

6th November 2020

Policy briefing for the EIB Board of Directors

Dear Members of the Board of Directors of the European Investment Bank,

As the policy discussion on the EIB's climate strategy is ongoing, we call on you to ensure that the EIB Climate Bank Roadmap 2021-2025 aligns all of the Bank's operations with the Paris Agreement, starting from 2021.

The Roadmap needs to provide a clear strategy with concrete milestones and action plans that align all EIB operations with a 1.5°C global warming scenario, consistent with the European Green Deal for a climate-neutral future and sustainable economy.

Mainstreaming climate considerations throughout all the EIB's operations should mean ending unconditional support for polluters by condition its financing on a mandatory company level decarbonisation plan to net-zero by 2050, that shows how the project eligible for funding is part of that transition. These concrete company-level decarbonisation plans should be required for all EIB clients, and subject to public disclosure.

CEE Bankwatch Network research showed that between 2013 and 2019, the EIB provided EUR 4.7 billion to companies with a high share of coal in their power and heat generation portfolios or which plan to develop new coal power capacities (including buying or retrofitting existing coal assets). Continuation of such operations stays at odds with the EIB's climate commitments and creates a real danger of carbon lock-in and stranded assets.

In its approach to corporate clients the EIB is currently lagging behind both public and private financial institutions. Such financial institutions as UK CDC Group, IFC, Dutch

FMO, ABN-AMRO, ING, Crédit Agricole have established policies restricting unconditional financing for utilities and companies using coal in production.

The EIB cannot ignore developments in peer institutions and should also establish in its Climate Bank Roadmap 2021-2025 similar requirements for energy utilities and energy intensive industry sectors; specifically it should require companies to present to the EIB and publicly meaningful decarbonisation plans.

Financial intermediaries through which the EIB channels approximately a third of its total financing, should also have decarbonisation plans aligned with a 1.5°C trajectory.

Therefore we call on the Board to ensure that the draft EIB Climate Bank Roadmap 2021-2025 is improved in order to include a clear requirement for corporate level decarbonisation plans to net-zero by 2050.