport sector by 2050 at the latest and promoting accessible, efficient, green and safe means of transport.

Support for innovation, SMEs, industry and digitisation

European SMEs are lagging behind in the adoption of digital technologies, with only 66% of EU manufacturing companies adopting at least one digital technology. In this regard, the EIB is invited, *inter alia*, to:

- mobilise sufficient support for infrastructure towards delivering faster internet speed to all regions in the EU and bridging the existing digital divide;

- continue to support the development of e-skills and upscale lending to female-led SMEs;

- support for advancing digital skills, in particular for employees in sectors of the economy in need of adjustment and requalification;

- support projects in the Member States which deliver on the implementation of the European Pillar of Social Rights, the SDGs and the social reforms identified in country specific recommendations under the European Semester;

- increase its investment in education to help mitigate the severe impact of the COVID-19 crisis on education systems worldwide.

Supporting development and sustainability outside the EU

The EIB is the world's largest multilateral lender. It has been active outside the Union for more than 50 years, with EUR 150.1 billion in loans in 150 different countries by the end of 2020, of which EUR 10.23 billion was signed in 2020.

As all EIB shareholders have endorsed the G20 commitment to **suspend the debt of 77 countries following the COVID-19 debt crisis**, the EIB is called upon to apply the same treatment to its pending loans and to publicly support the creation of a multilateral debt workout mechanism to deal with both the consequences of the current crisis and the financing needs of the 2030 sustainable development agenda.

Members insisted on the need to align EIB investments in third countries with the EU's external action and sustainable development priorities.

Parliament called on the EIB to increase its engagement in least developed countries and those experiencing conflict, enhance cooperation with EU delegations, and increase its presence on the ground with additional staff focusing on development issues.

Delivering on governance, accountability, transparency and integrity

Members reiterated their call for an inter-institutional agreement between the EIB and Parliament to improve access to EIB documents and data and to enhance democratic accountability. In the meantime, Parliament proposed the establishment of a protocol of cooperation between the EIB and Parliament, with immediate effect, in order to improve interinstitutional dialogue and enhance the EIB's transparency and accountability.

Financial Activities of the European Investment Bank - annual report 2020

2020/2124(INI) - 11/06/2021 - Committee report tabled for plenary, single reading

The Committee on Economic and Monetary Affairs adopted the report by Pedro SILVA PEREIRA (S&D, PT) on the financial activities of the European Investment Bank (EIB) - Annual Report 2020.

The report underlined the EIB's crucial role as the EU's public bank in supporting economic recovery after the COVID-19 pandemic and in targeting investments to achieve European priorities.

Given the EIB's high level of indebtedness, Members called on the EIB's shareholders to agree on a **capital increase** that goes hand in hand with greater transparency, democratic accountability, efficiency in the management structure and environmental sustainability.

The EIB is invited to give priority to projects of public benefit that promote the Union's policy objectives and **sustainable economic growth**, in particular those that would not otherwise be 'bankable', both inside and outside the EU, with a view to meeting the global challenges of the coming decades, in particular the fight against climate change.

Stressing the importance of avoiding further geographical imbalances in EIB lending, the report called on the EIB to step up its efforts to provide technical assistance and advisory support, especially in regions which attract low investment and which did not benefit significantly from the derogation from the State-aid rules during the pandemic crisis.

Mobilising funds to combat the COVID-19 pandemic

Members welcomed the EIB's rapid mobilisation of up to EUR 40 billion in emergency funding to tackle the COVID-19 outbreak, through loans and measures to alleviate the liquidity of SMEs and mid-cap companies.

The report welcomed the subsequent creation of the EUR 25 billion European Guarantee Fund in response to the COVID-19 crisis. It suggested that the Fund should remain operational beyond 2021, given the prolonged impact of the COVID-19 crisis and the repeated lockdowns in many Member States.

Members also welcomed the creation of a EUR 6 billion investment instrument to support health sector financing and a targeted funding initiative of up to EUR 5.2 billion in response to the COVID-19 pandemic to support countries outside the EU.

Becoming the EU climate bank

In 2020, 40% of EIB lending was environment and climate related. Members welcomed the fact that the **EIB is the world's largest issuer of green bonds** , having raised EUR 34.6 billion in climate-awareness bonds over the past 12 years. They called on the EIB to continue and to expand the issuance of green bonds to enhance the liquidity of that market and to remain involved in the development of an EU green bond standard.

The report welcomed the EIB's leadership on climate and the decision to increase EIB financing for climate action and environmental sustainability, including renewable energy, from around 30% to at least 50% by 2025. It approved the EIB's new energy lending policy and its commitment to end investment in fossil fuels by the end of 2021.

Members welcomed the adoption by the EIB's Board of Directors of the **EIB's ambitious climate roadmap for the period 2021-2025** and the inclusion of the shadow carbon pricing mechanism in particular, which provides a crucial framework to support the transition and implementation of the European Green Deal and marks a decisive step towards making the EIB the EU Climate Bank.

Support for innovation, SMEs, industry and digitisation

European SMEs are lagging behind in the adoption of digital technologies, with only 66% of EU manufacturing companies adopting at least one digital technology.

Members recalled that support for microenterprises, SMEs and mid-caps must remain a key objective for the EIB, and one that should be further strengthened during the current economic crisis, notably to assist them with financing, internationalisation, decarbonisation and access to ICT tools.

The EIB is invited, *inter alia*, to:

- mobilise sufficient support for infrastructure towards delivering faster internet speed to all regions in the EU and bridging the existing digital divide;

- continue to support the development of e-skills and upscale lending to female-led SMEs;

- support projects in the Member States which deliver on the implementation of the European Pillar of Social Rights, the SDGs and the social reforms identified in country specific recommendations under the European Semester;

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Members insisted on the need to align EIB investments in third countries with the EU's external action and sustainable development priorities and for the EIB to apply the same standards and criteria for evaluating projects inside and outside the EU.

Delivering on governance, accountability, transparency and integrity

Members reiterated their call for an inter-institutional agreement between the EIB and Parliament to improve access to EIB documents and data and to enhance democratic accountability. In the meantime, they proposed the establishment of a protocol of cooperation between the EIB and Parliament, with immediate effect, in order to improve interinstitutional dialogue and enhance the EIB's transparency and accountability.