

The European Investment Bank EIB opened a formal consultation on its transparency policy. The three organisations – CEE Bankwatch Network, Counter Balance and ClientEarth will recommend increasing the amount of information the EIB 'actively disseminates' – meaning the documents it uploads to its website of its own initiative. The EIB must take a major step to improve transparency in its upcoming public consultation, to properly assess the social and environmental impacts of its lending practices, environmental organisations have warned. Climate finance experts from CEE Bankwatch Network, Counter Balance and ClientEarth are calling on the publicly owned financial institution – which funds infrastructure projects in Europe and is at the core of the EU's economic response to the Covid-19 crisis – to reveal more about which projects it funds and how.

The European Ombudsman is already investigating the worrying lack of transparency of EIB lending, which negates any proper assessments of its environmental impact. In June, lawyers for the three organisations lodged a complaint to the Ombudsman arguing that the lack of publicly available documents is a violation of EU law and constitutes maladministration. In response, three separate inquiries have been launched.

Campaigners say that the push for greater disclosure is particularly important for the EIB's transparency register. Currently, the bank uploads documents showing what it has already done. But campaigners say it is crucial for information to be made public about the bank's ongoing decision-making processes. This includes information about:

- Which projects the EIB chooses to finance and how it makes these decisions;
- Which projects are funded through intermediaries, given the bank lends to numerous commercial banks and investment funds, who then fund specific projects; and,
- How projects are monitored as they are being implemented.

ClientEarth Lawyer Sebastian Bechtel said: "We've informed the European Ombudsman that current EIB policies surrounding transparency fall far short of what is required by EU law, and amount to maladministration.

"As the EU's leading investment vehicle for infrastructure projects, the EIB has a responsibility to be more transparent about its internal decision-making processes – both for the sake of democracy and for the planet. We hope this consultation will lead to real changes in shining a light on its climate contribution."

Xavier Sol of Counter Balance said: "The EIB is supposed to become Europe's Climate Bank, as well as a key financier of the European Green Deal. In 2019, the bank took important climate commitments – including a new policy to stop funding fossil fuels. However, without proper transparency of its lending practices and decision-making, it's hard to ensure accountability on these commitments."

Anna Roggenbuck, Policy Officer at CEE Bankwatch Network said: "Citizens in Europe and beyond need to better understand how public money is being used by the financial arm of the EU. The EIB must ensure they have access to all relevant information on projects which impact them. The EIB needs to drastically raise its transparency so that it can prove it invests in the interest of citizens and their territories."

Source: counter-balance.org