



Declaration

The European Principles for the Environment

We, the Signatories of the Declaration, have a shared responsibility towards protecting but also improving the environment in the interest of sustainable development, which we believe can best be achieved working more closely together.

We hereby endorse and reinforce the European consensus on the values attached to the fundamental right for both present and future generations throughout the world to live in a healthy environment.

This Declaration, recognizing the comparable approach taken by the Signatories to environmental management and to the integration of environmental considerations in their respective operations and mandates, is based on the particular EU approach to the environment, which is as strong as any that exists.

The "European Principles for the Environment" (EPE) consist of the guiding environmental principles enshrined in the EC Treaty and the project-specific practices and standards incorporated in EU secondary legislation on the environment. The principles include, in particular, the precautionary principle, the prevention principle, the principle that environmental damage should as a priority be rectified at source, and the polluter pays principle¹.

We underline the importance of the EPE, which promotes the EU approach to environmental sustainability, and we are committed, subject to our respective environmental policies, to applying EU principles, practices and standards to all projects financed by the Signatory institutions.

The geographical scope of the EPE covers, at least the respective regions of operations of each Signatory institution, or any other geographic area it deems appropriate, including the EU 25 and European Economic Area (EEA) countries, the EU Acceding, Candidate and potential Candidate Countries and the Countries that are covered in the "European Neighborhood and Partnership Instrument", implemented according to the following modalities.

In the Member States of the EU, the EEA countries, the EU Acceding, Candidate and potential Candidate Countries, the Signatories hereby agree to provide financing to public or private sponsors of projects only where the projects comply with the above principles and the relevant secondary EU legislation². Of the EU secondary legislation particular emphasis is given to:

- The EU *acquis* related to environmental assessment;
- The EU Directives related to industrial production, water and waste management, air and soil pollution, occupational health and safety, and the protection of nature, where these can be applied to specific projects.

We also agree that projects in this region should comply with any obligations and standards enshrined in relevant Multilateral Environmental Agreements (MEAs), according to applicable EU law (e.g. biodiversity, climate change, the ozone layer, wetlands, persistent organic pollution, trans-boundary air pollution, endangered species and environmental information, and others that may be ratified from time to time).

¹ Treaty Establishing the European Community 2002, Article 174 (2).

² In some countries, a phased approach with certain requirements of the *Acquis Communautaire* may be adopted in accordance with negotiated accession agreements.

In all other countries, projects financed by the Signatories are expected to comply with the appropriate EU environmental principles, practices and standards - and with regard to EU financing, due respect for the European Neighborhood Policy and the EU policy towards Russia - subject to local conditions. In such financing, we will apply the EPE, with reference to such factors as the costs of application, the local conditions that prevail and the time frame for the phased application for implementing the EPE.

In the case of co-financed projects, we will work together to agree a common approach to the project, where possible, based on or consistent with the EPE and its methods of implementation as outlined above.

We also aim as part of the EPE to promote best EU practice in the fields of environmental management, transparency, public consultation and reporting³.

As we move forward with the EPE process, the Signatories of the Declaration will encourage other European-based institutions to share the common approach to environmental sustainability as well as work together on specific topics in the interests of greater coherence.

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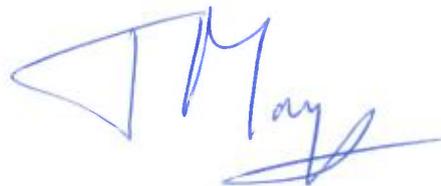
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Mr. Philippe Maystadt
President
European Investment Bank



Mr. Magnus Rystedt
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Mr. Johnny Åkerholm
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³ The EU "Environmental Management and Audit Scheme" (EMAS) is an example of such best practice.