

In its annual resolution on the European Investment Bank adopted today in Brussels, Members of the European Parliament have criticised the bank's support to projects under corruption investigations. They also called on the EIB to go further on fighting climate change, tax evasion and tax dodging.

Counter Balance and CEE Bankwatch Network welcome the positions taken today by the Parliament in this resolution.

The MEPs asked the EIB to "stop further loan disbursements to projects under ongoing national or European corruption investigations", like it did in Slovenia for the Sostanj coal power plant. The Parliament calls on the EU Bank to learn lessons from past experiences instead of repeating the same mistakes over and over again.

In particular, the Parliament condemned the bank's support to the Passante di Mestre highway in Italy. The Passante di Mestre project received EIB support in 2013, even after several project promoters had been arrested on allegations of corruption and money laundering. In 2016 the project is being refinanced using the Project Bond Initiative, a risk-sharing instrument jointly set up by the European Commission and the EIB. Echoing previous NGO demands, MEPs "call on the EIB, once again, to suspend all forms of funding for the project".

A similar warning is sent in relation to tax evasion and tax dodging: the EIB needs to get serious on those issues by closing the loopholes in its current tax havens policy and requesting more transparency from its clients on their tax practices, as proposed in a Counter Balance report in 2015. MEPs call on the EIB to develop in 2016 a taxation policy that includes inter alia public country by country reporting requirements for all its clients.

The Parliament is also seeking to increase the sustainability of the bank's operations by:

- Enhancing its lending to energy efficiency and renewable energy projects in new Member States so that they reach 30% of total investments in these fields by 2020;
- Calling for a review of EIB's climate action objective, since the 25% target set by the bank has already been reached in 2015; and by
- Expressing its concerns about 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".

Anna Roggenbuck, CEE Bankwatch Network, said:

"It is encouraging that the European Parliament notices EIB investments in renewable energy and energy efficiency are in a number of Member States far below the EU average. Those investments are crucial to modernize economies and mitigate climate change in order to deliver on the Paris agreement. The EIB and Member States should discuss how to

address this failure, especially via the European Fund for Strategic Investments.”

Xavier Sol, Counter Balance Director, said:

“This resolution really sends a strong signal to the EIB: business as usual is not feasible anymore. This is an important step forward to make the EU Bank a more accountable and transparent institution. It is now time for the EIB to deliver on this call for action”.