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**TEXTS ADOPTED**

*Provisional edition*

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**European Investment Bank annual report 2014**

**European Parliament resolution of 28 April 2016 on the European Investment Bank (EIB) – Annual Report 2014 (2015/2127(INI))**

*The European Parliament,*

- having regard to the 2014 Activity Report of the European Investment Bank,
- having regard to the 2014 Financial Report and the 2014 Statistical Report of the European Investment Bank,
- having regard to the 2014 Sustainability Report, the 2014 Report on 3 Pillar Assessment for EIB operations inside the EU and the 2014 Report on Results Outside of the EU of the European Investment Bank,
- having regard to the Annual Reports of the EIB Audit Committee for the year 2014,
- having regard to the European Investment Bank Group Annual Report on Anti-Fraud Activities – 2014,
- having regard to the EIB Group Operational Plan 2014-2016 (17 December 2013), the EIF Corporate Operational Plan 2014-2016 (December 2013) and the EIB Group Operational Plan 2015-2017 (21 April 2015),
- having regard to the report on the implementation of the EIB's Transparency Policy in 2014,
- having regard to the EIB Office of the Chief Compliance Officer Activity Report 2014,
- having regard to Articles 3 and 9 of the Treaty on European Union (TEU),
- having regard to Articles 15, 126, 174, 175, 208, 209, 271, 308 and 309 of the Treaty on the Functioning of the European Union (TFEU) and to Protocol No 5 thereto on the Statute of the EIB,
- having regard to the Rules of Procedure of the European Investment Bank,

- having regard to its resolution of 11 March 2014 on the European Investment Bank (EIB) – Annual Report 2012<sup>1</sup>,
  - having regard to its resolution of 30 April 2015 on the European Investment Bank (EIB) – Annual Report 2013<sup>2</sup>,
  - having regard to its resolution of 26 February 2014 on long-term financing of the European economy<sup>3</sup> and to the Commission communication of 27 March 2014 on Long-Term Financing of the European Economy (COM(2014)0168),
  - having regard to Decision No 1080/2011/EU of the European Parliament and of the Council of 25 October 2011 on the EIB External Mandate 2007-2013 and to Decision No 466/2014/EU of the European Parliament and of the Council of 16 April 2014 granting an EU guarantee to the European Investment Bank against losses under financing operations supporting investment projects outside the Union,
  - having regard to Regulation No 670/2012 of the European Parliament and of the Council of 11 July 2012 amending Decision No 1639/2006/EC establishing a Competitiveness and Innovation Framework Programme (2007-2013) and Regulation (EC) No 680/2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy networks (concerning the pilot phase for the Europe 2020 Project Bond Initiative),
  - having regard to the October 2014 European Council conclusions explicitly referring to involvement of the EIB in a new fund targeting investments aimed at improving energy efficiency and modernising energy systems in lower-income Member States,
  - having regard to the Commission communication of 26 November 2014 on ‘An Investment Plan for Europe’ (COM(2014)0903),
  - having regard to Regulation (EU) No 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013<sup>4</sup>,
  - having regard to the Commission communication of 22 July 2015 on ‘Working together for jobs and growth: The role of National Promotional Banks (NPBs) in supporting the Investment Plan for Europe’ (COM(2015)0361),
  - having regard to Rule 52 of its Rules of Procedure,
  - having regard to the report of the Committee on Budgetary Control and the opinions of the Committee on International Trade, the Committee on Budgets, the Committee on Economic and Monetary Affairs and the Committee on Regional Development (A8-0050/2016),
- A. whereas the core task of the EIB, as the EU’s bank, is to support financially projects in the interest of the Union that contribute to the balanced development of the internal market

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<sup>1</sup> Texts adopted, P7\_TA(2014)0201.

<sup>2</sup> Texts adopted, P8\_TA(2015)0183.

<sup>3</sup> Texts adopted, P7\_TA(2014)0161.

<sup>4</sup> OJ L 169, 1.7.2015, p. 1.

and to social, economic and territorial cohesion, and thus to strengthening European integration, contributing to higher employment and to the competitiveness of the Union;

- B. whereas all EIB-financed activities must be consistent with the EU Treaties and the EU's overarching objectives and priority areas, as defined by the Europe 2020 strategy and the Growth and Employment Facility;
- C. whereas, for the purpose of fulfilling its task, the EIB grants loans and gives guarantees which facilitate the financing of projects in all sectors of the economy, while operating on a non-profit-making basis;
- D. whereas the 2008 financial, economic and social crisis has resulted in the emergence of a severe investment gap and extreme levels of unemployment, particularly among young people, along with the prospect of protracted stagnation of the European economy;
- E. whereas at present both individual Member States and the EU as a whole are facing the overwhelming challenge, unprecedented in the entire history of the EU, of having to manage mass inflows of migrants from diverse regions of the world;
- F. whereas under the present circumstances a qualitatively new degree of urgency now characterises the central role of the EIB for the effective implementation of the Investment Plan for Europe and for the efficient operation of the European Fund for Strategic Investments (EFSI), as the principal vehicle for boosting growth, delivering decent jobs and overcoming social and territorial divisions within the Union;
- G. whereas the European Investment Fund (EIF) has a critical role to play in the response of the EIB Group as regards addressing the longer-term consequences of the crisis, and also contributes to the recovery of the European economy through support to SMEs;
- H. whereas the EIB should be not only a financial institution but also a bank of knowledge and good practices which advises the Member States and economic stakeholders and contributes to maximising the added value of EU funds;
- I. whereas EIB financing of operations outside the EU is designed to support the EU's external policy objectives, in line with Union values and on a basis of respect for sustainable social and environmental standards;
- J. whereas the scale and complexity of the tasks facing the EIB at present call for a renewed commitment to strictly avoiding the funding of projects that violate the basic standards of sound financial management, thus damaging the EIB's credibility as a triple-A public financial institution of unimpeachable reputation;

### ***EIB's investment programme underpinning EU policy objectives***

#### *Prioritising investments to accelerate recovery and enhance productivity*

1. Welcomes the EIB's Annual Reports for 2014 and its achievements presented therein, and strongly encourages the EIB to continue in its efforts to increase the low level of investment in the EU;
2. Welcomes, in particular, the fact that in 2014 the EIB funded 285 000 small and medium-sized enterprises, thus safeguarding 3,6 million jobs, and signed contracts for a total of 413 projects within the EU worth EUR 69 billion and 92 new projects outside the EU for a

total of EUR 7,98 billion; also welcomes the fact that in the same year the EIF committed EUR 3,3 billion through its equity and guarantee activities for the benefit of smaller businesses, thus registering the successful implementation of one of the EIB's most ambitious business plans, with a total of EUR 80,3 billion in EIB Group financing; welcomes the fact that the volume of signatures achieved by the EIB in 2014 is at its highest level since 2009, but stresses that signature levels have further potential; endorses the EUR 10 billion increase in the EIB's capital agreed by all the Member States in 2012;

3. Observes, however, that in 2014 59.4 % of all EIB-signed projects were allocated to the top five EU economies, while the share of the other 23 Member States stood at only 30.3 %; encourages the EIB to implement a more balanced lending policy towards Member States, given the intensity of both the current and the long-term challenges facing the Union;
4. Calls on the EIB to provide increased technical support at pre-approval stage for Member States that have a lower success rate for project approval, and encourages the EIB to facilitate exchanges of best practice between Member States in relation to successful project development;
5. Calls on the EIB to focus on investments in the real economy in order to stimulate jobs and growth in the EU;
6. Points to the dramatically high unemployment rates in many Member States, in particular among young people, and urges the EIB to take this situation into consideration when implementing its policies;
7. Points out that operations, while taking account of the availability of funds, must be targeted at generating investments that enhance economic recovery and productive employment, accompanied by consistent support to Member States aimed at increasing absorption capacities where necessary, as well as by a continuous commitment to avoiding the risk of territorial fragmentation;
8. Notes that insufficient project generation capacity in the public and private sectors and low levels of borrowing capacity in some Member States, in conjunction with current market conditions, present significant challenges to the EIB's lending programme; urges the EIB, therefore, to substantially step up its technical assistance and financial advice in all key areas of activity, on an easily accessible basis and vis-à-vis all Member States, in order to attain a much higher level of growth-generating capacity;
9. Welcomes the use of the 3 Pillar Assessment Framework (3PA) and the Results Measurement (ReM) Framework by the EIB for the ex-ante assessment of expected results from investment projects, both inside and outside the EU;
10. Invites the EIB, when assessing and rating projects, to give decisive priority to the long-term effect of investments, regarding not only financial indicators but also, above all, their contribution to sustainable development and to a better quality of life by means of further improvements in the field of employment, social standards and the environment;
11. Emphasises that project funding approval should be based on adequate financial and risk analysis, financial viability and sound budgetary management; considers that projects approved for EIB funding should offer clear added value to the European economy;

12. Regrets that there is no information presented in the 3PA Report, whether based on 3PA or other relevant tools, about actual results achieved from operations executed inside the EU in 2014 (in contrast to results achieved outside the EU), despite the fact that the 3PA is designed with the specific purpose of enhancing the EIB's ability to monitor implementation by tracking impacts throughout the project cycle; expects that, as a result of the ongoing harmonisation between 3PA and ReM, a new harmonised framework, better fitted for the ex-post assessment and reporting of project results both inside and outside the EU and fully in line with the scoreboard for EFSI operations, will be in place at the beginning of 2016 and will be used for the 2015 EIB reporting exercise; calls for the individual projects assessments to be published on a systematic basis;
13. Takes note of the EIB Operational Plan for 2015-2017; welcomes the fact that it recognises that speeds of recovery differ between the Member States and that it has set economic and social cohesion as a cross-cutting policy goal;
14. Takes into consideration the fact that the EIB has restructured the classification of its main Public Policy Goals (PPGs) for the EIB Group for 2015-2017 (innovation and human capital, SMEs and midcap finance, efficient infrastructure, and the environment) in a way that differs from the formulation of its PPGs for 2014-2016 (increase in growth and employment potential, environmental sustainability, economic and social cohesion and convergence, and climate action); notes that the PPGs have been aligned with the evolving economic circumstances, and, in this connection, calls on the EIB to ensure that the two cross-cutting goals, for economic and social cohesion in the EU and for climate action, together with the envisaged percentage of signatures contributing to them, are further enhanced;
15. Considers, however, that the presentation of the EIB's activities in the 2014 Activity Report is not fully consistent with the PPGs for 2014; regrets, furthermore, the lack of information on the results achieved by the different EIB financial instruments and initiatives that were in place in 2014; recommends that, in communicating information about its activities, the EIB should focus not primarily on the volume of investments made but rather on their effect;
16. Expects the EIB to contribute to the mid-term review of the Europe 2020 strategy by presenting information about its activities and their contribution to achieving the strategy's targets;
17. Invites the EIB to consider drawing up, in 2015, a more comprehensive and analytical report on its annual activities which would adequately summarise the information from its thematic reports and correspond more fully with the requirements of Article 9 of the EIB Statute;
18. Welcomes the new information provided by the working document on financial instruments accompanying the draft budget; regrets, however, the lack of a global overview of the annual commitments and payments to the EIB, and expects further details;
19. Emphasises that investment, structural reforms and sound budgetary policies must be part of an overall strategy;

*Promoting youth employment, innovation and SMEs*

20. Welcomes the implementation in 2014 of the EIB initiative ‘Skills and Jobs – Investing for Youth’, and encourages the EIB to continue investing in education, skills development and jobs for young people; calls on the EIB to report comprehensively on the results achieved by its Investing for Youth initiative, including through the use of an indicator such as sustainable employment resulting from specific operations;
21. Welcomes the launch in 2014 of a new range of products under InnovFin – EU Finance for Innovators, open to innovators of all sizes, as well as the launch of the InnovFin advisory service for large R&D projects; also notes the launch in 2014 of a new EIB Group Risk Enhancement Mandate;
22. Notes that in 2014 the EIB signed a total of 225 operations inside the EU for promoting innovation and skills (62 Innovation and R&D operations for EUR 9,6 billion and 25 Education and Skills operations for EUR 4,4 billion) and for SMEs and midcaps (138 operations for EUR 22,2 billion);
23. Notes the EIF’s capital increase of EUR 1,5 billion in 2014, and its record investment in providing risk finance for SMEs amounting to EUR 3,3 billion, which leveraged EUR 14 billion of capital; calls for a comprehensive and transparent overview of the EIF’s operations to be included in the EIB Annual Report;
24. Notes that the EIB Group channels SME and midcap finance through a variety of financial intermediaries, aimed at improving conditions for and enhancing access to finance; calls on the EIB, accordingly, to work much more closely with its financial intermediaries in the Member States and to urge them to disseminate relevant information to potential beneficiaries in order to establish an entrepreneur-friendly environment which allows SMEs easier access to funding;
25. Notes that SMEs in many parts of Europe face extreme difficulties accessing necessary finance; welcomes, in this context, the greater emphasis the EIB is placing on supporting SMEs; emphasises the importance of the EIB in facilitating partnerships and strengthening support instruments for funding micro, small and medium-sized enterprises’ activity and for innovative start-ups; calls furthermore on the EIB to cooperate more closely with regional public institutions with a view to optimising the financing possibilities for SMEs;
26. Welcomes the EIB trade facilitation programmes, in particular the SME Trade Finance Facility offering guarantees to foreign banks providing trade finance to SMEs and thereby contributing to reigniting trade flows and alleviating cash collateral constraints, and other new trade finance projects aimed at countries heavily impacted by the economic crisis or tailor-made financial solutions such as the European Progress Microfinance Facility dedicated to financial inclusion;
27. Invites the EIB to develop an effective communication policy addressing potential private beneficiaries, as an integral part of its advisory function; encourages it to reinforce and expand its office network inside the EU;
28. Regrets the lack of information in the 2014 Activity Report about the implementation of the agreement from July 2014 between the Commission and the EIF under the EU Competitiveness of Enterprises and SMEs (COSME) programme;

*Enhancing environmental sustainability and climate action*

29. Notes that out of the 84 environment projects signed in 2014 inside the EU, amounting to a total of EUR 12,6 billion, sustainable transport projects accounted for EUR 5,1 billion, renewable energy and energy efficiency projects for EUR 3,7 billion, and protection of the environment projects for EUR 3,8 billion; notes further that signed operations for the 'climate action' cross-cutting objective amounted to EUR 16,8 billion, or 24 % of total EIB financing inside the EU;
30. Takes note that EIB support for renewable energy capacity development in 2014 was concentrated for the most part in the EU's five largest economies, with only EUR 42 million out of EUR 4,5 billion for renewable energy projects in the EU-28 being spent in the 13 new Member States; adds that a similar concentration is observed in the energy efficiency sector, where out of EUR 2 billion only EUR 148 million was allocated to the 13 new Member States; encourages the share of future investments in renewable energy capacity developments and the energy efficiency sector in new Member States to be increased progressively until they reach 30 % of the total investments in these fields by 2020; calls for greater effort to be made in providing further technical assistance to national and regional authorities in order to improve their capacity to prepare viable projects that will allow for more investments in the energy sector;
31. Welcomes the launch in 2014 of new innovative instruments to support climate action, such as the Private Finance for Energy Efficiency instrument and the Natural Capital Financing Facility, and expects the EIB to report on their implementation in its future activity reports;
32. Encourages the EIB's commitment to supporting initiatives helping the EU both to stay a front-runner and to fulfil its own long-standing carbon market ambitions within the context of the Climate and Energy Policy Framework 2030, the Low Carbon Strategy 2050, and the UN climate talks for defining a new global agreement; calls for a review of the share of EIB investments in climate action, as the 25 % share has already been reached;
33. Notes the momentum towards the development of the green bonds market and the leading role of the EIB with its own green bonds and climate-awareness bonds, bearing witness to investor interest in financial products dedicated to sustainable, low-carbon and climate-resilient growth; calls on the EIB to review its emissions performance standard in 2016 in the light of the EU 2050 Low Carbon Strategy;
4. Welcomes the publication in September 2015 of the EIB Climate Strategy – Mobilising finance for the transition to a low-carbon and climate-resilient economy, and of the Synthesis Report on Operations Evaluation of EIB Financing of Climate Action (mitigation) within the EU 2010-2014; calls for the SMART (Specific, Measurable, Attainable, Realistic and Timely) approach to be applied in the specific action plans following the EIB Climate Strategy by 2017;

*Promoting economic and social cohesion and convergence*

35. Notes that EUR 19,9 billion, or 29 % of total EIB financing inside the EU in 2014, were for operations supporting cohesion; regrets, however, that there is no information about the number of projects supported by the EIB Group under the relevant sectors or the financial instruments or applied initiatives related to this cross-cutting policy objective;

36. Underlines the decisive role of cohesion policy in reducing imbalances between European regions and fostering European integration, and in this context highlights the key importance of the performance-based approach; urges the EIB to include in its future annual reports detailed information about the contribution and results achieved towards implementing the objectives of cohesion policy through EIB activities;
37. Welcomes the enlarged role the EIB Group will play in implementing cohesion policy for the 2014-2020 programming period; believes that this is a step in the right direction towards improving synergies between the EIB and ESI Funds; calls for the improvement of its activity in line with the TFEU Protocol (No 28) on Economic, Social and Territorial Cohesion; considers that there is a need to strengthen cooperation between the Commission, the EIB and local and regional bodies to ensure that the financial instruments are used effectively to boost territorial development and cohesion; welcomes the partnership between the Commission and the EIB in setting up the fi-compass advisory platform; firmly believes that there is a need to simplify the rules governing the support given by the ESI Funds to financial instruments under the EIB;
38. Welcomes in particular the EIB's financing activity in support of infrastructure and transport projects in Europe's regions; emphasises that financial support of this kind significantly increases the development potential of trade, by fostering growth and competitiveness, in particular in those areas with natural geographical disadvantages;
39. Notes that in 2014 the EIB signed, inside the EU, 104 projects for development of social and economic infrastructure for a total of EUR 20,2 billion, of which strategic transport projects (including TEN-T) accounted for EUR 8,2 billion, competitive and secure energy projects for EUR 7,5 billion, and urban renewal projects (including health) for EUR 4,5 billion;
40. Stresses that investment in sustainable infrastructure projects is key to improving competitiveness and restoring growth and jobs in Europe; calls, therefore, for EIB financing to be deployed towards the areas most affected by high unemployment, and for more social infrastructure projects; emphasises that EIB financing should focus primarily on those countries which are lagging behind in terms of infrastructure quality and development, bearing in mind, however, the principle of sound financial management and viability of projects;
41. Notes with concern the tendency to finance infrastructure such as motorways, which encourage fossil fuel consumption and therefore run counter to the Union's long-term objectives of moving towards a carbon-free economy; calls on the EIB to include a compulsory ex-ante assessment of environmental, economic and social added value in the process for selecting projects to be funded inside and outside the EU and for all ex-ante and ex-post assessments to be carried out with the active involvement of stakeholders, local, regional and national authorities and civil society representatives; calls, in addition, for the results of such assessments and the indicators used to be made public and to be fully accessible;
42. Stresses that the financing of major projects often facilitates infiltration by companies linked to organised crime; criticises the fact that the EIB has provided funding for the 'Passante di Mestre' motorway bypass, which is the subject of tax fraud investigations; notes with concern that the EIB has not responded to the requests in this regard set out in the report on the Annual Report 2013 on the Protection of the EU's Financial Interests –

Fight against fraud; calls on the EIB, once again, to suspend all forms of funding for the project;

43. Stresses the importance of regional development, and calls on the EIB to enhance dialogue and cooperation with regional and local authorities, banks and agencies; considers that, in this framework, cross-border cooperation should be also supported;
44. Calls on the EIB to increase its support to projects covered by the EU macro-regional strategies; stresses the importance of continuing to support sustainable innovative economic sectors, as well as traditional ones, in the EU; underlines the need to interconnect Europe by means of intermodal transport as well as place-based investments; calls, furthermore, for the establishment of financial and investment platforms in order to enable the bundling of funds from various sources and the mobilisation of investments needed for such macro-regional projects;

#### *Managing the European Fund for Strategic Investments (EFSI)*

45. Welcomes the new European Fund for Strategic Investments (EFSI); emphasises the need for the EFSI to function in an effective, fully transparent and fair way in line with the criteria of its mandate and regulation, and recommends close cooperation and overview of EFSI operations by Parliament and the European Court of Auditors; stresses that its resources should demonstrate real additionality compared with the usual operations funded by the EIB; recalls that the EFSI must also contribute to cohesion, and calls on the EIB to ensure consistency and complementarity with the investments from the European Structural and Investment Funds and other public funds; calls on the EIB to implement and further develop the EFSI in close cooperation with the co-legislators, including through a timely and mandatory conclusion of the pending agreement between Parliament and the EIB;
46. Expects that the goals for the EFSI will be consistent with the EIB's PPGs and that the levels of EIB investments for 2016 will be adapted to reflect EFSI operations as well;
47. Stresses that the EFSI should benefit all Member States without sectoral and regional pre-allocation, and should also be consistent with ongoing regional or local investment initiatives; emphasises that EFSI funding should also benefit small-scale projects;
48. Recognises the challenges involved in creating and swiftly making operational an EFSI pipeline of strategic projects; welcomes the setting-up by the EIB of the European investment advisory hub, which aims to provide technical assistance and expertise to potential promoters; expects the technical assistance mechanism to work effectively at local and regional level;
49. Recommends that Member States designate national promotional banks and closer cooperation between the EIB and national promotional banks, financial institutions and investment platforms, in order to pool and share expertise and know-how as well as to better align EIB actions with Member States' policy priorities; recalls the need for full transparency and for prioritising result-orientation with regard to the involvement of national promotional banks and institutions in EFSI projects;
50. Calls on the EIB to ensure that the EFSI is not indirectly used as a means of increasing the EIB's capital; calls therefore on the EIB to regularly review its involvement in the EFSI and to show that the conditions on additionality laid down in Article 5(1) of Regulation

(EU) No 2015/1017 have been met and, in particular, that private funding sources are not being crowded out;

51. Is worried that many projects selected during the warehousing phase would have found access to financing under normal conditions and do not meet the additionality requirement; recalls that the EFSI guarantee was meant to enable the EIB to take more risks while maintaining its triple-A rating; stresses that it will be extremely vigilant in monitoring compliance with this criterion;
52. Expects the EIB group to be particularly watchful with regard to compliance with Article 140(6) of the Financial Regulation, which provides that financial instruments 'shall not generate undue advantages, in particular in the form of undue dividends or profits for third parties', given fears that the EFSI could in some way contribute to the 'socialisation of risks and privatisation of profits' in the light of financing experiences in cases such as the Castor project in Spain or the Passante di Mestre project in Italy;

#### *Considering the Project Bonds Initiative (PBI)*

53. Considers that the Project Bonds Initiative (PBI) should be seriously assessed with regard to its financial, social and environmental impact; urges the Commission to set up an inclusive and open consultation process at EU level, with the active participation of representatives from the European Parliament, on the future of project bonds for the period 2016-2020 before the current PBI pilot phase is fully rolled out;

#### *Updating the external dimension of EIB interventions*

54. Welcomes the EIB's renewed external lending mandate for 2014-2020, which provides an EU guarantee covering the EIB's external operations up to EUR 30 billion, as well as its core objectives, namely local private sector development, development of social and economic infrastructure, and climate change adaptation and mitigation;
55. Calls on the EIB to pay attention to third countries and regions outside the EU suffering from conflict and extreme poverty, the main goal being to reduce the development gap between the EU and those regions, as well as to contribute to SME support programmes in trading partner countries, including through sufficient funding for the Deep and Comprehensive Free Trade Area (DCFTA) Facility for SMEs, with a special focus on the Southern Mediterranean and Eastern European Neighbourhood countries; calls on the EIB to work alongside the African Development Bank (AfDB) to finance long-term investments in the service of economic development; welcomes the fact that EU grants are increasingly blended with EIB lending in order to achieve better project results in EU partner countries;
56. Urges the EIB to continue to actively promote sustainable growth in both developed and developing countries in order to support sustainable development around the world; stresses that the EIB as the financial arm of the Union must play its part in fulfilling the UN Sustainable Development Goals; calls for the post-2015 development agenda to be given special attention in the review of the mid-term external lending mandate of the EIB in 2016;
57. Recalls that the European Investment Bank is the largest foreign financier in Turkey and that following the opening of the accession negotiations in 2004, the EIB stepped up its lending operations to that country and some EUR 23 billion has been made available over

the past decade; regrets the fact that, despite the persistent economic crisis in the EU, Turkey currently ranks first among EIB recipient countries outside the EU, with about 3.5 % of total EIB loans (2015); calls for stronger conditionality for financing linked to respect for human rights and freedom of expression;

58. Encourages the EIB to develop and deploy the necessary comprehensive approach in response to the severe challenges generated by the flow of migrants to Europe, including enhanced operations in countries of origin of such flows as well as in countries which border directly on countries of origin;
59. Calls on the EIB, in this connection, to focus its activities on supporting investment needs in urban, health, educational and social infrastructure, stimulating economic activities that create new job opportunities and promoting cross-border cooperation between Member States and third countries;
60. Points out that the EIB is an important actor for promoting EU foreign policy priorities and objectives; recommends enhanced coordination and cooperation between the EIB and the external policy services and instruments of the EU; calls for the continuation and improvement of the systematic ex-ante and ex-post assessments of the economic, social and environmental impact of EIB-supported projects against EEAS goals and the general principles guiding Union external action as referred to in Article 21 TEU and the EU Strategic Framework and Action Plan for Human Rights; calls, with regard to investments outside the EU, for an in-depth report on any possible losses and on how and in what cases the guarantee instrument has been used; welcomes the fact that the EIB has held a series of seminars on business and human rights;
61. Calls on the EIB to provide Parliament and the public with detailed information on EIB funding and the performance of the Business Ombudsman in the Ukraine;
62. Welcomes the solution found in conjunction with the World Bank enabling the EIB to contribute to facilitating Ukrainian gas purchases;
63. Expresses its intention to scrutinise closely the implementation of the EIB's external mandate ahead of the mid-term review, while bearing in mind the potential activation of an additional EUR 3 billion; confirms its commitment to examining closely the first 'project completion reports' to be published under the external lending mandate for the period 2014-2020; requests that the European Court of Auditors produce a special report on the performance and alignment with EU policies of EIB external lending activities;

#### ***Enhancing the EIB's governance, transparency and control framework***

64. Welcomes the strong asset quality of the EIB, with its rate of impaired loans close to 0 % (0,2 %) of the total loan portfolio and its prudent management of liquidity; considers it essential that the EIB should keep its triple-A credit rating in order to preserve its access to international capital markets under the best funding conditions;
65. Suggests that the EIB enhance its sectoral analysis capacities and publish aggregate statistical data, as well as information regarding sub-projects, facilitating a targeted approach to certain sectors or types of SMEs; emphasises the need to include in EIB annual reports a more comprehensive and detailed analysis of investment requirements by sector in the EU, in order to be able to identify any areas in which investment falls short of

what is required for the pursuit of the EU's priorities; believes that the EIB should assess the ability of its investment instruments to rectify such shortfalls;

66. Underlines the importance accorded by the EIB to its policy of zero tolerance of fraud, corruption and collusion and its commitment to strong integrity and ethical rules; welcomes, in this context, the approval by the EIB Board of an updated anti-fraud policy and the EIB Group Annual Report on Anti-Fraud Activities – 2014; expects the EIB to stop further loan disbursements to projects under ongoing national or European corruption investigations;
67. Welcomes the adoption of a revised EIB Group Anti-Money Laundering and Combating the Financing of Terrorism Framework (AML-CFT) in July 2014; encourages the EIB to pursue dialogue with civil society on the improvement of its non-cooperative jurisdictions (NCJ) policy; calls on the EIB to establish a new responsible taxation policy, starting from the review of its NCJ policy in 2016; calls on the EIB to make both direct funding and funding via intermediaries contingent upon disclosure of both country-by-country tax-relevant data along the lines of the CRD IV provision for credit institutions, and beneficial ownership information;
68. Calls on the EIB, in the context of the ex-ante assessments of undertakings which are the subject of judicial investigations, to update its policies on anti-money laundering and on combating the financing of terrorism and organised crime;
69. Takes note of the report on the implementation of the EIB's transparency policy in 2014; insists on the need to achieve the highest levels of transparency and institutional accountability by ensuring the proactive public disclosure of exhaustive and sound budgetary information and access to financial data related to projects funded by the EIB;
70. Calls for maximum transparency and publicity regarding the system of contracts and subcontracts, and for Parliament to be given access to information and financial documentation in every case;
71. Encourages the EIB to strictly follow the requirements related to the public register of environmental documents under the Aarhus Regulation (Regulation (EC) No 1367/2006), and to continue its regular reporting on its lending activities outside the EU in accordance with the International and Transparency Initiative (IATI) standards;
72. Reiterates that the EIB should reinforce its due diligence activities so as to improve the quality of information on ultimate beneficiaries and to more effectively prevent transactions with financial intermediaries with a negative record in terms of transparency, fraud, corruption, organised crime, money laundering and harmful social and environmental impacts or registered in offshore financial centres or tax havens which resort to aggressive tax planning; calls on the EIB not to use the Project Bond Initiative to fund activities infiltrated by organised crime; stresses once again the need to establish a stringent public list of criteria for selection of financial intermediaries by the EIB, jointly with the Commission;
73. Calls on the EIB to develop more stringent rules on conflicts of interest and clear, strict and transparent criteria for public-private partnerships receiving funding, in order to ensure that not only the investment part of the projects are fairly shared by both public and private partners but also the risks involved in the investments so as to safeguard public interest; calls on the EIB to strengthen the know-how base for the participation of

governments, regions and municipalities in public-private partnership structures, including by providing them with guidelines;

74. Calls on the EIB to ensure that companies participating in projects co-financed by the EIB should be required to adhere to the principle of equal pay and pay transparency and to the principle of gender equality as set out in Directive 2006/54/EC of the European Parliament and of the Council of 5 June 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation; points out furthermore that when deciding which projects to finance, the EIB should take into account the corporate social responsibility measures taken by candidate companies;
75. Believes that regular updates on the management costs and fees incurred by the EIB and on the impact of financed projects in terms of employment and added economic value would be useful;
76. Recommends publication on the EIB website of non-confidential documents such as Corporate Operational Plans for previous years, interinstitutional agreements and memorandums, and other relevant agreements, as well as disclosure of the minutes of the meetings of the EIB managing bodies on a regular basis, starting with January 2016; considers that better public access to documents is a key element for the transparency, accountability and integrity of the institution;
77. Welcomes the process of reviewing the EIB Complaints Mechanism policy, launched in September 2015, and the public consultation opened for relevant stakeholders; expects that the ongoing revision of the Complaints Mechanism will improve and enhance its independence and effectiveness and will contribute as well to the greater effectiveness and efficiency of the Complaints Mechanism Office; calls on the EIB Management Committee to take on board the recommendations of that office and to act on the opinions of the European Ombudsman; calls for a steady flow of information between the EIB Complaints Mechanism Office and the EIB Board of Directors; believes that there is a need to update the Memorandum of Understanding between the EIB and the European Ombudsman in order for the Ombudsman to exercise external scrutiny over the EIB more actively and to improve monitoring procedures and further accountability of the EIB;
78. Welcomes the annual reports for the 2014 financial year of the EIB Audit Committee, and urges the responsible EIB bodies to ensure full compliance with best prudential banking practices in the areas where full compliance was not achieved in 2014; takes note of the EIB management's intention to reorganise the Bank's control functions; supports the Audit Committee's request for a respective implementation plan as well as its intention to carefully monitor further developments; endorses the fact that the Audit Committee has cautioned the EIB management and services to the effect that the EIB should maintain its capacity while not weakening the current Internal Control Framework;
79. Considers that EIB Annual Reports should devote a greater focus to the outcomes of projects completed; calls in this context on the EIB, in conjunction with project partners, to produce a set of results from each project completed which assesses the effectiveness of EIB funding;
80. Notes the expiry, on 27 October 2015, of the Tripartite Agreement mentioned in Article 287(3) TFEU, governing cooperation between the EIB, the Commission and the Court of Auditors with respect to the control methods exercised by the Court regarding the

EIB's activity in managing Union and Member State funds; calls on the three institutions to cooperate in the process of renewal and updating of this agreement, and to ensure that the renewed agreement covers the already existing and any new EIB instruments or initiatives involving public funds from the EU or the European Development Fund; calls in this context for the European Court of Auditors to be given enhanced powers in order to evaluate and report more thoroughly on EIB lending practices, instruments and initiatives when directly related to the use of EU budget appropriations;

*Towards comprehensive parliamentary accountability*

81. Considers that the evolving complexity and growing volume of EIB activities, together with the continuing uncertainties on the financial markets, make it even more necessary to find solutions to put in place effective prudential banking supervision of the EIB; regrets, therefore, that Parliament's proposals, previously put forward, for introducing regulatory external prudential supervision were not taken into consideration, by neither the Commission nor the EIB;
82. Encourages the efforts being made by the parties involved to draw up an interinstitutional agreement between the European Parliament and the EIB, providing for enhanced cooperation between the two institutions; calls for regular structured dialogue between the President of the EIB and the European Parliament to ensure increased parliamentary oversight of the EIB's activities; calls furthermore on the EIB, as part of this interinstitutional agreement, to agree to sign an agreement with Parliament to allow Members of the European Parliament to ask direct questions to its President with an agreed timeline for response, as already happens with the ECB President;

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83. Instructs its President to forward this resolution to the Council, the Commission, the European Investment Bank and the governments and parliaments of the Member States.