

# EIB's engagement with civil society 2017 highlights

Engaging with civil society is a valuable dimension of the European Investment Bank's (EIB) accountability framework. It gives the EIB the opportunity to explain how and why decisions are made and to take on board civil society's inputs.

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

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

This leaflet aims to give concrete examples of the work the EIB has undertaken during the course of 2017.

It describes the progress made by the EIB to deliver on what was announced during the last seminar between civil society and the EIB's Board of Directors in January 2017, and it provides highlights of EIB's engagement with civil society.

This leaflet is organised in thematic sections: Environment and Climate Change; Social Development; Governance; and Multi-Sector Issues.

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

## Environment and Climate Change

### Green Bond External Reviewers' Roundtables

7 March 2017, London – 15 June 2017,  
Paris – 13 October, Luxembourg

In the course of 2017, the EIB, the World Wide Fund for Nature and the Institute for Climate Economics co-convened three practitioners' roundtables on external reviews of green bonds. The roundtables were part of a broader discussion promoted by the EIB among capital market stakeholders (including China and MDB-IDFC members) on the need for a common language in green finance so as to enhance transparency and comparability of different green bond frameworks. The roundtables and related parallel consultations fed into a [White Paper](#), which was published jointly by the EIB and the Green Finance Committee of China Society for Finance and Banking with the endorsement of the People's Bank of China during COP 23. The initial results and conclusions of this seminal work, which will continue in 2018, could be retained in EIB's technical advice to the Commission's High Level Expert Group on Sustainable

Finance, where the Bank participated as an observer. This advice included a new approach to the classification of green activities, with a specific proposal in the area of climate change mitigation.

### 10 Years of Green Bonds

The EIB pioneered the green bond market with its first Climate Awareness Bond (CAB) in July 2007. To mark the anniversary of this milestone, the EIB put together several initiatives, including high-level celebration events across the EU, a side-event at COP 23, a green bond tenth anniversary video ([A bond for the planet](#)) and a special edition of the [CAB newsletter](#).

In addition, the EIB partnered with NGO WeForest in a reforestation project to further contribute towards a greener planet and the fight against global warming. As a result of the public campaign, [20,000 trees will be planted](#) in Khasi Hills, India, and in Amhara, Ethiopia.

## As announced in 2017

### Water guidelines

The review of the EIB Water Sector Lending Orientation was completed and approved in December 2017. Throughout the year, the Bank held multiple bilateral discussions and engaged with selected representative stakeholders (NGO's, trade associations, the European Commission, etc.). The main thrust of the Orientation is an increased focus on water security in its broadest sense. Water resources and water security inside and outside the EU have come under increasing and significant pressure in recent decades. Disruptions in the supply of water of sufficient quality can have severe direct negative impacts on humans, biodiversity, the environment and economic activity. The new water lending orientation revisits investment priorities and some approaches to them in the context of water security risk and growing investment needs. The document is published on our [website](#) and will be presented at the EIB premises in Brussels in the first half of 2018.

### Emissions Performance Standard (EPS)

The EIB has pioneered the use of the Emission Performance Standard as part of its 2013 Energy Lending Criteria, and has committed to review it in 2017. However, EU energy and climate policy up to 2030 is currently under revision, with a number of initiatives from the Energy Union, Clean Energy for All and fundamental reform of the EU Emission Trading System all under way at the end of 2017.

The Bank has just initiated a review of the Criteria, with the aim of aligning with the new EU policy framework. Amongst many potential impacts, this new framework may have specific impacts on the Bank's Standard. The Bank has therefore decided to update its Standard threshold as part of the wider Criteria update. Until that time, the EIB Standard will remain at its current level of 550 gCO<sub>2</sub>eq/kWh.

The upcoming review of the Bank's Criteria will include a public consultation in which all interested stakeholders will be invited to participate. The timeline and modalities of the public consultation process will be announced in 2018.

### EIB technical workshop on Assessing Low-Carbon Transition

11 May 2017, Luxembourg

The EIB entered into a partnership with a coalition of non-profit organisations to pioneer new methods for measuring climate performance of companies: the ACT (Assessing low-Carbon Transition) project. The initiative is led by CDP and the French Environmental and Energy Management Agency and aims to establish a methodology to assess to what degree companies are aligned with the 1.5/2 degree pathway. On 11 May the Bank hosted a technical meeting with the ACT project team and supported its presence at the major 2017 climate events, including Climate Week 2017 and COP 23. The Bank continues to closely follow the future of the ACT project.

### An EIB and 2° Investing Initiative Partnership – A Mismatch of Time Horizons

17 July 2017, Brussels – 20 November 2017, Frankfurt

This year, the EIB supported 2 Degrees Investing Initiative (2Dii) to organise a series of events on the mismatch of time horizons across the investment chain. The first event, hosted by the EIB in Brussels, was an opportunity to review the evidence based on the findings from the 2Dii-led research. This workshop was followed by a second event in Frankfurt to discuss in more detail the policy options available to the European Commission and the European Supervisory Authorities to address the issue of time horizons, based on the 2Dii latest findings and the discussions in the Commission's High-Level Expert Group on Sustainable Finance.

### COP23 EIB Side Event: Nature Based Solutions in Cities

13 November 2017, Bonn

The EIB organised a number of [side events at COP 23](#) in Bonn, including an event on enhancing resilience in cities through nature-based solutions, focusing on practical examples of how they can be mainstreamed and financed. The event hosted speakers from pioneering cities as well as academic experts on green infrastructure.

# Social Development

## As announced in 2017

### Gender Action Plan

Following the adoption of the EIB Group's Strategy in Gender Equality and Women's Economic Empowerment in December 2016, the Bank's services worked throughout 2017 to elaborate a Gender Action Plan to guide the phased implementation of the strategy over the coming years. The plan was approved by the EIB's Management Committee on January 16th, 2018 and has been implemented with immediate effect.

Civil Society and industry engagement over the past two years have provided us with valuable insights during the elaboration of the Strategy and the Gender Action Plan, signalling the need for: strong commitment and leadership from senior and middle management, a shift from viewing the Gender Action Plan as a compliance issue towards seeing it as a new business opportunity for the Bank to widen its client base, availability of expert resources, and the need for the Group to "walk the walk".

Since January 2018 and within the scope of the approved Action Plan, we have embarked on the first phase of a two-staged approach, which focuses on developing our knowledge and evidence base, our expertise, our systems and procedures, alongside piloting approaches. The Plan reflects the Strategy's approach of careful prioritisation to identify incremental milestones over time, with work outside the EU being launched first. A second phase will follow during 2020-2021 that will be more focused on implementing such new approaches.

The Bank looks forward to engaging regularly, throughout the whole process and up until 2021, with its external stakeholders.

### Meaningful and effective participation

In recent years, calls from civil society organizations from around the world have emerged for concrete ways in which international finance institutions can support

an enabling environment for public participation and access to grievance, and ensure that their activities do not cause or contribute to human rights violations. In response, EIB and CEE Bankwatch Network co-organized and hosted an expert meeting to explore how European Development Finance Institutions could better take into account the need for safe space for meaningful public participation, including access to grievance at the project level, especially in environments where space for civil society is shrinking. Participants included environmental, human rights and indigenous peoples' rights activists, the United Nations Office of the High Commissioner for Human Rights, European development finance institutions, other expert organizations and EIB staff. The Bank is committed to continuing the dialogue with CSOs and development finance institutions on this important topic in 2018.

### Land Tenure Rights

The EIB remains committed to exploring the integration of the Voluntary Guidelines for the Governance of Tenure principles and practices under its social due diligence framework. Over the course of 2017, efforts were directed primarily at (a) increasing our expert staff's familiarisation with the Guidelines discourse and (b) joining forces with USAID to roll out an Investor Survey on Land Rights, targeting approximately 30,000 investors globally. The survey is expected to capture and analyse perceptions and practices of investors regarding risks related to land tenure and property rights, as well as generating awareness in investor circles around this subject. Its findings are expected to inform the Bank's next steps. Additionally, a dedicated internal working group is being established, and this topic will remain high on the EIB's agenda in 2018. In parallel, the Bank will be participating – along with a small number of development finance institutions – in the beta testing of a due diligence tool aimed at assessing and managing land tenure risks to investments in emerging markets.

## Conflict Sensitivity

The EU has a long-standing commitment to addressing conflict issues and promoting peace in its external action. As the EU bank, the EIB has taken a range of proactive steps to demonstrate institutional commitment to a conflict sensitive approach. A conflict sensitive approach in EIB operations has become essential to minimise the risks as well as to improve the positive impact of specific EIB projects in conflict-affected and fragile environments.

The EIB has therefore teamed up with Saferworld and Swiss Peace to provide EIB staff with a Conflict Sensitivity Helpdesk, lending expertise tailored to the EIB's business model for projects in fragile and conflict-affected situations. The Helpdesk will provide project-specific advisory support throughout the project cycle, as well as support through capacity building, knowledge sharing and institutional learning to strengthen application of the conflict-sensitive approach in relevant operations.

## Governance

### EIB and Transparency International Structured Dialogue

Following the [publication](#) of Transparency International's report "Investing in Integrity? Transparency and Accountability of the EIB" in November 2016, the EIB has continued to engage in a constructive dialogue with Transparency International in its pursuit of upholding the highest standards in matters relating to transparency and the fight against corruption. In that respect, the EIB invited Transparency International representatives on 4 October to meet EIB staff to follow-up on their report's recommendations.

### EIB 3rd Non-Compliant Jurisdictions Workshop

29 November 2017, Brussels

In November, the EIB hosted its [third Stakeholder Engagement Seminar](#) on the topic of Non-Compliant Jurisdictions Policy in Brussels. The EIB places great emphasis on the integrity and good governance of its operations. As such, the EIB organised this dialogue with civil society organisations and other stakeholders in order to discuss its Policy towards weakly regulated, non-transparent and uncooperative jurisdictions in the context of the recent regulatory developments in the areas of tax good governance, anti-money laundering and combatting the financing of terrorism.

## Multi-Sector

### E-learning Course on EIB Environmental and Social Standards

6-8 June 2017, Brussels

During the European Development Days in Brussels, the EIB launched an [e-learning course](#) providing the knowledge and skills to implement its environmental and social standards. Primarily aimed at EIB financial intermediaries outside the EU, the course suits the needs of anyone interested in integrating environmental and social dimensions to ensure sustainable investment projects.

### EIB and the European Movement: Investing in the Future of Europe

5 July 2017 Warsaw – Dublin 30 November 2017–  
Belgrade 8 December 2017– Paris 13 December 2017

The EIB has partnered with European Movement International, a major NGO network promoting European values, on a series of events around the theme of "Investing in the Future of Europe". These events allowed for a discussion with broader civil society on the benefits of EU membership, as well as the transformative power and direct benefits the EIB can generate. Moreover, they enabled the engagement of citizens from all walks of life to discuss the direction the EU should take.

## As announced in 2017

### EIB Group Complaints Mechanism Policy

On 29 May 2017, the EIB launched its [public consultation on the revision of the EIB Group's Complaints Mechanism Policy](#). A consultation meeting was held in Brussels on 29 June where the main proposed changes were openly discussed. Some 30 individuals and organisations submitted approximately 115 comments before the 29 September cut-off date and these are currently being analysed by the EIB's Inter Directorate Review Panel, set up specifically for the consultation. Once the panel has come to a conclusion, it will address a revised Policy along with an issues matrix and consultation report to the EIB's Management Committee before going to the EIB's Board of Directors, hopefully during the second quarter of 2018.

### EIB 2nd Anti-Corruption Conference

4 December 2017, Luxembourg

In December, the EIB hosted its [second Anti-Corruption Conference](#) in its Luxembourg office to commemorate International Anti-Corruption Day. Around 160 people, including EIB staff, representatives of Civil Society Organisations, the EU Commission and the European Court of Justice, as well as national anti-corruption authorities, gathered to reflect on and discuss new solutions to tackle corruption in a shifting landscape.

### Finance Watch Conference on Sustainable Finance

6 December 2017, Brussels

EIB speakers took part in a [Finance Watch Conference](#) on accelerating EU leadership in sustainable finance. The event was held in Brussels on 6 December and was also financially supported by the EIB. The conference looked at the public building of financial systems for a sustainable future and, among other things, policies that the EU could implement to boost the demand and supply for green and sustainable financing in Europe.

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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