

To: EIB President Nadia Calviño
EIB Board of Governors
EIB Board of Directors
European Investment Bank
Boulevard Konrad Adenauer 98-100
Luxembourg

JOINT CIVIL SOCIETY LETTER

26 March 2024

Urgent call to keep defence spending out of the EIB's scope

Dear President Calviño,
Dear EIB Board of Governors,
Dear EIB Board of Directors,

We are reaching out to you in the context of the growing pressure from member states and the arms industry on the EIB to increase support for the defence industry, including calls for a review of its current dual-use policy and the list of excluded activities to fund weapons and ammunition.

We welcome that the EIB has been resisting expansion of its mandate for this purpose to date. The world's largest multilateral development bank should not channel public finance to sectors listed in its exclusion list¹ – such as military expenditure.

The European Commission's new European Defence Industrial Strategy calls for the EIB to agree on a common definition of 'technologies with dual-use potential' to promote joint investments in technologies, products and infrastructure in the defence sector, and to adapt defence-related exclusions from the EIB Group's Lending Policies.

Doing so would mean effectively engaging the EIB in building up military industry which is beyond its core public policy goals – financing climate action and environmental sustainability and the economic and social cohesion, in a context of significant investment needs to achieve those goals. We contend that widening the definition of dual use would unleash a dynamic that would likely see arms spending increasingly dominant in the EIB's portfolio. The defence lobby should not exploit current world conflicts and proliferation of arms production to secure EIB financing. Financing the defence industry with EIB money should be firmly rejected.

The aerospace and defence industries have been also successfully lobbying for listing materials such as titanium – essential to defence sector interests – as 'critical raw materials', despite their limited use for the climate transition.²

¹ [EIB eligibility, excluded activities and excluded sectors list.](#)

² For more, see [Critical raw materials for whom?](#), Corporate Europe Observatory, and European Commission's [Study on the critical raw materials for the EU 2023.](#)

Urgency to structurally address the cost of living crisis, global climate emergency – a key threat to people's wellbeing – and development needs cannot be understated. A profound and just energy transition is essential to meet the climate target goals of limiting global warming to 1.5°C, provide affordable public energy for the people, and reduce our geopolitical vulnerability through decreasing dependence on fossil energy of foreign regimes.

EIB lending must be used to support strictly environmentally and socially beneficial projects that strive to address public needs and development objectives while respecting rights of local communities – not European defence manufacturers.

We hope you will ensure that the public mandate of the EIB guides the bank's operations, and reject any efforts to expand finance to the defence industry.

We remain available for any questions or for further discussion.

Kind regards,

Counter Balance

FairFin

Vredesactie

Swedish Peace and Arbitration Society

CNCD-11.11.11

Stop Wapenhandel

Vrede vzw

PAX

Corporate Europe Observatory

FIDH

EPSU

Centre Delàs d'Estudis per la Pau

Rete Italiana Pace e Disarmo

Campaign Against Arms Trade

Observatoire des armements

Stop Fuelling War- Cessez d'alimenter la guerre

ReCommon

Jamaa Resource Initiatives

Observatori del Deute en la Globalització

Urgewald

11.11.11

Shadow World Investigations UK

Arms Information Centre / RüstungsInformationsBüro e.V.

European Network Against Arms Trade

Solidar

Oxfam International

GSoA - Gruppe für eine Schweiz ohne Armee

The Corner House

TNI - Transnational Institute

Eurodad

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