

## Public consultation on the review of the EIB Transport Lending Policy

### Consultation Questions

26 July 2021

The European Investment Bank (EIB) invites the public to contribute to the review of the EIB Transport Lending Policy (TLP).

This document sets out questions intended to guide the public consultation, soliciting views about specific transport-related issues to inform the revision of the Transport Lending Policy. Answers to these questions must be submitted in writing, preferably via the [online survey](#).

Those who wish to contribute via email may do so at: [tlpconsultation@eib.org](mailto:tlpconsultation@eib.org). Contributions must be received by **29 October 2021** and will be published on the [public consultation web page](#).

The public consultation webpage provides more information about the review, including the [Transport Lending Policy consultation document](#), which provides the necessary background information on the context for this review, as well as on the key issues at stake. This consultation document is available in English, French, and German.

Thank you for your engagement with the European Union's bank.

## Contents

Consent .....	2
Chapter 1 - About you .....	3
Chapter 2 - General .....	6
Chapter 3 - Urban Mobility.....	14
Chapter 4 - Extra-urban Rail.....	17
Chapter 5 - Extra-urban roads.....	20
Chapter 6 - Inland waterway transport .....	24
Chapter 7 - Maritime transport.....	26
Chapter 8 - Aviation.....	29
Chapter 9 - Additional comments .....	32

### Consent

In accordance with the [EIB Group Transparency Policy](#), the EIB operates under the presumption of disclosure. For public consultations, this means that the EIB will publish all contributions on the public consultation website at the end of the consultation period. Respondents may nonetheless choose to answer anonymously.

## Chapter 1 - About you

I am responding as:

- An individual in my personal capacity  
 The representative of an organisation

First name\*:

Clara

Surname\*:

Bourgin

Email address<sup>△</sup>:

clara.bourgin@counter-balance.org

*Please only respond to the next two questions if you have indicated that you are responding on behalf of an organisation.*

Function<sup>△</sup>:

Policy and Advocacy Officer

Organisation name:

Counter Balance

Country\*:

Belgium

Treatment of personal data:

- The EIB **may** publish, as part of your contribution, the information in the fields marked with an asterisk (\*)
- The EIB **may not** publish, as part of your contribution, the information in the fields marked with an asterisk (\*)

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<sup>△</sup> Please note that your email address and function will **not** be published.

\* Country of residence, if answering as an individual; or country of the organisation's head office, if answering on behalf of an organisation.

*Responses to the following four questions (A-D) are for statistical/analytical purposes and will not be published as part of your contribution. They are extremely useful in helping the EIB to understand stakeholders' profiles and to improve consultation processes going forward. Only the aggregated results will be reported in the consultation report produced at the end of the consultation process.*

**A: Type of organisation (if responding as a representative of an organisation):**

- Large corporate
- Micro, small or medium-sized enterprise (SME, i.e. an enterprise which employs fewer than 250 people and has an annual turnover not exceeding €50 million, and/or an annual balance sheet total not exceeding €43 million)
- Financial institution
- Non-governmental organisation
- Trade/business/professional association
- Public authority (e.g. EU institution, body or agency, national/regional/local government, etc.)
- International or supra-national organisation
- Consultancy (e.g. professional consultancy, law firm)
- Research/think tank (e.g. university, research institute)
- Other

Please specify:

**B: How did you hear about this public consultation?**

- EIB email/newsletter
- EIB social media
- EIB website
- Press
- Colleague
- Other

Please specify:

**C: Did you ever engage with the EIB before this public consultation?**

- No, this is the first time that I have engaged with the EIB
- Yes, as a client
- Yes, as a financial intermediary
- Yes, as a recipient of an EIB-intermediated loan
- Yes, as the representative of a country hosting an EIB-financed project
- Yes, as another type of business partner
- Yes, as an institutional partner
- Yes, as a member of civil society/a non-governmental organisation
- Yes, in another capacity

Please specify:

**D: How familiar were you with the EIB Transport Lending Policy (TLP) before this public consultation?**

- Very familiar
- Somewhat familiar
- Not familiar

## Chapter 2 - General

### 1. Within the European Union, please rank the six sub-sectors identified by the EIB<sup>†</sup> by their need for support to invest in decarbonisation.

Please rank in order of priority, from (1) highest priority to (6) lowest priority.

	1	2	3	4	5	6
urban public transport	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
extra-urban rail	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
extra-urban roads	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
inland waterways	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
maritime	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
aviation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you believe that no sub-sector should be prioritised or that all sectors require appropriate support, please leave the ranking blank and instead check the relevant box below.

all sectors require appropriate support	<input type="checkbox"/>
no sub-sector should be prioritised	<input type="checkbox"/>

Please explain your answer:

The focus of the EIB should be on reducing demand in carbon-intensive transport including a drastic reduction in air travel, less cars and freight transport, and promoting instead public transportation, active mobility, shared zero emission vehicles and modal shift. The EIB needs to recognize that the endless growth of road, air and maritime transport is unsustainable and may lead to future stranded assets. It is crucial to avoid any further lock-ins into carbon intensive infrastructure, including for instance motorways and highways. While the EIB is certainly interested in financing more climate-friendly projects, unfortunately its impact is still severely impaired by its financing of climate-damaging projects.

Considering the huge efforts needed to decarbonize European mobility, public finance should support sustainable transport modes and infrastructures, and fund research to develop means of reducing traffic (for example through better urban and spatial planning).

<sup>†</sup> The sub-sectors listed follow the order in which they can be found in the consultation document.

As a matter of priority the EIB should:

- Make the reduction of transport demand a central goal in the Transport Lending Policy.
- End the financing of any expansion / capacity increase in motorways and highways.
- End support and financing for LNG terminals, and LNG fuelled vessels;
- End the support and financing of port expansions in Europe and related transport and industrial infrastructure including the expansion or creation of special economic zones;
- End the financing to airlines and aircraft manufacturing except for synthetic fuels such as power to X made from additional renewable electricity;
- Only support the electrification of trucks, coaches and vessels and not support powertrains relying on gas, biofuels, or oil;
- End loans for the manufacturing of internal combustion engines (including hybrid vehicles) in the automotive sector:
- End support to gas vehicles for transport and the associated production, transport, distribution and refuelling infrastructure,
- End support for biofuels and blue hydrogen as alternative fuel source;
- Support and scale up financing for zero-carbon transport infrastructure, new mobility concepts, active mobility, urban electric public transport and rail electrification, and zero-emission multimodal transport services.
- Support renewal of public transport fleets towards zero emissions vehicles, especially to promote joint tenders of various cities across Europe.
- Support renewal and electrification of rolling stock for rail passengers transport (including night trains).
- Funding to urban and local roads must be conditioned on actively contributing to sustainable mobility (more space devoted to pedestrian, public transport, active mobility).
- Use the possibility of applying stricter standards than in the EU taxonomy.
- R&I should be limited to zero-emission technologies and new mobility concepts and not enable small incremental innovation to be eligible for EIB loans. The EIB should stop any funding for R&I in any crop-based biofuels and only support research on advanced (waste/residues) biofuels and renewable synthetic fuels for aviation and renewable hydrogen and ammonia for shipping.

If you believe the EIB should prioritise its support for the transport sector in another way, please indicate how:



**2. Outside the European Union would you rank these sub-sectors differently?**

- Yes – I would rank the sub-sectors differently
- No – I would not rank the sub-sectors differently
- Don't know

Please explain your answer:

All EIB investments should go in future-proof, transformative transport projects that work towards a just transition, whether in or outside the EU. There should not be any double standards allowing the EIB to finance carbon-intensive transport projects outside of Europe. Double standards risk running counter to the EIB commitments to both align all its operations with the objectives of the Paris Agreement and to apply the Do No Significant Harm (DNSH) criteria that will be attached to the future EU Taxonomy.

**3. Within the European Union, please rank the top five challenges facing the transport sector, as identified by the EIB<sup>‡</sup> (see pages 6-20 of the consultation document), that you believe are the most critical to consider.**

*Please rank from (1) most important to (5) least important.*

	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Decarbonisation: Spatial planning	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decarbonisation: Modal shift	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decarbonisation: Electromobility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decarbonisation: Hydrogen-based economy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Decarbonisation: Advanced biofuels	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Doing no significant harm to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resilient infrastructure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resource efficiency	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Safety and security	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Connectivity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Equal accessibility	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Balanced development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Digitalisation and automation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sustainable cities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>‡</sup> The challenges listed follow the order in which they can be found in the consultation document.

Other challenges	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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If you believe no challenge should be prioritised, please leave the ranking blank and instead check the box indicating “no challenge should be prioritised”.

No challenge should be prioritised	<input type="checkbox"/>
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Please explain your answer:

As mentioned before, the reduction of transport demand should be a central goal of the Transport Lending Policy. This is unfortunately not a priority for the EIB at the moment. Therefore, we call on a paradigm shift at the EIB, and the future Transport Lending Policy should clarify that demands’ reduction is a priority for the bank and will be mainstreamed under its economic, financial, environmental and social assessments for all its operations in the transport sector.

**4. Outside the European Union, would you rank these challenges differently?**

- Yes – I would rank the challenges differently
- No – I would not rank the challenges differently
- Don’t know

Please explain your answer:

Again, the EIB should avoid any double standards within and outside of the EU, in particular as regards to the impacts of its operations on the climate, environment and biodiversity.

**5. What types of electromobility projects, if any, should the EIB prioritise and why?**

The EIB should prioritise the electrification of public transport fleets and railway infrastructures (including night trains) and any investments that promote a shift from private transport modes (such as private cars) to more public modes of transportation.

There is an urgent need to rethink car mobility and move beyond private car ownership. Electric vehicles (EVs) are associated with fundamental problems regarding their supply chain, with increased demand for mining minerals bearing serious risks for the environment and human rights. For the EIB, this means financing projects that can really transform mobility systems, by focusing its investments in the scale-up of public transport and shared alternatives.

The EIB should also support direct electrification over electrofuels when it comes to road transportation.

**6. Is there a role for hydrogen and hydrogen-based synthetic fuels as an alternative fuel for transport applications?**

- Yes – there is a role for hydrogen and hydrogen-based synthetic fuels
- No – there is no role for hydrogen and hydrogen-based synthetic fuels
- Don't know

Please explain your answer:

The potential for truly sustainable hydrogen production in the EU remains limited. According to the International Council on Clean Transportation, renewable gas (which includes hydrogen but also small-scale biogas) would [meet only 7% of today's gas demand by 2050, and only 6% of transport fuel demand if all production is used exclusively for transport.](#)

Scaling up production of hydrogen also raises several challenges and importing hydrogen from sunnier and windier countries would also result in major transport costs and risk slowing down the necessary decarbonisation path of exporting countries.

Considering the limited amount of truly renewable hydrogen that can be sustainably produced, the use of electrofuels should only be used for transport sectors where the direct use of electricity is not feasible, like for shipping and aviation, while keeping in mind the need to reduce demand of such carbon-intensive transport modes.

Importantly, the EIB should exclude any financing of “grey” and “blue” hydrogen produced from fossil fuels in order to stick to the spirit of its Energy Lending Policy, while keeping a cautious eye on the assumptions around the rapid development of “green” hydrogen. It is crucial for the EIB not to provide public support to fossil fuels through the back door.

**7. Is there a role for biofuels in decarbonisation of the transport sector?**

- Yes – there is a role for biofuels
- No – there is no role for biofuels
- Don't know

Biofuels have been shown to cause terrible social and environmental impacts, with many not being better than conventional fuels. Biofuels such as palm oil and soya produce [much higher emissions once land-use change, fertiliser and pesticide use, transport and processing are taken into account](#). The burning of fuels containing palm oil, for instance, produces up to [seven times more GHG than petroleum-based kerosene currently used in aviation](#).

The potential for more sustainable forms of biofuels from waste and residues (so-called “advanced biofuels”) is very limited and should therefore only be used for hard to abate sectors. A recent report from Transport & Environment for instance estimated that the maximum sustainable potential for waste based biomethane [could cover only around 6.2% to 9.5% of projected EU transport demand for 2030](#), assuming that all of it is used for transport. This would also mean that no biomethane would be allocated to other sectors where it could be of better use (such as for local heat and electricity generation or for a few industrial activities that are difficult to decarbonize).

The EIB should therefore end any investment in biofuels. It should also not invest in advanced biofuels for road transportation. While there could be some limited scope for advanced biofuel investment in aviation, the EIB must ensure that the proper safeguards are in place to ensure it truly comes from waste and residues and not assume that such fuels are carbon neutral.

**8. What kind of investments in increasing the climate resilience of transport infrastructure can, at the same time, support the objective of decarbonising and depolluting transport?**

Ambitious measures are needed to prevent the worst outcomes of climate change. This is why the EIB must above all avoid any further lock-ins in carbon intensive infrastructure including motorways, highways and LNG terminals.

**9. Given the imperative to decarbonise transport, what transport investments should the EIB support that can contribute to the balanced development of different regions and Member States of the European Union?**

The EIB should support the renewal and electrification of rolling stock for rail passengers transport, including night trains.

**10. Given the imperative to decarbonise transport, what transport investments are needed to contribute to more equal access to mobility taking into consideration, for example, people's location, socioeconomic status, and gender?**

Ensuring equitable access to quality and sustainable public transport should be the key objective of the EIB Transport Policy.

In addition to the climate and environmental benefits, prioritising investments in public transport over private cars is also a means of contributing to more equal access to mobility. Indeed, favouring investments for electric buses, cycling and trains promotes accessibility for the nearly 30% of European households who do not own a private car while also reducing the negative impacts of traffic and congestion which are felt by everyone, regardless of whether they are able to enjoy the benefits of car use.

**11. Taking into account the EIB's mandate to support the European Union's integration into the global economy, what kind of transport investments should the EIB prioritise?**

**12. How can the EIB foster partnerships between the public and private sectors to respond to the challenges facing the transport sector?**

While participation of the private sector can be needed, the claim that the private sector is more efficient and better placed to deliver public services like transport has been [repeatedly debunked](#). The EIB should especially be cautious over the use of public-private partnerships as the negative effects of such models on hidden debt and public services are becoming increasingly clearer. A recent report from the [European Court of Auditors](#) covering inter alia the transport sector warns for instance that Public Private Partnerships (PPPs) benefiting from EU public financing "*suffer from widespread shortcomings and limited benefits*".

There are no further questions in this chapter. If you would like to add anything that is not already covered by the questions in this chapter, you may do so in the box below.

**Additional comments:**

We would like to challenge the framing of the public consultation as put forward by the EIB. Indeed, it is indicated in the preface of the Public Consultation Document that: *“Considering the decisions taken by the EIB Group recently, especially with regard to its commitments to the Paris alignment in the context of its Climate Bank Roadmap, the future Transport Lending Policy will no longer address the eligibility criteria for transport sector projects. The eligibility criteria are now enshrined in the Climate Bank Roadmap. The EIB will therefore not consider any comments on the eligibility of projects in the transport sector as part of this public consultation. The Transport Lending Policy will focus on setting the priorities for the EIB’s support to the transport sector, within the eligibilities approved as part of the Climate Bank Roadmap”*.

First of all, this approach contradicts the fact that many questions present in this questionnaire directly touch upon the topic of decarbonisation and therefore directly relate to the eligibility of certain investments.

Secondly, our analysis is that while the EIB Climate Bank Roadmap (CBR) is a step forward in placing the EIB in the field of climate, it is still far from sufficient to truly transform the EIB into a “Climate Bank”. As pointed out in [a joint letter](#) by 47 CSOs in January 2021, the Roadmap commits the EIB to align all its sectoral policies and portfolio with the objectives of the Paris Agreement, but neither its Transport Lending nor its transport portfolio are yet Paris-Aligned. Our analysis is that the transport-related elements in the CBR are not sufficient to guarantee this alignment, despite commendable progress regarding eligibility criteria, starting from the ban on expansion capacity for airports. Still, we consider that several types of operations eligible for EIB financing are still at odds with a decarbonised future.

Therefore, we invite the EIB to further define its eligibility criteria for transport projects in this review process. This would not run counter to the objective of better defining its priorities in the sector for the next decade.

As CSOs we are willing to further push and accompany the transformation of the EIB into a more sustainable institution, and will therefore keep providing recommendations on topics of relevance, including the eligibility criteria for EIB operations.

## Chapter 3 - Urban Mobility

**1. Do you believe that there will be any permanent impacts on the development of this sector following the COVID-19 pandemic?**

- Yes – there will be some positive impacts
- Yes – there will be some negative impacts
- Yes – there will be both positive and negative impacts
- No – there will be no impacts
- Don't know

Please explain your answer:

**2. Given the imperative of decarbonising and depolluting transport, what types of investment would be most effective in supporting the use of zero-tailpipe transport?**

The EIB should only support the direct electrification of road transportation. Considering the limited amount of truly renewable and sustainably sourced hydrogen and advanced biofuels, the use of such fuels should only be used for transport sectors where the direct use of electricity is not feasible, like for shipping and aviation, while keeping in mind the need to reduce demand of such carbon-intensive transport modes.

The EIB should also only focus its support on the development of fully electric vehicles, and stop providing support for hybrid vehicles, which have been shown to have higher climate costs than expected. A recent report from Transport & Environment for instance found that three of the most popular [plug-in hybrid cars all emitted significantly more CO2 than advertised when tested in the real world](#). This is in part due to flawed assumptions regarding the use of electric motorisation, which is not consistent with real use. Hybrid cars which do not largely use their electric motorization end up being more polluting than fossil cars.

Finally, it is important to highlight that electric vehicles themselves are associated with problems regarding their supply chain, with increased demand for mining minerals bearing serious risks for the environment and human rights. Ultimately, there is an urgent need to rethink car mobility and move beyond private car ownership. For a public bank like the EIB, this means paying close attention to these emerging problems and only financing projects that can really transform mobility systems and models.

3. Given the particular characteristics of urban space, what kinds of zero-carbon transport investment should be prioritised?

- Public transport
- Delivery and logistics
- Individual transport (cycles, pedestrians, etc.)
- All zero-carbon transport requires appropriate support
- Don't know

Please explain your answer:

4. As regards investment in digitalisation and automation of urban transport, which of the following will have the (1) most potential to (4) least potential, to improve its sustainability and efficiency?

	1 (most potential)	2	3	4 (least potential)
Shared mobility	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Traffic management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Vehicle automation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Passenger information services.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please explain your answer:

5. In developing countries, the challenge of developing urban transport systems that are climate-friendly, efficient and address transport poverty is particularly large. What solutions do you see to this?



**6. Should the EIB prioritise certain eligible urban public transport investments?**

- Yes, some eligible investments should be prioritised over others
- No, all eligible investments should have the same priority
- Don't know

Please explain your answer:

As a priority the EIB should:

- Support and scale up financing for zero-carbon transport infrastructure, new mobility concepts, soft mobility, urban electric public transport and rail electrification, and zero-emission multimodal transport services.
- Support renewal of public transport fleets towards zero emissions vehicles, especially to promote joint tenders of various cities across Europe.
- Support renewal and electrification of rolling stock for rail passengers transport (including night trains).
- Only support direct electrification (instead of electrofuels and advanced biofuels) and stop supporting powertrains relying on gas, biofuels, or oil

There are no further questions on Urban Mobility. If you would like to add anything that is not already covered by the questions in this chapter, you may do so in the box below.

**Additional comments:**

## Chapter 4 - Extra-urban Rail

1. What do you believe is the technological roadmap for decarbonising long-distance rail transport?

2. How fast can long-distance rail transport realistically be decarbonised?

- By 2030
- By 2050
- Only after 2050
- Don't know

Please explain your answer:

The [recent report](#) by Climact and NewClimate Institute provides a detailed roadmap for decarbonising the EU transport sector by 2040.

3. How do you see the demand for extra-urban rail transport developing in the period up to 2050?

There is a growing demand for extra-urban rail transport but this will be contingent on the necessity to provide affordable and well-connected railways (including night trains).

**4. Do you believe there will be any impact on the development of this sector as a result of climate policies' increasing cost?**

- Yes – there will be some impact
- No – there will be no impact
- Don't know

Please explain your answer:

If the environmental costs of aviation were to become reflected in the actual cost of air travel then passenger and freight transport would be incentivised to shift from air to rail.

**5. Do you believe that there will be any permanent impact on the development of this sector following the COVID-19 pandemic?**

- Yes – there will be some positive impact
- Yes – there will be some negative impact
- Yes – there will be both positive and negative impacts
- No – there will be no impact
- Don't know

Please explain your answer:

**6. Should the EIB prioritise certain eligible extra-urban rail investments?**

- Yes, some eligible investments should be prioritised over others
- No, all eligible investments should have the same priority
- Don't know

The EIB should prioritise:

- Support for the renewal and electrification of rolling stock for rail passengers transport
- Support for smaller railway connections (rather than high-speed trains) and night trains are also essential. The EIB should support a more integrated railway system as a viable alternative to air and road transport
- Only support the electrification of coaches and vessels and not support powertrains relying on gas, biofuels, or oil

There are no further questions on extra-urban rail. If you would like to add anything that is not already covered by the questions in this chapter, you may do so in the box below.

**Additional comments:**

## Chapter 5 - Extra-urban roads

1. What do you believe is the technological roadmap for decarbonising short- and long-distance road transport?

2. How fast can long-distance road transport realistically be decarbonised?

- By 2030
- By 2050
- Only after 2050
- Don't know

While the promise of electrification is used by the EIB to continue funding motorways and highways, this is based on very optimistic assumptions. Indeed, we are still a long way from decarbonising car transport. Furthermore, simply replacing cars running on fossil fuels with electric cars will not be sufficient as it does not address the huge resource inefficiency of the private car system. It is therefore difficult to see how building new roads could fit with the goals of the Paris Agreement.

Building and expanding roads furthermore generates more traffic, exhaust fumes and noise, generating the so-called “induced travel demand” phenomenon (See the following [new tool from RMI](#) on the induced demand for car traffic caused by highway expansions). What is needed and urgent is less traffic and not more or bigger roads, which only risk inducing the demand.

Investments in motorways and highways also do not contribute to local mobility and compete with less carbon-intensive transport modes such as trains.

Furthermore, the EU in a large majority of its regions already has an extremely dense network of motorways and highways, many of which create severe problems of ecosystem fragmentation and even disruptions in environmentally protected areas - the Natura 2000 areas. Several cases of problematic motorway projects supported by the EIB (like the Strasbourg Bypass in France, or the [A49 motorway](#) in Germany), testify for the biodiversity, climate and human health risks linked to such operations. We simply cannot keep expanding highways at a time of climate breakdown and rapid extinction of species.

Some countries are taking bold moves forward and the EIB should not lag behind: [the Wales government recently decided to freeze all new road-building projects](#) as part of its plans to tackle the climate emergency, and an external panel will review all proposed schemes.

**3. How do you see the demand for extra-urban road transport developing in the period up to 2050?**

**4. Do you believe there will be any long-term impact on the development of this sector as a result of climate policies' increasing cost?**

- Yes – there will be some impact
- No – there will be no impact
- Don't know

Please explain your answer:

**5. Do you believe that there will be any permanent impact on the development of this sector following the COVID-19 pandemic?**

- Yes – there will be some positive impact
- Yes – there will be some negative impact
- Yes – there will be both positive and negative impacts
- No – there will be no impact
- Don't know

Please explain your answer:

We see the EIB's role in using public funding to assist a just transition as much as feasible. Hence, the forecasts on the further development of a given sector should be less relevant to the EIB than understanding how it can focus its funding where it can make the biggest difference in benefit of citizens and territories in Europe and beyond.

**6. What are the most effective road safety measures to reduce the unacceptable level of death and injury on the world's roads?**

This submission mainly focuses on climate and environmental matters and the transformation of mobility systems. The fact that we do not have strong suggestions in that field does not mean that this is not an important matter and that the EIB should not invest in this field. What is important though is to ensure that EIB operations in the road safety field do not end up expanding the capacity of roads and motorways, but rather focus on the safety of already existing infrastructure.

### 7. Should the EIB prioritise certain eligible extra-urban road investments?

- Yes, some eligible investments should be prioritised over others
- No, all eligible investments should have the same priority
- Don't know

Please explain your answer:

The EIB should:

- End the financing of any capacity increase in motorways and highways. The use of carbon pricing - while welcome - will not be sufficient to rule out most motorway and highway projects

The new economic test is only in a pilot phase, and it is unclear what impact it will really have. If the EIB assumes a rapid uptake of electric vehicles, it could simply mean the bank would build more roads. Carbon pricing is also far from sufficient, as it does not take biodiversity impacts into consideration.

In addition, the choice of a technical tool to screen out carbon-intensive projects will make the scrutiny of its implementation complicated for external stakeholders, leaving a large discretion for the EIB staff on the use of this tool.

It is also unclear to what extent induced traffic and scope 3 emissions will be taken into account in the economic test calculations. Overall, any kind of shadow carbon price will not be sufficient to induce a modal shift and this therefore cannot be a way to make decisions on road infrastructure investment.

- As part of the Transport Lending Policy, the EIB should provide public information about the new economic test for roads, and detailed examples of how it is applied for EIB operations. For all future road projects, the EIB needs to be transparent and disclose the detailed outcomes of its assessments.
- The EIB should also implement in a stringent manner the EIB's economic and financial appraisal of all transport projects to align both with 1.5°C scenarios, ensuring a solid assessment of less carbon-intensive alternatives and indirect emissions (i.e. "Scope 3" emissions).
- Smaller road infrastructure should be given a thorough and made publicly available screening test and a clear assessment of environmental, social and climate risks, after exhausting all other alternatives.



There are no further questions on extra-urban roads. If you would like to add anything that is not already covered by the questions in this chapter, you may do so in the box below.

**Additional comments:**

**Chapter 6 - Inland waterway transport**

**1. What do you believe is the technological roadmap for decarbonising inland waterway transport?**

**2. How fast can inland waterway transport realistically be decarbonised?**

- By 2030
- By 2050
- Only after 2050
- Don't know

Please explain your answer:

**3. How do you see the demand for inland waterway transport developing in the period up to 2050?**

**4. Do you believe that there will be any long-term impact on the development of this sector as a result of climate policies' increasing cost?**

- Yes – there will be some impact
- No – there will be no impact
- Don't know

Please explain your answer:

**5. Do you believe that there will be any permanent impact on the development of this sector following the COVID-19 pandemic?**

- Yes – there will be some positive impact
- Yes – there will be some negative impact
- Yes – there will be both positive and negative impacts
- No – there will be no impact
- Don't know

Please explain your answer:

**6. Should the EIB prioritise certain eligible inland waterway investments?**

- Yes, some eligible investments should be prioritised over others
- No, all eligible investments should have the same priority

Please explain your answer:

In its Climate Bank Roadmap, the EIB states that ““alongside railways, [inland waterways] are the most energy efficient and least polluting inland transport mode, particularly for goods transport”. This however misses the fact that the majority of inland waterway vessels are powered by heavy fuel oil and are therefore highly emitting. EIB support for inland waterways should therefore not automatically be considered as contributing to the climate targets.

The EIB should:

- Only support the development (and R&I) of zero-emission vessels and infrastructure i.e. battery-electric and renewable hydrogen/ammonia-based propulsion systems
- End support to vessels and infrastructure relying on gas, biofuels, or oil

There are no further questions on Inland waterway transport. If you would like to add anything that is not already covered by the questions in this chapter, you may do so in the box below.

**Additional comments:**

**1. What do you believe is the technological roadmap for decarbonising maritime transport?**

Maritime investment should focus on zero-emission technologies, i.e. battery-electric and renewable hydrogen/ammonia-based propulsion systems.

Liquefied Natural Gas (LNG) is [an expensive diversion](#) that will make it more difficult for the shipping industry to align with the Paris Agreement goals. Rolling out LNG uptake would be costly and only bring negligible climate benefits - which are likely to be cancelled out by the expected growth of maritime trade. Earlier this year, the World Bank issued a [highly critical report](#) on LNG, dismissing its long-term role and calling instead for investments in more promising energy sources such as ammonia and green hydrogen.

Despite all of the evidence against LNG, the EIB Climate Bank Roadmap states that “the EIB will continue to support LNG fuelled vessels but will withdraw support for vessels powered by conventional heavy fuel oil”. This stands in contradiction with the objective of the EIB under its Energy Lending Policy to stop supporting fossil fuels.

**2. How fast can maritime transport realistically be decarbonised?**

- By 2030
- By 2050
- Only after 2050
- Don't know

Please explain your answer:

**3. How do you see the demand for maritime transport developing in the period up to 2050?**

**4. Do you believe there will be any long-term impact on the development of this sector as a result of climate policies' increasing cost?**

- Yes – there will be some impact
- No – there will be no impact
- Don't know

Please explain your answer:

**5. Do you believe that there will be any permanent impact on the development of this sector following the COVID-19 pandemic?**

- Yes – there will be some positive impact
- Yes – there will be some negative impact
- Yes – there will be both positive and negative impact
- No – there will be no impact
- Don't know

Please explain your answer:

**6. Should the EIB prioritise certain eligible maritime transport investments?**

- Yes, some eligible investments should be prioritised over others
- No, all eligible investments should have the same priority
- Don't know

Please explain your answer:

The EIB should:

- End its support and financing for LNG terminals, and LNG fuelled vessels;
- End its support and financing of port expansions in Europe and related transport and industrial infrastructure including the expansion or creation of special economic zones;
- Only support the development (and R&I) of zero-emission vessels and infrastructure i.e. battery-electric and renewable hydrogen/ammonia-based propulsion systems

There are no further questions on Maritime Transport. If you would like to add anything that is not already covered by the questions in this chapter, you may do so in the box below.

**Additional comments:**

## Chapter 8 - Aviation

**1. What do you believe is the technological roadmap for decarbonising aviation?**

Aviation is a sector whose prospects for energy transition are difficult and uncertain. To meaningfully reduce GHG emissions of the aviation sector, there is no other way than reducing traffic. Any investment in aviation infrastructure is therefore in complete opposition to the objectives of the European Green Deal and the Paris Agreement.

**2. How fast can aviation realistically be decarbonised?**

- By 2030
- By 2050
- Only after 2050
- Don't know

Please explain your answer:



3. How do you see demand for air transport developing in the period up to 2050?

4. Do you believe there will be any long-term impact on the development of this sector as a result of climate policies' increasing cost?

- Yes – there will be some impact
- No – there will be no impact
- Don't know

Please explain your answer:

5. Do you believe that there will be any permanent impact on the development of this sector following the COVID-19 pandemic?

- Yes – there will be some positive impact
- Yes – there will be some negative impact
- Yes – there will be both positive and negative impact
- No – there will be no impact
- Don't know

Please explain your answer:

The Covid-19 pandemic has caused a severe but only temporary fall in demand and therefore in emissions of the aviation sector. It however does nothing to resolve the aviation's underlying climate problems, and the sector is likely to bounce back again and continue to cause a growth in emission.

6. Should the EIB prioritise certain eligible aviation investments?

- Yes, some eligible investments should be prioritised over others
- No, all eligible investments should have the same priority

Please explain your answer:

In the Climate Bank Roadmap, the EIB has decided to “pull back from financing airport capacity expansion and concentrate support for airports on safety, security and decarbonisation projects. Conventionally fuelled aircraft will also no longer be supported”. The decision is highly welcome, and the Transport Lending Policy should take this measure as a basis for its approach to the aviation sector.

In addition, the EIB must end its support to airlines and aircraft manufacturing except for synthetic fuels such as power to X made from additional renewable electricity.

Vague promises of decarbonisation should however not justify more investments in the aviation sector. The focus should be on reducing flights at a minimum, for instance through much more stringent regulations and the shifting of short- and middle-haul flights to rail.

There are no further questions on Aviation. If you would like to add anything that is not already covered by the questions in this chapter, you may do so in the box below.

**Additional comments:**



If you would like to add anything that is not already covered by the questions above, you may do so in the box below.

**Additional comments:**

This is the end of the questionnaire.  
Thank you very much for taking the time to help us improve the TLP.

**END OF CONTRIBUTION**