

International Anti-Corruption Conference 2018 in Copenhagen

Anti-Corruption Statement of the European Investment Bank

1. The European Investment Bank (“EIB”) is the financing body of the European Union (“EU”), owned by and representing the interests of the EU Member States. It provides finance and expertise for sustainable investment projects that contribute to the EU policy objectives, including promoting growth and jobs in innovation and skills, SMEs, climate action, cohesion, and strategic infrastructure across the EU. Outside the EU, the EIB finances local private sector development, social and economic infrastructure and climate action projects, while reflecting EU external policy.
2. In accordance with its mandate, the EIB shall ensure that its funds are employed as rationally as possible in the interests of the Union, and are used for the purposes intended. Consequently, the EIB works to prevent and deter corruption, fraud, collusion, coercion, obstruction, money laundering and financing of terrorism (hereafter “Prohibited Conduct”) and tax crimes as well as non-criminal activities such as tax avoidance.
3. The EIB reaffirms anew its belief that corruption undermines economic development, is a critical issue in many countries, and a hurdle to them fulfilling their economic potential. The EIB therefore reasserts its commitment to integrity and accountability, and its zero tolerance towards Prohibited Conduct. EIB commits to continuous effort in fighting corruption in the context of its operations within and outside the EU.
4. The present statement confirms the principles laid down in the Bank’s legal framework, in particular the EIB Anti-Fraud Policy and the EIB Group Policy Towards Weakly Regulated, Non-transparent and Non-cooperative Jurisdictions and Tax Good Governance (“EIB Group NCJ Policy”). It is not meant to give rise to separate obligations in addition to those laid down in the EIB Anti-Fraud Policy and EIB Group NCJ Policy.

EIB’s zero tolerance policy against corruption

5. The EIB Anti-Fraud Policy¹ underpins and guides EIB in its work to prevent, investigate, and sanction Prohibited Conduct. The EIB Anti-Fraud Policy is aligned with relevant EU legislation, international practice, as well as with the principles enshrined in the United Nations Convention Against Corruption. The EIB is also a signatory of the

¹ http://www.eib.org/attachments/strategies/anti_fraud_policy_20130917_en.pdf

International Financial Institutions' Uniform Framework for Preventing and Combating Fraud and Corruption.

6. The EIB Anti-Fraud Policy is applicable to all EIB activities and operations. The EIB further contributes to EU and international anti-corruption and tax good governance efforts and promoting integrity by applying a more stringent and vigilant approach when assessing support to and participating in projects involving jurisdictions not aligned to international standards, including Non-Compliant Jurisdictions as determined under the applicable EIB Group NCJ Policy.
7. Acknowledging effective ethical leadership as one of the key catalysts for reversing poor governance and corrupt practices, the members of EIB governing bodies and staff shall, in discharging their professional duties, also comply with rules of behaviour and ethical standards outlined in the EIB Anti-Fraud Policy and the EIB Codes of Conduct.
8. In addition to preventive work carried out by the first line of defence and the Office of the Chief Compliance Officer ("OCCO") by application of the EIB Group NCJ Policy and Anti-Money Laundering and Combating Financing of Terrorism Framework², the EIB, under its Anti-Fraud Policy and through its Inspectorate General, will continue to:
(i) accept reports of allegations of Prohibited Conduct from any source internal or external to the EIB, including members of the public, civil society organisations and the media; (ii) assess these allegations and launch an investigation whenever necessary; (iii) implement remedial measures whenever necessary; and (iv) raise awareness and train its staff members to recognise red flags of Prohibited Conduct and avoid any acceptance of Prohibited Conduct in EIB's activities.

International cooperation against corruption

9. The EIB has long acknowledged the relevance of international cooperation in addressing common challenges posed by corruption and the associated illicit financial flows. As such, the EIB cooperates with, and provides relevant assistance to national authorities, international organisations, international financing institutions and agencies in the context of exchanging information and carrying out investigations.
10. The EIB, through its Inspectorate General also works in close collaboration and full transparency with the European Anti-Fraud Office ("OLAF"), and will continue to closely cooperate with international and national partners associated in the fight against corruption.
11. Under the EIB Anti-Fraud Policy, Memoranda of Understanding have been signed by the EIB with a number of national law enforcement and anti-corruption agencies, including in middle-income countries and in fragile states, with the aim of facilitating mutual exchange of information and the implementation of joint actions, as well as technical and operating assistance, to prevent and deter Prohibited Conduct.

² <http://www.eib.org/en/infocentre/publications/all/eib-group-anti-money-laundering-policy-and-combating-finance-of-terrorism-framework.htm>

Proactive and innovative approach to detect corruption

12. Recognising the possibilities innovative technologies offer in terms of enhancing and improving existing processes, the EIB has taken steps towards exploring ways in which big data can support its anti-corruption efforts, using a methodology aimed at the detection and valuation of indications of potential Prohibited Conduct.
13. This tool, used by the Inspectorate General, called Proactive Integrity Reviews (“PIRs”), examines EIB-financed projects to ensure that the funds are being used for their intended purposes and, in doing so, to assess the project’s vulnerability to Prohibited Conduct. It has proven to be an effective tool for identifying indications of corruption and other irregularities that have not been reported and detected through regular controls.