

Environmental and Social Sustainability Framework

Explanatory Note

3 June 2021

This document is for information purposes only.

In case of discrepancies between the different linguistic versions,
the English version of the document prevails.



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The European Investment Bank (EIB) is inviting the public to contribute to the review of the EIB Group's Environmental and Social Sustainability Framework (hereinafter referred to as either "ESSF" or "Framework").

This explanatory note explains the context for the review, provides an overview of the ESSF and outlines the main changes currently under consideration. All documents provided in the context of this public consultation are for information purposes only, to facilitate participation.

This document is available in [English](#), [French](#), [Spanish](#) and [Portuguese](#).

To contribute to this consultation, please visit the [consultation website](#) to find out how.

Thank you for engaging with the European Union's bank.

The EIB Group's existing Environmental and Social Sustainability Framework

The Group's Environmental and Social Sustainability Framework currently in place consists of:

- the *EIB's 2009 Statement on Environmental and Social Principles and Standards* (hereinafter "the Statement");
- the *EIB Environmental and Social Standards* – a set of 10 Standards dating from 2013; and
- the *EIF Environmental, Social & Governance Principles*.

The first two of these, the Statement and the Standards, currently only apply to the EIB, whereas the third, the Principles, apply only to the EIF.

A set of internal procedures and guidelines completes the Framework.

The draft revised EIB Group Environmental and Social Sustainability Framework

The draft revised *EIB Group Environmental and Social Sustainability Framework* (hereinafter "the ESSF") consists of:

- the EIB Group Environmental and Social Policy (hereinafter "the Policy") – a completely new document which applies to the Group, i.e. both to the EIB and to the EIF;
- the EIB's 11 Environmental and Social Standards (hereinafter "the Standards"); and
- the EIF Environmental, Social & Governance Principles, including the implementing framework (hereinafter "the EIF ESG Principles").

As is the case for the existing framework, the proposed revised framework is completed by a set of internal procedures and good practice notes.

While the Policy can be considered the successor of the Statement, it is important to note that the Policy is larger in scope and now applies to both the EIB and the EIF. The Policy defines the Group's vision to 2030, which is to actively contribute to sustainable development and inclusive growth. It is the Group's response to the global environmental and social challenges and opportunities of our time. The Standards and the Principles operationalise and tailor the Policy for and to the specific institutional setup, *modus operandi* and mandates of the EIB and the EIF respectively.

The EIB's Standards define the requirements that the EIB's counterparties must meet when assessing and managing environmental and social impacts and risks throughout any EIB-financed project. The application of these Standards is expected to also support counterparties in embedding sustainability

considerations in their business strategy and in identifying opportunities to positively support and promote sustainability objectives.

The 11th Standard is new and has been added to clarify the obligations of the EIB's financial intermediaries when on-lending to sub-projects (more information can be found below).

The Standards will be supplemented, where relevant, by non-binding good practice notes to support promoters in their application.

The EIF Principles describe key parameters of the ESG framework applicable to the EIF and its operations and, as relevant, to other EIF contractual counterparties.

What is the Group consulting on?

In this consultation process, the Group is consulting on:

- the new draft EIB Group Policy; and
- the 10 draft revised EIB Standards, plus the new draft Standard 11 on Intermediated finance.

An overview of the key changes being proposed can be found in the “Overview of key changes” section below.

The EIB would also like to hear your views on its approach to human rights and on some cross-cutting themes, such as gender.

The EIF's ESG Principles as well as the set of internal procedures and good practice notes do not form part of this consultation.

Context for the review

As enshrined in the EIB Group Transparency Policy, the EIB is committed to engaging, on a voluntary basis, in formal public consultation on selected policies. This participatory process allows external stakeholders to participate in the preparation and review of policy documents.

The environmental and social regulatory and policy landscape has changed enormously since the currently applicable 2009 Statement came into being. This is largely because in the time since the effects of climate change, biodiversity loss and social inequality have become increasingly more apparent. To address this, the world is now embracing sustainability principles as the only way forward to avert catastrophic breakdown of key systems.

Europe is at the forefront of tackling the climate and environment crisis and the European Green Deal is at the heart of those efforts. Recognised as Europe's new growth strategy, the Green Deal will improve the well-being and health of citizens, make Europe climate-neutral by 2050 and protect, conserve and enhance the EU's natural capital and biodiversity. With the European Green Deal, the European Union has become the first continent to endorse climate neutrality by 2050. The EIB Group stands fully behind the Green Deal and has made it the cornerstone of its [Climate Bank Roadmap](#), the key vehicle through which its commitment to become the EU Climate Bank will be operationalised.

The Green Deal has important implications right across the EIB Group. Not least of these is the requirement to embrace the package of legislation set out in the Commission's **Sustainable Finance Action Plan**¹. This is an essential part of the Green Deal and aims at re-orientating investment towards sustainable technologies and businesses in pursuit of its sustainability objectives. It places Environmental, Social and Governance (ESG) principles at the heart of all economic activity. This means that EIB Group core policy position on environmental and social matters has to reflect the

¹ Communication from the Commission, Action Plan: Financing Sustainable Growth (COM/2018/97 final): “Sustainable finance’ generally refers to the process of taking due account of environmental and social considerations in investment decision-making, leading to increased investments in longer-term and sustainable activities” and subsequent supporting legislation, notably Regulation 2020/852 on the establishment of a framework to facilitate sustainable investment (“the Taxonomy Regulation”).

sustainable finance imperatives, which means working alongside and within the sustainable finance agenda and its framework – all to ensure Europe meets the objectives of the Green Deal.

One of the key elements of the Sustainable Finance Action Plan is the EU Taxonomy Regulation and the CBR commits the Group to align its environmental and social criteria with the Taxonomy. The Sustainable Finance framework is therefore one of the main drivers behind the revision of the ESSF.

In addition, a number of our peer institutions have either recently undergone or are undertaking a revision of their own frameworks. It is important that the Group takes into account the evolution in the policy making of its peers and their approaches to, and implementation of, their respective environmental and social standards and requirements. This will allow for alignment in co-financing and lead to effective development outcomes.

Finally, lessons learned through complaints lodged with the EIB Group Complaints Mechanism² (EIB-CM) and the European Ombudsman (EO), European Parliament evaluation reports (in particular on the External Lending Mandate and Investment Facility (Cotonou)) and its annual reports on the EIB have also fed into the review of the Framework.

² ² <https://www.eib.org/en/publications/complaints-mechanism-procedures.htm>.

Overview of key changes

The EIB Group Environmental and Social Policy

The new draft EIB Group Environmental and Social Policy is first and foremost a Group Policy (i.e. it is intended to be adopted by the EIB and EIF Board of Directors respectively). The Statement of 2009 was an EIB Statement. This new policy is the cornerstone, high-level policy document of the Group's commitments to a green, resilient, just and inclusive development pathway where sustainable finance forms the core of the operating model.

It is informed by an aspirational vision promoting the achievement of sustainable development, recognising that environmental sustainability, including collective action on climate change and biodiversity, as well as social development and inclusion, is critical for all the Group's interventions. The Group's vision goes beyond "Do no harm" and encompasses the enhancement and maximising of opportunities. The vision emphasises that the Group's activities support the respect and advancement of human rights through the implementation of the projects that the Group finances.

The new draft Policy describes the Group's approach to operationalise its ambitions. It is to be applied by the Group and its counterparties, each with their distinct roles and responsibilities. Whereas the vision, the Group's contribution and operating framework of the draft policy apply to the EIB Group as a whole, their implementation shall be carried out within the individual institutional framework of the EIB and the EIF.

It also lays out the Group's operating framework and the policy implementing framework for the EIB. The EIF will develop the EIF implementing framework separately. The Policy clarifies and brings together in one place the roles and responsibilities of the Group, which were previously set out in different policies and related procedures. The draft Policy now specifies the EIB's environmental and social requirements in relation to the projects it supports. It describes the principles of the environmental and social requirements for the EIB and provides more clarity on the environmental and social impacts and risks that the EIB considers in its due diligence and monitoring. The EIB and EIF have introduced more explicitly a risk and outcomes-based approach, thereby seeking to improve the environmental and social performance of counterparties and projects.

The Standards

The key changes applying to all Standards can be summarised as follows.

All Standards have been streamlined. Generic statements, guidance and repetitions have been removed. Their structure and language have been made consistent and they have been organised to better reflect the different specifics of EIB operations. All Standards are aligned with the EIB project cycle and have taken, where relevant, a process-based approach. Such process starts by 'screening' and determining whether the assessment is needed, applying the principle of proportionality. This is followed by 'scoping,' where required, i.e. determining the appropriate level of detail in the different assessments and studies, and ends with 'reviewing.' While this last step falls under the EIB's responsibility, each Standard clarifies the information that the promoter needs to provide to the EIB, to make such a review possible.

The Standards have also been reviewed to clarify the counterparties' requirements with respect to the identification, assessment, management and monitoring of environmental, climate and social impacts and risks associated with their projects through the application of the mitigation hierarchy and good international practice. Good international practices and approaches that were traditionally applied, but not explicitly stated, have now been codified. Where it was not deemed sufficiently clear, the key legal requirements and the information to be provided to the EIB for the EIB to carry out its due diligence are now formally stated. In addition, the Standards have been restructured to clarify the requirements that apply to projects depending on their location. A section on general requirements indicates what is applicable to all projects and a section on specific requirements details any additional requirements needed for projects located either inside or outside the European Union. These changes aim to bring greater clarity for project promoters on how projects that seek EIB support must not only meet national and international environmental and social obligations, but also how they must meet the requirements of the draft revised Policy.

Finally, the numbering of the Standards has also been revised. Former Standard 10 '*Stakeholder engagement*' is now Standard 2 to reflect its cross-cutting nature together with Standard 1 (*Environmental and/or social impacts and risks*). Both Standards 1 and 2 are key process-based environmental and social Standards. The remaining Standards address specific themes. An 11th Standard on '*Intermediated Finance*' has been developed to present the obligations of financial intermediaries in relation to sub-projects supported by the EIB.

Hereafter, we have however detailed the key changes to each Standard. [The consultation meetings planned](#) will provide the EIB with the opportunity to explain these changes in more detail.

[Standard 1: Environmental and/or social impacts and risks](#)

Standard 1 has been revised to strengthen the fact that it is the overarching Standard providing the procedural basis for an integrated environmental, climate and social assessment of EIB-supported projects in a risk-driven, outcome-based and proportionate manner.

It introduces a new section highlighting the information that needs to be provided to the EIB to demonstrate compliance with EU legislation.

Where the existing Standard 1 refers to projects located in the rest of the world (outside the European Union), greater clarity for project promoters has been introduced to explain how meeting national and international environmental and social obligations can be achieved.

The draft revised Standard has also broadened the scope of the assessment. First, it requires promoters to ensure respect for human rights by taking a human-rights-responsive approach to the impact assessment process as described in this Standard. Second, it asks promoters to identify measures to maximise the positive effects of the projects and consider establishing project benefit-sharing and/or community development programmes.

It codifies the fact that the EIB reserves the right to ask for additional environmental and social assessments as deemed necessary and as determined during its due diligence.

Finally, the draft revised Standard provides clearer project definitions (including the definition of associated facilities) and introduces a clear and actionable risk management system in the Environmental and Social Management System (ESMS) and underlying Environmental and Social Management Plans (ESMPs).

[Standard 2: Stakeholder engagement](#)

The former Standard 10 is now Standard 2. Together with Standard 1 (*Environmental and/or social risks and impacts*), it is cross-cutting in nature.

Proposed changes are primarily aimed at consolidating, improving and clarifying the requirements related to the promoter's consultation and engagement with stakeholders.

In terms of content, the concept of 'broad community support' has been replaced by the concept of 'meaningful consultation' with the objective of reflecting and integrating the views of stakeholders better.

[Standard 3: Resource efficiency and pollution prevention](#)

Standard 3 is the first of nine thematic Standards. It takes into account policy developments at EU level, namely the adoption of the Circular Economy Action Plan. The draft revised Standard therefore embeds a new requirement relating to the circular economy principle.

The draft revised Standard clarifies the responsibilities of the promoter, both inside the European Union and for the rest of the world, for new projects associated with modifications and/or extensions of existing activities/facilities, with regard to the requirements of the Industrial Emissions Directive.

A new Annex lists information that the EIB requires from promoters for projects in the rest of the world

that are associated with modifications and/or extensions of existing activities/facilities listed in Annex I of the EU Industrial Emissions Directive that are not subject to an Environmental and Social Impact Assessment (ESIA) process.

Standard 4: Biodiversity and ecosystems

The draft revised Standard sets out the requirements and provisions more clearly. It requires the promoter to assess and take measures to mitigate the impacts of the projects on biodiversity and ecosystems, including loss of habitat, degradation and the introduction of invasive alien species. The objectives have been restructured to focus on key elements of the biodiversity impact assessment.

The importance of applying the mitigation hierarchy has been reaffirmed and its requirements clearly spelled out. This emphasis on the mitigation hierarchy is also meant to clarify and demonstrate that offsets are not part of the EIB's traditional 'toolset' and can only be implemented on an exceptional basis and as a last resort.

Two new sections have been introduced, namely on (i) Protection and conservation of high-value biodiversity and (ii) Protection and conservation of critical habitat, which bring together and consolidate the sections on critical habitat determination and the requirements for natural, urban and semi-natural habitats.

In the section on Legally Protected Areas or Internationally Recognised Areas of biodiversity value, a requirement has been added for the promoter to consult with the managing authorities of the protected area, as well as elements enhancing conservation objectives, as required by EU legal requirements.

The draft revised Standard now introduces clearer principles and minimum requirements to govern the sustainable use of living natural resources without, however, going into any sector details.

Standard 5: Climate change

In addition to a new, broad introduction developed to underline the rationale and means for addressing climate change, in line with other Standards, the key change to the Standard has been its alignment with the decarbonisation and resilience objectives of the Paris Agreement and the EU Taxonomy, which is also reflected in the scope.

The draft revised Standard includes updated references to guiding policy/regulation, which are reflected in the general requirements for the promoter to provide information to the EIB on the project's alignment with the Paris Agreement and on climate impacts during appraisal and project implementation.

The specific requirements have been updated and structured on the basis of emissions/sequestration, resilience and the economic impact assessment. They are reflected in the policy and the Environmental Impact Assessment (EIA)/Environmental and Social Impact Assessment (ESIA) requirements for projects inside and outside the European Union. The definitions used have been updated and developed in line with current EIB and international usage.

Standard 6: Involuntary resettlement

The draft revised version of the Standard clarifies eligibility for compensation, livelihood restoration and/or other resettlement assistance. It specifies and underlines the need to favour land-for-land compensation where project-affected people's (PAP's) livelihoods are land-based or the land is collectively owned.

It also adds specific requirements in cases of resettlement of tenants or where resettlement is temporary.

The concept of Livelihood Restoration Plan (LRP) is introduced, and sets the minimum requirements for the Resettlement Plan/Framework & Livelihood Restoration reports.

Standard 7: Vulnerable groups and Indigenous Peoples

The changes introduced in this draft revised Standard are primarily aimed at clarifying the language, streamlining requirements, and seeking to align further with the related standards of other international financial institutions.

Indigenous Peoples (IPs) have been highlighted in the title as the draft revised Standard covers the impacts on vulnerable persons and/or groups, and Indigenous Peoples.

Standard 8: Labour rights

The key change to this Standard is the redefinition of its scope. It clarifies its applicability to all projects supported by the EIB without exception. Independently of whether a worker is directly employed by the promoter or by a subcontractor, the draft revised Standard now grants equal rights to all workers on site.

The draft revised Standard also introduces requirements for supply chain workers. The focus of the requirements is on risks in the supply chain related to child labour, forced labour, sexual exploitation and abuse in association with primary suppliers of goods and materials essential to the core functions of the project, recognising that the capacity of the promoter to enforce these requirements depends on its influence and control over its primary suppliers.

The section on the 'Management of working relationships' adds a requirement on keeping employment records and compliance with the right to privacy and data protection.

The section on 'Workers organisation' has been revised, highlighting the promoters' duty to inform workers on their right to representation. It clarifies the rights to freedom of association and collective bargaining.

Standard 9: Occupational and public health, safety and security

The draft revised Standard has introduced two new objectives. The first is to avoid or minimise the exposure of workers and project-affected people and communities to project-related gender-based violence risks, including sexual harassment, exploitation and abuse.

The second is to ensure that all project workers and members of the public can effectively access a project grievance mechanism in cases of health, safety or security concerns, risks or violations.

The draft revised Standard now grants the same rights to all workers working on site (independently of whether they are employed by the promoter or by contractors). To clarify responsibilities, a new section on the management of third-party workers and supply chain workers has been added.

The section on 'Occupational Health and Safety' introduces a number of new requirements, namely that project workers will be provided with private or public health and accident insurance, that the promoter will address gender-specific requirements and risks, including gender-based and sexual violence, and that the promoter will duly consider climate-related risks.

A completely new section, focusing on Natural Hazards Triggering Technological Disasters (NaTech) tied into the Sendai Framework with corresponding requirements, has been added.

The revised draft Standard includes requirements to address the spread of pandemics and epidemics, as well as the transmission of communicable diseases in relation to projects.

Finally, the section on 'Accident & Incident Reporting Systems' introduces a new requirement for the promoter to investigate, document and analyse, and duly communicate to the EIB, accidents, near-misses, dangerous occurrences, breaches of relevant health and safety legislation, injuries, permanent disabilities, ill-health or fatalities, in relation to operations supported by the EIB. It also introduces the requirement to produce relevant statistics about the project's health and safety performance, and to make it accessible to the EIB on a regular basis as part of the reporting and monitoring obligations set

out by the EIB.

Standard 10: Cultural heritage

This Standard has above all been streamlined to reflect the same structure as the rest of the Standards.

A new chapter that highlights the need to consider the impact on cultural heritage in the Environmental Impact Assessment process and defines the minimum cultural heritage information that an EIA should contain amends the specific requirements for EU, EFTA, Candidate and potential Candidate countries.

The specific requirements for projects located in the rest of the world are also amended by a new chapter that highlights the need to consider a cultural heritage assessment in the Environmental and Social Impact Assessment process and defines the minimum requirements for the cultural heritage assessment.

Standard 11: Intermediated finance

This Standard is completely new and consolidates the existing EIB practice related to financial intermediaries (FIs) into one Standard that also addresses the environmental and social risk management process of the FIs.

The Standard aims to strike a balance between what is practical and implementable, especially for the less mature FIs and in less developed countries, and the need to ensure environmental and social responsibility in FI on-lending to sub-projects with EIB support.

It requires any FI to put in place an environmental and social process commensurate with its nature, the regulatory environment it operates in and the level of impacts and risks associated with the potential sub-projects.

This Standard will not apply to the EIF due to the different business scope.

The EIB's approach to human rights

Respect for human rights

Respect for human rights is a fundamental value of the European Union and the European Investment Bank (the Bank or the EIB).

As a European Union body, the EIB adheres to the values the European Union is founded on, as enshrined in Article 2 of the Treaty of the European Union. Moreover, the EIB is legally bound by the provisions of the Charter of Fundamental Rights of the European Union³ (the Charter). The EIB is therefore required to respect the rights, observe the principles therein and promote the application of the Charter in accordance with its respective powers.

Furthermore, the EIB is guided by international human rights principles, including the United Nations Guiding Principles of Human Rights (UNGPs).

As the lending arm of the European Union, the EIB is mandated to implement EU policy. To ensure consistency with the overall EU policy framework, the European Commission provides an opinion on whether investments financed from the EIB's own resources comply with the relevant EU legislation and policies. In particular with respect to the Bank's financing outside the European Union, the Commission consolidates the policy dialogue with the EIB regarding cooperation and coordination in those regions. Furthermore, the EIB coordinates closely with European External Action Service, the Commission and the network of EU Delegations in the world to ensure alignment with the European Union's policies and strategic approach to third countries including on the topic of human rights, as needed.

The EIB contributes to the long-term promotion of human rights by investing in projects that enhance quality of life, inclusion and equality, build resilience to climate change and unforeseen shocks, and support job creation and financial inclusion.

The EIB expects promoters to respect human rights, avoid infringing on the rights of others, and address any negative human rights impacts related to the operations financed by the EIB⁴.

The EIB Group upholds the rights of stakeholders to engage with it and its counterparties freely and without fear or coercion. It has zero tolerance for reprisals, intimidation, threats, harassment, violence or any other abuse of the rights of individuals and in particular of human rights' defenders and environmental activists⁵.

The ESSF defines the promoter's responsibilities in developing and implementing projects. This ESSF builds on the Charter of Fundamental Rights of the European Union as one of its foundational elements and as such, it integrates human rights in its scope.

As per the EIB Group Environmental and Social Policy, the EIB does not, to the best of its knowledge, finance projects that have the effect of limiting people's individual rights and freedoms or violating their human rights. This is further recognised in the list of activities excluded from EIB lending⁶. The Bank seeks to prevent, where possible, gender-based violence and harassment and also has zero tolerance for child labour and forced labour.

The EIB addresses human rights considerations through specific requirements in the Environmental and Social Standards where explicit references have been introduced. Promoters are required to consider human rights as part of the environmental and social impact assessment process, and may benefit from EIB support if required.

³ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:12012P/TXT>

⁴ Guided by the United Nations Guiding Principles on Business and Human Rights.

⁵ The EIB has developed specific guidelines to help promoters manage the risk of reprisals.

<https://www.eib.org/en/publications/guidance-note-for-eib-standard-on-stakeholder-engagement-in-the-eib-operations.htm> See chapter 8 on "Addressing risks of reprisals" under the Guidance Note for EIB Standard on Stakeholder Engagement in the EIB Operations.

⁶ <https://www.eib.org/en/about/documents/excluded-activities-2013.htm>

In most cases, the Bank does not require promoters to undertake a stand-alone Human Rights Impact Assessment (HRIA). Instead, promoters usually pursue an integrated approach. However, in some cases where salient human rights risks and/or impacts are identified during appraisal/monitoring, the Bank may decide to require a stand-alone HRIA. The scope of this stand-alone HRIA may cover the overall project or may focus on specific aspects, depending on the risks and impacts identified. This decision is made in light of several factors including (but not limited to):

- the scope and scale of the impacts;
- the location of the project in a fragile or conflict-affected area, or where there are systematic human rights abuses, which may limit the ability of the promoter to comply with social standards;
- weak capacity of a promoter to manage contractors and the supply chain in projects with a large workforce and salient labour risks;
- environmental and social legacy and cumulative impacts that might strain relations with local communities and trigger opposition to the project;
- multiple and serious incidents of non-compliance with social standards.

EIB due diligence

As set out in the ESSF, the EIB is committed to undertaking human-rights-responsive environmental and social due diligence on the operations it finances for the timely identification of risks and impacts to avoid and/or mitigate adverse impacts on human rights. The due diligence process takes into account risks deriving from the country, sector and client capacity. It is based on the likelihood, frequency and severity of human rights risks and impacts, thereby ordering the prioritisation of mitigation measures.

As a first step, the Bank screens the project to identify salient risks. The results of this initial screening determine the nature of the due diligence process. Should the Bank consider that the human rights risks associated with the project are too high and there is limited possibility to mitigate or address them, the Bank may decide not to consider the project for financing on grounds of human rights impacts.

If the Bank decides to consider the project, the Bank pursues its due diligence on the basis of the level of risk and the quality of the information already available. To this end, the teams assess the severity of the human rights impacts (judged by their scale, scope and irremediable character), paying heed to the human rights context, the legacy issues and other contextual factors. The Standards already provide the means to manage such risks, for example by enabling the Bank to order additional assessments and audits, and require specific plans to be developed and implemented, etc. Depending on the complexity of the project, the EIB can make use of external consultants and experts to inform its decision-making process, or to help the promoters in their efforts.

As deemed appropriate during the appraisal for the likely impacts or risks of a project, the Bank can set out contractual obligations and undertakings: (i) to address specific human rights considerations during the implementation of the project; and (ii) to define any reporting and monitoring requirements identified during appraisal. This enables the Bank to act upon impacts or risks that might come up during the implementation of such a project.

During the implementation phase, the EIB monitors the human rights performance of the project, with varying scope and depth, commensurate with the risks associated with a specific project. To this end and when needed, the EIB can also secure the services of specialists, international or local, to enhance the monitoring, conduct additional studies (such as labour and health and safety audits) or support the promoter as needed.

The EIB is continuously seeking to strengthen its approaches to human rights and routinely updates its set of internal procedures and tools to provide the relevant and sufficient means for the teams to undertake the necessary due diligence and monitoring. The Bank also provides regular training and capacity building sessions to its staff to enhance its internal capacity

Access to information and transparency

The EIB considers transparency and freedom of information as essential to promoting human rights, such as freedom of expression and information, and the right to effective remedy and to a fair trial.

Promoters are required to disclose relevant project information in a timely manner, including information related to the environmental, climate and/or social impacts and risks, and to the mitigation and/or compensatory/remedial measures and monitoring arrangements, where applicable. The Bank has developed specific guidelines that will help promoters in their obligations⁷.

The EIB recognises its special responsibility to be open and transparent towards EU citizens and the public at large. Transparency contributes to the quality and sustainability of the projects we finance and helps to build trust in the EIB. To that end, the EIB Group has adopted a Transparency Policy⁸. It is fully compliant with the Regulation (EU) 2018/1725 on Data Protection.

The EIB Group Transparency Policy defines the EIB procedures concerning information requests from the public, as well as the information that the EIB makes routinely available to the public. The Bank publishes information regarding the projects it supports, including environmental information (such as impact assessments reports, management plans, specific environmental and social studies, etc.) and a summary of the environment and social due diligence at appraisal and completion⁹. This information is available in the EIB Public Register¹⁰.

Access to remedy

The right to effective remedy and to a fair trial is enshrined in the Charter.

The Bank considers that developing a grievance mechanism (also known as a complaints or accountability mechanism) is a means of fulfilling this right. Such mechanisms allow stakeholders (including local communities) to raise concerns and provide opportune feedback about adverse human rights impacts that a project's activities may cause. It further allows these stakeholders to claim a remedy if an adverse effect takes place.

Grievance mechanisms are also useful tools for identifying (intended and unintended) adverse human rights impacts with the participation of local communities and stakeholders. They also complement reporting systems as the feedback received from the stakeholders can help to identify risks and take tailored decisions to address them.

At the project level, the EIB requires promoters outside the European Union to establish, as early as possible, an effective grievance mechanism as well as a specific mechanism for workers. The latter should allow workers to report their concerns and any violation of their labour rights (including rights to fair working conditions). The Bank has developed specific guidelines regarding project-level grievance mechanisms¹¹.

Rights-holders, as well as the civil society organisations representing them, can also address their grievance to the EIB-CM, the public accountability tool of the EIB Group. The Bank encourages promoters to inform key stakeholders in EIB-financed projects, including local affected communities, about the existence and mandate of project-level grievance mechanisms as well as the EIB-CM.

Under the EIB-CM Policy, complainants to the EIB-CM must not be subject to any form of retaliation, abuse or any kind of discrimination based on the fact that they have exercised their right to complain. This shall apply to the EIB Group as well as to any counterparty that is in a business relationship with the EIB Group. The EIB Group is committed to taking steps to prevent and address potential risks of reprisal against complainants and complaint-related people.

⁷ See chapter 4 on "Information disclosure" under the Guidance note for EIB Standard on Stakeholder Engagement in the EIB Operations

⁸ <https://www.eib.org/en/publications/eib-group-transparency-policy>

⁹ This refers to the Environment and Social Data Sheet (ESDS) and the Environment and Social Completion Sheet (ESCS).

¹⁰ <https://www.eib.org/en/registers/index.htm>

¹¹ See chapter 7 on "Grievance Mechanism" under the Guidance note for EIB Standard on Stakeholder Engagement in EIB Operations.