

July 24, 2014

Mr. Werner Hoyer, President of the European Investment Bank
Board of Directors of the EIB
European Investment Bank
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Joint civil society statement

Opportunities and expectations towards the EIB climate policy review

Dear EIB Management Committee,
Dear EIB Executive Directors,

We, the undersigned civil society organisations:

Welcome the news that the EIB will proceed with a climate policy review.

Encourage the EIB, as the European Union's Development and Policy Bank, to ensure the review properly meets Europe's ambitious objectives in regards to climate policy. It should deliver the Bank's *multiple* objectives, such as combating climate change, promoting sustainability and fully contributing to Europe's decarbonisation agenda. Following the substantial progress in effectively phasing out lending to lignite and coal-fired power plants with the adoption of a renewed energy policy in 2013, the EIB has been recognised across the EU as a leader in the fight against climate change. As a result, expectations of the EIB climate policy review - in the framework of the 2030 EU climate package - are substantial.

The EIB climate policy review will also send a crucial signal to ongoing international climate discussions and can act as one of the key drivers of the 2050 decarbonisation transformation of the EU economy.

A key aim for the review is that the EIB aligns its lending further with climate science and the EU Roadmaps 2050 by:

- addressing the total climate impact of its financing operations within and outside the EU;
- taking a lead and acting as a role model in supporting the decarbonisation processes.

The Climate Action Review needs to cover the whole EIB portfolio, rather than focusing purely on lending which meets the criteria for climate action.

The EIB's current approach to climate action is fragmented and spread across sectorial policies like energy and transport, the greenhouse gases accounting methodology, project assessment criteria and the Climate Action Programme that encompasses roughly 25 per cent of the bank's lending.

This will mean that the EIB needs a paradigm shift away from viewing its Climate Action Programme as one of many equally-important lending categories at the bank to proposing a genuine strategy for the bank to phase out funding for projects that are detrimental to the climate and mainstream climate considerations into each and every sector of operations the Bank is engaged in. For such a strategy, the EIB should prioritise options such as setting up a trajectory or a roadmap for a gradual and constant increase of investments in demand side energy efficiency and dispersed renewable energy technologies that benefit local economies and communities.

As the house bank of the EU, the largest multilateral public financial institution in the world and already a leader in climate finance, the EIB is expected to develop a visionary strategy that fully aligns with the EU's 2050 decarbonisation roadmaps.

Civil society organisations welcome the inclusive consultation process being set by the EIB, which will include two rounds of stakeholder consultation. Indeed, we consider it key to ensure that the discussion on the EIB climate policy reaches out in an open manner to a wide range of stakeholders at the EU level. The undersigned are willing to fully engage within this process and formulate concrete recommendations on the future policy.

We are keen to continue cooperating with the bank through policy work and joint participation in official events and roundtables at the EU and national levels. Using the opportunity of the next seminar between the EIB Board of Directors and civil society as part of the consultation process, as proposed by Vice-Presidents de Fontaine Vive and Taylor in a recent meeting in Luxembourg on 16 June 2014, is a well-received step forward to ensure the openness and inclusiveness of the consultation process.

We thank you very much for considering these issues.

Yours sincerely,

Signatories:



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