

The President Werner Hoyer  
European Investment Bank  
98-100, Boulevard Konrad Adenauer  
L-2950 Luxembourg  
Luxembourg

Date December 15th, 2021

### **Request for Internal Review**

Dear Mr Hoyer,

I am writing to you on behalf of **Stöttingfjällets Miljöskyddsförening** in order to submit a formal request for an internal review pursuant to Article 10 of Regulation (EC) 1367/2006, as amended by Regulation (EU) 2021/1767, on the application of the provisions of the Aarhus Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters to Community institutions and bodies (hereafter the “Aarhus Regulation (as amended)”).

It has come to the attention of **Stöttingfjällets Miljöskyddsförening**, that the European Investment Bank is engaged in funding the National Energy and Climate Plans (NECPs) and the associated Projects of Common Interest in circumstances wherein, we are given to understand, that the European Union has failed to comply with its legal obligations, including those set out in the Aarhus Convention. In that regard, we are of the view that the EIB's aforesaid engagement constitutes an ‘administrative act(s)’ as defined in Article 1 of the Aarhus Regulation (as amended)”) which defines an administrative act as follows:

*‘administrative act’ means any non-legislative act adopted by a Union institution or body, which has legal and external effects and contains provisions that may contravene environmental law within the meaning of point (f) of Article 2(1);*

The Union's failure to comply with its legal obligations, including the provisions of the Aarhus Convention relative to the NECPs and associated projects (as decided by the United Nations Economic Commission for Europe (UNECE) in October 2021), is ongoing.

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We are sure you will appreciate from the foregoing that implications of a legal nature clearly arise for the EIB which undoubtedly have a significant bearing upon the European Investment Bank's funding of the NECPs and associated projects in our jurisdiction. It is the opinion of **Stöttingfjällets Miljöskyddsförening** that this matter warrants your immediate attention. We therefore call upon the EIB to conduct an internal review and to take all necessary action to address this matter forthwith so as to ensure compliance with the law and/or environmental law, and in particular, in relation to Section 2.1.2 "Renewable energy": *Section 4.2.2 describes the estimated distribution of renewable energy by technology and energy consumption in 2030 according to the EU Reference.*

*Scenario, in total and by sector. Table 28 shows the developments in the total share of renewable energy and the share of the electricity, transport and heating/cooling sectors in the Referens EU scenario up to 2040. The increasing share of renewable energy is based on the expectation that the production of renewable energy will rise from 2020 onwards, while energy consumption will remain relatively stable, as shown in Figure 24. The largest increase is in wind energy, which is expected to rise by 35 TW between 2020 and 2040.*

Section 2.4.2.1 "Key electricity and gas transmission infrastructure projects" lists some of the largest grid development projects. Section 2.4.2.2 also describes: *"There are plans for a third AC line57 between Sweden (SE1) and Finland. There are also plans for a new 700-MW HVDC link between Sweden (SE4) and Germany".*

### **Legal Basis for Request**

**Stöttingfjällets Miljöskyddsförening** is entitled to submit this request for internal review on the grounds that our organization fulfills the criteria set out in Article 11 of Regulation (EC) 1367/2006 (as amended by Regulation (EU) 2021/1767), (hereafter referred to as the "Aarhus Regulation"). **Stöttingfjällets Miljöskyddsförening** is an independent non-profit making legal entity registered in accordance with [Insert Member State] law. Please see **Stöttingfjällets Miljöskyddsförening's** Memorandum and Articles of Association enclosed herewith (see Annex 1). **Stöttingfjällets Miljöskyddsförening** was founded in north of Sweden, 2012 with the aim to preserve and protect the living environment. The subject matter of this request for an internal review is covered by the objective and activities of our organization.

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## **Grounds for Seeking Internal Review**

The primary ground for making the within request relates to the EU's ongoing non-compliance with international law which thereby affects, directly and/or indirectly, the acts of the EIB relative to both its aforesaid funding activities and its legal obligations.

In 2010, the UNECE, through its Aarhus Convention Compliance Committee (the “ACCC”), initiated a compliance investigation against the EU concerning the implementation of Directive (2009/28/EC) in the Republic of Ireland and the National Renewable Energy Action Plans (NREAPs). As a result of its findings during the foregoing investigation, the ACCC declared the EU to be non-compliant with international law.

This resulted in the UNECE engaging in compliance proceedings against the EU over the course of the following decade. This investigation was entitled *Communication ACCC/C/2010/54* and its findings and recommendations were adopted on 2<sup>nd</sup> October 2012 (cf. [https://unece.org/env/pp/cc/accc.c.2010.54\\_european-union](https://unece.org/env/pp/cc/accc.c.2010.54_european-union)).

In June 2014, a Meeting of the Parties (MoP) took place in Maastricht, Belgium (this was the 5<sup>th</sup> Meeting of the Parties of the Aarhus Convention). The Parties adopted decision V/9g in relation to ACCC's findings and recommendations noted in ACCC/C/2010/54 (cf. <https://unece.org/env/pp/cc/european-union-decision-v9g>). Pursuant to the ACCC's decision V/9g of Non-Compliance in International Law, the MoP found the EU to be in breach of international law and declared that the EU was obliged to demonstrate the following:

- (a) That it had adopted a proper regulatory framework and/or clear instructions for implementing Article 7 of the Convention with respect to the adoption of *National Renewable Energy Action Plans* (NREAPs);
- (b) It would ensure that the arrangements for public participation in its Member States are **transparent and fair** and that within those arrangements the **necessary information is provided** to the public;

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(c) It would ensure that the requirements of Article 6, paragraphs 3, 4 and 8, of the Convention are met, including **reasonable time frames**, allowing sufficient time for informing the public and for the public to prepare and participate effectively, allowing for **early public participation when all options are open**, and ensuring that **due account is taken of the outcome of the public participation**;

(d) It had adapted the manner in which it evaluates NREAPs accordingly.

[Emphasis added]

In the interim between the 5<sup>th</sup> ACCC Meeting of the Parties (MoP) in 2014 and the 6<sup>th</sup> MoP in September 2017, the ACCC continued to investigate the EU over its ongoing failure to comply with its decision V/9g as referred to above.

Thereafter, the ACCC engaged in further investigations between September 2017 and October 2021, when the 7<sup>th</sup> MoP took place in Geneva. During that period, the ACCC focused on the adoption of the *National Energy and Climate Plans* (NECPs) for the period 2021 – 2030.

Following a detailed analysis during the 7<sup>th</sup> MoP between 18<sup>th</sup> to 21<sup>st</sup> October 2021, the ACCC concluded that the NECPs have been unlawfully adopted by the EU, constituting a repeat of the same failures in respect of compliance with the provisions of the Aarhus Convention which were inherent in the EU's adoption of the NREAPs in the past.

During the 7<sup>th</sup> MoP, the ACCC observed that the EU had failed to comply with all of the requirements set out in the Committee's decision V/9g as adopted by the parties in 2014. In that regard, VII/8f (as amended) was adopted on 21<sup>st</sup> October 2021 concerning the EU's said non-compliance.

Accordingly, the NECPs were declared unlawful in international law (and hence EU law). In this regard, the ACCC concluded that:

*“(a) The Party concerned has put in place a regulatory framework that meets the requirements of article 6 (3) of the Convention with respect to NECPs but has not yet demonstrated that it has adopted either a proper regulatory framework or clear instructions to ensure that the other requirements of article 7 are met in the adoption of NECPs, as required by the first three sentences of paragraph 3 of decision V/9g;*

*(b) While welcoming the fact that the Party concerned has carried out an assessment of public participation on each member State’s NECP, albeit in brief, the Party concerned has not yet met the requirements of the final sentence of paragraph 3 of decision V/9g.”*

The ACCC further stated:

*“The Committee recommends to the Meeting of the Parties that it reaffirm its decision V/9g and, in particular, request the Party concerned, as a matter of urgency:*

*(a) To provide the Committee with evidence that it has adopted a proper regulatory framework and/or clear instructions for implementing article 7 of the Convention with respect to the adoption of NECPs, and, in particular, to take the necessary legislative, regulatory or practical measures to:*

*(i) Ensure that the arrangements for public participation in its member States are transparent and fair and that, within those arrangements, the necessary information is provided to the public;*

*(ii) Ensure that the adopted regulatory framework and/or clear instructions ensure that the requirements of article 6 (4) and (8) of the Convention are met, including allowing for early public participation when all options are open, and ensuring that due account is taken of the outcome of the public participation;*

*(b) To adapt the manner in which it evaluates NECPs accordingly.”*

In light of the foregoing, it is evident that the EU’s acts and omissions are very much at odds with the requirement of strict observance with international law as enshrined in Art 3 (5) TEU (ex Article 2 TEU) and, therefore, constitute a breach of both international and EU law which the EU has to date failed to address and rectify.

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## **Funding by the European Investment Bank (EIB)**

The NECPs define renewable capacity, interconnectors, and similar infrastructure to be delivered between 2021 and 2030 in the European Union. Furthermore, **Stöttingfjällets Miljöskyddsförening** understands that the EIB intends to leverage a trillion Euro in climate related investments over the forthcoming decade.

It is common case that as a matter of EU law the NECPs must undergo Strategic Environmental Assessment before adoption, which incorporates the requirements of Article 7 of the Aarhus Convention. **Stöttingfjällets Miljöskyddsförening** understands that no such assessments have taken place in the instant matter in relation to Section 2.1.2 “Renewable energy”: *Section 4.2.2 describes the estimated distribution of renewable energy by technology and energy consumption in 2030 according to the EU Reference.*

*Scenario, in total and by sector. Table 28 shows the developments in the total share of renewable energy and the share of the electricity, transport and heating/cooling sectors in the Referens EU scenario up to 2040. The increasing share of renewable energy is based on the expectation that the production of renewable energy will rise from 2020 onwards, while energy consumption will remain relatively stable, as shown in Figure 24. The largest increase is in wind energy, which is expected to rise by 35 TWh between 2020 and 2040. Section 2.4.2.1 “Key electricity and gas transmission infrastructure projects” lists some of the largest grid development projects. Section 2.4.2.2 also describes: “There are plans for a third AC line<sup>57</sup> between Sweden (SE1) and Finland. There are also plans for a new 700-MW HVDC link between Sweden (SE4) and Germany” in our jurisdiction.*

As noted above, the EU has failed to comply with the provisions of the Aarhus Convention, namely, Article 7 thereof. Therefore, the EU is in breach of both international and EU law. Accordingly, this is of significant import regarding the EIB’s aforesaid NECP funding activities in our jurisdiction.

As you will no doubt be aware, Article 1 of the Statute of the EIB states:

*“The European Investment Bank established by Article 308 of the Treaty on the Functioning of the European Union (hereinafter called the ‘Bank’) is hereby constituted; it shall perform its functions and carry on its activities in accordance with the provisions of the Treaties and of this Statute.”*

In light of the foregoing, it is the respectful opinion of **Stöttingfjällets Miljöskyddsförening** that the EIB’s NECP funding activities in our jurisdiction must be addressed as a matter of urgency in order to ensure full compliance with EU law and/or environmental law.

The following documents are enclosed herewith (see **Annex 1**):

- The applicant's technical background for making this request;
- The Applicant's Annual reports for two years prior to this request;
- The Applicant's statutes of the organization;
- Evidence of the Applicant's registration as a non-profit organization in Sweden

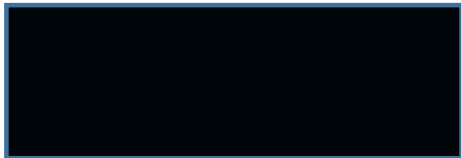
### **Conclusion**

In light of the foregoing, **Stöttingfjällets Miljöskyddsförening** respectfully asks the EIB to do the following:

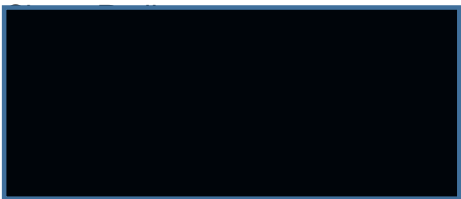
- Conduct an internal review of the EIB's funding of the aforesaid NECPs and associated projects in light of the ongoing non-compliance with international and EU law, and in particular VII/8f (as amended), adopted on 21<sup>st</sup> October 2021;
- Remedy the situation by taking all appropriate action in order to bring the EIB's funding activities into full compliance with international and EU law;
- Inform the applicant herein about its decision in relation to the foregoing.

Thank you in advance for your kind consideration.

Yours sincerely,

A black rectangular box used to redact the signature of the representative of Stöttingfjällets Miljöskyddsförening.

For and on behalf of **Stöttingfjällets Miljöskyddsförening** (Org.nr 802468-6639)

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## **Annex 1**

To Letter "REQUEST FOR INTERNAL REVIEW" of December 15th 2021,

Att. of EU Commissioner for Environment

In 4 attachments:

1. The Applicant's statutes of the organization;
2. The Applicant's Annual reports for two years prior to this request;
3. Evidence of the Applicant's registration as a non-profit organization in Sweden
4. The Applicant's technical background for making this request; please, see above