



EPLO (European Peacebuilding Liaison Office) welcomes the European Investment Bank's (EIB) initiative of a second round of public consultation on the draft revised EIB Statement of Environmental and Social Principles and Standards and is pleased with the transparent manner in which the Bank conducted the entire consultation process with CSOs.

EPLO's contribution to this consultation is made from the perspective of a commitment to peacebuilding and the development of conflict resilient societies able to live together and solve problems within generally accepted democratic frameworks and, most importantly, without resorting to violence.

EPLO welcomes the inclusion of a reference to conflict in the second draft of the Statement (i.e. paragraph 45). Furthermore, EPLO is pleased with the reference to human rights based approach (i.e. paragraphs 43-53), to the recognition of development objectives enshrined in the Millennium Development Goals (MDGs) (i.e. paragraph 9) as one of the core objective of the Bank and to the reference to stakeholder consultation in decision-making (i.e. paragraph 48)

This submission is structured into two sections. The first one focuses on conflict sensitivity and on the need to make the reference to conflict and conflict analysis more explicit throughout the Statement while the second one looks at human rights.

## **Conflict Sensitivity**

In its first submission to the EIB EPLO expressed concern about the limited reference to conflict in the first draft statement. EPLO suggested the inclusion in the Statement of a separate section on conflict sensitivity which made clear reference to the need for conflict analysis. EPLO stressed that conflict analysis should be aimed at assessing whether and how the implementation of a project could exacerbate violent conflict and the steps that should be taken to mitigate and/or eliminate the root causes of conflict.

EPLO welcomes the addition of a reference to conflict in paragraph 45 in the section entitled "Social Standards: A Human Rights-based Approach" of the second draft of the Statement. Nonetheless, EPLO believes that the reference to conflict needs to be made more explicit in the afore-mentioned paragraph as well as throughout the Statement. This would be necessary for the Bank's commitment not to finance projects which could fuel violent conflict to be seen as credible.

In this respect, EPLO would suggest the following:

- *Paragraph 9* :to amend the second sentence of the paragraph as follow "one of the core objectives of the Bank is to protect and improve the natural environment, to promote sustainable communities, **including increasing their conflict resilience**, thereby contributing to the development objectives enshrined in the Millennium Development Goals".

The argument behind this wording is that to be “sustainable” a community has to be conflict resilient. In order to meet its stated objective of promoting sustainable communities, the Bank has also to promote conflict resilience because a community is “sustainable” only if it is able to manage change processes and resolve differences among its various components in an effective and peaceful manner.

- *Paragraph 28:* to amend the first sentence of the paragraph as follow: “ It is an objective of the EIB to increase social benefits and decrease social costs in all of its projects, to maximize social well-being; the Bank will not finance a project with significant residual social costs **including projects which cannot demonstrate a positive (or at least neutral) impact on any conflict or potential conflict in the location of the project**”.

While EPLO understands that specific procedures for assessing conflict sensitivity in the Bank’s projects will be discussed further and set out in the Handbook, EPLO regards it as extremely important that **in addition** to these steps, the Bank should include an explicit commitment to conflict sensitivity and recognition of the need for conflict analysis in the Statement.

The language in the second sentence of paragraph 45 is currently vague and does not make clear the practical implications of “taking into account” factors related to conflict. In this respect, EPLO would suggest inclusion in the text reference to the following documents: Council Conclusions “An EU response to situations of fragility” adopted on 19 November 2007, Commission Communication on “Towards an EU response to situations of fragility”, COM (2007) 643; OECD Principles for Good International Engagement in Fragile States and Situations adopted in April 2007. We therefore suggest the following:

- *Paragraph 45:* to amend this paragraph as follow: “Similarly, the EIB does not finance projects that give rise to conflicts or intensify existing conflicts. ~~Additionally, the Bank takes into account the fact that a number of countries where it operates face difficult post-conflict recovery and reconstruction efforts or are fragile and unstable~~ **In operating in fragile states and situations the Bank will refer to the OECD Principles for Good International Engagement in Fragile States and Situations endorsed by the Council on behalf of the EU in its Council Conclusions “An EU response to situations of fragility” adopted on 19 November 2007.**

<b>Human Rights</b>
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In its first submission EPLO called for the inclusion in the statement of clear reference to the protection of human rights, because violations of human rights are both a root cause and a consequence of violent conflict.

EPLO welcomes the decision taken by the Bank to embed social standards in a human rights-based approach. Furthermore, EPLO welcomes the signature of a Memorandum of Understanding between the EIB and the European Ombudsman aimed at improving stakeholders’ protection from any possible maladministration as regards the EIB’s activities. In particular, EPLO is pleased that “maladministration” also includes failure to comply with human rights, and that those who are not citizens or residents of the EU or who do not have a registered office in the EU are also covered by the complaint mechanism.

EPLO welcomes the inclusion of *paragraph 44* which states that “the Bank restricts its financing to projects that comply with its social standards and in particular support and respect international human rights”. Nonetheless, EPLO would like to stress the **need for clarity with respect to the reference to countries declared by the European Council as off-limits for EU financing due to violations of human rights**.

Furthermore, EPLO would like to highlight the importance of accurately representing the relationship between policy commitments, such as the Millennium Development Goals, and legal obligations concerning human rights. Therefore, EPLO suggests a change to the wording of certain paragraphs as follow:

- *Paragraph 44* : **International Human Rights Law** to replace the wording international human rights
- *Paragraph 47*: **International Human Rights Law** to replace the wording international human rights

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European Centre for Conflict Prevention—  
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ESSEC Iréné

Fundación para las Relaciones  
Internacionales y el Diálogo Exterior—  
FRIDE

German Platform for Peaceful Conflict  
Management

International Alert

International Center for Transitional  
Justice—ICTJ

International Crisis Group

International Security Information Service -  
ISIS Europe

Interpeace

Kvinna till Kvinna

Life and Peace Institute

Nansen Dialogue Network

Nonviolent Peaceforce

Partners for Democratic Change  
International—PDCI

Pax Christi International

Quaker Council for European Affairs—  
QCEA

Saferworld

Search for Common Ground

Swisspeace

Toledo International Centre for Peace—  
CITpax

World Vision

## **THE EUROPEAN PEACEBUILDING LIAISON OFFICE EPLO**

EPLO is the platform of European NGOs, networks of NGOs and think tanks active in the field of peacebuilding, who share an interest in promoting sustainable peacebuilding policies among decision-makers in the European Union.

EPLO aims to influence the EU so it promotes and implements measures that lead to sustainable peace between states and within states and peoples, and that transform and resolve conflicts non-violently. EPLO wants the EU to recognise the crucial connection between peacebuilding, the eradication of poverty, and sustainable development world wide and the crucial role NGOs have to play in sustainable EU efforts for peacebuilding, conflict prevention, and crisis management.

EPLO advances the interests of its members through common policy positions and consequently advocating for those common positions. EPLO disseminates information and promotes understanding of EU policies of concern to its Members. The Office builds also solidarity and cooperation amongst its members and with other relevant NGO networks. Finally, EPLO raises awareness about the contribution the EU should make to peacebuilding and the need to hold the EU accountable to its own political commitments of helping secure peace within and outside its borders.

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