Basic information

2023/2229(INI) INI - Own-initiative procedure	Procedure completed
Financial activities of the European Investment Bank - annual report 2023 **Subject** 8.40.07 European Investment Bank (EIB)	

Key players

European Parliament	**Committee responsible**	**Rapporteur**	**Appointed**
	BUDG Budgets	CORMAND David (Greens /EFA)	07/12/2023
		Shadow rapporteur HEINÄLUOMA Eero (S&D) GOERENS Charles (Renew) VAN OVERTVELDT Johan (ECR)	

European Commission	**Commission DG**	**Commissioner**
	Budget	HAHN Johannes

Key events

Date	Event	Reference	Summary
14/12/2023	Committee referral announced in Parliament		
24/01/2024	Vote in committee		
05/02/2024	Committee report tabled for plenary	A9-0031/2024	Summary
28/02/2024	Decision by Parliament	T9-0107/2024	Summary
28/02/2024	Results of vote in Parliament		
28/02/2024	Debate in Parliament		

Technical information

Procedure reference	2023/2229(INI)

Procedure type	INI - Own-initiative procedure
Procedure subtype	Annual report
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	BUDG/9/13825

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE757.274	07/12/2023	
Amendments tabled in committee		PE757.988	08/01/2024	
Committee report tabled for plenary, single reading		A9-0031/2024	05/02/2024	Summary
Text adopted by Parliament, single reading		T9-0107/2024	28/02/2024	Summary

Financial activities of the European Investment Bank - annual report 2023

2023/2229(INI) - 05/02/2024 - Committee report tabled for plenary, single reading

The Committee on Budgets adopted the own-initiative report David CORMAND (Greens/EFA, FR) on the financial activities of the European Investment Bank - annual report 2023.

The 2023 annual report focuses on evaluation of main EIB funding activities with special emphasis on development of the EU Climate Bank, on crisis response to the war in Ukraine, activity of the EIB Global and delivery on key policy areas. The report also touches upon EIB's governance, transparency and accountability.

Overview of policies and operations

Members reiterated their call for a **capital increase** to enable the EIB to provide more long-term repayable financial support and innovative instruments.

The EIB is called on to support projects that deliver on the implementation of the European Pillar of Social Rights and the UN Sustainable Development Goals, and that enhance social inclusion and the reduction of inequalities in line with the environmental and social standards.

The EU's climate bank: climate action and environmental sustainability objectives

Members called on the Commission to develop a method of assessing the **green funding gap** in the EU and to assess the EIB's potential role in bridging this funding gap. They expect the EIB to leverage its lending, financial instruments, technical assistance and advisory services to support citizens and businesses that face socio-economic challenges deriving from their efforts to achieve climate neutrality by 2050 at the latest.

The EIB is invited to:

- support projects delivering affordable access to renewable energy, housing and public services, community-led initiatives and small projects with a particular focus on fighting energy poverty as a priority;

- increase its support to REPowerEU to EUR 45 billion in loans and equity financing for projects in the area of renewables, energy efficiency, grids and storage, electric-vehicle charging infrastructure, and breakthrough technologies over the next years;

- work only with financial intermediaries that have a credible decarbonisation plan;

- enhance its advisory expertise to the EU hydrogen ecosystem and market;

- continue to apply stringent animal welfare standards and applicable legislation, including for breeding activities and feed in fish farming;

- invest more in the critical raw materials supply (CRM) sector to enhance resilience in raw materials with a particular focus on the recycling of secondary raw materials, and to foster circular economy solutions to help diversify the supply.

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

The committee underlined that supporting SMEs is a key objective for the EIB Group. It called for further support to SMEs, in particular for smaller financing projects. Members also called on the EIB Group to step up the investments in digitalisation, in the development of cutting-edge technologies such as AI, and in the upskilling and reskilling of workers that are essential for a strong industrial base.

Ukraine

While welcoming the EU for Ukraine initiative launched by the EIB in March 2023 to finance reconstruction and recovery in Ukraine, Members called for an increase in the guarantees granted to the EIB from the EU budget in order to allow the EIB to continue to deliver vital public and private-sector operations in Ukraine and to expand its activities in the Global South. The report also welcomed the EIB's efforts to prevent, deter and investigate fraud and corruption in relation to its projects in Ukraine.

In addition, the EIB is called on to enhance its support to the Strategic European Security Initiative and to the European defence industry, including SMEs, in particular to contribute to continued support for Ukraine.

EIB Global

Members expect EIB Global's activities to remain aligned with EU strategic interests and external policy objectives. They welcomed the EIB's involvement in the Global Gateway initiative, which will principally support investments in infrastructure and SMEs, thereby contributing to the EU's objective of enhancing its strategic autonomy.

The report expects EIB Global to:

- ensure that investments clearly are additional, create long-term positive impacts and benefit recipient communities, by safeguarding natural and cultural heritage, enhancing climate resilience, creating local jobs, raising living standards and alleviating poverty;

- contribute in a meaningful way to the EU target of 85 % of all new external actions supporting gender equality by 2025;

- take specific measures to include indigenous peoples, women, persons with disabilities and other vulnerable groups in consultations;

- further increase microfinance loans to women-led businesses, which still face discrimination in access to finance;

- collaborate with other bilateral and multilateral institutions to develop and apply common methodologies for development impact analysis, with a view to ensuring long-term positive impacts and added value.

Transparency and governance

Recalling that EIB funds are public money and that their use should always be subject to public scrutiny and accountability, the report invited the EIB to proactively publish, in a timely manner, more detailed information regarding projects.

The report also called for:

- the EIB to increase its reporting to Parliament regarding its decisions, progress achieved and the impact of its lending activities, notably through regular structured dialogues between Parliament and the EIB;

- an interinstitutional agreement between Parliament and the EIB to improve access to EIB documents and data;

- the EIB to strengthen its policy against tax fraud, tax evasion and tax avoidance, including by refraining from funding beneficiaries or financial intermediaries which have a proven negative track record.

Financial activities of the European Investment Bank - annual report 2023

2023/2229(INI) - 28/02/2024 - Text adopted by Parliament, single reading

The European Parliament adopted by 455 votes to 64, with 26 abstentions, a resolution on the financial activities of the European Investment Bank - annual report 2023.

Overview of policies and operations

Parliament reiterated its call for a capital increase to enable the EIB to provide more long-term repayable financial support and innovative instruments. The EIB must maintain its AAA credit rating and retain the full confidence of the capital markets in its activities.

The EIB is called on to:

- do more to enhance sectoral balance and to adapt to the regional diversity of the EU in order to increase the attractiveness of its funds;

- support projects that deliver on the implementation of the European Pillar of Social Rights and the UN Sustainable Development Goals, and that enhance social inclusion and the reduction of inequalities in line with the environmental and social standards;

- expand its role in assessing and addressing investment gaps in **social infrastructure and welfare**, such as affordable and energy efficient social housing, public healthcare, utilities, public transport, sustainable transport, culture and education, while ensuring additionality and complementarity with other public funds and commercial lenders.

The EU's climate bank: climate action and environmental sustainability objectives

Members expect the EIB to leverage its lending, financial instruments, technical assistance and advisory services to support citizens and businesses that face socio-economic challenges deriving from their efforts to achieve climate neutrality by 2050 at the latest. They invited the EIB to support projects delivering **affordable access to renewable energy, housing and public services**, community-led initiatives and small projects with a particular focus on fighting energy poverty as a priority.

Parliament welcomed the fact that the EIB has already met its target of devoting at least half of its resources to climate action and environmental sustainability and that it is on track to meet its target of supporting EUR 1 trillion in green investments by 2030. It welcomed the increase in EIB support to REPowerEU to EUR 45 billion in loans and equity financing for projects in the area of renewables, energy efficiency, grids and storage, electric-vehicle charging infrastructure, and breakthrough technologies over the next years.

The EIB is invited to:

- work only with financial intermediaries that have a credible decarbonisation plan including short-term targets that are compatible with the 1,5-degree pathway and that will be put in place as soon as possible and by 2025 at the latest;

- lower the minimum loan amount for individual projects or loan schemes contributing to the just transition;

- intensify cooperation with national and regional financial institutions to deliver targeted financing;

- enhance its advisory expertise to the EU hydrogen ecosystem and market;

- fully align its environmental and social policy with the post-2020 Global Biodiversity Framework;

- increase financing for solutions for reducing plastic pollution;

- invest more in the critical raw materials supply (CRM) sector to enhance resilience in raw materials with a particular focus on the recycling of secondary raw materials, and to foster circular economy solutions to help diversify the supply.

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

Parliament called for further support to SMEs, in particular for smaller financing projects. Members also called on the EIB Group to increase support directed at scaling up European start-ups, including by taking greater risks in disbursing venture capital to ensure that European start-ups are able to scale up inside rather than outside the EU.

Ukraine

While welcoming the EU for Ukraine initiative launched by the EIB in March 2023 to finance reconstruction and recovery in Ukraine, Members called for an **increase in the guarantees** granted to the EIB from the EU budget in order to allow the EIB to continue to deliver vital public and private-sector operations in Ukraine and to expand its activities in the Global South.

Parliament recalled that the Russian war of aggression against Ukraine has fundamentally altered the European security environment and requires an increase in defence readiness and therefore sufficient investments. The EIB is called on the EIB to enhance its support to the **Strategic European Security Initiative** and to the European defence industry, including SMEs, in particular to contribute to continued support for Ukraine.

EIB Global

Members expect EIB Global's activities to remain aligned with EU strategic interests and external policy objectives. They welcomed the EIB's involvement in the Global Gateway initiative, which will principally support investments in infrastructure and SMEs, thereby contributing to the EU's objective of enhancing its strategic autonomy.

Parliament expects EIB Global to:

- ensure that investments clearly are additional, create long-term positive impacts and benefit recipient communities, by safeguarding natural and cultural heritage, enhancing climate resilience, creating local jobs, raising living standards and alleviating poverty;

- contribute in a meaningful way to the EU target of 85 % of all new external actions supporting gender equality by 2025;

- take specific measures to include indigenous peoples, women, persons with disabilities and other vulnerable groups in consultations;

- further increase microfinance loans to women-led businesses, which still face discrimination in access to finance.

Transparency and governance

Parliament invited the EIB to proactively publish, in a timely manner, more detailed information regarding projects, including the rationale and context for projects, explaining how they align with and advance EU policy aims. The resolution reiterated its request for an **interinstitutional agreement** between Parliament and the EIB in order to improve access to EIB documents and data and enhance democratic accountability.