

A hand holding a black pen is positioned over a document. A yellow magnifying glass is placed over the document, focusing on the text. The background is a blurred image of a person's face.

# COUNTER BALANCE ACTIVITY REPORT 2021

**Counter**

**Balance**

Challenging  
Public  
Investment  
Banks

*Counter Balance was launched in 2007 as a campaign specifically aimed at challenging the European Investment Bank (EIB) to push for its reform. While the EIB remains our main target, we have since then expanded the scope of our work to other public finance institutions.*

## OUR MISSION

Making European public finance a key driver of a fair and just transformation into socially and environmentally sustainable and equitable societies where the economy works for all (human and non-human alike) rather than for the few.

## OUR MEMBERS

**BothENDS**  
*The Netherlands*

**Bretton Woods Project**  
*United Kingdom*

**CEE Bankwatch Network**  
*Central & Eastern Europe*

**Les Amis de la Terre**  
*France*

**ODG**  
*Spain*

**Platform London**  
*United Kingdom*

**Re:Common**  
*Italy*

**The Corner House**  
*United Kingdom*

**Urgewald**  
*Germany*



Counter Balance is an independent European non-profit and membership-based organisation. It is legally represented by its Board, which is elected by the General Assembly, and by its Director upon delegation by the Board.

## WHAT WE DO



*Being the only coalition fully dedicated to scrutinising public banks, Counter Balance holds a unique position in the Brussels NGO landscape. We will never stop advocating for more open, transparent and sustainable financial institutions which operate in the best interest of citizens and their communities. This is even more crucial now that public finance has been called to the rescue to negate the impacts of the COVID-19 pandemic.*

*Xavier Sol*  
**Counter Balance Director**



### RESEARCH

We conduct research on European public financial institutions and challenge investments that result in harmful impacts for people and the environment



### INFORM

We inform the public and open up debates on the role of EU public finance in the transition towards more sustainable and equitable societies



### ADVOCATE

We coordinate advocacy campaigns towards decision-makers at EU and national levels to push for accountable, democratic and sustainable public banks



# HIGHLIGHTS 2021



Throughout 2021, we have continued to work hard to push for more accountable, democratic and sustainable public finance.



## RECLAIMING PUBLIC BANKS

Following up on the planned transformation of the EIB into the “*EU Climate Bank*”, Counter Balance continued leading strong civil society campaigns to make sure the bank upholds its climate and human rights commitments and becomes more transparent and accountable in its decision making.

Specifically, we coordinated civil society feedback around strategic processes such as the review of the EIB Transparency Policy, its Environmental and Social Sustainability Framework, its Transport Policy and the implementation of its Climate Roadmap.

Extending the scope of our work beyond the EIB, we have been scrutinising how the European Green Deal is being financed in order to open up further discussion on how to use public finance to induce a truly just social and environmental transition.

A close-up portrait of Werner Hoyer, President of the European Investment Bank (EIB). He is a middle-aged man with grey hair, a grey beard, and black-rimmed glasses. He is wearing a dark blue suit jacket over a light blue shirt. The background is a light blue wall with a grid pattern. A white text box with orange lettering is overlaid on the top left of the image.

## 'GAS IS OVER'

Counter Balance coordinated the successful #FossilFreeEIB campaign, gathering more than 20 climate NGOs with the aim of pushing the EIB to align its operations with the objectives of the Paris Agreement.

After a hard-hitting campaign to push the EIB to stop financing most fossil fuels, including gas, the EIB President Werner Hoyer said during the bank's annual press conference in January 2021 that *"to put it mildly, gas is over."* This was picked up by the media to show that major financiers are now moving away from fossil fuel financing.



## ALIGNING THE EIB WITH THE PARIS AGREEMENT

The EIB published its new PATH Framework in October 2021, in the run up to COP 26. The framework aims to ensure that EIB clients are taking the steps needed towards decarbonisation.

The #FossilFreeEIB campaign has been pushing the EIB to do more to coerce corporations into becoming greener and to stop handing blank cheques to polluters. The new PATH Framework is a clear improvement on the EIB's current practice, as the bank will now require companies in high-emitting sectors to have decarbonisation plans in place if they want to benefit from EIB funding. While the framework is a step in the right direction, several loopholes still remain including problematic exceptions which allow fossil fuel companies to still receive financing.





## PRIORITISING HUMAN RIGHTS

Civil society and local communities have sounded the alarm for years on the need for the EIB to prioritise the promotion and protection of human rights in all its operations. Together with other NGOs, Counter Balance *published a joint statement and wrote to the EIB* urging it to reinforce its social and environmental framework, strengthen its human rights due diligence and act to prevent harm from being done by projects in local communities.



# OUR FLAGSHIP REPORTS

OCTOBER

## THE EUROPEAN GREEN DEAL - RECLAIMING PUBLIC INVESTMENTS FOR A REAL SOCIO-ECOLOGICAL TRANSFORMATION



The European Green Deal has been called a “*man on the moon moment*” for the European Union by European Commission President Ursula Von der Leyen. Yet, Counter Balance’s *new report* shows fundamental flaws in how the Green Deal is financed which make it unlikely to properly contribute to addressing the critical and intertwined challenges of our time.

In the report we sketch out a tentative proposal for another approach to EU public investments and the financing of the EU Green Deal, one working to decarbonise, de-financialise, and democratise our economies and societies.

APRIL

# THE EUROPEAN INVESTMENT BANK AND TRANSPORT INVESTMENTS: MAKING EU PUBLIC FINANCE TRANSFORM MOBILITY ACROSS EUROPE AND BEYOND



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In light of the review of the EIB Transport Policy, our *briefing* exposes how the bank's current approach to transport needs to undergo radical change if it is to help the EU decarbonise its transport sector and achieve the objectives of the EU Green Deal.

The briefing outlines the EIB's track record on transport investments and provides concrete recommendations to further align the bank's transport portfolio with the objectives of the Paris Agreement.





# BRIEFINGS & MEDIA



MAY

## CIVIL SOCIETY'S PROPOSAL ON THE EIB COUNTERPARTS ALIGNMENT FRAMEWORK



Together with several other NGOs, Counter Balance published a *joint briefing* to assist the EIB in developing an action plan on Counterparts Alignment. The briefing focused on strengthening the bank's corporate-level approach and ensuring its clients also aligned with the objectives of the Paris Agreement.

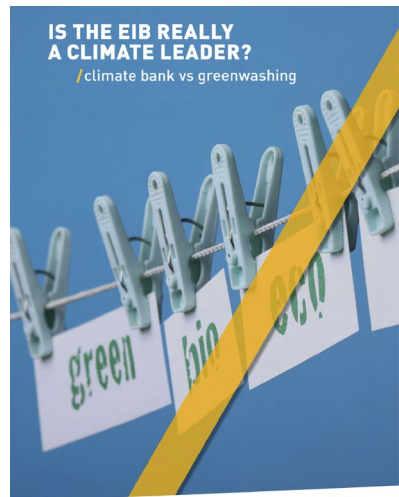
Some of the briefing's main demands have been adopted by the EIB in its new PATH Framework, even if there is still much room for improvement.

# NOVEMBER

## IS THE EIB REALLY A CLIMATE LEADER?

The EIB likes to position itself as a climate leader, and regularly refers to itself as the “*EU Climate Bank*”. Its recently approved Climate Roadmap is an important step forward in backing up these claims, but the EIB is not yet aligned with the objectives of the Paris Agreement.

*Our paper* highlights how the bank is still going against the Paris Accords, from not completely banning fossil fuels to continuing with high-carbon investments in transport and agriculture.





## PODCAST

### EU WATCHDOG RADIO

Our podcast with Corporate Europe Observatory (CEO), aptly named “EU Watchdog Radio”, continued into its second year. The podcast now has a total number of 28 episodes. It covers a wide range of topics from corporate capture to climate and human rights violations in sectors like energy, health, finance and public and private banks.

## IN THE MEDIA

30

Articles in different media such as: EurActiv, euobserver, The Guardian, Devex, Bloomberg, Euronews, etc.

9

Blogposts

9

Press Releases

4

Opinion Pieces

## PRIORITIES FOR 2022

### CLIMATE JUSTICE

The implementation of the EIB's Climate Roadmap and the upcoming midterm review of its Energy Policy will be on our radar. Follow-up work is essential to ensuring that the EIB's commitments to phase-out support to fossil fuels are implemented in a stringent manner, and that investments in the most carbon-intensive sectors are genuinely transformed. We will also continue to develop proposals on the role of EU public finance in financing a truly transformative European Green Deal.



### HUMAN RIGHTS AND INTERNATIONAL DEVELOPMENT

Fighting to protect and promote human rights will remain a key priority. Counter Balance will continue to contribute to discussions around the new development branch at the EIB, 'EIB Global', and push the bank further on its connections with human rights violations, local participation in decision making and the EIB's use of financial intermediaries. We will also carry on our work exposing the impacts of infrastructure mega-corridors and the development model currently promoted by the EU institutions.



## TRANSPARENCY AND ACCOUNTABILITY

We will keep pushing for EU public finance to be more transparent and democratic and continue to expose the weaknesses of the EIB's current practises. These include the bank's limited control of its funds, a lack of public participation and the risks of corporate capture in its decision making.



## CONSOLIDATING OUR STRONG NETWORK OF PUBLIC FINANCE WATCHDOGS

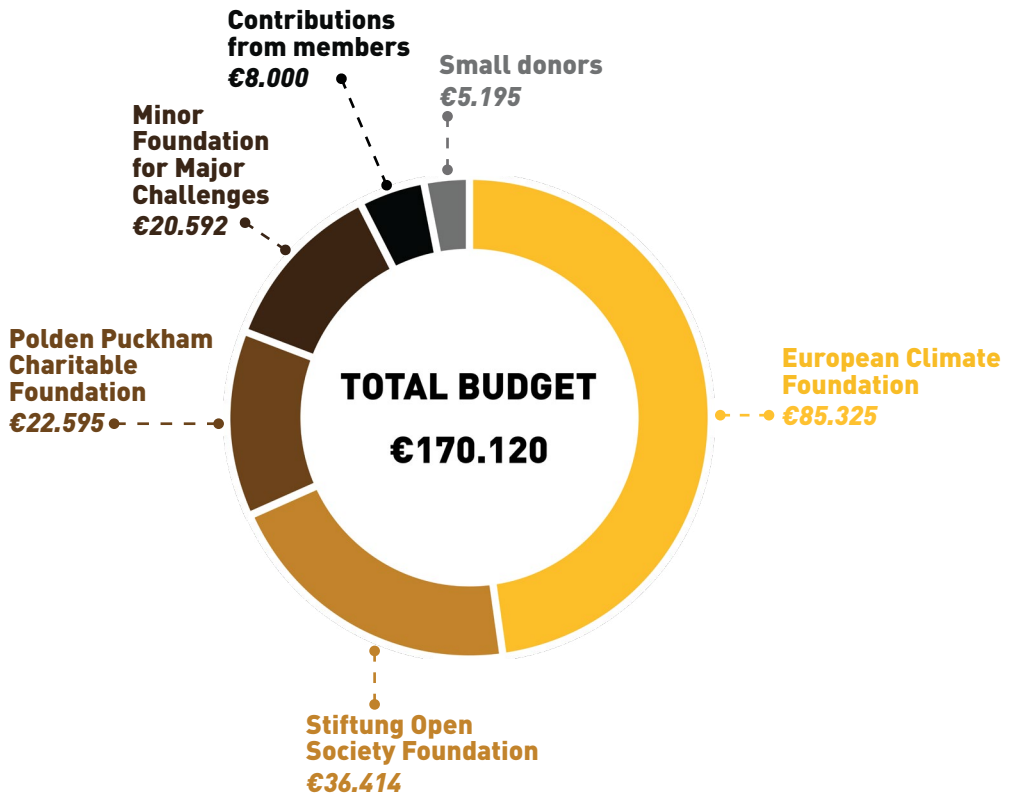
- 9 active members across Europe.
- A core focus is deepening and expanding alliances with NGOs and grassroots movements in Europe and the Global South, for example through sharing expertise.
- Our well-recognised coalition will be reinforced by building a stronger media presence and giving presentations during official events.





## FINANCES 2021

We would like to thank all of our donors for making our work possible



### TRANSPARENCY INDEX NUMBER

0 2 9 0 2 9 5 5 0 2 3 - 0 4

In line with our demands for increasing transparency for European public banks, Counter Balance fully supports efforts undertaken at EU level to enhance the openness of organisations engaging in European affairs, including NGOs.

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