



**CONSIGLIO  
DELL'UNIONE EUROPEA**

**Bruxelles, 1° giugno 2010 (04.06)  
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**NOTA PUNTO "I/A"**

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del: Segretariato del Consiglio

al: Coreper/Consiglio

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Oggetto: Proposta di decisione del Parlamento europeo e del Consiglio che accorda alla Banca europea per gli investimenti una garanzia comunitaria in caso di perdite dovute a prestiti e garanzie a favore di progetti realizzati al di fuori dell'Unione europea  
- Orientamento generale

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1. Il 28 aprile 2010 il Consiglio ha ricevuto la proposta in oggetto dalla Commissione.
2. Il gruppo dei consiglieri finanziari delle Rappresentanze permanenti l'ha esaminata.
3. Al fine di definire il mandato della presidenza per negoziare a livello formale con il Parlamento europeo la presidenza ha sottoposto alle delegazioni un testo di compromesso.
4. Nella riunione del 1° giugno i consiglieri finanziari hanno approvato, a maggioranza qualificata, il compromesso della presidenza che figura in allegato.

5. Si chiede pertanto al Comitato dei Rappresentanti permanenti di confermare il suo accordo e di proporre al Consiglio di:
- confermare a maggioranza qualificata l'accordo sull'orientamento generale, il cui testo figura in allegato
  - invitare la presidenza ad avviare i negoziati con il Parlamento europeo in base all'orientamento generale in vista di un accordo in prima lettura, tenendo conto delle preoccupazioni espresse dalle delegazioni.
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## PRESIDENCY COMPROMISE

Proposal for a

### **DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**granting an EU guarantee to the European Investment Bank against losses under loans and guarantees for projects outside the European Union**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,  
Having regard to the Treaty on the Functioning of the European Union, and in particular Articles 209 and 212 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national Parliaments,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) In addition to its core mission of financing investment in the European Union, the European Investment Bank (EIB) has since 1963 undertaken financing operations outside the European Union in support of the EU's external policies. This allows the EU budget funds available to the external regions to be complemented by the financial strength of the EIB for the benefit of beneficiary countries.
- (2) With a view to supporting the EU's external action, and in order to enable the EIB to finance investments outside the EU without affecting its credit standing, the majority of its operations in external regions have benefited from an EU budgetary guarantee administered by the Commission.
- (3) Most recently, the EU guarantee was established for the period 2007-2011 by Decision No 633/2009/EC of the European Parliament and of the Council of 13 July 2009 granting a Community Guarantee to the European Investment Bank against losses under loans and loan guarantees for projects outside the Community<sup>1</sup>.

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<sup>1</sup> OJ L 190, 22.7.2009, p. 1.

- (4) The Guarantee Fund for external actions (the "Guarantee Fund"), established by Council Regulation (EC, Euratom) No 480/2009<sup>2</sup>, provides a liquidity cushion for the EU budget against losses on EIB financing operations and other EU external action.
- (5) As required by Decision No 633/2009/EC, the Commission and the EIB have prepared a mid-term review of EIB external financing, based on an independent external evaluation supervised by a steering group of "wise persons", a review by an external consultancy, and specific evaluations produced by the EIB. On 12 February 2010, the steering group submitted a report to the European Parliament, the Council, the Commission and the EIB containing its conclusions and recommendations.
- (6) The steering group report concluded that the EU guarantee to the EIB is an efficient and forceful policy instrument with high financial and political leverage and that it should be maintained in order to cover risks of a political or sovereign nature. Certain amendments to Decision No 633/2009/EC were proposed to ensure maximum added value and efficiency in the EIB's external operations.
- (6b) The list of countries eligible or potentially eligible for EIB financing under EU guarantee is set out in Annex II and has been extended from the previous Decision.
- (7) The amounts covered by the EU guarantee in each region should continue to represent ceilings for financing by the EIB under the EU guarantee and not targets that the EIB is requested to meet.
- (8) In addition to the regional ceilings, the optional mandate of EUR 2 000 000 000 should be activated and allocated as an envelope to support EIB financing operations in the field of climate change mitigation and adaptation across the regions covered by the mandate. The EIB could contribute with its expertise and resources, in close cooperation with the Commission, to support public authorities as well as the private sector to address the challenge of climate change and to make the best possible use of available financing. For mitigation and adaptation projects, the resources of the EIB should be complemented where possible and appropriate with concessional funds available under the EU budget, through the efficient and consistent blending of grants and loans for climate change financing in the context of EU external assistance.
- (9) Some flexibility on regional allocation under the Climate Change Mandate should be provided to allow for the fastest and most effective possible uptake of available financing within the 3-year period 2011-2013 while ensuring a balanced distribution across regions over the period. In the event that the total amount of financing operations under consideration would exceed the available EUR 2 billion, the Commission and the EIB should strive to ensure a balanced distribution across the regions covered, based on the established priorities for external aid under the General Mandate.

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<sup>2</sup> OJ L 145, 10.6.2009, p. 10.

- (10) Moreover, the evaluation found that although the EIB operations carried out in the period covered by the evaluation (2000-2009) were generally in line with EU external policies, the link between EU policy objectives and their operational implementation by the EIB should be strengthened and made more explicit and structured.
- (11) In order to enhance the coherence of the mandate, strengthen the focus of the EIB external financing activity on supporting EU policies, and for the maximum benefit of beneficiaries, this decision should set out horizontal high-level objectives in the mandate for EIB financing operations across all eligible countries, building on the comparative strengths of the EIB in areas where it has a well-proven track record. In all regions covered by this decision, the EIB should thus finance projects in the areas of climate change mitigation and adaptation, social and economic infrastructure (notably in transport, energy including renewable energy, energy security, energy infrastructure, environmental infrastructure including water and sanitation, as well as information and communication technology (ICT)), and local private sector development, in particular in support of small and medium-sized enterprises (SMEs). Within these areas, regional integration among partner countries, including economic integration between pre-accession countries, neighbouring countries and the EU, should be an underlying objective for EIB financing operations. The EIB can support EU presence in partner countries through foreign direct investment that contributes to promote technology and knowledge transfer, either for investments within the aforementioned areas, or at its own risk.
- (12) Moreover, EIB financing operations should contribute to the general principles guiding the EU's external action, as referred to in Article 21 of the Treaty on the European Union, of promoting and consolidating democracy and the rule of law, human rights and fundamental freedoms, and to the implementation of international environmental agreements to which the EU is a party. In relation to developing countries<sup>3</sup> in particular, EIB financing operations should foster: sustainable economic, social and environmental development of these countries, particularly in the most disadvantaged amongst them; their smooth and gradual integration into the world economy; the campaign against poverty; as well as compliance with objectives approved by the EU in the context of the United Nations and other competent international organisations.

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<sup>3</sup> As defined in the OECD list of ODA recipients (which include Least Developed Countries, Low Income Countries as well as Middle Income Countries).

- (13) Whereas the EIB's strength remains in its distinctiveness as an investment bank, under this decision, the EIB should frame the development impact of its external operations in close coordination with the Commission and following the principles of the European Consensus on Development. This should be implemented through a number of concrete measures, in particular by reinforcing its capacity to appraise social and development aspects of projects, including human rights and conflict related risks, and by promoting local consultation. Moreover, it should increase its focus on sectors where it has sound expertise from financing operations within the EU and which will further the development of the country in question, such as environmental infrastructure including water and sanitation, sustainable transportation and climate change mitigation, particularly in renewable energy. Financing could also include projects in support of health and education infrastructure when there is clear added value. The EIB should also progressively strengthen its activity in support of climate change adaptation, where appropriate working in cooperation with other International Finance Institutions (IFIs) and European bilateral finance institutions (EBFIs). The extent of EIB activity with development orientation would depend upon the availability of concessional resources and of sufficient human resources devoted to EIB external activities. EIB activity should also be complementary to EU objectives and priorities relating to institution building and sector reforms. Finally, the EIB should define performance indicators which are linked to development aspects of the projects and their results.
- (14) With the entry into force of the Lisbon Treaty, the function of High Representative of the Union for Foreign Affairs and Security Policy, which is at the same time Vice-President of the Commission for External Relations, has been created with the aim of increasing the impact and coherence of the EU's external relations. A new European External Action Service (EEAS) will be created under the authority of the High Representative. There has also been a broadening and strengthening of the EU's external relations policies in recent years. This has notably been the case for the Pre-Accession Strategy, the European Neighbourhood Policy, the EU Strategy for Central Asia, the renewed partnerships with Latin America and South-East Asia and the EU's Strategic Partnerships with Russia, China and India. It is also the case for the EU's development policies, which have now been extended to include all developing countries. From 2007, the EU's external relations have also been supported by new financial instruments, i.e. the Instrument for Pre-Accession Assistance (IPA), the European Neighbourhood and Partnership Instrument (ENPI), the Development Cooperation Instrument (DCI), the European Instrument for Democracy and Human Rights (EIDHR) and the Instrument for Stability.

- (15) EIB activity in Pre-accession countries should take place in the framework established in the Accession and European Partnerships which set out the priorities for each country, and for Kosovo<sup>4</sup>, with a view to making progress in moving closer to the EU, and which provide a framework for EU assistance. The Stabilisation and Association Process (SAP) is the EU policy framework for the Western Balkans. It is based on progressive partnership, in which the EU offers trade concessions, economic and financial assistance and contractual relationships through Stabilisation and Association Agreements (SAAs). Pre-accession financial assistance, through the IPA, helps the candidates and potential candidates prepare for the obligations and challenges of membership of the EU. This assistance supports the reform process, including preparations for eventual membership. It focuses on institution-building, alignment with the *acquis communautaire* and preparation for EU policies and instruments.
- (16) EIB activity in Neighbourhood countries should take place in the framework of the European Neighbourhood Policy, under which the EU aims to develop a special relationship with neighbouring countries with a view to establishing an area of prosperity and good neighbourliness, founded on the values of the EU and characterised by close and peaceful relations based on co-operation. To achieve these objectives the EU and its partners implement jointly agreed bilateral Action Plans defining a set of priorities including on political and security issues, trade and economic matters, environmental concerns and integration of transport and energy networks. The Union for the Mediterranean, the Eastern Partnership, and the Black Sea Synergy are multilateral and regional initiatives complementary to the European Neighbourhood Policy aimed at fostering co-operation between the EU and the respective group of neighbouring partner countries facing common challenges and/or sharing a common geographical environment. The Union for the Mediterranean supports improved socio-economic, solidarity, regional integration, sustainable development and knowledge building, underlining the need to increase financial co-operation to support regional and trans-national projects. The Eastern Partnership aims to create the necessary conditions to accelerate political association and further economic integration between the EU and Eastern Partner countries. The Russian Federation and the EU have a wide-ranging Strategic Partnership, distinct from the European Neighbourhood Policy and expressed through the Common Spaces and Roadmaps. This is complemented at multilateral level by the Northern Dimension which provides a framework for co-operation between the EU, Russia, Norway and Iceland.
- (17) EIB activity in Latin America should take place in the framework of the EU, Latin America and the Caribbean Strategic Partnership. As highlighted in the September 2009 Commission Communication "The European Union and Latin America: Global Players in Partnership"<sup>5</sup>, the EU priorities in the field of cooperation towards Latin America are the promotion of regional integration and the eradication of poverty and social inequality in order to promote sustainable economic and social development. These policy objectives should be fostered taking into account the different level of development of Latin America countries. Bilateral dialogue should be pursued in areas of common interest for the EU and Latin America, including environment, climate change, disaster risk reduction and energy, science, research, higher education, technology and innovation.

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<sup>4</sup> under United Nations Security Council Resolution 1244 (1999)

<sup>5</sup> COM(2009) 495.

- (18) The EIB should be active in Asia both in dynamic emerging economies and in less prosperous countries. In this diverse region, the EU is deepening its strategic partnerships with [China](#) and [India](#) and negotiations are progressing on new partnership and free trade agreements with South-East Asian countries. At the same time, development cooperation remains high on the EU's agenda with Asia; the EU development strategy for the Asian region aims at eradicating poverty by supporting broad-based sustainable economic growth, promoting a conducive environment and conditions for trade and integration within the region, enhancing governance, increasing political and social stability, and supporting the achievement of the 2015 Millennium Development Goals. Policies are being put in place jointly to address common challenges, such as climate change, sustainable development, security and stability, governance and human rights, as well as the prevention of, and response to natural and human disasters.
- (19) The EU Strategy for a new partnership with Central Asia adopted by the European Council in June 2007 has strengthened regional and bilateral dialogue and EU cooperation with Central Asian countries on major issues facing the region, such as poverty reduction, sustainable development and stability. The implementation of the strategy has made important advances in the fields of human rights, rule of law, good governance and democracy, education, economic development, trade and investment, energy and transport and environmental policies.
- (20) EIB activity in South Africa should take place in the framework of the EU-South Africa Country Strategy Paper. The focal areas identified in the Strategy Paper are employment creation and capacity development for service delivery and social cohesion. EIB activities in South Africa have taken place in high complementarity with the Commission's development cooperation programme, namely through the EIB focus on private sector support and investments in expansion of infrastructure and social services (housing, electric power and municipal infrastructure). The Mid-Term Review of the Country Strategy Paper for South Africa has proposed the strengthening of actions in the area of climate change through activities supporting the creation of green jobs.
- (21) With a view to enhancing the coherence of overall EU support in the regions concerned, opportunities should be sought to combine EIB financing with EU budgetary resources when and as appropriate, in the form e.g. of guarantees, risk capital and interest rate subsidies, investment co-financing, alongside technical assistance for project preparation and implementation, through the IPA, the ENPI, the Instrument for Stability, the EIDHR and the DCI.
- (22) At all levels, from upstream strategic planning to downstream project development, it should be ensured that EIB external financing operations comply with and support EU external policies and the high-level objectives set out in this decision. With a view to increasing the coherence of EU external actions, dialogue on policy and strategy should be further strengthened between the Commission, the EEAS and the EIB. To the same end, there should be enhanced cooperation and early mutual exchange of information between the EIB the Commission at operational level. Therefore, where relevant, EIB offices outside the EU should be located within EU delegations, in order to foster cooperation while sharing operating costs. It is of particular importance to have an early exchange of views between the EIB, the Commission and the EEAS, as appropriate, in the process of preparing programming documents in order to maximise synergies between EIB activities and those implemented by the Commission.



- (23) The practical measures for linking the general mandate objectives and their implementation will be set out in regional operational guidelines developed by the Commission together with the EIB, in consultation with the EEAS on policy issues, where appropriate. These guidelines should take as a starting point the wider EU policy framework for each region, reflect EU country strategies and aim to ensure that EIB financing is complementary to corresponding EU assistance policies, programmes and instruments in the different regions. The guidelines should be provided to the European Parliament and Council in the framework of the annual reporting exercise on the EIB external mandate of the Commission.
- (24) The EIB should prepare, in consultation with the Commission, an indicative multi-annual programme of the planned volume of signatures of EIB financing operations, so as to ensure appropriate budgetary planning for provisioning the Guarantee Fund and compatibility of EIB's forecast lending with the ceilings established in this decision. The Commission should take account of this plan in its regular budget programming transmitted to the budgetary authority.
- (25) The Council, the Commission and the EIB should study the development of an "EU platform for cooperation and development" with a view to optimising the functioning of mechanisms for the blending of grants and loans in the external regions. For this purpose, the Council and the Commission will create a working group composed of Member States' representatives, and EIB. In its reflections the working group will consult other European multilateral and bilateral finance Institutions. Such a platform would continue to promote mutual reliance arrangements, based on the comparative advantage of the different institutions while respecting the role and prerogatives of the EU institutions in the implementation of the EU budget and of EIB loans.
- (26) The EIB should be encouraged to increase its operations outside the EU without recourse to the EU guarantee in order to support EU external policy objectives and thereby the activities of EU undertakings in partner countries, particularly in pre-accession countries and neighbourhood countries and in investment grade countries in other regions, but also in sub-investment grade countries when the EIB has the appropriate third party guarantees. In consultation with the Commission, the EIB should develop a policy for deciding between the allocation of projects to either the mandate under EU guarantee or to EIB own risk financing. Such a policy would notably take into account the creditworthiness of the countries and projects concerned.
- (27) The EIB should expand the range of new and innovative financing instruments offered, including by focusing more on developing guarantee instruments to the extent possible, taking account of the Bank's risk policies. Moreover, the EIB should be encouraged to provide loans in local currencies and issue bonds in local markets, provided that partner countries put in place the necessary structural reforms, in particular in the financial sector, as well as other measures to facilitate EIB activity.

- (28) In order to ensure that the Bank meets the requirements of the mandate across regions and sub-regions, sufficient human and financial resources should be devoted to the EIB's external activities. This would notably include having sufficient capacity to support EU development cooperation objectives, to increase focus on ex ante appraisal of the environmental, social and development aspects of its activities, and to effectively monitor projects during implementation. Opportunities to further enhance efficiency and effectiveness should be maintained, and synergies should be actively pursued.
- (29) In its financing operations outside the EU that fall within the scope of this decision, the EIB should endeavour to further enhance coordination and cooperation with IFIs and EBFIs where relevant, including, where appropriate, cooperation on sector conditionality and mutual reliance on procedures, use of joint co-financing and participation in global initiatives, such as those promoting aid coordination and effectiveness. The above efforts are to be based on reciprocity between EIB and other institutions and require an equivalent effort by the EIB and other financial institutions to be implemented effectively. In particular, the modalities for the implementation of EIB financing in the Eastern Neighbourhood and Partnership countries, Central Asia and Turkey are set out in tripartite Memoranda of Understanding between the Commission, the EIB and the European Bank for Reconstruction and Development.
- (30) The reporting and transmission of information by the EIB to the Commission should be strengthened in order to allow the Commission to enhance its annual report to the European Parliament and the Council on the EIB financing operations carried out under this decision. The report should in particular assess the compliance of EIB financing operations with this decision, taking into account the operational guidelines, and include sections on added value in line with EU policies and sections on cooperation with the Commission, other IFIs and bilateral donors, including co-financing. Where necessary, the report should include references to significant changes in circumstances that would justify further amendments to the mandate before the end of the period.
- (31) EIB financing operations should continue to be managed in accordance with the EIB's own rules and procedures, including appropriate control measures and measures taken to avoid tax evasion, as well as with the relevant rules and procedures concerning the Court of Auditors and the European Anti-Fraud Office (OLAF),

HAVE ADOPTED THIS DECISION:

*Article 1*  
EU guarantee

1. The European Union shall grant the European Investment Bank (EIB) an EU budgetary guarantee for operations carried out outside the EU (the EU guarantee). The EU guarantee shall be granted as a global guarantee in respect of payments not received by the EIB, but due to it, in connection with loans and loan guarantees for EIB investment projects that are eligible in accordance with paragraph 2.
2. Eligible for EU guarantee shall be EIB loans and loan guarantees for investment projects carried out in countries covered by this decision, granted in accordance with the EIB's own rules and procedures in support of the relevant external policy objectives of the EU, where the EIB financing has been granted according to a signed agreement which has neither expired nor been cancelled (EIB financing operations).
3. The EU guarantee shall be restricted to 65% of the aggregate amount of credits disbursed and guarantees provided under EIB financing operations, less amounts reimbursed, plus all related amounts.
4. The EU guarantee shall cover EIB financing operations signed during the period beginning 1 February 2007 and ending 31 December 2013. EIB financing operations signed under Council Decision 2006/1016/EC of 19 December 2006 granting a Community guarantee to the European Investment Bank against losses under loans and loan guarantees for projects outside the Community<sup>6</sup>, Council Decision 2008/847/EC of 4 November 2008 on the eligibility of Central Asian countries under Decision 2006/1016/EC granting a Community guarantee to the European Investment Bank against losses under loans and loan guarantees for projects outside the Community<sup>7</sup> and Decision No 633/2009/EC shall continue to benefit from the EU guarantee under this Decision.
5. If, on expiry of the period referred to in paragraph 4, the European Parliament and the Council have not adopted a decision granting a new EU guarantee to the EIB for its financing operations outside the EU on the basis of a proposal presented by the Commission in accordance with Article 13, that period shall be automatically extended by six months.

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<sup>6</sup> OJ L 414, 30.12.2006, p. 95.

<sup>7</sup> OJ L 301, 12.11.2008, p. 13.

## *Article 2*

### Mandate ceilings

1. The maximum ceiling of the EIB financing operations under EU guarantee throughout the period 2007-2013, less amounts cancelled, shall not exceed EUR 27 800 000 000, broken down into two parts:
  - (a) a General Mandate of EUR 25 800 000 000
  - (b) a Climate Change Mandate of EUR 2 000 000 000
2. The General Mandate shall be broken down into binding regional ceilings and indicative sub-ceilings as laid down in Annex I. Within the regional ceilings, the EIB shall progressively ensure a balanced country distribution within the regions covered by the General Mandate.
3. EIB Financing Operations covered under the General Mandate shall be those pursuing the objectives set out in Article 3 of this Decision.
4. The Climate Change Mandate shall cover EIB financing operations in all countries covered by this decision, where such EIB financing operations support the key EU policy objective of tackling climate change by supporting projects in climate change mitigation and adaptation which contribute to the overall objective of the United Nations Framework Convention on Climate Change (UNFCCC), in particular by avoiding or reducing greenhouse gas emissions in the areas of renewable energy, energy efficiency and sustainable transport, or by increasing resilience to the adverse impacts of climate change on vulnerable countries, sectors and communities. The Climate Change Mandate shall be implemented in close cooperation with the Commission, combining where possible and appropriate EIB financing with EU budget funds.
5. For the Climate Change Mandate, the EIB shall nevertheless endeavour to ensure a balanced distribution of financing operations signed across the regions covered by Annex II of this decision, by the end of the period referred to in Article 1(4). In particular, the EIB will ensure that the region referred to under point A of Annex II does not receive more than 40% of the amount allocated to this Mandate, the region under point B not more than 50%, the region under point C not more than 30% and the region under point D not more than 10%. Generally, the Climate Change Mandate should be used to finance those projects that are closely related to EIB's core competences and value added, that maximize the effect on adaptation and mitigation of climate change.

## *Article 3*

### General mandate objectives

1. The EU guarantee shall be granted for EIB financing operations which support the following general objectives:
  - (a) Climate change mitigation and adaptation, as defined in Article 2(4).
  - (b) Development of social and economic infrastructure, including transport, energy, environmental infrastructure and information and communication technology (ICT).
  - (c) Local private sector development, in particular support to small- and medium-sized enterprises.

2. Regional integration among partner countries, including economic integration between pre-accession countries, neighbouring countries and the EU, shall be an underlying objective for EIB financing operations within the areas covered by paragraph 1.
3. Financing could also include projects in support of health and education infrastructure when there is clear added value.

#### *Article 4*

##### Countries covered

1. The list of countries eligible or potentially eligible for EIB financing under EU guarantee is set out in Annex II.
2. For countries listed in Annex II and marked with "\*" and for other countries not listed in Annex II, eligibility for EIB financing under EU guarantee shall be decided by the European Parliament and the Council on a case-by-case basis in accordance with the ordinary legislative procedure.
3. The EU guarantee shall cover only EIB financing operations carried out in eligible countries that have concluded a framework agreement with the EIB establishing the legal conditions under which such operations are to be carried out.
4. In the event of serious concerns over the political or economic situation in a specific country, the European Parliament and the Council may decide to suspend new EIB financing under EU guarantee in that country in accordance with the ordinary legislative procedure.
5. The EU guarantee shall not cover EIB financing operations in a specific country where the agreement concerning such operations has been signed after that country's accession to the European Union.

#### *Article 5*

##### Contribution of EIB operations to EU policies

1. The Commission shall develop, together with the EIB, regional operational guidelines for EIB financing under this decision. In drawing up these guidelines the Commission and the EIB will consult with the European External Action Service (EEAS) on policy issues, as appropriate. The operational guidelines aim to ensure that EIB financing supports EU policies, and shall take as a starting point the wider EU regional policy framework set by the Commission and the EEAS, as appropriate. Notably, the operational guidelines will ensure that EIB financing is complementary to corresponding EU assistance policies, programmes and instruments in the different regions, taking into account European Parliament resolutions and Council decisions and conclusions. The Commission will inform the European Parliament and the Council of the guidelines established. Within the framework set out by the operational guidelines, the EIB shall define corresponding financing strategies and ensure their implementation.

2. The consistency of EIB financing operations with the external policy objectives of the EU shall be monitored in accordance with Article 10.
3. An EIB financing operation shall not be included under the cover of the EU guarantee in the event that the Commission delivers a negative opinion on such an operation within the framework of the procedure provided for in Article 19 of the Statute of the EIB.

#### *Article 6*

##### EIB assessment of development related aspects of projects

1. The EIB shall carry out thorough due diligence on development-related aspects of projects covered by the EU guarantee. The EIB's own rules and procedures shall include the necessary provisions on assessment of environmental and social impact of projects and of aspects related to human rights, to ensure that only projects that are economically, financially, environmentally and socially sustainable are supported under this Decision.  
Where appropriate, the appraisal shall include an assessment of how the capacities of the beneficiaries of EIB financing can be reinforced throughout the project cycle with technical assistance.
2. In addition to the ex-ante assessment of development-related aspects, the EIB should strengthen its monitoring during project implementation, inter alia, on the development impact of the project.

#### *Article 7*

##### Cooperation with the Commission and the European External Action Service

1. The consistency of EIB external actions with the external policy objectives of the EU shall be strengthened, with a view to maximising synergies between EIB financing and EU budgetary resources, in particular through the establishment of the operational guidelines referred to in Article 5 as well as through regular and systematic dialogue and early exchange of information on:
  - (a) strategic documents prepared by the Commission and/or the EEAS as appropriate, such as country and regional strategy papers, indicative programmes, action plans and pre-accession documents;
  - (b) the EIB's strategic planning documents and project pipelines;
  - (c) other policy and operational aspects.
2. The cooperation shall be carried out on a region-by-region basis, taking into consideration the EIB's role as well as the policies of the EU in each region.

## *Article 8*

### Cooperation with other international financial institutions

1. EIB financing operations shall increasingly be carried out, where appropriate, in cooperation with other international financial institutions or European bilateral finance institutions, in order to maximize synergies, cooperation and efficiency and to ensure reasonable sharing of risks and coherent project and sector conditionality.
2. The cooperation referred to in paragraph 1 shall be facilitated by coordination, carried out notably in the context of Memoranda of Understanding or other EU regional cooperation frameworks, where appropriate, between the Commission, the EIB and the main international financial institutions and European bilateral finance institutions operating in the different regions.

## *Article 9*

### Coverage and terms of the EU guarantee

1. For EIB financing operations entered into with a State, or guaranteed by a State, and for other EIB financing operations entered into with regional or local authorities, or government-owned and/or government-controlled public enterprises or institutions where such other EIB financing operations have an appropriate EIB credit risk assessment taking into account the credit risk situation of the country concerned, the EU guarantee shall cover all payments not received by the EIB, but due to it (the "Comprehensive Guarantee").
2. For the purposes of paragraph 1, the West Bank and Gaza Strip is represented by the Palestinian Authority and Kosovo<sup>8</sup> by the United Nations Mission in Kosovo or an administration designated in the guidelines referred to under Article 5 of this Decision.
3. For EIB financing operations other than those indicated in paragraph 1, the EU guarantee shall cover all payments not received by the EIB, but due to it, where the non-receipt has been caused by the realization of one of the following political risks (the "Political Risk Guarantee"):
  - (a) non-transfer of currency;
  - (b) expropriation;
  - (c) war or civil disturbance;
  - (d) denial of justice upon breach of contract.
4. The EIB shall, in consultation with the Commission, develop a clear and transparent allocation policy for deciding upon the source of financing of operations which are eligible both for coverage by the EU guarantee and for EIB own risk financing.

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<sup>8</sup> under United Nations Security Council Resolution 1244 (1999)

## *Article 10*

### Annual reporting and accounting

1. The Commission shall report annually to the European Parliament and the Council on EIB financing operations carried out under this decision. The report shall include an assessment of EIB financing operations at project, sector, country and regional level as well as the contribution of the EIB financing operations to the fulfilment of the external policy and strategic objectives of the EU. The report shall in particular assess the compliance of EIB financing operations with this Decision, taking into account the operational guidelines referred to in Article 5, and shall include sections on added value for the achievement of EU policy objectives as well as on cooperation with the Commission and other international financial institutions and bilateral institutions, including co-financing.
2. For the purposes of paragraph 1, the EIB shall provide the Commission with yearly reports on EIB financing operations carried out under this decision at project, sector, country and regional level and on the fulfilment of the external policy and strategic objectives of the EU, including cooperation with the Commission, other international financial institutions and bilateral institutions.
3. The EIB shall provide the Commission with statistical, financial and accounting data on each of the EIB financing operations which are necessary to fulfil the Commission's reporting duties or requests by the European Court of Auditors as well as with an auditor's certificate on the outstanding amounts of the EIB financing operations.
4. For the purposes of the Commission's accounting and reporting of the risks covered by the Comprehensive Guarantee, the EIB shall provide the Commission with the EIB's risk assessment and grading information concerning EIB financing operations with borrowers or guaranteed obligors other than States.
5. The EIB shall provide the information referred to in paragraphs 2, 3 and 4 at its own expense.

## *Article 11*

### Recovery of payments made by the Commission

1. Where the Commission makes any payment under the EU guarantee, the EIB shall, in the name and on behalf of the Commission, pursue the recovery of claims for the amounts paid.
2. The EIB and the Commission shall enter into an agreement laying down the detailed provisions and procedures relating to recovery of claims no later than the date of conclusion of the agreement referred to in Article 12.

## *Article 12*

### Guarantee agreement

The EIB and the Commission shall enter into a guarantee agreement laying down the detailed provisions and procedures relating to the EU guarantee.



*Article 13*  
Review

The Commission shall present to the European Parliament and the Council a proposal for establishing the EU guarantee under the next Financial Framework, as appropriate.

*Article 14*  
Final reporting

The Commission shall present a final report on the application of this decision by 31 October 2014.

*Article 15*  
Repeal

Decision No 633/2009/EC is repealed.

*Article 16*  
Entry into force

This decision shall enter into force on the third day following that of its publication in the *Official Journal of the European Union*.

Done at Brussels,

*For the European Parliament*  
*The President*

*For the Council*  
*The President*

## **ANNEX I**

### **REGIONAL CEILINGS OF THE GENERAL MANDATE**

A. Pre-accession countries: EUR 8 700 000 000;

B. Neighbourhood and Partnership Countries: EUR 12 400 000 000;  
broken down into the following indicative sub-ceilings:

(i) Mediterranean countries: EUR 8 700 000 000;

(ii) Eastern Europe, Southern Caucasus and Russia: EUR 3 700 000 000;

C. Asia and Latin America: EUR 3 800 000 000;  
broken down into the following indicative sub-ceilings:

(i) Latin America: EUR 2 800 000 000;

(ii) Asia (including Central Asia): EUR 1 000 000 000;

D. Republic of South Africa: EUR 900 000 000.

Within the regional ceilings of the General Mandate, the governing bodies of the EIB may decide to reallocate an amount of up to 10 % of the regional ceiling between the indicative sub-regional ceilings.

## **ANNEX II**

### **REGIONS AND COUNTRIES ELIGIBLE OR POTENTIALLY ELIGIBLE**

#### **A. Pre-accession countries**

##### *1. Candidate countries*

Croatia, Turkey, the former Yugoslav Republic of Macedonia.

##### *2. Potential candidate countries*

Albania, Bosnia and Herzegovina, Montenegro, Serbia, Kosovo<sup>1</sup>, Iceland<sup>2</sup>.

#### **B. Neighbourhood and Partnership Countries**

##### *1. Mediterranean countries*

Algeria, Egypt, the West Bank and the Gaza Strip, Israel, Jordan, Lebanon, Libya, Morocco, Syria, Tunisia.

##### *2. Eastern Europe, Southern Caucasus and Russia*

Eastern Europe: Republic of Moldova, Ukraine, Belarus<sup>3</sup>;

Southern Caucasus: Armenia, Azerbaijan, Georgia;

Russia.

#### **C. Asia and Latin America**

##### *1. Latin America*

Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba (\*), Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, Venezuela.

##### *2. Asia*

Asia (excluding Central Asia): Afghanistan (\*), Bangladesh, Bhutan (\*), Brunei, Cambodia, China (including Hong Kong and Macao Special Administrative Regions), India, Indonesia, Iraq, South Korea, Laos, Malaysia, Maldives, Mongolia, Nepal, Pakistan, the Philippines, Singapore, Sri Lanka, Taiwan (\*), Thailand, Vietnam, Yemen.

Central Asia: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan.

#### **D. South Africa:** Republic of South Africa.

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<sup>1</sup> under United Nations Security Council Resolution 1244 (1999)

<sup>2</sup> Projects in Iceland should only be considered once Iceland has fulfilled all its EEA obligations. The Commission will notify the EIB when those conditions have been fulfilled and in parallel will inform the Council and the European Parliament.

<sup>3</sup> The start of EIB operations in Belarus will continue to be linked to progress towards democracy in conformity with Council conclusions of 18 November 2009 on Belarus and with the European Parliament Resolution of 10 March 2010 on the situation of civil society and national minorities in Belarus. The Commission will notify the EIB when those conditions have been fulfilled and in parallel will inform the Council and the European Parliament.