

EU guarantee to the European Investment Bank (EIB) against losses under financing operations supporting investment projects outside the Union: ceilings for EIB financing operations

2016/0275(COD) - 08/02/2018 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 487 votes to 96, with 42 abstentions, on the proposal for a decision of the European Parliament and of the Council amending Decision No 466/2014/EU granting an EU guarantee to the European Investment Bank against losses under financing operations supporting investment projects outside the Union.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amended the Commission proposal as follows:

Objectives and general principles: two new objectives shall be covered by the EU guarantee:

- projects addressing root causes of migration and contributing to the long-term economic resilience of refugees, migrants, host and transit communities. A maximum of EUR 1.4 billion (out of EUR 30 billion under a general mandate) and a maximum of EUR 2.3 billion under a private sector lending mandate.

EIB financing operations shall also seek to:

support small investment projects run by MSMEs, further facilitating the internationalisation of MSMEs, especially in remote rural areas and in particular in the field of drinking water treatment, wastewater disposal and renewable energy;

- contribute to on the objectives of the Union development cooperation policy, in particular towards reducing poverty through inclusive growth and sustainable economic, environmental and social development;
- support investment projects predominantly in the areas of transport, energy, environmental infrastructure, information and communication technology, health and education;
- maintain a high level of climate-related operations, accounting for at least 25% of all EIB financing operations outside the Union; the EIB shall strengthen the climate change adaptation dimension of its contribution to projects in all EIB financing operations under the external lending mandate;
- ensure full respect for human, labour and social rights, fundamental freedoms and gender mainstreaming;
- support the public sector, including municipalities and public sector entities, in terms of infrastructure and services, and particularly for health care and with special facilities for children, for sanitation services and school education, to address significantly increased needs.

Within the regional ceilings, the EIB shall ensure an adequate country distribution within the regions covered by the EU guarantee, in line with Union external policy priorities.

Coverage and conditions of application of the EU guarantee: financing agreements with individual promoters relating to EIB financing operations shall also include appropriate procurement, environmental, climate and social provisions in accordance with the EIB's own rules and procedures, including requirements to make the EU guarantee and EIB involvement visible to the end beneficiary.

EIB assessment and monitoring of investment projects: the EIB shall:

- require project promoters to carry out local public consultation, in line with Union social and environmental principles, with the relevant national and local stakeholders, as well as with civil society, at project planning stage and implementation stage on social, human rights, gender equality, environmental, economic and development-related aspects of investment projects;
- ensure that the principle of free prior informed consent is implemented, prior to financing operations affecting land and natural resources.

The EIB shall performance indicators in relation to development, environmental and social aspects, including human right and gender equality aspects, of projects funded.

Prevention of money laundering, fight against the financing of terrorism, taxation and non-cooperative countries and territories: in its financing operations, the EIB shall not support any project that contributes to money laundering, terrorist financing, tax fraud and tax evasion.

The EIB shall not maintain business relations with entities incorporated or established in jurisdictions that do not cooperate with the Union in relation to the application of the internationally agreed tax standards on transparency and exchange of information.

The EIB shall provide introduction of country-by-country reporting, public registers of beneficial ownership and a blacklist of non-compliant tax jurisdictions.