EIB Group Complaints Mechanism Policy

Public consultation meeting
Brussels, 29 June 2017
Agenda

- Presentation of the EIB Group
- The EIB Group Complaints Mechanism (CM) – what it is, guiding principles, how it operates
- Overview of the proposed changes to the Policy
Presentation of the EIB Group
Providing finance and expertise for sound and sustainable investment projects that further EU policy objectives

Leading developer of risk financing for innovative SMEs
The EIB at a glance

• Largest multilateral lender and borrower in the world
  • We raise our funds on the international capital markets
  • We pass on favourable borrowing conditions to clients

• Some 450 projects each year in over 160 countries

• Headquartered in Luxembourg and has 40 local offices

Around 3 000 staff:
  • Not only finance professionals, but also engineers, sector economists and socio-environmental experts
  • Almost 60 years of experience in financing projects
EIB project cycle

Step 1: Proposal

Step 2: Appraisal
- Financial
- Economic
- Social
- Environmental
- Technical assessment

Step 3: Approval
- EIB Management Committee
- Investment Committee (for operations potentially benefiting from an EU guarantee under EFSI)
- EIB Board of Directors

Step 4: Signature
Finance contract is signed

Step 5: Disbursement

Step 6: Monitoring and reporting

Step 7: Repayment

EIB project cycle

30/06/2017 European Investment Bank Group
EIB structure

Board of Governors

Board of Directors

Management Committee

IG

OC CO CS JU SG OPS FC FI PJ RM TMR

EV IN CM

24/11/2015
The EIB Group Complaints Mechanism (CM) – what it is, guiding principles, how it operates
What is the EIB Group CM?

- Public accountability tool to facilitate and handle complaints against the EIB Group by individuals, organisations or corporations

- Reviews the EIB Group’s activities with a view to determining whether maladministration, attributable to the EIB Group, has taken place

- Established as a unique two-tier grievance mechanism in 2008 as an internal and independent accountability mechanism;
  - Internal – Complaints Mechanism Division (operationally independent)
  - External – European Ombudsman (fully independent)
Guiding principles

• Ensures the right to be heard and the right to complain

• Effective, credible, accessible, timely, independent & transparent
How does it operate?

- Complainants are obliged to use the first tier and then may escalate if not happy with the outcome.

- One physical or legal person is enough

- No need to be directly affected nor to know the policies

- Four functions: Investigation, Mediation, Advisory and Monitoring

- A team of 15 people supported by external expertise as required.
### Total number of complaints

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<tr>
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<tbody>
<tr>
<td>Received</td>
<td>63</td>
<td>60</td>
<td>56</td>
<td>89</td>
</tr>
<tr>
<td>Inadmissible</td>
<td>(6)</td>
<td>(12)</td>
<td>(7)</td>
<td>(5)</td>
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<tr>
<td><strong>Total</strong></td>
<td>57</td>
<td>48</td>
<td>49</td>
<td>84</td>
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<tr>
<td>Complaints brought before other institutions:</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>European Ombudsman</td>
<td>(2)</td>
<td>(5)</td>
<td>-</td>
<td>(7)</td>
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<tr>
<td>European Data Protection Officer</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>Aarhus Convention Compliance Committee</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Complaints registered by the EIB-CM</td>
<td>55</td>
<td>43</td>
<td>49</td>
<td>77</td>
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### Types of complaints

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<tr>
<td>Environmental/social/developmental impacts (E)</td>
<td>12</td>
<td>11</td>
<td>17</td>
<td>29</td>
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<tr>
<td>Own governance and administration (G)</td>
<td>5</td>
<td>5</td>
<td>8</td>
<td>7</td>
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<tr>
<td>Governance of financed projects (F)*</td>
<td>6</td>
<td>10</td>
<td>6</td>
<td>6</td>
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<td>Procurement-related complaints (P)</td>
<td>23</td>
<td>12</td>
<td>10</td>
<td>24</td>
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<tr>
<td>Access to information (A)</td>
<td>3</td>
<td>2</td>
<td>0</td>
<td>1</td>
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<tr>
<td>Human resources (H)</td>
<td>6</td>
<td>3</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>Customer Relations (C)</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>55</td>
<td>43</td>
<td>49</td>
<td>77</td>
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Exceptions/Non-admissible complaints

Complaints:

- covered by Anti-Fraud Policy
- against third parties
- submitted by EIB Group staff
- already lodged with other administrative or judicial review mechanisms
- that are anonymous
- with the objective to gain competitive economic advantage
- that are excessive, repetitive, clearly frivolous or malicious in nature
Rationale for revising the Policy

• EIB endeavours to **periodically review** its CM (Art. 5.3)

• **Streamline**, **eliminate inconsistencies** and **avoid overlaps**

• Aims to further improve the functioning of the CM by **incorporating lessons learned** and to address areas for **improvement**, including from the recommendations of the External Quality Review (EQR), such as:
  • Clarifying non-admissible complaints
  • Improving complaints-handling timeframe
  • Defining the scope of the compliance review and the mediation function
  • Increase internal and external awareness
Overview of the proposed changes to the Policy
Presentation of main changes to the Policy

• Glossary

• Admissibility
  • Admissibility check (Art. 1.3 & Procedures)
    • Consult with relevant services
    • In exceptional and duly justified cases, the IG may decide on admissibility in case of disagreement
  • Exceptions (Art. 4.3)
    • Legality of EIB policies
    • Project Procurement Complaints
Presentation of main changes to the Policy / 2

• Definition of maladministration (Art. 3)

3.1 Maladministration means poor or failed administration. It occurs when the EIB Group fails to act in accordance with a rule or principle that is binding upon it, including in the case of the EIB Group, its own policies, standards and procedures.

3.2 The concept of maladministration includes failure by the EIB Group to comply with human rights, with the applicable law, or with the principles of good administration.

3.3 Maladministration may also relate to the environmental or social impacts of the EIB Group activities and to project cycle related policies and to other applicable policies of the EIB Group. The EIB Group’s obligations with regard to compliance of projects with national and EU law are defined in its Policies and Procedures.

3.4 Maladministration always refers to the Institution (a member of the EIB Group) and does not refer to individual staff members of the Institution.

• Categories of complaints (Art. 4.2)
  • New «simplified procedure»
Presentation of main changes to the Policy / 3

• Disclosure and publication regime (Art. 4.6)
  • Aligned with the presumption of disclosure principle of the EIB Group’s Transparency Policy. However, complainants can request that their confidentiality be respected.

• The functions of the EIB-CM (Art. 5.3)
  • Better defined section detailing the four functions and clarifying the scope of each.
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<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>Friday 29 September 2017</td>
<td>Deadline for submitting written contributions (<a href="mailto:cmconsultation@eib.org">cmconsultation@eib.org</a>)</td>
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| October-December 2017         | Internal review of stakeholder comments and preparation of final draft documents  
                                    Publication of all stakeholder’s comments |
| First quarter 2018            | Publication of draft revised policy, draft Consultation Report and Bank comments to stakeholder contributions (issues matrix) on EIB’s website (at least 15 working days before discussion at the EIB’s Board of Directors) |
| First quarter 2018            | Approval of revised Policy, Consultation Report and Bank comments to stakeholder contributions by EIB’s governing bodies |
| First quarter 2018            | Final revised EIB Group Complaints Mechanism Policy, Consultation Report and Bank comments to stakeholder contributions published on EIB website |