

19 May 2026

Via [Online Consultation Portal](#)

Attn: The European Investment Bank Group  
98-100, boulevard Konrad Adenauer  
L-2950 Luxembourg

**RE: Civil Society Comments on the Draft New Policy of EIB Group Complaints Mechanism**

### ***Introduction***

The below comments are submitted jointly by civil society organizations dedicated to helping communities understand and navigate independent accountability mechanisms (IAMs) as a means of safeguarding human rights and preserving the environment in the pursuit of sustainable investment. Our remarks are informed by our direct experience engaging with the EIB Complaints Mechanism (EIB-CM), as well as decades of evaluating the policies and practices that have produced improved outcomes for communities aggrieved by internationally financed projects. Our ongoing work surveying and benchmarking the growing field of IAMs contributes to the periodically updated [Good Policy Paper: Guiding Practice from the Policies of Independent Accountability Mechanisms](#), which is referenced several times by the April 2025 External Review Report of the EIB-CM to propose alignment with the emergent norms.

Preliminarily, we commend the process designed to facilitate feedback for this important review. The disclosure of the external review report has helped to facilitate a deeper understanding of the issues, and the virtual and in-person consultations with simultaneous translations and accommodation for multiple time zones have been helpful for frank dialogue. After having engaged in these consultative efforts, we now write jointly with our recommendations to improve the EIB-CM's legitimacy and effectiveness as to underpin the EIB Group's commitment to and reputation for sustainability and accountability.

We understand that the EIB-CM Procedures are being drafted separately from the overarching Policy, and there is not yet a commitment for public consultation or publication of the EIB-CM Procedures. All policies and procedures which form an integral and substantive part of the IAM policy framework should be subject to public consultation and fully disclosed once finalised.

It is our view that the EIB-CM Procedures should be incorporated into the Policy such that all substantive policies and related provisions operationalising the Policy are contained in one single standalone publicly consulted document. This ensures the integrity and cohesion of the overall policy framework and prevents there being two disjointed interdependent documents that have not both been publicly consulted. We anticipate that the procedural provisions (as contained within the Policy) may further articulate the roles and duties of the EIB Group's governing bodies with respect to engaging with the EIB-CM, provide further guidance on the concerns articulated by complaints, and lay out expectations on EIB management with respect to remedial actions. They may also cover how Services Response and Action Plans (SRAPs) will be developed in balance of stakeholder interests, or they may cover specific processes dictating the Early Resolution of complaints, and so on. These are details that prospective complainants should know before

deciding to engage with the EIB-CM, and there also is a public interest in preventing the maladministration of the Procedures.

Alternatively, if EIB were to retain the Policy and Procedures as two separate documents, particularly as the Procedures have not been included in this present consultation, we urge the EIB to follow best practice amongst peer IAMs and present the draft updated Procedures to public consultation in the interest of public accountability and trust-building, as the EBRD IPAM and IFC CAO had done in the past. At minimum, the EIB must continue its practice of publishing the Procedures.<sup>1</sup>

We therefore encourage addressing this as follows (with the language in square brackets being applicable if the alternative route proposed above is taken):

*9. This EIBG Complaints Mechanism Policy was approved by the EIB and EIF Boards of Directors on [date] and [date] respectively and shall enter into force upon its publication on the EIB and EIF websites, which shall occur after the approval of the EIB-CM Procedures by the Management Committee and EIF CE/DCE respectively. [The EIB-CM Procedures shall be put to public consultation as quickly as practicable thereafter, and enter into force upon approval by the EIB and EIF Board of Directors.]*

With respect to this consultation process on the EIB-CM Policy, several of our organizations wrote to the EIB Board in March 2025 to outline substantive policy improvements intended to improve the EIB-CM's actual and perceived independence, accessibility and effectiveness in helping the EIB Group respond to and provide remedy for harm. We **append that letter to the end of this submission as an annex** as a way to anchor these below recommendations to our fundamental concerns. We commend the ways that the proposed policy has responded to some priority issues, and we urge clarifying language to ensure that the EIB-CM will indeed be equipped to take on new critical responsibilities.

### **I. Equipping the EIB-CM with a clear mandate and capacity to facilitate effective remedy**

We are greatly encouraged that the draft Policy articulates that the EIB-CM has a mandate to “facilitate access to remedy to address the negative environmental and/or social impacts of EIBG Projects.”<sup>2</sup> We further commend the various ways the EIB-CM is now able to facilitate effective remedy in compliance review (CR) and Dispute Resolution (DR) processes as articulated by the draft Policy, including by (a) recommending ways to remedy noncompliance, (b) assessing the adequacy of SRAPs in consultation with complainants to ensure that remedy will indeed be effective, and (c) monitoring the implementation of SRAPs until relevant recommendations are fully implemented.

We further propose a number of improvements in relation to CR, DR, and Early Resolution processes and the monitoring of actions and outcomes arising from them, in order to further strengthen the EIB-CM's capacity to facilitate effective remedy.

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<sup>1</sup> See, EIB Group Complaints Mechanism Procedure (Nov. 2018), available at [https://www.eib.org/files/publications/strategies/complaints\\_mechanism\\_procedures\\_en.pdf](https://www.eib.org/files/publications/strategies/complaints_mechanism_procedures_en.pdf).

<sup>2</sup> Draft new policy, para. 10(b).

## 1. Clearer rights-based language

We urge EIB Group to embrace the updated mandate through the lens of human rights. The draft Policy’s preamble acknowledges that the EIB Group stakeholders have a “right to be heard” and a “right to complaint,” but it falls short of naming “the right to an effective remedy for harm,” which is a core tenet of international human rights law.”<sup>3</sup>

The Guiding Principles of the EIB-CM as articulated in paragraph 13 of the draft Policy ostensibly omit reference to rights compatibility, which is a core effectiveness criteria for grievance mechanisms under the UN Guiding Principle. The EIB is an EU body and therefore bound by the European Union Charter of Fundamental Rights, making it all the more essential for the EIB-CM Policy to be underpinned by a rights-based approach. We therefore encourage addressing this oversight as follows:

*5. Managing complaints of any kind is an EIBG-wide responsibility as it helps the EIBG entities to ensure public accountability, institutional learning and to remedy negative impacts. The EIBG entities are committed to ensuring, through diverse channels, the right to be heard, ~~and~~ the right to complaint ~~by EIBG stakeholders~~, and the right to effective and timely remedy, thus giving voice to ~~their~~ the concerns of project-affected communities, whenever they are, or feel, affected by the EIBG entities’ decisions, actions or omissions, including failure to comply with any rule or principle that is binding upon them and failure to comply with human rights, applicable law or with the principles of good administration.*

...

*13. The EIB-CM carries out its functions and delivers on its mandate guided by the following core principles: ...*

....

....

*(h) EIB-CM shall seek to facilitate remedy that is rights-compatible. The EIB-CM conclusions and recommendations shall be aligned with the Charter of Fundamental Rights of the European Union. The EIB-CM shall seek to ensure that any proposed corrective actions are compatible with the Charter, and that remedies are adequate, effective, prompt, culturally appropriate, and gender-sensitive.*

## 2. Proactive consultation with complainants during SRAP preparation

The draft Policy proposes that EIBG Services only consult with the complainants after SRAPs have been agreed with the Client/Promoter. We strongly urge the EIB-CM to require that complainants be consulted on remedy during the drafting of SRAPs, rather than effectively only after their finalisation, to reflect both longstanding good policy and the recommendations by the External Review.<sup>4</sup>

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<sup>3</sup> See, Report of the United Nations High Commissioner for Human Rights, “Improving accountability and access to remedy for victims of business-related human rights abuse,” [A/HRC/32/19](#), para. 6 (10 May 2016); see also Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises, [A/72/162](#), para. 2 (18 July 2017).

<sup>4</sup> See, Policy of the World Bank Inspection Panel, para. 82 (“Management will communicate to the Panel the nature and the outcomes of the consultations with the affected parties on the action plan agreed between the Borrower and the Bank. The Panel may submit to the Board, for its consideration, a written or verbal report on the adequacy of these consultations”); Procedures of the Green Climate Fund Independent Redress Mechanism, para. 67 (“A draft remedial action plan shall be provided to the IRM, complainant, AE or the Executing Entity, giving them a minimum of ten [10] calendar days to comment”); Policy of the Independent Complaints Mechanisms shared by Proparco,

Consultation with complainants after SRAPs have been agreed with the Clients will make it far more difficult for EIBG Services to proactively incorporate the views of the complainants, resulting in SRAPs that are unlikely to benefit from complainants' knowledge of the on-the-ground realities with regard to what actions are necessary and feasible to redress verified harm.

Separately, if an SRAP is being developed such that paragraphs 71 to 76 of the draft Policy apply, the complainants must have timely access to the final Compliance Conclusions Report without delay, well before the SRAP has been prepared by EIBG Services in order to meaningfully engage in the SRAP consultation process and assess whether the proposed actions sufficiently address EIB-CM's recommendations and findings.

We recommend the following edits:

*71. If the EIB-CM recommends the development of a SRAP, it will share the final Compliance Conclusions Report with the Complainant, EIBG Services and Client/Promoter and request EIBG Services to submit a SRAP within 60 Business Days of receiving the Compliance Conclusions Report. ~~the EIBG Services will submit to the EIB-CM a~~ EIBG Services should consult the Complainants and Client/Promoter during development of the SRAP to ensure the parties ~~agreed with the Client/Promoter~~ to that the SRAP will effectively remedy the non-compliance and related actual or potential negative environmental and/or social impacts identified in the Compliance Conclusions Report. The SRAP will contain at the minimum: (i) actions to be implemented and by whom and, where applicable, actions required to effectively prevent the reoccurrence of similar situations (e.g. changes to the EIBG relevant procedures); and (ii) implementation plan, deliverables and timetable to be followed. The EIBG Services may include an explanation of reasons regarding the EIB-CM's conclusions and/or recommendations that the EIBG Services are unable to address.*

*72. Promptly after having received the SRAP from the EIBG Services, the EIB-CM will share it ~~together with its Compliance Conclusions Report,~~ with the Complainant. Within 20 Business Days after having received the SRAP, the EIB-CM will assess the adequacy of the SRAP in consultation with the Complainant and will provide its views to the EIBG Services, who will have the possibility to review the SRAP and incorporate changes if considered appropriate. The EIBG Services will have 20 Business Days to provide the EIB-CM with the final SRAP. If the EIB-CM considers that the final SRAP sufficiently responds to the conclusions and/or recommendations of its Compliance Conclusions Report, it will submit those documents to the Management Committee and/or the EIF CE/DCE for information as part of its periodic reporting.*

3. A more explicit statutory mandate by the Board to supervise SRAP implementation

Given the EIBG's unique governance structure, we urge the EIB-CM policy to more explicitly codify the role of not only the Management Committee, but also the Board of Directors, in ensuring that the EIB Group is fulfilling its remedy mandate. The Board can only do so through receiving regular and substantial

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DEG, and FMO, para 6.88 (“Management will consult with the Client, the Complainants, and any other relevant stakeholders in preparing the MAP”); See, External Review of the EIB Group Complaints Mechanism, Final Report, para. 88 and recommendation 48 (4 Apr. 2025), available at [https://consult.eib.org/consultation/cmconsultation/supporting\\_documents/external-review-reportpdf#page=48](https://consult.eib.org/consultation/cmconsultation/supporting_documents/external-review-reportpdf#page=48).

information updates that would allow it to directly supervise the implementation of SRAPs and intervene in the case of disagreement between EIBG Services and the EIB-CM.

The SRAPs are instruments of public accountability that prescribe time-bound actions for EIBG Services to carry out corrective actions that address non-compliance and harm. Therefore, it is essential that they be supervised and approved by the relevant governing bodies to ensure fulfillment of the EIBG's remedy mandate. The current draft Policy fails to establish a clear and transparent authorisation process by the relevant governing bodies in line with their competences in the EIBG governance structure.

In this respect, we note that the EIB Board of Directors is non-resident in nature. While the Board of Directors is the ultimate decision-making body which authorises the EIB's financing of individual projects and is legally accountable for them, it is the Management Committee that is the highest executive governing body of the EIBG and the overseer of the day-to-day running of the institution. In 2023, the Court of Justice of the EU confirmed that the decision of the EIB Board of Directors to approve a loan is an administrative act adopted under environmental law and one which has legally binding and external effects.<sup>5</sup> Consequently, under the conditions laid out in the Aarhus Regulation, eligible non-governmental organisations have the right to request the EIB Board to review its decision to which the EIBG must respond. We also note that the EIB Board of Directors approves loans under the condition that they comply with the EIBG's Environmental and Social Policy (which is itself approved by the Board of Directors) or will have complied at the time the loan agreement is signed.

In this context, we are particularly concerned that the Management Committee, consisting of the EIBG President and 8 Vice Presidents, are not incentivised to support the EIB-CM's efforts to develop and implement stronger, more remedy-focused SRAPs, thus creating a hostile and partial environment for the EIB-CM to operate in. We note that the Management Committee has had a track record in recent years of siding with the EIBG Services' preference for weaker, less extensive SRAPs in the case of disagreements between Services and the EIB-CM. This effectively limits the EIB-CM's role to no more than voicing dissent, without any practical tools in its wheelhouse to independently compel Services to implement SRAPs that the EIB-CM deems necessary.

Therefore we urge the EIB-CM Policy to explicitly provide for the EIB Board of Directors, whose statutory role includes supervision of the Management Committee and overall discharge of responsibilities to ensure that the Bank is properly run, to receive regular and substantial information directly from the EIB-CM about the cases where there has been a disagreement between the EIBG Services and the EIB-CM on SRAPs. The Board should be informed about decisions taken by the Management Committee concerning disagreements, including its justifications. In cases of disagreement where the Management Committee was in favour of views presented by the Services, that either the SRAP is sufficient or not needed, the EIB-CM should be able to escalate their objections of the Management Committee decision to the Board as the ultimate decision-making body on the SRAP. We anticipate that this escalation would generally only be necessary in a few cases with substantive and consequential issues at stake, so as not to overload the EIB Board of Directors with frivolous disagreements. Such provisions are necessary to ensure that both the Management Committee and the Board of Directors adequately exercise their statutory functions. We also believe that

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<sup>5</sup> [Joined Cases C-212/21 P and C-223/21 P, EIB and Commission v ClientEarth](#)

the mere possibility of Board intervention could in of itself encourage the Management Committee to exercise its neutral oversight function and be willing to support the development and implementation of SRAPs proposed by the EIB-CM despite the objection of EIBG Services. We therefore recommend the following edits:

71. ....The EIBG Services ~~will~~ ~~may~~ include an explanation of reasons regarding the EIB-CM's conclusions and/or recommendations that the EIBG Services are unable to address.

73. If the EIB-CM finds that the final SRAP insufficiently responds to its conclusions and/or recommendations, it will submit the Compliance Conclusions Report, the proposed SRAP, and the EIB-CM's and EIBG Services' respective views on the SRAP (including, where relevant, those of the Complainant) ~~will be submitted~~ to the Management Committee and/or EIF CE/DCE for a response and decision on the content of the SRAP. If the Management Committee considers the proposed SRAP insufficiently responsive, it will ask EIBG Services to resubmit a revised SRAP for the Management Committee's approval.

73a. In cases of high risk projects as defined in the Environmental and Social Sustainability Framework, if the EIB-CM still considers the revised SRAP insufficient, it may send its Compliance Conclusions Report, the Services Response and Management Committee's decision to the EIB/EIF Board of Directors for a decision on the need to revise the SRAP.

74. Alternatively, if the EIBG Services consider that no SRAP is required, both the EIB-CM's Compliance Conclusions Report and the EIBG Services' views will be promptly submitted to the Management Committee and/or EIF CE/DCE for a decision ~~response~~ on the need for a SRAP.

74a. In cases of high risk projects as defined in the Environmental and Social Sustainability Framework, if the Management Committee decides that the SRAP is not required, the EIB-CM may send its Compliance Conclusions Report, the Services Response and Management Committee's decision to the EIB/EIF Board of Directors for a decision on the need for the SRAP.

~~76. The EIB-CM will inform the EIB and/or the EIF Boards of Directors, in line with paragraph 112 of this Policy, and as part of its periodic reporting, on its conclusions and recommendations, on the cases where SRAPs were not developed and on its views on the adequacy of SRAPs to facilitate remedy. Upon finalisation of the SRAPs, the EIB-CM will send all Compliance Conclusions Reports and SRAPs to the EIB and/or the EIF Boards of Directors for information. The EIB and/or the EIF Boards of Directors will receive substantive information on all cases on which there was disagreement between the EIBG-CM and the EIBG Services and on decisions taken by the Management Committee to resolve such disagreements, including the EIB-CM's views on the adequacy of SRAPs to facilitate remedy.~~

#### 4. Stronger monitoring mandate on the implementation of SRAPs

The EIB-CM must be equipped with adequate resources and information to enable robust monitoring of the implementation of SRAPs and ensure that remedial actions are delivered with timeliness, and that they are actually effective in restoring trust with complainants.

The EIB-CM should be able to independently verify information received through self-reporting by EIBG Services to ensure that complainants are indeed satisfied with the remedy process. To ensure that SRAPs produce intended outcomes in the delivery of remedy and to facilitate trust-building with project affected

communities and other external stakeholders, the EIB-CM should be able to consult with all parties in the development of its monitoring reports and conduct site visits, as appropriate, to verify information provided to it.<sup>6</sup> The EIB-CM should also be able to escalate concerns regarding the implementation of remedy to the EIBG Governing Bodies to address significant delays or offer recommendations to modify SRAPs as feedback on implementation reveals opportunities for improvement.<sup>7</sup> We therefore fully support the recommendations of the External Review Report that “[m]onitoring cannot only rely on information provided by the Services. Monitoring requires an independent assessment by the EIB-CM and this includes consultation with the complainants and affected people as well as more frequent site visits than presently conducted.”<sup>8</sup>

We further note that the lack of EIB CM’s monitoring capacity has indeed proven a major barrier to the delivery of remedy to project affected communities in the past. In the case of the EIB’s Marsyangdi Corridor transmission line project in Nepal, it would have been helpful for the EIB-CM to seek independent verification of the complainants’ satisfaction with outcomes with respect to corrective actions agreed upon to respond to non-compliance. In that case, Indigenous communities grew more distrustful of the process after receiving no meaningful response to their concerns about the neutrality of the person selected to assess their claim to protected land per the management action plan. Here, the EIB’s apparent indifference to that concern, or deference to the client in picking the assessor, merely stoked further dissatisfaction from the communities as it pertained to the respect for Indigenous People’s rights. Were the EIB-CM to intervene and encourage agreement between the communities and client on the selection of the assessor, trust might have been salvaged.

We therefore recommend the following language:

77. *The EIB-CM will monitor the proper implementation of the SRAP on a semi-annual basis as per the timelines indicated in the SRAP. The EIBG Services will inform the EIB-CM every six (6) months about the progress of such implementation. The EIB-CM will review this information, [consult with the complainants and affected people to verify its accuracy, visit project sites as appropriate, and publish the outcome of its monitoring reports on its website in a timely manner.](#)*

##### 5. Stronger transparency and accountability in Early Resolution processes

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<sup>6</sup> See, e.g., the Accountability Mechanism policy of the Asian Development Bank, para. 194 (“*The methodology for monitoring may include [i] consultations with the complainants, the borrower, the Board member concerned; Management; and staff; [ii] a review of documents; and [iii] site visits. The CRP will also consider any information received from the complainants and the public regarding the status of implementation*”).

<sup>7</sup> See, e.g., the Independent Redress Mechanism policy of the Green Climate Fund, paras. 68, 70 (“*The IRM shall report to the Board any cases of which it becomes aware where a final remedial action plan, or any part thereof, cannot be or is not being implemented. . . . The IRM’s prior agreement on the final remedial action plan . . . shall not prevent the IRM from recommending improvements to the final remedial action plan, if necessary, during its implementation. Where the IRM recommends improvements to a final remedial action plan, the Secretariat shall take appropriate steps to amend such final remedial action plan . . .*”).

<sup>8</sup> See, External Review of the EIB Group Complaints Mechanism, Final Report, para. 96 (4 Apr. 2025), available at [https://consult.eib.org/consultation/cmconsultation/supporting\\_documents/external-review-reportpdf#page=48](https://consult.eib.org/consultation/cmconsultation/supporting_documents/external-review-reportpdf#page=48).

Effective remedy also concerns timeliness. In this regard, we appreciate the potential benefits of the new “Early Resolution” transfer function proposed by the draft Policy. We commend the inclusion of guardrails to ensure the prudent use of Early Resolution, including that (a) the complainants must consent, (b) the transfer will be timebound with a clear purpose of achieving environmental and social objectives, (c) there are no apparent retaliation risks faced by complainants, and (d) the complaint does not implicate serious human rights violations, systemic issues, or the rights and interests of third parties. We urge keeping these guardrails in place. We also commend the decision to respect the agency of complainants by explicitly recognizing their right to exit the Early Resolution process and re-enter the EIB-CM process at any time.

Nonetheless, we are concerned about the degree of transparency that will be offered with respect to cases disposed of through Early Resolution. It is essential to continue tracking and recording the case process and outcomes of transferred cases to ensure that accountability is actually being delivered. We therefore urge express language stating that (1) all complaints moved to Early Resolution will be included in the complaint registry, (2) the Early Resolution process could result in SRAPs where appropriate, and (3) the summaries of case process and outcomes, as well as monitoring reports where SRAPs are developed through the process, will be published on the complaint registry. As is required when developing SRAPs, it is also crucial that EIBG Services is obliged to proactively engage with Complainants in coming up with corrective actions to address issues of harm raised. No solutions or remedies should be proposed or finalised without prior and direct engagement with the Complainants to seek their opinion on their adequacy.

Further, if the Early Resolution process fails to procure satisfactory resolution of all issues, the Complainants should have the choice to revert back to the normal EIB-CM process and proceed with either a CR or DR process. There should not be a default presumption of, or preference for, CR as is envisioned in the draft Policy (in which an Initial Dispute Resolution Assessment would only follow an Early Resolution “exceptionally”). It is worth noting that the Early Resolution process, designed to be no longer than six months and intended to offer EIBG Services a chance to facilitate problem solving with the Complainants, is no substitute for a DR process between the Client/Promoter and the Complainants facilitated by a neutral third-party mediator.

We recommend the following language:

42. The EIB-CM will determine a reasonable and limited timeframe to address the issues raised in the Environmental and/or Social Complaint transferred to the EIBG Services for Early Resolution, which will be commensurate to the case, but will not be longer than six (6) months from the date of transfer to the EIBG Services. During this period, the EIBG Services, in collaboration with the Client/Promoter, and after consulting Complainant(s), will aim to effectively address the issues raised in the Complaint. At the end of the Early Resolution, the EIBG Services will inform the EIB-CM on how the issues have been addressed and on the outcome of the process. The EIB-CM will subsequently consult the Complainant, publish all relevant information (including but not limited to a summary of the process and outcomes of the process and any agreed SRAPs) on its website, and close the case. The EIB-CM will monitor the implementation of any SRAPs developed through the Early Resolution process. ~~or, i~~In case of outstanding issues, the EIB-CM may seek the Complainant's agreement to proceed to an Initial Compliance Assessment ~~(or, exceptionally, an Initial Dispute Resolution Assessment)~~. The EIB-CM will publish the relevant information (including a summary of the process and outcomes) on its website.

43. A Complainant may decide to leave the Early Resolution process at any time if they are of the view that no progress is made. The EIBG Services and the Client/Promoter also have the possibility to end the Early Resolution process at any time. In those cases, and with the agreement of the Complainant, the EIB-CM will decide to proceed with an Initial Compliance Assessment or, exceptionally, an Initial Dispute Resolution Assessment. The case's status of transfer to the Early Resolution process (and reversion back to the normal EIB-CM process, if applicable) will be published and kept up to date on the website.

88. . . . At the end of the Early Resolution, the EIBG Services will inform the EIB-CM on how the issues have been addressed and on the outcome of the process. The EIB-CM will subsequently consult the Complainant, publish all relevant information (including but not limited to a summary of the process and outcomes of the process and any agreed SRAPs) on its website, and close the case. The EIB-CM will monitor the implementation of any SRAPs developed through the Early Resolution process. ~~or, i~~In case of outstanding issues, the EIB-CM may seek the Complainant's agreement to proceed to an Initial Compliance Assessment. The EIB-CM will publish the relevant information (including a summary of the process and outcomes) on its website.

## 6. Better delivery of remedy through Dispute Resolution

We commend the draft Policy for providing much clearer guidance on DR processes and putting it on a more equal footing with CR processes. We urge it to further ensure DR processes are designed to deliver remedy for Complainants, particularly by strengthening the EIB-CM's monitoring mandate of commitments contained within Dispute Resolution agreements.

Important to the timely delivery of remedy is flexible sequencing of DR and CR processes. Insofar as the screening process is intended to help the EIB-CM “*determine the most appropriate way forward*” to handle the issues in a complaint, taking the Complainant's preference into account, they should have the latitude to bifurcate issues to allow DR and CR to take place simultaneously in the service of efficiency and shortened process.<sup>9</sup> We recommend the following language:

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<sup>9</sup> See, e.g., the policies of the United Nations Development Programme's Social and Environmental Compliance Unit (“SECU,” offering compliance investigation) and Stakeholder Response Mechanism (“SRM,” offering dispute resolution) (SECU para. 33: “*If both processes are applicable, the Complainant will be informed that both are applicable, and be given the choice to proceed with compliance review, stakeholder response [dispute resolution], or both*”; SRM para. 18: “*When SECU advises the SRM of the need for [a compliance] review, it is the responsibility of the receiving office to communicate to the requestor any planned action by the SECU to review*”

39. *If an Environmental and/or Social Complaint is found admissible, the EIB-CM will perform a screening of the Complaint, the purpose of which is for the EIB-CM to determine the most appropriate way forward to handle it (Early Resolution, Initial Dispute Resolution Assessment or Initial Compliance Assessment) taking the Complainant's preference into account as to sequencing and potential bifurcation of the issues. For this purpose, the EIB-CM will engage with the Complainant to explain the EIB-CM's different functions and options. Where applicable, the EIB-CM will also engage with the EIBG Services to assess whether the criteria for Early Resolution (as set out in paragraph 41 below) may be met.*

The draft Policy allows for the termination of the Dispute Resolution process by the EIB-CM: (1) if the process exceeds 18 months and the EIB-CM determines that the process is no longer likely to lead to a resolution or has ceased to constitute an efficient use of resources or (2) if the process exceeds 24 months, i.e. following a single extension of up to six months. In both cases, while the EIB-CM must consult with the parties, it could technically unilaterally decide to terminate, despite the Parties still being engaged and wishing to continue.

This departs significantly from good policy. There should not be a maximum time limit on the Dispute Resolution process. There have been many examples of processes that took longer than 24 months and reached a satisfactory resolution.

We echo the External Review's recommendation to eliminate the requirement to close DR cases within a hard timeline and instead use a "softer" timeline, where the Head of the CM and the DR team would regularly (every 6 months) review longstanding DR cases to ensure there was still a reasonable likelihood of resolution.<sup>10</sup> We recommend the following language:

54. *In case no agreement has been reached after 18 months from the date of the Initial Dispute Resolution Assessment Report, the EIB-CM will assess the status of the ongoing Dispute Resolution process. If in the EIB-CM's view and, following consultation with the Parties, the Dispute Resolution is no longer likely to lead to a resolution or no longer constitutes an efficient use of resources, the EIB-CM ~~will~~ can conclude the Dispute Resolution process with the Complainant(s)' consent and notify the Parties accordingly. In cases where it concludes that there is still a likelihood of reaching a resolution, the EIB-CM can decide to extend the process for ~~one~~ additional periods of up to six (6) months at a time, with the decision to conclude or continue the Dispute Resolution process to be revisited at the end of each extension.*

We also urge that the EIB-CM Policy establishes a presumption of public disclosure of the Dispute Resolution agreements by default, subject to redactions or withholding from disclosure on the basis of any confidentiality arrangements agreed between the parties. We recommend the following language:

56. *Upon conclusion of the process, the EIB-CM will prepare a draft Dispute Resolution Closure Report*

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*compliance issues, and to discuss with the requestor the possibility of conducting compliance review before, after, in parallel with, or instead of grievance resolution").*

<sup>10</sup> See, External Review of the EIB Group Complaints Mechanism, Final Report, recommendation no.71 (4 Apr. 2025), available at [https://consult.eib.org/consultation/cmconsultation/supporting\\_documents/external-review-reportpdf#page=48](https://consult.eib.org/consultation/cmconsultation/supporting_documents/external-review-reportpdf#page=48).

*and provide it for factual review and comments during 20 Business Days to the EIBG Services and the Parties. After considering the received comments, the EIB-CM will share the final Dispute Resolution Closure Report, together with any Dispute Resolution agreement reached, with the Complainant, EIBG Services, Client/Promoter and other Parties (if relevant) and publish it on the EIB-CM's website (subject to confidentiality arrangements).*

While the EIB-CM now has an explicit mandate to monitor Dispute Resolution agreements, we urge the Policy to further establish regular monitoring intervals for Dispute Resolution agreements with at least the same frequency as those for the SRAPs, namely every six months. Further, if it becomes evident during the monitoring that the agreed remedial actions within the Dispute Resolution agreement are not being implemented, the EIB-CM should be able to exercise the right to conclude a DR process, fully or on issues not implemented, after obtaining the Complainants' consent and transfer the unresolved issues of the Environmental and/or Social Complaint for an Initial Compliance Assessment. We recommend the following language:

*58. The EIB-CM will monitor the implementation of a Dispute Resolution agreement on a semi-annual basis for up to 18 months following the date of the agreement, unless the Parties agree that no monitoring is required. In justified cases, the EIB-CM may decide to extend the monitoring period. In cases of non-implementation of a Dispute Resolution agreement, the EIB-CM may decide, after consulting with the Complainant(s), to conclude of a Dispute Resolution process and transfer the unresolved issues of the Environmental and/or Social Complaint for an Initial Compliance Assessment.*

#### 7. No regression in the handling of pre-project approval complaints

While it is in line with good practice that the EIB-CM allows early, pre-approval complaints, there appears to be concerning regressions from the previous Policy.

Under the current Policy, the EIB-CM must at least follow up with the EIBG Services to ensure that at a minimum, the appraisal team has contacted/met with the complainants and analysed their concerns. Under paragraph 33 of the draft Policy, however, such complaints are effectively rendered inadmissible by being immediately transferred to EIBG Services and closed. The EIB-CM is not required to track the complaint to ensure that concerns have been given due consideration and appropriately addressed. The EIBG Services isn't required to provide a response to the Complainants until after the relevant project financing has been approved, effectively treating the approval of the financing in question like a foregone conclusion regardless of the scale and nature of the complaint.

We are therefore concerned that the draft Policy reflects an unjustifiable backsliding of the provisions concerning pre-approval complaints when there is an opportunity to strengthen its effectiveness by enabling swift and effective handling of such cases when non-compliance is identified early and thus can be corrected more easily. We agree with the External Review that “[t]his ‘hands-off approach’ is in contrast to policy provisions of the ADB/CRP and the World Bank/IPN, both of which allow admission of complaints prior to financing approval and then process them through the regular compliance review procedure.”

We echo the relevant recommendations of the External Review, including that pre-approval complaints should be referred to the EIBG Services with a defined time period to address the concerns, after which

they should proceed through the regular EIB-CM complaint handling procedures.<sup>11</sup> We recommend the following language:

33. *Where an admissible Environmental and/or Social Complaint relates to a Project considered for financing the EIB-CM will transfer the Complaint to the relevant EIBG Services ~~unless and close it, or without transfer if~~ the Complainant expressly refuses the said transfer. The EIB-CM will follow up with the EIBG Services to ensure that concerns have been given due consideration and that the appraisal team has contacted/met the Complainant(s), analysed their concerns and have resolved issues within the agreed time period. If in the opinion of the Complainant(s), Services have not resolved issues, or when the Complainant did not agree for the transfer, the EIB-CM will proceed to an Initial Compliance Assessment or an Initial Dispute Resolution Assessment. The EIBG Services will inform the relevant EIBG Governing Bodies about the Complaint at the time when project documents are presented for financing approval, together with their assessment of the Complaint and an overview of the actions taken by the EIBG Services in response to the Complaint. The EIB-CM will also provide the EIBG Governing Bodies with its assessment of the Complaint and actions taken by the EIBG Services in response to the Complaint. ~~The EIBG Services will also provide a response to the Complainant at the latest following the approval of the relevant project and inform the EIB-CM accordingly. Once the project is approved, and if the Complainant is not satisfied with the response received by EIBG Services, the Complainant can submit a Complaint to the EIB-CM, which will assess its admissibility and handle the Complaint under its regular processes in accordance with this Policy.~~*

#### 8. Other admissibility concerns

In the furtherance of timely pursuit of effective remedy, complaints should be admissible even if parallel proceedings have been brought against EIB Group entities before EU administrative or judicial review mechanisms. Because no other forum has the mandate to assess compliance with the EIBG's internal policies, the EIB-CM's investigation of a complaint should not be deemed to interfere with outside proceedings. Additionally, if the parties are willing to engage in a dispute resolution process, the EIBG should be eager to facilitate such a process if only to repair relationships with aggrieved parties, notwithstanding other processes. We see no reason to delay consideration of how to achieve better project results until lengthy litigious processes conclude. We therefore urge the following edits:

34. *The EIB-CM will deem the following Complaints inadmissible:*

.....

*~~(e) Complaints that present same allegations and are part of a concluded, pending or ongoing process filed against the relevant EIBG entity before other EU administrative or judicial review mechanisms.~~*

Finally, the draft Policy appears to introduce restrictions concerning the language of the Complaint, namely that it must be submitted in an EU official language. This may be confusing for complainants, as the draft Policy proceeded to make allowance for submission in other languages. In this context, we note that the majority of complaints concerning environmental and social issues are submitted from outside of the EU by communities who might not have access to formal representation by English-speaking representatives or organisations. In the spirit of clarity, we recommend the following language:

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<sup>11</sup> See, External Review of the EIB Group Complaints Mechanism, Final Report, para. 54 (4 Apr. 2025), available at [https://consult.eib.org/consultation/cmconsultation/supporting\\_documents/external-review-reportpdf#page=48](https://consult.eib.org/consultation/cmconsultation/supporting_documents/external-review-reportpdf#page=48).

25. The Complaints ~~must~~may be submitted in writing and in an EU official language. For Complaints submitted in other languages, the EIB-CM will, whenever possible, handle those in the language of the Complaint.

## II. Strengthening the independence of the EIB-CM

In accordance with the Charter of Fundamental Rights of the European Union, which gives every person the right to have his or her affairs handled impartially and fairly by the institutions of the Union, we urge the EIB-CM Policy to guarantee the EIB-CM's impartiality. The draft Policy establishes that the Head of the EIB-CM will be the guarantor of independence,<sup>12</sup> but there are no relevant provisions instructing on how leadership and staff will be selected and reviewed to preserve the perceived and actual objective independence of the mechanism.

The External Review Report offers a practical way to safeguard the EIB-CMs independence, and that is to “[i]ntroduce conflict of interest guidelines on the hiring or subsequent employment or engagement of the Head of the EIB-CM within the EIBG.”<sup>13</sup> We agree. Cooling off periods between serving within the institution and serving on the institution's accountability mechanism have proven effective to instill trust and quell speculation as to cronyism or improper fraternization that could compromise the integrity of the mechanism.<sup>14</sup>

We also note that the Head of the Review and Evaluation Process at the EIBG is appointed for a fixed term of four years - a measure which strengthens his or her independence in delivering supervisory function within the EIB.

The other measures which should be adopted include a provision about adequate resources and budget. Similarly to the Head of the Review and Evaluation Process, the Head of the EIB-CM should be responsible for determining the level of adequate resources and the Board of Directors should be responsible for approving the EIB-CM's budget. Our proposal for a relevant budget provision is included in chapter VI (**Equipping the EIB-CM with sufficient resources to implement promising improvements**) below.

Moreover, trust in leadership can be improved if the mechanism's intended users are able to provide feedback on their candidacy and performance. As is the practice of leadership selection for the International Finance Corporation's Compliance Advisor Ombudsman,<sup>15</sup> integrating input from external stakeholders

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<sup>12</sup> See, Draft Complaints Mechanism Policy (March 2026), para. 17 (“*The independence, effectiveness and predictability of the EIB-CM, as part of IG, are ensured by the Head of the EIB-CM being responsible for the exercise of the EIB-CM functions as per the provisions of this Policy*”)

<sup>13</sup> See, External Review of the EIB Group Complaints Mechanism, Final Report, para. 47.

<sup>14</sup> See, Good Policy Paper: Guiding Practice from the Policies of Independent Accountability Mechanisms, p. 26 (Jan. 2024), available at [https://cdn.prod.website-files.com/68e5762082f60ead6d3ad3ab/69120e1e0bcd523edf15e204\\_good-policy-paper-2024.pdf#page=26](https://cdn.prod.website-files.com/68e5762082f60ead6d3ad3ab/69120e1e0bcd523edf15e204_good-policy-paper-2024.pdf#page=26).

<sup>15</sup> See, IFC CAO Policy, para. 15 (“*To maintain the independence of the CAO [Director General (DG)], a selection committee will be established to conduct an independent, transparent, and participatory selection process that involves stakeholders from diverse regional, sectoral, and cultural backgrounds, including civil society and business communities. CAO, IFC, and MIGA will solicit nominations for the selection committee from stakeholders and forward them to the CODE Chair and Vice-Chair for their consideration. The CODE Chair and Vice-Chair will appoint six people to form the selection committee, including two Executive Directors, two senior representatives from the global business community, and two senior representatives from the civil society community, and appoint one of these Executive Directors as chair of the selection committee*”).

can provide honest insight as to whether leadership would indeed be a trusted and effective liaison between project-affected communities and the bank.

Additionally, allowing external stakeholders to provide periodic input on the performance of IAM staff and leadership, and satisfaction with case handling, would also be helpful to evaluate trust in the EIB-CM. This sort of feedback could be relatively easy to attain through complainant interviews or surveys at the close of every case, and through general public surveys intended to reflect on awareness and overall performance of the mechanism. We encourage transparency on this type of feedback through the EIB-CM's annual reports, and we recommend the following language:

*17. The independence, effectiveness and predictability of the EIB-CM, as part of IG, are ensured by the Head of the EIB-CM being responsible for the exercise of the EIB-CM functions as per the provisions of this Policy. The Head of the EIB-CM will be selected through an inclusive process that solicits and integrates the feedback of external stakeholders, including CSOs, and his/her leadership performance will be evaluated based on stakeholder feedback provided at the close of each case and through general public survey.*

*17a. The Head of the EIB-CM will be appointed by the EIB President for a term up to four years which may be extended once up to four years. At the end of their term(s), or after removal, the Head of the EIB-CM should not be eligible to perform remunerated work or services for the EIB Group for the following two years. The Head of the EIB-CM should be selected by a committee chaired by the Inspector General, including representative(s) of the Board of Directors, representative of the Audit Committee, representative(s) of the Management Committee, representative of the European Ombudsman, and at least one independent external expert in the accountability and social or environmental fields.*

Further, we have serious reservations about leaving the final interpretation of the EIB-CM Policy to the EIB Group Inspector General.<sup>16</sup> The EIB-CM's unique reporting line through the Inspector General risks a degree of non-transparency that could spur speculation of compliance assessments or findings being adulterated because of interests outside of the EIB-CM's discrete mandate. We recommend that the EIB-CM retain full responsibility and authority to interpret its own policy, recognizing that any overreach or disregard of the policy can still be challenged for maladministration through the office of the European Ombudsman. For the same reasons, we are concerned that the draft Policy suggests that during the handling of the Complaint, the EIB-CM Head may not address the EIB Management Committee without authorisation of the Inspector General. We therefore recommend the following edits:

*21. During the handling of the Complaint, the EIB-CM may address the EIB Management Committee or the EIF CE/DCE when deemed necessary by the Head of the EIB-CM ~~and~~ or by the Inspector General, with specific recommendations.*

...

*121. The ~~EIBG Inspector General~~ Head of the EIB-CM has the authority to interpret the Policy, subject to review for maladministration by the European Ombudsman.*

### III. Improving transparency and predictability

We commend the effort to clarify expected timelines throughout the Policy; however, there appear to be some key areas where timing remains to be addressed. In the interest of predictability and to ensure that cases do not unnecessarily stall for lack of clear requirements, we urge the clarification of timelines with

<sup>16</sup> See, Draft Complaints Mechanism Policy, para. 121 (“The EIBG Inspector General has the authority to interpret the Policy”).

respect to acknowledging receipt of a complaint, admissibility and screening, and with respect to the EIB-CM timely publishing information. We recommend the following language:

19. . . . Upon receipt of a Complaint, EIBG Staff members must immediately forward it to the EIB-CM. The EIB-CM will confirm receipt of the Complaint to the Complainant(s) within five (5) business days of receipt.

38. Within 10 business days, ~~T~~he EIB-CM will inform the Complainant of its admissibility determination. The EIB-CM may request clarifications or additional information from the Complainants or from EIBG Services to make an admissibility determination. If the EIB-CM determines at any stage that the Complaint is inadmissible, it will close the case and notify the Complainant.

40. The EIB-CM will publish the Screening decision on its website within fifteen (15) business days of making the decision.

48. Within 60 Business Days after the Screening decision (or the date of transfer after Early Resolution), the EIB-CM will document its decision on whether to proceed with a Dispute Resolution process in an Initial Dispute Resolution Assessment Report, which will be shared with the EIBG Services, Complainants, Client/Promoter and other Parties if relevant. The report will be published on the EIB-CM's website within five (5) business days of making the decision. In case the EIB-CM decides not to proceed with Dispute Resolution, the Complainant may request the transfer of the case to the EIB-CM Compliance function for an Initial Compliance Assessment. Otherwise, the EIB-CM will close the case.

56. Upon conclusion of the [dispute resolution] process, the EIB-CM will prepare a draft Dispute Resolution Closure Report and provide it for factual review and comments during 20 Business Days to the EIBG Services and the Parties. After considering the received comments, the EIB-CM will share the final Dispute Resolution Closure Report with the Complainant, EIBG Services, Client/Promoter and other Parties (if relevant) and publish it on the EIB-CM's website within five (5) business days.

86. The EIB-CM will publish the [Access to Information} Screening decision on its website within 15 business days.

We appreciate the consideration that timelines may need to be flexible under certain circumstances. However, we urge clarification on what would constitute “reasonable grounds” for extending timelines, and that being unforeseen circumstances beyond the control of the EIB-CM and/or the EIB Group. For example, reasonable grounds should not include protracted dispute within EIB Group as to the EIB-CM’s findings or recommendations, which in any event would imply compromises to the EIB-CM’s independence and effectiveness. We recommend the following language:

28. The EIB-CM may decide to extend any time period set forth in this Policy for the Complaints handling process, provided there are reasonable grounds or circumstances outside of the control of the EIB-CM and/or EIB Group to justify such extension. Any such extension (together with the justification thereof) shall be promptly notified to the Complainant, EIBG Services, and posted on the EIB-CM website.

#### **IV. Clarifying the admissibility of complaints implicating financial intermediary lending**

The eligibility of complaints regarding projects funded via financial intermediaries is of significant importance, given the fact that it comprises a substantial portion of the EIB’s portfolio (over one-third), and

one-hundred percent of the EIF investments. Furthermore, investing through financial intermediaries has proven to be highly risky from an environmental and social perspective because of the difficulty of supervising and monitoring the implementation of environmental and social standards throughout longer investment chains. The risk of harm to project-affected communities is therefore higher than in projects directly financed by the EIB. This is demonstrated by the fact that at the Compliance Advisor Ombudsman (CAO), the accountability mechanism of the International Finance Corporation and Multilateral Investment Guarantee Agency, a quarter of all complaints received relate to FIs – the largest proportion after energy and mining.<sup>17</sup>

For the benefit of transparency, predictability, and consistency of practice, we urge clarification on the “materiality” assessment that is envisioned under paragraph 32 of the draft Policy to guide admissibility determinations. We recommend drawing on a similar approach applied by the IFC CAO policy<sup>18</sup> with the following language:

30. *The EIB-CM will deem the Environmental and/or Social Complaint admissible if:*

...

*(d) the Complaint is submitted up to ... EIBG Project (as a result of, for instance, repayment, prepayment or exit). Those timings also apply for financial intermediaries.*

32. *Where an Environmental and/or Social Complaint relates to an EIBG financing through a Financial Intermediary, the EIB-CM will assess and take into account the materiality of the financial link between the EIBG entity, the financial intermediary and the relevant sub-project. The EIB-CM’s materiality assessment will consider whether (i) the complaint pertains to a sub-project within the scope of the financial product by EIBG under applicable financing agreements (e.g., if equity or financial support is of a general-purpose, or if the sub-project is within any ringfence that EIBG contractually established with the financial intermediary); (ii) there is a material link between the financial intermediary client and its sub-client that is the subject of the complaint (considering factors including the nature of the exposure, the share, type, and tenor of the FI investment/debt exposure to the Sub-Project); and (iii) there are indications of a plausible link to harm or risk of harm related to the Sub-Project.*

## V. Leveraging the Advisory Function

The External Review provided several recommendations concerning the role of each Governing Body in relation to the EIB-CM process, and we commend the decision to incorporate some of the recommendations into the draft Policy. However, we urge further clarification to better align the EIB-CM policy with the EIB Group Evaluation Policy, and particularly the duty for the Board of Directors to discuss and use evaluative reports in decision-making and to hold the EIB Group accountable for the implementation of report recommendations.<sup>19</sup> Insofar as the draft EIB-CM Policy envisions an active advisory function, we urge the EIB Group to make effective use of the advisory function in its decisionmaking and pursuit of institutional accountability. We recommend the following language:

<sup>17</sup> See, CAO Annual Report, p. 27 (2025), available at <https://www.cao-ombudsman.org/sites/default/files/2025-11/CAO-AnnualReport-2025-Complete-2025-10-23-SinglePages.pdf>.

<sup>18</sup> See, IFC & MIGA Independent Accountability Mechanism (CAO) Policy, para. 41 (2021), available at <https://www.cao-ombudsman.org/sites/default/files/CAO%20Policy%20Layout/CAO-Policy-ENG.pdf>.

<sup>19</sup> See, EIB Group Evaluation Policy, para 29 (June 2021).

105. The EIB-CM will systematically assess the impact of its advisory work and include advisory work in its reporting to the Management Committee, EIF CE/DCE and the EIB and EIF Boards of Directors. The EIB Group Boards of Directors will:

- See to it that evaluations are relevant and useful for the EIB Group by:
  - Discussing, and using EIB-CM reports and advisory in decision-making processes, as appropriate;
  - Keeping the EIB Group accountable for the implementation of decisions stemming from the advisory services provided by the EIB-CM.
- Safeguard the independence of the EIB-CM, and ensure the Board of Directors have unfiltered access to information from the EIB-CM conclusions reports, monitoring reports and recommendations provided under its advisory function.
- Enable the efficiency and predictability of EIB-CM by ensuring that it has sufficient and adequate budgetary and human resources to carry out its work.
- Keep the EIB Group accountable by discussing the EIB-CM's conclusions reports, monitoring reports and periodic activity reports.
- Engage in frequent interaction with the EIB-CM, including by requesting advisory services from it.

We also urge the transparent use of the EIB-CM's advisory function, which would allow it to share insights about systemic issues publicly for the benefit of fostering a continuous dialogue with external stakeholders interested in helping the EIB Group achieve more sustainable impact. This would align with the recommendation offered by the External Review to issue periodic public advisory notes on particular systemic issues that the EIB-CM identifies. In addition, the EIB-CM should monitor and annually report on the uptake of its advice within the EIB Group to ensure the effective use of the function. We urge the following language:

104. The EIB-CM's advisory work will aim at maximising institutional learning and may be delivered in different formats (such as trainings, reports or advisory notes). ~~On a case-by-case basis, the~~The EIB-CM ~~may~~ will seek to publish ~~advice~~ periodic public advisory notes on systemic issues it has identified for the benefit of discourse and dialogue with other institutions and relevant stakeholders.

105. The EIB-CM will systematically assess the impact of its advisory work and include advisory work in its reporting to the Management Committee, EIF CE/DCE and the EIB and EIF Boards of Directors. The EIB-CM will also document the uptake of its advice in annual public reports.

## **VI. Equipping the EIB-CM with sufficient resources to implement promising improvements**

We take note of the finding by the External Review that the EIB-CM is understaffed. It is therefore commendable that paragraph 18 of the draft Policy includes a provision about the adequate resources and budget; however, for the sake of policy coherence and transparency in the budgeting process, we urge that the final Policy offer language equivalent to provisions offered by the EIB Group's Evaluation Policy.

An accountability mechanism's budget should not be dependent on the financial institution's management whose action it reviews. Otherwise, the institution may have undue influence over its ability to process complaints. As the number of complaints might exceed the mechanism's initial budget estimate, the mechanism should also be able to call on additional funds if necessary. The complexity of complaints is also going to increase as the EIB plans on investing more and more outside the European Union and re-investing in the mining sector. These considerations are best understood by the leadership of the mechanism. However, we do note that, as the External Review concludes, while the draft Policy proposes

to drop some functions of the EIB-CM and therefore save resources, there are other areas where increased budget will be required. In our recommendations, we put increased emphasis still on enhanced monitoring of SRAPs and also on outreach at project level to increase awareness of the EIB-CM, both of which are resource-intensive. We urge the Board to commit sufficient resources to support a robust and effective accountability mechanism at the EIB Group.

We therefore recommend the following language:

~~18. Adequate resources and budget will be provided to the EIB-CM to ensure that it is effective in delivering on its mandate, performing its functions, and carrying out its activities in a timely manner and as per the provisions of this Policy.~~ The Head of the EIB-CM shall propose a budget and a staff structure adequate to ensure that it is effective in delivering on its mandate, performing its functions, and carrying out its activities in a timely manner and as per the provisions of this Policy.

The Complaints Mechanism's budget is approved by the EIB Board of Directors under a separate budget line.

## VII. Improving outreach efforts and impacts

People who are, or may be, affected by projects financed by the EIB Group are the primary intended users of the EIB-CM. Therefore, any strategies to make the mechanism known, understood and accessible must center on these rights holders in the first instance. The draft EIB-CM Policy fails to do this, lumping project affected people together with other “external stakeholders” as the intended targets for outreach.

We urge prioritising the recommendation offered by the External Review Report to pursue “differentiated outreach for vulnerable people.” Written information about the EIB-CM, for example, would not be sufficient to inform women who are illiterate, or Indigenous People whose language is not mainstream. As is recognized by Standard 2 of the EIB Environmental and Social Standards,<sup>20</sup> discussion of the EIB-CM during stakeholder engagement and consultations about the project can help to mitigate risks to marginalised people. This is only true, however, if the delivery of outreach is monitored to ensure its quality. We therefore urge the EIB-CM Policy to explicitly reference ESS Standard 2’s requirement for disclosure of the EIB-CM in stakeholder engagement plans, along with a commitment to monitor and spot-check the delivery and quality of meaningful stakeholder engagement, and its success in reaching women, Indigenous peoples and other people experiencing or at risk of marginalisation.

Outreach to communities at project level is a vital step in promoting accessibility and it therefore must be supported by adequate budgetary support. Unfortunately, the EIB Group as a whole leaves it to its clients to disclose the existence and utility of the EIB-CM to affected communities at the project level. Reliance on project promoters for outreach often leads to inconsistent and inadequate dissemination of information. There has been no effort by the EIB Group to verify whether its clients are indeed spreading the word about the EIB-CM. We therefore urge empowering the EIB-CM to systematically investigate the performance of project promoters with respect to the obligation to inform project-affected people about its existence and use.

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<sup>20</sup> See, EIB Environmental and Social Standards, Standard 2 - Stakeholder Engagement (Feb 2022), available at [https://www.eib.org/files/publications/eib\\_environmental\\_and\\_social\\_standards\\_en.pdf#page=83](https://www.eib.org/files/publications/eib_environmental_and_social_standards_en.pdf#page=83).

Communities who are unaware of the EIB-CM cannot file complaints to the mechanism, therefore assessing whether and how communities are being told about the mechanism must be approached outside of the complaints process. And doing so would offer invaluable learning for the institution. In furtherance of this goal, the EIB Group should also pursue a mandatory practice of disclosing how and where information about the EIB-CM has been communicated to project stakeholders within the relevant section of project summary documents. We recommend the following language:

*106. The EIB-CM’s accessibility and the effective implementation of its mandate under this Policy depend on the ability of the EIB-CM to engage effectively with its stakeholders. The EIB-CM conducts outreach among both internal and external stakeholders, prioritizing differentiated outreach for vulnerable, marginalised, discriminated against or excluded people and project-affected people, in order to promote greater knowledge and understanding of this Policy and of the EIB-CM’s mandate, functions and activities. The EIB-CM will develop an outreach strategy to that effect and disclose it on its website and outreach efforts will include cooperation with other institutions’ IAMs, as relevant. The EIB-CM will conduct systematic evaluation of whether and how the EIB-CM is being communicated to project-affected communities per Standard 2 (Stakeholder Engagement) of the EIB Environmental and Social Standards, using project summary documents, site visits and community interviews.*

**Conclusion**

We encourage the retention of improvements already integrated into the draft Policy to enhance the EIB-CM, and we urge the adoption of the above proposed edits intended to build a more trusted and effective process. Thank you for your earnest consideration of our concerns.

**We also look forward to receiving a separate response in relation to our concern that the EIB-CM Procedures are being developed separately without public consultation, and with a risk that they may not be made publicly accessible.** You may contact Leo Lou at [leo@accountabilitycounsel.org](mailto:leo@accountabilitycounsel.org) or Anna Roggenbuck [annar@bankwatch.org](mailto:annar@bankwatch.org) with follow-ups.

**Submitted by**

Accountability Counsel – Global

CEE Bankwatch Network – Czechia

CONCORD Europe – EU

Counter Balance – EU

Inclusive Development International – USA

Recourse – Netherlands

Urgewald – Germany

**Endorsed by**

Association Minarets Écologiques pour le Développement et Climat – Morocco

Both ENDS – Netherlands

Defenders in Development campaign – Global

Egyptian Foundation for Environmental Rights (EFER) – Egypt

Inisiasi Masyarakat Adat (IMA) – Indonesia

Jamaa Resource Initiatives – Kenya

Manushya Foundation – Laos/Thailand

MenaFem Movement for Economic Development and Ecologic  
Justice – Morocco

MiningWatch Canada –Canada

Oyu Tolgoi Watch – Mongolia

Protection International Mesoamérica – Central America

Rivers without Boundaries – Mongolia

Witness Radio – Uganda

## ANNEX

*March 2025 Letter to EIB Board urging certain priority outcomes for the CM policy update*

3rd March 2025

### **To the Board of European Investment Bank**

Dear EIB Directors,

As civil society organisations with experience working with communities impacted by the EIB Group's investments, we welcome the announcement that the EIB Group Complaints Mechanism (EIB-CM) Policy Review will commence in the coming months.

Our practical experience with the EIB-CM and policy analysis of its Policy and Procedures against those of peer financial institutions show that the CM deviates from international good practice and has been unable to achieve its mission independently, efficiently and in a meaningful way for those affected by EIB operations. It falls short of the United Nations Guiding Principles on Business and Human Rights' criteria for non-judicial grievance mechanisms, such as independence, legitimacy, transparency, accessibility, and effectiveness. Crucially, we have seen that the institutional response to the EIB-CM's cases has been inadequate, resulting in ongoing harm to local communities.

It is therefore essential that the EIB-CM Policy Review results in real and necessary improvements to the Policy and Procedures and the institutional commitment to remediating harm. In advance of the Board receiving the External Panel of Experts' Report in the coming months, we would like to outline our priorities with regard to both the Policy Review process and substantive policy recommendations.

We urge you to provide leadership and participate in the EIB-CM Policy Review process in your capacity as members of the Board and would welcome discussions in more detail with each of you.

### **Review Process**

The Policy Review process must be transparent and inclusive. The EIB-CM has committed to making the External Panel of Experts' Report publicly available. It is essential that the Report is shared with external stakeholders, including local communities and civil society organisations, as soon as the Board authorises the EIB-CM review.

In line with good practice, the public consultation process should consist of both a first round on the existing policy and a second round on the draft revised policy. The draft and final revised policy should be accompanied by a matrix of all recommendations received from the External Panel of Experts and other stakeholders during the review, whether they were adopted, and (if not adopted) reasons why not.

Each round of consultations should include meetings with in situ project affected communities, local and international civil society organisations and other relevant stakeholders in Europe and in other regions where the EIB operates. Genuine efforts should be made to reach communities in project-affected regions, including through hybrid and virtual consultations. Complainants who used the Mechanism in the past should also be approached for feedback and recommendations. Further, targeted consultations must be held with representatives of Indigenous Peoples, in accordance with Article 41 of the UN Declaration on the Rights of Indigenous Peoples, and other vulnerable groups.

### **Policy Recommendations**

Substantial changes are needed to strengthen the independence, accessibility and effectiveness of the EIB-CM, including:

**1. The EIB-CM needs a clearer, updated mandate.**

In order to meet best practice, the EIB-CM must be given a clear mandate to facilitate remedy, prevent harm, and serve as a source of learning and improvement for the EIB. The annual budget and resources allocated to the EIB-CM by the Board should adequately reflect its expanded mandate.

**2. The EIB-CM independence needs to be strengthened.**

The Policy should assert the operational independence of the EIB-CM from EIB Group Services. The EIB-CM should have a direct reporting line to the Board of Directors who should keep EIB Group Services accountable for implementing the CM's recommendations, providing remedies and improving the bank's operations. The selection process for the Head of the CM should be independent from the Management of the Bank.

**3. The EIB-CM case handling process must become inclusive, equitable, transparent and safe.**

The EIB-CM Policy and Procedures lack sufficient procedural detail on the case-handling process, leaving complainants uncertain about what to expect. Hence, the case handling process should become transparent to complainants, especially women's groups, indigenous peoples, local communities and young people and regularly inform them about proceedings and invite them to comment on proposed steps and draft reports.

A complainant should be empowered to elect to use the Dispute Resolution and Compliance Review functions contemporaneously or sequentially. Due to the unique role EIB-CM plays in holding EIB to its own policies, parallel administrative or judicial review proceedings should not prevent complaints from being brought with the CM, to bring the CM in line with many peer financial institutions.

The EIB-CM should be required to undertake a retaliation risk assessment with complainants and plan for how to prevent or address the risks of retaliation, as fear of reprisal can discourage and prevent project-affected people from raising their concerns with EIB Group Services and the EIB-CM. Acknowledging the EIB-CM's efforts so far, we find its strategy to be overly general and lacking in procedural detail.

**4. The Compliance Review Process should be strengthened, and EIB-CM monitoring function should be enforced.**

After a compliance review, which should be made more consultative with and predictable to the complainants, the EIB Group Services should be required to propose operational correction actions and timelines in relation to each of the EIB-CM's recommendations. The EIB-CM should have the authority to monitor the implementation of the corrective actions until all non-compliance has been remedied. It should regularly report to the EIB Board of Directors on their effectiveness in addressing harms and ensuring compliance. The EIB-CM should also be equipped with its own initiative function to assess systematic compliance issues. The Board of Directors must understand the weaknesses in the Bank's operations and functioning to be able to address them in a systematic way, including through amending the relevant policies and procedures of the Bank.

**5. The CM Policy should leverage the advisory function of the EIB-CM**

The EIB-CM should be mandated to regularly share its learnings and advice with the Board of Directors and management on systemic issues related to project due diligence and implementation, and compliance with policies and standards and other applicable laws. The EIB-CM should contribute to systemic improvements of the bank's Environmental and Social Sustainability Framework and transparency practices.

These recommendations are not exhaustive, and we will provide more detailed feedback upon reading the Experts' report. We look forward to continuing engagement with you all throughout the review process.

Sincerely,

Bank Climate Advocates  
Lumière Synergie Développement (now SynDev)  
MENA Fem Movement for Exonomic Development and Ecological Justice  
CEE Bankwatch Network  
Green Advocates International  
Asia Indigenous Peoples Network on Extractive Industries and Energy (AIPNEE)  
Community Empowerment and Social Justice Network (CEMSOJ)  
Conseil pour la Terre des Ancêtres (CTA)  
Uzbek Forum for Human Rights  
International Accountability Project  
Urgewald  
Oyu Tolgi Watch  
Rivers without Boundaries Coalition, Mongolia  
GAIA  
Recourse  
Eko dvogled  
Jamaa Resource Initiatives  
Green Alternative  
National Society of Conservationists – Friends of the Earth, Hungary  
Counter Balance  
Accountability Counsel