




**Counter**

**Balance**

Challenging  
Public  
Investment  
Banks

# COUNTER BALANCE ACTIVITY REPORT 2019



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Counter Balance was launched in 2007 as a campaign specifically aimed at challenging the European Investment Bank (EIB) to push for its reform. Currently, Counter Balance has expanded to become a fully-fledged organization that works on European public finance with a specific focus on the EIB.

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## **OUR MISSION**

Making European public finance a key driver of the transition towards equitable societies that are socially and environmentally sustainable.

## OUR MEMBERS

**BothENDS** – *The Netherlands* / **Bretton Woods Project** – *United Kingdom* /  
**CEE Bankwatch** – *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*



RE:COMMON

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

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# HIGHLIGHTS OF 2019

# MAKING THE EIB FOSSIL FREE

## REAL VICTORY

The biggest success of the year happened in November 2019 when, after a long campaign, the EIB decided to divest from fossil fuels.

As Counter Balance, we coordinated the impactful #FossilFreeEIB campaign. That campaign was supported by a large coalition of over 20 climate NGOs with the sole aim of pushing the EIB to stop investing in fossil fuels and align its operations with the objectives of the Paris Agreement.

On November 14th, 2019, the EIB Board of Directors made their decision. White smoke finally came from the EIB headquarters in Luxembourg when the EIB announced it will clear its investment portfolio of 'unabated fossil fuels' by the end of 2021.

This landmark decision meant a massive victory for the climate movement and it shows that the EIB, if pressured enough, can and will take a leading role when it comes to fighting climate change.

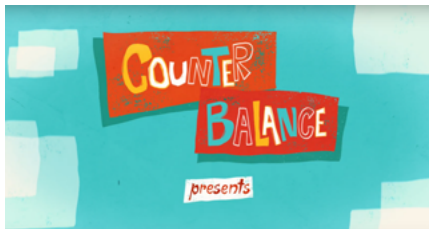


## NOTABLE PRODUCTS

### ANIMATION VIDEO: THE SONG OF THE EIB

In April we launched an animation video that explains in an original way what the EIB is, how it functions, why it's important and how it can be a catalyst for change.

The video, available in 8 languages, was a big success on all fronts garnering over 650.000 views online.



### OUR MANIFESTO TO REFORM THE EIB

For the EU elections our **Manifesto** called on the newly elected European Parliament to endorse a reform of the EU bank including credible climate commitments, improved accountability and public participation, a more stringent approach towards fraud and corruption and Human Rights prioritisation.



CALL TO THE NEXT EUROPEAN PARLIAMENT

#### REFORM THE EUROPEAN INVESTMENT BANK

The European Investment Bank (EIB) is the financial arm of the European Union – the EU Bank. In 2018, it turned 60. But new challenges are at the horizon, and the European Union itself is at a crossroads. Therefore, the EIB needs to face the future.

The EU Bank should proceed to a fundamental reform in order to maximize the positive impact of its operations and prioritise quality over quantity. Business as usual is no longer an option.

We call on you and the European Parliament to steer the bank towards a sustainable path and ensure it enhances its contribution to the transformation of the European economy and society in the public interest.

We believe your support is particularly needed in order to:

##### 1. MAKE THE EIB A CLIMATE LEADER

Despite its announced climate commitment, the EIB still largely finances fossil fuel projects, thus contributing to the irreversible warming of our planet. If it is to align with the Paris Agreement, the bank should stop these climate-wrecking investments and shift its funds to energy efficiency and small-scale renewables with enhanced local and regional impacts.

##### 2. FURTHER DEMOCRATISE THE EIB

The EIB's governance structure is 60 years old and has little evolved since its creation. It is time for a genuine overhaul. The EIB should bring more dialogue, transparency and accountability to its governing bodies.

Public participation in the policy-making of the Bank should be strengthened. A particular effort should concern the involvement of local communities and

## PUBLICATIONS

### **JUNCKER PLAN: A CRITICAL ANALYSIS – “NOT WORTH CELEBRATING – YET?”**

– October 2019

In our analysis on the Juncker Plan we dove deep on the question whether the Investment Plan for Europe really has been a game changer or not. By looking into several case studies and sectors like energy and transport, we highlighted weaknesses in its transparency, sustainability, geographical concentration and additionality, and called for improvements for its post-2020 future set-up.



### **IS THE EIB UP TO THE TASK IN TACKLING FRAUD AND CORRUPTION?**

– November 2019

This big report analysed the state of play regarding the fight against fraud and corruption at the EIB. In this report we exposed some major issues by documenting EIB-supported corrupt projects worth EUR 2,8 billion. In the report we proposed clear and constructive solutions to improve the current situation.





## **GAINING CONTROL: A TOOLKIT FOR PARLIAMENTARIANS**

– September 2019

The toolkit aimed at giving a quick and solid introduction to what the EIB is to newly elected Members of the European Parliament (MEPs). It shows how the EIB can be reformed and – more importantly – what role MEPs have to play in this process.



## **EIB'S NEW ENERGY POLICY: STEPPING CLOSER TO A FOSSIL FREE PUBLIC FINANCE** – December 2019

The brochure provided an overview of the newly approved EIB energy policy and climate commitments, the potential pitfalls and next steps ahead to transform the EIB into the 'EU Climate Bank' in an easily digestible format.



## **DEVELOPMENT IN REVERSE**

We documented 4 projects financed by the EIB with significant harmful human rights impacts. Our cases in **Madagascar**, **Kenya**, **Nepal** and **Ukraine** show the necessity for change of practices at the bank.



# PRIORITIES FOR 2020

## **/ EIB AS THE 'EU CLIMATE BANK' /**

The EIB has announced it wants to become the 'Climate Bank' of Europe. In order to achieve this the bank still has a long way to go. Among other things it must create a roadmap on how to achieve the so-called 'Paris alignment' and stop supporting polluting transport modes such as aviation. This is an ongoing issue that will receive a substantial amount of our attention, as the EIB will be a key financier of the European Green Deal.

## **/ EIB AS THE 'EU DEVELOPMENT BANK' /**

The EIB has previously said that it wants to become not only the 'Climate Bank' of Europe, it also wants to become the 'Development Bank' of Europe. We will be monitoring this process closely and will come up with key steps needed if the EIB is to ever become a development institution able to prioritise inequalities reduction, domestic resource mobilization and the promotion of Human Rights.

## **/ HUMAN RIGHTS /**

The protection and promotion of human rights in the context of European public investments is a clear priority for Counter Balance. Yet unfortunately it still needs to become a priority for the EIB. With a negative track record in the field, it is high time for the bank to raise the bar on human rights.

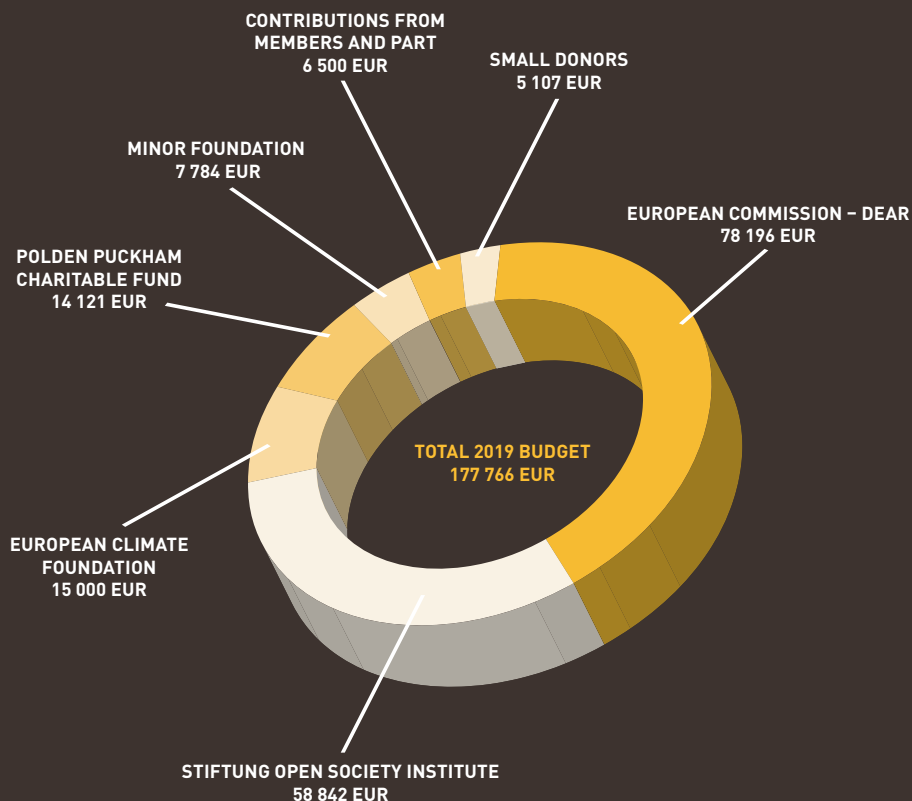
## **/ CONSOLIDATING OUR STRONG NETWORK OF PUBLIC FINANCE WATCHDOGS /**

- >> 9 active members around Europe
- >> Close contacts with NGOs and grassroots movements in Europe and the Global South (joint activities, capacity building, expertise sharing)
- >> A well-recognised coalition on European public finance (strong media presence, presentations in official events)
- >> Amplification of our work in Europe through the Citizens for Financial Justice network

# FINANCES 2019

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**WE WOULD LIKE TO THANK  
ALL OUR DONORS FOR  
THEIR SUPPORT.**



## Transparency Index Number

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

In line with its 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.

OUR DIRECTOR,  
XAVIER SOL:

**“Being the only coalition fully dedicated to scrutinising European public banks, Counter Balance holds a unique position in the Brussels NGO landscape. We will keep on advocating for more open, transparent and sustainable financial institutions operating in the best interest of EU citizens and their territories”.**

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