

# EIB's engagement with civil society 2018 highlights

Engaging with civil society is a valuable dimension of the accountability framework of the European Investment Bank (EIB). It gives the Bank the opportunity to explain how and why decisions are made and to get input from civil society.

The EIB engages with its stakeholders in a variety of ways:

- Every year, it invites civil society stakeholders to participate in a seminar with its Board of Directors;
- It organises public consultations on its key policies;
- It regularly hosts events to explain what it is doing, to explore emerging issues and to benefit from the feedback and ideas of civil society.

## Environment and climate change

### New guideline for investments in hydropower

The EIB is taking steps towards greater sustainability of future hydropower investments by finalising its Environmental, Climate and Social Guideline on Hydropower Development. The guideline, which has benefited from substantial feedback from civil society (through a stakeholder engagement **workshop** organised in Brussels and numerous comments received in writing), sets out sector-specific requirements and criteria that promoters of hydropower projects financed by the EIB should meet. It also summarises best practice recommendations for integrating social, biodiversity, natural resource management and climate considerations into hydropower projects. The guideline is intended for hydropower promoters, but it can also be used as a reference for development banks, international and regional organisations, non-governmental organisations and other civil society stakeholders.

This leaflet, hopefully the first in a long series, provides concrete examples of the work the EIB has undertaken in 2018.

It describes the progress made by the Bank in achieving the goals announced during the last seminar between civil society and the Board of Directors, and provides highlights of the EIB's engagement with civil society.

This leaflet is organised into thematic sections: environment and climate change; social development; governance; and cross-cutting issues.

A digital version is available on the EIB website ([www.eib.org](http://www.eib.org)).

### Engaging experts on mainstreaming climate into impact assessment

*15 May, Durban*

As part of its commitment to contribute to the best practices of impact assessment, the EIB organised a workshop for climate policy experts. The workshop, which was held during the annual conference organised by the International Association for Impact Assessment (IAIA) in Durban, South Africa, on 15 May 2018, was an opportunity for leading practitioners and specialists involved in climate policies to discuss the challenges of incorporating climate change considerations into environmental and social strategies, processes and standards. Participants provided their case studies, expertise and perspectives. The EIB team in charge of implementing the Bank's climate strategy was directly involved in the discussions. The workshop's findings will provide a basis for future reviews of the Bank's **climate-related standards**.

## Supporting cutting-edge research on companies' transition to low-carbon

Since 2016, the EIB has been supporting a coalition of non-profit organisations to pioneer new methods for measuring the climate performance of companies: the ACT (Assessing Low-Carbon Transition) project. The initiative, which is led by Carbon Disclosure Project (CDP) and the French Environmental and Energy Management Agency (ADEME), aims to establish a methodology to assess if firms are aligned with the Paris Climate Agreement's goal of limiting the increase in global temperatures. The pilot project covered the energy, automotive and retail sectors, and it is progressively expanding to new areas such as construction and buildings. On 11 April, the Bank hosted a technical meeting with the ACT project team and supported its presence at the major 2018 climate events, including the Global Climate Action Summit in San Francisco and Climate Finance Days in Paris.

## Talking with civil society on "Investing in the Future of Europe"

21 June, Copenhagen – 18 July, Tallinn – 17 October, Vienna

Since 2017, the EIB has been cooperating with European Movement International, a network of non-governmental organisations that promote European values, on a series of events and videos around the theme of "[Investing in the Future of Europe](#)." With three new locations in 2018, these events facilitated a discussion with broader civil society on the benefits of EU membership, as well as the transformative power and direct benefits that the EIB can generate. Moreover, the events enabled citizens from all walks of life to discuss the EU's direction. The event series will continue in 2019.

## EIB seminars with civil society: WWF talks about bankable projects to protect freshwater resources

The EIB launched a new series of seminars hosting speakers from key civil society organisations. Jointly organised by the EIB Institute and the EIB Civil Society Division, these seminars address a broad range of sustainability issues.

For the first seminar on 18 October 2018, the Bank invited two experts from the World Wildlife Fund (WWF) working on Freshwater Resources and Bankable Projects to talk about [solutions to the global water crisis](#). It was an opportunity for WWF representatives and EIB environmental and industry experts to discuss how best to involve the financial sector in water projects, to identify suitable pipelines and to increase our impact in tackling these challenges.

## EIB conference on the circular economy

25 October, Copenhagen

More than 200 leading representatives and stakeholders from government, local authorities, business, academics, civil society and the financial sector gathered on 25 October 2018 at the [EIB's first circular economy conference in Copenhagen](#). The event highlighted a selection of innovative projects across

Europe and encouraged participants to share knowledge and lessons learned from: (1) plastics in the circular economy; (2) the circular bio-economy; and (3) the circular economy in cities. The Bank also used the occasion to publish its [Guide for the transition to a Circular Economy](#), which spells out the EIB's approach to its lending and advisory activities in this field.

## Investing in social and economic development within planetary boundaries

14 November, Cologne

The EIB took part to the 8<sup>th</sup> International Conference on Sustainability and Responsibility in Cologne (14-16 November 2018) organised by the Centre for Advanced Sustainable Management and the Cologne Business School. The conference gathered about 500 experts and influencers to exchange ideas about sustainability and responsible leadership. The EIB supported a panel that discussed the challenges of investing in social and economic development within the limits of the Earth's resources.

## COP 24

3-14 December, Katowice

As the world's largest multilateral financier of climate-related investment, the EIB naturally took part in COP24, the 24<sup>th</sup> UN annual conference on climate change. Throughout the two weeks, the Bank organised and participated in a number of panel discussions, facilitating a frank and open exchange with fellow financiers, policy makers and civil society on issues such as the decarbonisation of cities and regions, renewable energy and technology, the circular economy and adapting to climate change. The Bank presented its climate products and recent projects, including new support it is giving to green transport and energy-efficient buildings in Poland. It was also an opportunity to present the latest findings of the [Citizens Survey on Climate](#), which reflects citizens' attitudes and expectations towards climate change.

## Public consultation on the EIB's Energy Lending Policy

On 21 December 2018, the EIB announced it would be launching a [public consultation on the review of its energy lending policy](#). This consultation process seeks to solicit views on how the Bank can best support EU energy policy and long-term climate and energy targets. The [consultation document](#), issued on 8 January 2019 and available in English, French and German, serves as a basis for this discussion and highlights the key topics that the EIB is inviting comments on before drafting its new energy lending policy. A consultation meeting will take place in Brussels on Monday 25 February 2019, and will be an opportunity for stakeholders to put their questions to EIB energy experts. Stakeholders have until 29 March 2019 to submit their contributions and the EIB very much looks forward to receiving their valuable input.

## Update of the EIB's methodology for carbon footprinting of projects

In December 2018, the Bank adopted an updated version of the [methodologies used to calculate greenhouse gas emissions for its projects](#), bringing it up to speed with wider developments and expectations from civil society. The main changes, which will take effect in 2019, concern the absolute emissions threshold for inclusion of project carbon footprints in annual reporting. The threshold was lowered from 100 000 tCO<sub>2</sub>e to 20 000 tCO<sub>2</sub>e. The revised methodologies also contain new provisions for ports, airports and forestry, as well as updated emissions factors. This revision is part of an ongoing dialogue with external stakeholders, including the International Financial Institutions (IFI) community, and with civil society including discussions at COP24 around a [side event organised by the EIB with the IFI GHG working group](#).

## Social development

### Bill and Melinda Gates Foundation and EIB make an impact together

*18 October, Brussels*

Bill Gates, principal founder of Microsoft, and EIB President Werner Hoyer met in Brussels to discuss current and future cooperation between the EIB and the Bill & Melinda Gates Foundation (BMGF). The EIB and the BMGF have worked together on three high profile projects to date.

The first project concerns a new health platform for improving diagnostic services for low-income populations in Sub-Saharan Africa. The second is the "Control Malaria Fund," which is financing a portfolio of highly promising anti-malaria projects. The third is the "Breakthrough Energy Europe Fund," a partnership between the EIB, the European Commission and the Breakthrough Energy Coalition of Bill Gates to support investments in clean energy technology and innovation in Europe.

### World Bank's Technical Workshop on Reprisals

*23 October, Washington*

The EIB took part in the Technical Workshop on Reprisals organised by the World Bank. The workshop allowed IFI participants and practitioners from the UN, civil society and academia to exchange information on ways to address reprisals and protect local consultees, complainants, and whistle-blowers, as well as to discuss the role of IFIs in this area. About 45 participants attended the one-day workshop.

## Governance

### The EIB Group's Complaints Mechanism Policy

On 12 and 13 December, the respective EIF and EIB Boards endorsed the revised [EIB Group Complaints Mechanism Policy](#). In 2017, the EIB launched a public consultation to review the Complaints Mechanism Principles, Terms of Reference and Rules of Procedure. It was the tenth formal public consultation for the EIB. In total, 30 organisations provided 54 pages worth of contributions, providing the Bank with rich and diverse feedback and suggestions.

The discussions throughout the consultation centred on the importance of the Complaints Mechanism's role and responsibility, its independence, accessibility and the admissibility criteria. The EIB appreciates the submissions as they contributed to the stronger policy that is now in place. This revised policy is comprehensive and effective and reflects extensive discussions with the European Ombudsman. The Bank's senior management fully supports an independent and effective complaints mechanism.

### The new EIB Exclusion Policy

On 19 February, the [EIB Exclusion Policy](#) entered into force. This policy details the Bank's mechanisms for excluding entities and individuals found to have engaged in prohibited conduct from EIB-financed projects and other EIB activities for a certain time. By doing so, the policy enforces the prohibitions contained in the EIB's Anti-Fraud Policy and contributes to safeguarding the financial interests, integrity and reputation of the Bank and the activities it finances. This addition to the arsenal the EIB uses to tackle fraud and corruption was welcomed by [Transparency International](#), which recommended such a change in its report "Investing in Integrity?" and discussed it with the Bank's representatives during the structured dialogue that took place in 2017.

### Workshop on the revision of the EIB NCJ Policy

*2 October, Brussels*

The EIB's Office of the Chief Compliance Officer, in collaboration with the Bank's Civil Society Division, held its fourth event with stakeholders regarding the revision of the EIB Group Policy towards Weakly Regulated, Non-Transparent and Uncooperative Jurisdictions ("EIB Group NCJ Policy").

The Bank's NCJ Policy is currently under review to reflect the bank's interim approach and recent regulatory developments, including in the area of tax governance. Ahead of this revision, the [seminar](#) was an opportunity to discuss recent regulatory developments in the areas of taxation and the designation of non-cooperative jurisdictions for

tax purposes; the interim approach approved at the beginning of 2017 for the EIB Group NCJ Policy; and the revision of the EIB Group NCJ Policy itself. The Board of Directors' Working Group on Tax and NCJ Policy review met in April, June and September 2018 to discuss the approach and the main elements of the planned revision of the Bank's NCJ Policy. The Board of Directors' Working Group will resume discussions at the beginning of 2019, and will aim to conclude the review in early 2019.

### EIB 3<sup>rd</sup> Anti-Corruption Conference

4 December, Luxembourg

The EIB hosted experts and participants from around the world at its third **Anti-Corruption Conference**, which took place on **International Anti-Corruption Day**. Around 200 participants – including EIB staff, representatives of Civil Society Organisations, the European Commission, national and international financial institutions, as well as national anti-corruption authorities – gathered to reflect on and discuss cooperation and challenges in the fight against corruption.

The key points raised during the days included the different legal frameworks in the countries where corruption cases may arise; the importance of trust and effective coordination between investigating offices; the possibility of conducting joint preventive activities; and the challenges presented by a lack of resources available to investigate. The crucial role that civil society and the media could play in finding and reporting cases of possible corruption was also emphasised.

The large number of participants and presenters attending this year's conference illustrated the increasing interest in the topic and the support of key EIB's allies in the fight against corruption.

## Cross-cutting issues

### EIB Board of Directors seminar with civil society in 2018

5 February, Luxembourg

On Monday 5 February, the EIB welcomed many representatives from a large mix of civil society organisations, including international and local NGOs, think tanks, research and academic institutions and trade unions to **the 7<sup>th</sup> edition of its annual seminar with the Bank's Board of Directors**. The first session invited participants to explore how to support the transition to low-carbon cities while the second session focused on **tackling gender inequalities** in our operations. At the end of the seminar, a high number of Board members listened to civil society's suggestions and answered their questions. The discussions covered specific projects, like the Trans Adriatic Pipeline and the Nenskra Hydropower Plant, and policies, including the ongoing review of the EIB Complaints Mechanism, a review of the Non-Compliant Jurisdictions (NCJ) Policy and

of the Bank's energy lending policy. The Board also clarified its role and responsibilities and recognised the importance of its engagement with civil society.

### The EIB supports the Transformative Action Award for Sustainable Cities

15 November, Brussels

The Transformative Action Award is an annual prize organised by the civil society organisation ICLEI – Local Government for Sustainability. It rewards current or past initiatives by regions, cities or NGOs that use the pathways of the **Basque Declaration** on sustainable development for socio-cultural, socio-economic or technological transformations. The EIB supported the ceremony and was part of the jury alongside the ENVE Commission, UNESCO Etxea (Spain), the city of Aalborg (Denmark), and ICLEI Europe.

The city of Ghent is the laureate for 2018 with a **transformative action** to make the city's food supply local, resilient, sustainable and fair through participative governance models. Bologna, Italy, and Tirana, Albania, were runners-up. Bologna's initiative focused on **civic participation** and Tirana's on the development of an **"orbital forest."** A "special mention" was also awarded to the NGO **Associazione Amici del Nidiaci in Oltrarno Onlus** (Florence, Italy) for an initiative on the integration and inclusion of immigrant families into the local community.

### 2018 EIB Group Materiality Assessment

In the second half of 2018, the EIB Corporate Social Responsibility Division conducted a comprehensive update to its materiality assessment in accordance with the principles of the Global Reporting Initiative (GRI). The objective was to determine which topics were material to the EIB Group for corporate responsibility and sustainability reporting, to measure the expectations of our stakeholders and to assess the EIB's potential impact on various economic, environmental and social dimensions. The Bank involved both internal and external stakeholders in the participatory process, and they made important contributions. The results of the assessment will form part of the 2018 EIB Group Sustainability report. The exercise was a testament to the Bank's strong commitment to transparency, stakeholder inclusiveness and accountability.

More information about the Civil Society division and its engagement activities can be found here: [www.eib.org/cso](http://www.eib.org/cso)



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