**Follow up to the European Parliament non-legislative resolution on the financial activities of the European Investment Bank - annual report 2021**

**1. Rapporteur:** David Cormand (Greens/EFA / FR)

**2. Reference numbers:** 2021/2203 (INI) / A9-0165/2022 / P9\_T9-(2022)0298

**3. Date of adoption of the resolution:** 7 July 2022

**4. Competent Parliamentary Committee:** Committee onBudgets (BUDG)

**5. Brief analysis/ assessment of the resolution and of requests made in it**:

The resolution recalls European Investment Bank (EIB) activities related to Ukraine and calls on the EIB to work on action plans for incentivising EU direct investments in the country, while halting the involvement in the EIB activities of Russian direct or indirect partners. The resolution welcomes the implementation of the Climate Bank Roadmap (CBR), while stressing the importance of compliance for financial intermediaries and corporate clients. On EIB external operations, it requests more transparency as well as the integration of human rights due diligence in the investment decisions. Finally, it requires the EIB to improve its accountability and transparency vis-à-vis the Parliament, to enhance its compliance mechanism and a more stringent policy against tax fraud, tax evasion and tax avoidance.

**6. Response to requests and overview of action taken, or intended to be taken, by the Commission:**

*Paragraph 4*

The European Commission has requested the European Banking Authority (EBA) to develop a template for the annual reporting of information on deposits above EUR 100 000 subject to the Russia and the Belarus Economic Sanctions Regulations. In May 2022, the EBA made [the template](https://www.eba.europa.eu/eba-has-designed-efficient-framework-reporting-deposits-subject-russian-and-belarusian-economic) available for voluntary use by the relevant national competent authorities and by the Commission. The Commission recommends credit institutions and national competent authorities to apply the template in order to ensure supervisory convergence and reduction of the associated reporting costs, especially for cross-border banks.

Moreover, EU operators are required to report to the Member States on the assets of listed Russian and Belarusian natural or legal persons, which have been frozen in the EU. This is a legal obligation in virtually all sanctions regimes laying down assets freezes, including those concerning ’Ukraine territorial integrity’ and Belarus. For the ’Ukraine territorial integrity’ regime (containing the listings of over 1,300 persons and entities), the obligation was reinforced by the Council on 21 July 2022, and EU operators are now also explicitly required to report to the Member States any information in their possession on assets in the EU that are not yet being treated as frozen. Based on these reports, the Member States transmit aggregate figures to the Commission.

To further improve the tracing of assets linked to the ‘Ukraine territorial integrity’ sanctions regime, on 21 July 2022 the Council adopted a further amendment, requiring persons and entities listed in that regime to disclose all their assets within EU jurisdiction to the relevant Member State. Failure to comply with this obligation can be considered as a breach of EU sanctions law – with consequences potentially in the sphere of criminal law.

It should be underlined that only listed persons and entities are subject to the asset freeze measures as decided by the Council, and such asset freezes do not extend to all persons with links to the Putin or Lukashenko regimes (although assets nominally owned by third parties may be affected if they are in fact owned or controlled by a listed person or entity).

*Paragraph 29*

Global Gateway is the new European strategy to boost smart, clean and secure links in digital, energy and transport sectors and to strengthen health, education and research systems across the world. To do so, Global Gateway will act by financing major investments in infrastructure development around the world between 2021 and 2027. Following a Team Europe approach, meaning the EU institutions, Member States, the European Investment Bank (EIB) and the European Bank for Reconstruction and Development (EBRD) jointly, it will mobilise up to EUR 300 billion of investments.

The Global Gateway draws on the new financial tools in the EU Multiannual Financial Framework (MFF) 2021-2027, including the Neighbourhood, Development and International Cooperation Instrument (NDICI)-Global Europe. The financial arm of NDICI-Global Europe, the European Fund for Sustainable Development+ (EFSD+), through the External Action Guarantee, will make available up to EUR 135 billion for guaranteed investments for projects contributing to the Global Gateway strategy between 2021 and 2027. It will do so by de-risking investments and leveraging private investments, working together with the EIB and other European financial institutions, as well as Member States' institutions (development banks, national promotional banks, and export credit agencies) and capital from the private sector. Financing will rely on systematic mechanisms to filter out abnormally low tenders, and foreign subsidies that undermine the level playing field.

In case of the EIB, the EU will provide a total of up to EUR 26.7 billion guarantee to cover public investments by the EIB in several sectors such as clean energy, sustainable transport and digital infrastructure, and health. The risk coverage provided will enable the EIB to finance projects in support of EU policy priorities in higher risk environments and offer loans to partner countries to make sustainable investments in connectivity and other priority sectors.

*Paragraph 40*

Regarding the disclosure of Commission opinions issued in accordance with Article 19 of the EIB Statute, the current practice involves granting disclosure of individual Article 19 opinions upon request, which in the Commission’s view provides a good balance between the different interests, i.e. on the one hand, the need of transparency, and on the other, confidentiality and protection of commercially sensitive information. Such disclosure requests are treated in accordance with Regulation 1049/2001 regarding public access to European Parliament, Council and Commission documents.