

# Evaluation of the EIB's mandate activity

## Context

The European Investment Bank (EIB) supplements the activities it carries out using its own resources with investments driven by mandates. Activities carried out under mandate have expanded and diversified rapidly over the last 15 years – particularly since 2014 – reaching about a third of the EIB's lending activity and over three-quarters of advisory activity. A recent evaluation looked at how the Bank managed this activity and how successful it has been in delivering results.

The EIB defines a mandate as formalised cooperation with external partners for the purpose of achieving shared objectives and based on financial support pledged by a third party. Mandates can take many forms, support a variety of policy objectives and have different implications for the EIB's activity and structures.

## Summary of findings

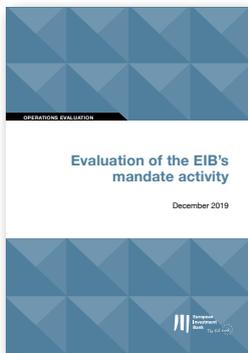
- Most mandates have achieved, or are likely to achieve, the level of investment expected at signature. For some ongoing mandates, however, disbursement levels remained somewhat low for reasons within and outside the Bank's control.
- Identifying the extent to which the Bank achieved results was not straightforward for some older mandates and underlying projects because these mandates often had weak intervention logic and frameworks for measuring results. Newer mandates suffer less from such issues, making results easier to track.
- While the EIB has taken major steps to improve its organisational and internal systems to manage mandates, some related initiatives still have to be completed. New challenges are emerging, such as the increased distance between the Bank's centralised structure for managing mandates and other operations. In addition, ever-more complex mandates are stretching the Bank's IT systems. Pressure has also increased within the Bank to cover mandate costs.
- Although the EIB organisational model and systems for mandate management are sound, there is a perceived distance between mandate management and underlying operations. EIB employees involved in the new centralised mandate structure are not directly involved in operations. This organisational model is heavily dependent on good cooperation between staff members in different parts of the EIB.

- The EIB has met its mandate-related contractual obligations, but mandates do not always live up to their potential and the partnership between the mandate issuer (mandator) and the EIB could be stronger. Mandators expressed concerns about the EIB's proactivity in providing information on mandate execution. Other concerns included mandate costs and efficiency, delays in disbursement, and the Bank's incentives to pursue the smaller, more complex projects that are often necessary to achieve mandate objectives.

## Recommendations

The EIB should:

- update and strengthen its mandate approach and strategy, taking into account the changing environment;
- give priority to the implementation of initiatives, such as new IT systems, designed to streamline mandate procedures and reduce mandate-related operational risks as well as costs;
- put in place change management and shore up human resources to ensure the success of the new mandate management systems;
- include mandators' point of view in discussions on economic efficiency, cost coverage and capital consumption;
- develop a framework to make regular and thorough assessments of mandate progress towards attaining desired outcomes, impact and additionality.



The full report can be accessed at:

<https://www.eib.org/publications/evaluation-of-the-eibs-mandate-activity>

The summary of the report is also available in French and German.