

Stakeholder engagement on the EIB Group's Climate Bank Roadmap 2021-2025

Webinar 5 - Thursday 25 June 2020
Session 2, Part 1 - Energy intensive industry

Summary of discussions

The European Investment Bank (EIB) Group welcomed the over 200 webinar participants. It explained the arrangements to ensure an effective discussion, noting that statements will not be attributed to individuals unless expressly requested.

The EIB delivered a [presentation](#) about **energy intensive industry**. It summarised relevant challenges, the role of the sector in the EIB's activities, the key points that stakeholders raised in the first round, the possible future EIB approach and the main outstanding questions. The floor then opened for discussion.

A representative of the European Commission commended the EIB for announcing its [15-year benchmark Climate Awareness Bond \(CAB\)](#). He announced that the first delegated act under the [EU taxonomy for sustainable activities](#) will be issued later this year.

A participant from industry stressed the need for **research, development and innovation (RDI)** investment in bio-based solutions, e.g. for wastewater treatment. The EIB explained that a significant part of our work with industry supports RDI. [InnovFin Advisory](#) has created a specific financial instrument to support the bioeconomy. The EIB is ready to invest more in bio-based solutions.

A member of an environmental NGO called for the EIB to require high-carbon companies and financial intermediaries to adopt time-bound greenhouse gas (GHG) emission reduction targets and **decarbonisation roadmaps**. The EIB explained that it assesses each project on its own merits, whilst also having requirements for clients. Various options are being considered, including current carbon intensity and decarbonisation plans. Refusing to deal with high-carbon clients would remove an incentive for them to take ambitious actions. The question is rather how best to support their transition, e.g. through innovative financial products and capacity building.

Caution was expressed about **technical assistance** replacing stringent, time-bound requirements for clients and financial intermediaries to lower their GHG emissions. The EIB agreed that technical assistance should spur change.

A participant from a think tank suggested that the EIB could work with other Multilateral Development Banks (MDBs) to produce **sector-specific decarbonisation roadmaps** to guide investment decisions. The EIB explained that the European Commission's [Clean Planet for All](#) strategy lays out decarbonisation pathways for different economic activities. Whilst it focuses on the EU, it can also inspire actions outside the EU, taking into account the different circumstances.

Another participant noted that **high-efficiency incineration** plants connected to heat systems are a better waste management option than landfilling.

A participant from the private sector agreed that the CBR should be aligned to the EU taxonomy. EIB financing should **focus on de-risking technologies** to reach commercial status. The EIB recalled past experience in catalysing the development of low-carbon technologies and seeks to further expand this activity through blending.

A participant from industry asked about EIB's objectives **outside the EU**. The EIB explained that it pursues economic development, whilst ensuring consistency with the Paris Agreement.

Another participant encouraged the EIB to **engage with public and private banks to end fossil fuels financing**. The EIB confirmed that it cooperates with financial intermediaries to develop their capacity to assess the climate implications of projects, develop appropriate financial products and report on impacts. The EIB also works with national promotional banks, e.g. to promote the circular economy.

A participant from the private sector suggested that the EIB could facilitate cooperation between engineers and biologists to develop **bio-based solutions for energy intensive industries**. The EIB confirmed its objective to support innovative low-carbon solutions and gave the example of a recent project featuring the bacterial transformation of carbon gases into ethanol.

Another participant suggested using **data** to identify needs, allocate investment and monitor project performance. The EIB explained that digitalisation is a key consideration in financing industry and transport projects. For example, the EIB actively supports data-based advanced manufacturing.

The EIB Group thanked participants for their constructive participation and reiterated the invitation to submit written contributions by 9 July.