

Philippe Maystadt
President of the European Investment Bank

Brussels, 17 November 2008
Ref: B 827

Dear Mr. Maystadt,

Public consultation on the second draft of the European Investment Bank (EIB) Statement of Environmental and Social Principles and Standards

Amnesty International welcomes the EIB's second round of public consultation on its Statement of Environmental and Social Principles and Standards, and is encouraged by the positive amendments in relation to human rights in the second draft of the document. However, there remain some critical gaps in the way the Statement addresses human rights, which we outline below.

As stated in our comments to the first draft of the Statement, this review offers an important opportunity for the EIB to ensure that its principles and standards explicitly recognise the founding principle of the European Union (EU) to respect human rights. Moreover it is an opportunity for the EIB to demonstrate leadership in promoting a culture of respect for human rights throughout its investment and lending chain.

In relation to the external mandate, the EIB plays an increasingly important role in the implementation of EU aid; therefore, the EIB's principles and operations should be fully consistent with the EU's commitment to place human rights at the core of sustainable development. The establishment of effective accountability mechanisms is critical if European aspirational objectives in relation to poverty alleviation and sustainable development are to be met.

Amnesty International urges the EIB to reflect the following three critical issues in the revised Statement:

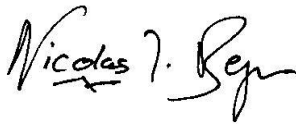
1. Explicitly and consistently recognise that international and European human rights law and standards are the basis for the principles and standards of EIB's policies.
2. Commit to the adoption and implementation of an effective due diligence system, which should, at a minimum, include the following:
 - a) Effective processes and mechanisms, including human rights impact assessments, to ensure that the EIB does not fund or invest in projects that would have a negative impact on human rights.
 - b) The establishment of appropriate monitoring and accountability mechanisms to ensure compliance with the EIB's own policies.
3. Ensure effective systems for transparency and meaningful consultation are in place.

Additionally, the EIB could adopt a number of measures to reflect its human rights responsibilities in the appraisal and implementation of the projects it funds, including the following:

- 1) Subsequent to the review of the Statement, changes should be reflected in the guidelines for implementation, i.e. the Handbook.
- 2) As a first step, Human Rights Impact Assessments should be carried out as an essential element of all EIB funded projects in the extractive and energy sectors.
- 3) As a first measure to ensure meaningful, transparent and effective consultation and participation processes for all EIB-supported projects, the EIB should announce the list of documents that will be made public concerning each project, including a report from the consultation process and well as remedial measures to be adopted.

Attached is Amnesty International's written contribution to this consultation and we are ready to provide any further information which might be helpful to you.

Yours sincerely,



Nicolas Beger

Director

Amnesty International EU Office

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