

EIB GROUP EVALUATION

EIB ADDITIONALITY AND IMPACT MEASUREMENT (AIM) FRAMEWORK

AN INDEPENDENT EVALUATION

MARCH 2026



European
Investment Bank | Evaluation

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EIB Additionality and Impact Measurement (AIM) framework: An independent evaluation
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Published by the European Investment Bank.

Printed on FSC® paper.

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ACKNOWLEDGEMENTS

This evaluation was carried out by the European Investment Bank's Evaluation Division (IG/EV), under the supervision of Emmanuel Pondard, Head of Evaluation. The team, led by Áron Gereben (team leader), included Julia Chambers (Head of Unit), Iouri Marounov (EIB senior evaluator), Diana Mori (external consultant), Marisa Basten (data scientist), Sofia Muscato (trainee) and Eirini Pouchtou (EIB senior operational assistant). The team is also grateful to Sebastian Bachmann (evaluation policy and knowledge sharing officer) for his valuable support at the publication and dissemination stages of the evaluation.

The team would like to thank EIB management and staff for the information and insights they shared, as well as for their extensive and constructive cooperation throughout the process.

ABBREVIATIONS AND ACRONYMS

3PA	Three-Pillar Assessment
AIM	Additionality and Impact Measurement framework
AIS	Additionality and Impact Statement
EIB	European Investment Bank
EIF	European Investment Fund
EFSI	European Fund for Strategic Investments
ERR	Economic Rate of Return
ESG	Environmental, Social and Governance
ESIAF	Economic and Social Impact Assessment Framework
EU	European Union
FIRR	Financial Internal Rate of Return
FVA	Financial Value Added
IFI	International Financial Institution
MBIL	Multiple Beneficiary Intermediated Loans
MDB	Multilateral Development Bank
NDICI	Neighbourhood, Development and International Cooperation Instrument
NPB	National Promotional Bank
PPG	Public Policy Goal
ReM	Results Measurement Framework
SDG	Sustainable Development Goal
SME	Small and Medium-sized Enterprise

KEY TERMS

Additionality	<p>Those elements, including results, that would not have happened at all or to the same extent without the involvement of the institution. The EIB considers its interventions are additional if these three conditions are met:</p> <ul style="list-style-type: none">• EIB operations should address sub-optimal investment situations resulting from market failures. (The <i>why</i> of EIB’s intervention);• EIB support should influence the investment activity undertaken (in terms of scale, scope, structure, quality and/or time) to alleviate the sub-optimal investment situation (<i>what</i> the project does to address the suboptimal investment situation and what difference the EIB makes in shaping it);• EIB support should be complementary to what is available from other sources of financing (<i>how</i> EIB financing and advice make a difference).
Direct operations	<p>Operations where the financing is provided directly to the project promoter.</p>
Impact	<p>The indirect, broad, and/or longer-term effect of the intervention, intended and unintended, positive or negative. It is usually strongly associated with the contribution to high-level policy objectives such as competitiveness or climate change mitigation.</p>
Indirect / intermediated operations	<p>Operations where the financing is provided to a financial intermediary (bank, equity fund) under the form of a loan or equity/quasi-equity participation; the financial intermediary, in turn, provides financing to the final beneficiary.</p>
Mandate	<p>A partnership entered into by the European Investment Bank with Third Parties, for the purpose of achieving common objectives. The partnership is based on financial support pledged by a Third Party.</p>
Multiple beneficiary intermediated loans (MBIL)	<p>Multiple beneficiary intermediated loans are lines of credit extended to financial intermediaries (banks, leasing companies, public support institutions, or any other entity qualifying for the role – hereafter “financial intermediaries” or “FIs”) – which on-lend the proceeds (“sub-loans” – this includes leasing financing and it is also referred to as “sub-financing” in the contractual documentation) made available by the EIB in the form of “allocations” to a large number of final beneficiaries. Final beneficiaries can be small and medium-sized enterprises (SMEs), mid-caps, private sector entities (non-SMEs and non-mid-caps), public sector entities or, limited to investments that are 100% green eligible in the European Union, private individuals. Specific rules for eligibility and submission of allocations for each type of final beneficiary can be found in a document which takes the form of a letter sent to the intermediary separately from the finance contract (the “Side Letter”).</p>
Outcomes	<p>Encompass the short-term or intermediate changes that occur to the target population or system as a result of the project. For example, faster travel time, higher passenger usage and lower energy consumption can be the outcomes resulting from a new tram line.</p>

Outputs	Refers to the deliverables directly produced by a project in the form of products, capital goods, services, or changes in knowledge, skills or abilities. For example, the construction of a tram line can be the output of a transport lending project.
Public policy goals (PPGs)	Specific economic sectors and activities where market failures persist, and where an EIB intervention is expected to address such failures. They indicate the priority sectors where EIB financing is directed and are associated with specific targets/orientations in the Bank's Operational Plans (in terms of signed amounts of financing, from EIB own resources).
Results	Umbrella term covering outputs, outcomes and impact.
Advisory services	All expert and expertise-based advice delivered by the EIB Group staff and/or by consultants managed by EIB Group staff. This is done with the aim of assisting existing and prospective clients (project promoters, financial intermediaries, private beneficiaries, national and local authorities, other European Union institutions) to develop and implement investment programmes and projects and/or improve their institutional or regulatory framework.

EXECUTIVE SUMMARY

CONTEXT AND SCOPE

As a public and policy-driven institution, the European Investment Bank (EIB) is expected to demonstrate how its interventions make a difference in the lives of citizens. The EIB has a range of tools for this purpose. These include project-level value added frameworks, complemented by ad-hoc impact studies, macroeconomic modelling, and independent evaluations.

In 2020, the EIB updated its value-added framework to strengthen the measurement of its additionality and the impact of the projects it finances – the Additionality and Impact Measurement (AIM) framework.¹ The AIM was set up to better measure, demonstrate and communicate the Bank's tangible impact, its contribution to EU policy objectives, and its ability to offer financing "to the extent that funds are not available from other sources on reasonable terms" (Article 16 of the EIB Statute). Practically, the AIM serves a dual purpose: it supports EIB investment decisions with project-level assessments of additionality and impact, and reports on results generated for accountability and learning.

This evaluation assesses how well the AIM achieves these goals. The evaluation responds to a request made by the EIB Board when it approved the AIM framework in 2020, to take stock of its functioning and identify areas for improvement within a few years of implementation. The evaluation covers all EIB operations inside and outside the EU from 1st January 2021 to 31st December 2024. The AIM applies to EIB operations only; European Investment Fund (EIF) activities are not in scope.

FINDINGS AND CONCLUSIONS

1. THE AIM FRAMEWORK: CONCEPTUALLY SOUND, YET PRACTICAL LIMITATIONS REDUCE ITS USEFULNESS

The AIM framework is structured around three pillars. They together explain why the EIB supports a project (Pillar 1), what the project is expected to achieve (Pillar 2), and how the EIB financing and advice make a difference to the project (Pillar 3). Each pillar is rated against a four-point scale (fair/low, good, very good, or excellent).

Overall, the methodological design underpinning the AIM framework is conceptually sound. The use of a project-level value-added framework to demonstrate the rationale for a public bank's intervention is best practice. The AIM methodology is best-in-class, and the specific indicators measured across its three Pillars are well-aligned with international standards. In some cases, the EIB's AIM was even used as a guiding framework by peers.

The AIM provides a sound framework for justifying an EIB intervention by referring to market failures. The rationale for EIB support to address market failures is well understood by EIB staff. Market failures are less-than-optimal investment situations where market mechanisms do not allocate resources efficiently or fail to provide viable financing solutions, thereby justifying public intervention. Generally, market failures are systematically identified within AIM assessments, although there are opportunities for methodological and practical refinements.

¹ The AIM framework is the third generation of the EIB's project-level value added frameworks. It intended to unify and enhance the EIB's assessment of its: strategic alignment, project quality, contribution and results across all geographies and financing products.

By contrast, specific design features and implementation challenges restrain the AIM’s ability to demonstrate an operation’s alignment with, and contribution to policy objectives. EIB operations are expected to support a multi-layered set of objectives, ranging from Treaty and Statute-based mandates to evolving priorities and policy goals. However, the AIM framework’s approach to assessing policy alignment – particularly within Pillar 1 – is partly inconsistent and lacks clarity. While some policy objectives explicitly influence scoring, others do not, leading to uneven treatment. Furthermore, policy priorities are dynamic – they evolve, emerge or are given more prominence over time—today’s priorities are not fully reflected in the current AIM scoring. The choice of relying on market failures as the primary scoring anchor for Pillar 1 also implies limitations: while market failures offer a stable and theoretically grounded basis for assessment, they do not always capture the nuances of current policy priorities. Some policy goals – such as EU strategic autonomy—do not map neatly onto market failure categories, and the assumption that all market failures are equally relevant across projects prevents meaningful differentiation. Finally, although the AIM framework does indicate the share of financing attributed to various eligibilities, the Pillar 1 narrative tends to focus on whether an operation aligns with one or more EU policy goals, rather than articulating how, and by how much it will contribute to those goals.

The AIM is limited in its ability to infer intended impacts. The AIM follows a results chain structure: it estimates project inputs (what the EIB provides as financial and non-financial support), outputs (what is produced or built by the project) and, to some extent, outcomes (the short-term or intermediate benefits generated by the project).² While Pillar 1 assesses impact-related aspects, such as the market failures a project intends to address, it does not directly measure long-term impacts. The Bank draws upon other tools (ad-hoc impact studies and macroeconomic modelling) to quantify the overall impact of its interventions on citizens. Instead, the AIM should enable impacts to be inferred through a logical progression from inputs to outcomes and impacts, contingent on well-evidenced assumptions. However, these assumptions are often implicit or inconsistently articulated, limiting the framework’s ability to support strong impact claims. For example, investing in building new hospitals may result in an increased number of beds (output) allowing more patients to be treated (outcome) thereby reducing infection or mortality rates (impact), but such an impact depends on the quality and affordability of health services—factors not systematically captured in AIM narratives. Tools like the market failures library and gender tag “quick paths” represent efforts to strengthen the evidence base for such assumptions. The development of standardised impact pathways at the level of a sector, theme or product would help front-load such analytical work, thereby easing the analytical investment for project teams. Such an approach would enhance consistency, rigour and the focus of data collection efforts.

While the AIM assesses outputs and outcomes that are essential for a public bank to demonstrate, it uses indicators of varied relevance and usefulness to do so. Pillar 2 of the AIM adopts a standardised approach to assessing project-level outputs and outcomes, which is conducive to the aggregation of data. However, challenges were identified relating to the quality, compatibility and meaningfulness of the diverse sub-components of the Pillar 2 rating (which assess compliance, promoter capacity, and project outcomes) in particular for direct lending operations. The usefulness of a large number of project results indicators could also be questioned, with over 600 individual indicators used across the 1500 operations within scope. This calls for simplification, consolidation into a smaller and more focused set of indicators. Here again, standardised impact pathways could help to rationalise the choice of indicators and clearly explain how a project will support broader policy objectives/impacts.

The AIM adequately captures the EIB’s financial contribution but provides limited insight into its non-financial contribution and output additionality. The EIB’s financial additionality defines the extent to which it provides financial benefits such as longer maturities, better pricing or more customised terms. The EIB’s non-financial

² Pillar 2 summarises the outcomes directly attributable to the project such as its economic rate of return, broader social benefit, direct employment creation, and social and environmental benefits. Pillar 3 sets out the EIB’s inputs as a financier and technical expert.

additionality considers its support in crowding in additional financing and providing access to innovative financing, advice or technical support. The AIM provides a consistent ex ante assessment of the Bank's financial contribution. On the other hand, the analysis of non-financial additionality is complex and open to subjectivity. Despite the quality checks conducted by AIM coordination teams, this is due to (i) a lack of sufficient, clear or easily accessible guidance and support to staff, (ii) the incomplete inclusion of the role played by advisory activities in supporting lending operations, and (iii) inconsistent assessments of the EIB's role in crowding in financing. While the AIM assesses input additionality, it does not require an in-depth assessment of output additionality, i.e. whether a project may have gone ahead – at the same scale, scope, quality or timeframe – without EIB support. However, output additionality is challenging to assess, in particular ex ante. Given this, the current approach remains pragmatic but risks overlooking windfall effects.

2. THE USE OF THE AIM IN PRACTICE: INDIRECT FOR DECISION-MAKING, LIMITED FOR LEARNING

The AIM framework plays an indirect role in guiding project selection. At the pre-appraisal stage, an initial AIM assessment is required in advance of the Go/No-Go decision to appraise a project; at this stage AIM indirectly filters out operations unlikely to be eligible and to achieve acceptable AIM scores. Then at the appraisal stage, the AIM provides a “stamp of quality” by EIB experts: it complements other appraisal processes by demonstrating that the projects submitted for approval meet key eligibility and strategic requirements. However, beyond this “stamp of quality”, this tool contributes marginally to the decision-making process for project approvals. This is because the information presented – through narratives and its scoring system – lacks sufficient clarity and granularity to allow meaningful interpretation. It is also because the AIM framework's role in guiding investment decisions is not clearly defined.

The AIM assessment at the project completion stage is largely insufficient to enable accountability and learning. AIM sheets, including pillar ratings and project results indicators, are completed as part of the ex post assessment of all EIB operations. However, the information collected at this stage is often incomplete, inconsistent, or not up to date. In the completed projects analysed, ex post data was often a replication of ex ante data, not accounting for potential delays or partial disbursements. This is for several reasons, including difficulties reconciling data requirements with data availability from clients, as well as the fact that some indicators are less relevant or more challenging to track ex post (e.g., market failures, financial added value). This also reflects a lack of processes in place for extracting lessons from the AIM assessment at completion, in particular for operations inside the EU. In fact, the feedback loop at the project level relies primarily on individuals, not on structured processes: project appraisals rarely draw upon previous AIM assessments, reflecting broader challenges such as the often-limited use of project completion reports for identifying lessons. Learning and continuous improvement efforts are often not recorded, creating an over-reliance on individual memory and limiting institutional knowledge.

Accessing and using aggregate AIM data is challenging, which limits its use for strategic decision-making and for communication. There are clear examples of the use of (mainly ex ante) AIM data – including AIM ratings and project results indicators – for aggregate reporting and communication purposes. For example, the EIB Global Impact Report uses AIM data to report on outcomes generated by operations outside the EU; no equivalent report exists for operations inside the EU. However, accessing and using aggregate AIM data is challenging due to: insufficient data accessibility, broad rating brackets that are difficult to interpret, overly technical narratives accompanying AIM assessments, and challenges with the consistency, comparability and completeness of the underlying data at project level. These constraints also discourage aggregate analyses and impact-focused communication.

At the moment, the KPI associated to the AIM framework does not steer the portfolio towards higher additionality and impact. The EIB has established a KPI that focuses on the overall quality rating of projects assessed under the AIM framework during a given year. The KPI aims for an average portfolio rating of “very good” across all three AIM pillars. However, this target is not particularly ambitious: it aligns with the Bank’s historical performance and is further eased by automatic upward adjustments for certain policy objectives. These factors significantly diminish the role of the KPI as a driver for additionality and impact.

3. AIM PROCESSES AND SYSTEMS: FUNCTIONING BUT FRAGMENTED

AIM processes and systems are operational but remain fragmented in their structure and implementation. The AIM provides a unified entry point for both EU and non-EU operations, it requires a reasonable time investment from staff, it benefits from collaborative cross-service ownership and integrates well with other ex post reporting tools. However, inefficiencies were also identified, including: the duplication of efforts, a lack of automation between AIM and other processes and reporting requirements, and a document-heavy process for complex tasks. Enhancing automation and reducing redundancy would allow staff to focus on more meaningful analyses. While cross-service cooperation is valuable, the division of labour across teams is relatively complex and varies depending on the region, client, product, and stage of the operation; this complexity calls for strengthening the role of AIM coordination teams within Directorates.

WAY FORWARD

This evaluation reviewed the design and functioning of the AIM framework, and its ability to demonstrate how the projects supported by the EIB – a public, policy-driven financial institution – improve the lives of citizens. The evaluation found that AIM provides a strong conceptual foundation and aligns well with international standards, but its full potential is limited by design features and implementation challenges—such as incomplete policy alignment methods, inconsistent indicators, fragmented processes, and underused data.

Four recommendations are made to enhance the strategic value and use of AIM: (1) improve its design and implementation to enhance its usefulness for decision-making, learning, and communication; (2) explore a more ambitious KPI to steer the portfolio towards higher additionality and impact; (3) guide project teams in using AIM as a learning tool; and (4) streamline its processes and systems to enhance efficiencies.

Recommendation 1: Improve AIM design and implementation to enhance its usefulness for decision-making, learning and communication

- a) **Deepen analysis of a project’s alignment with, and contribution to evolving policy objectives.** For its intended users, it is important to know by how much an operation contributes to today’s policy objectives – how it makes an impact. The AIM framework does not fully respond to this demand: it does not fully capture evolving and recent priorities, applies uneven treatment of the various priorities, and its reliance on market failure market – although a stable and rigorous basis for assessment – does not adequately capture priorities such as EU energy security or technological sovereignty, which do not align neatly with traditional market failure categories. To enhance this, the evaluation recommends to: (i) define a more robust method for estimating the degree of project alignment and contribution to policy objectives, in addition to the market failure assessment; (ii) support the assessment with the definition of selected impact pathways at sector/theme/product level to clearly explain how a project will support broader policy objectives/impacts;

(iii) add consistency and granularity to Pillar 1 ratings by revisiting the rationale for “policy notches” (associated for example to extra points given to operations located outside the EU); (iv) make the framework more agile to include evolving policy objectives and priorities as they emerge.

- b) **Strengthen the methodological robustness of the AIM framework to increase its usability.** The relevance and consistency of indicators used to capture inputs, outputs and outcomes vary. Furthermore, the information presented through narratives is at times too technical, and the scoring system too abstract and aggregated to allow meaningful interpretation. It is therefore recommended to: (i) reduce the number of project result indicators, by focusing on those identified through impact pathways at sector/theme/product level; (ii) improve the quality and completeness of Pillar 2 and Pillar 3 sub-indicators; (iii) ensure consistency of the rounding approach and improve the granularity of the rating scale.
- c) **Improve the accessibility and user-friendliness of the data gathered through the AIM, including for communication purpose.** Challenges in accessing and using aggregate AIM data discourage both aggregate-level analysis and impact-focused communication. The EIB Global Impact Report shows that AIM data can be leveraged to report on impacts generated across operations. To enable more strategic use of aggregate AIM data, it should be made available in a format that is easily usable, understandable, and suitable for impact stories. Narrative assessments should also be reviewed to ensure they are accessible, avoiding overly technical language.

Recommendation 2: Explore a more ambitious KPI to steer the portfolio towards higher additionality and impact

Subsequent to Recommendation 1, Management could consider redefining the KPI to make it a stronger driver of additionality and impact. At the moment, the KPI associated to the AIM framework is not particularly ambitious, which diminishes its role as a driver for additionality and impact. Subsequent to the revised AIM design suggested under Recommendation 1, various options may be explored, including:

- Raising the overall portfolio target to reflect a higher level of additionality and impact, rather than maintaining historical performance.
- Introducing differentiated targets for specific AIM pillars (e.g., stronger emphasis on Pillar 1 – Contribution to policy objectives) to incentivise projects where the Bank’s value added is most critical.
- Applying higher thresholds for priority sectors or products that align with strategic priorities, to ensure resources are channelled towards areas with the greatest transformative potential.
- Combining two complementary dimensions: a quantitative target (tracking average rating across the portfolio) and a qualitative one (such as a percentage of projects rated “excellent” in specific areas) to create a dual incentive of maintaining strong overall performance and a push for a higher concentration of top-tier projects.

Recommendation 3: Guide project teams in using AIM as a learning tool

The EIB should explore ways to transform ex post AIM assessments into a meaningful learning tool for project teams, rather than a routine reporting exercise. Ex post AIM assessments generally suffer from incomplete, outdated, or inconsistent data due to limited client data availability, challenges in tracking certain indicators, and

a lack of structured processes for learning and feedback. While the AIM was expected to close the feedback loop, it does not support institutional knowledge. It is recommended to:

- a) **Consider discontinuing ex post AIM ratings, which offer limited insights for accountability or learning;**
- b) **Instead, concentrate ex post data collection on core outcome indicators, with a focus on understanding deviations from expectations; and**
- c) **Pilot for selected sectors, products, or themes, a structured feedback loop that enables project teams to draw on ex post findings to inform and strengthen the design of future operations.**

Recommendation 4: Improve the efficiency of AIM-related processes

Some key strengths of the AIM are its role in providing a unified approach both inside and outside the EU, its integration with some other project assessment tools, its reasonable effort requirements from staff and the fact that it involves collaborative cross-service ownership. However, inefficiencies include the duplication of efforts and lack of automation between AIM and other processes, document-heavy processes with fragmented ownership, and inefficient IT systems. It is recommended to:

- a) **Streamline AIM processes** by removing redundancies, enhancing automation (e.g. smart templates, auto-fill), and improving IT systems to support smoother workflows and better integration with IRIS. Automating data transfer using the golden source principle and refining system features (e.g. mandatory steps, alerts) would help shift AIM towards a more output-driven process.
- b) **Strengthen AIM coordination teams** to ensure consistent implementation and integration across the Bank. Clarifying roles and responsibilities would support coherent use and maintenance of the AIM framework.
- c) **Provide clear, user-friendly guidance and recurrent training to improve staff understanding and rating quality.** Simplified instructions—especially on complex areas like non-financial additionality, and environmental, social and governance (ESG) assessment—alongside continuous support would foster more consistent and robust assessments.

MANAGEMENT RESPONSE

The Management Committee welcomes the conclusions of the Evaluation of the EIB's Additionality and Impact Measurement (AIM) framework, recognising the importance of taking stock and drawing lessons to ensure that the AIM methodology continues to reflect the Bank's current business model and operational reality in an evolving geo-political context.

The Management Committee thanks the Evaluation team (EV) for the constructive dialogue with the relevant services throughout the evaluation exercise. The Management committee welcomes the evaluation's findings that the AIM framework remains fit for purpose and its methodology is sound, including in comparison with peers. Although AIM is considered a solid framework, Management agrees that adjustments can enhance its efficiency and usefulness by ensuring that AIM better supports the Bank's impact narrative. The recommendations made by EV to enhance the strategic value and use of AIM for internal and external communications, to streamline processes and provide further guidance to users will be duly considered from a legal, statutory, operational and resource implication aspect and where possible translated into concrete actions.

Note: full recommendation details are presented in the "Conclusions and Way Forward" section of the report.

Table 1: Recommendations and management response

RECOMMENDATION 1

Improve AIM design and implementation to enhance its usefulness for decision-making, learning and communication.

MANAGEMENT RESPONSE: PARTIALLY AGREED

The Management Committee acknowledges the need to strengthen AIM's usefulness for decision-making, learning, and communication. It is committed to implementing targeted improvements in three areas: (i) better reflection of policy alignment, (ii) refinement of methodological elements, and (iii) improved usability and accessibility of AIM data. Changes will need to be proportionate and operationally feasible. Specifically:

1.a) Services will reflect on and review the current structure and content of Pillar 1 and assess how it can be improved. Services will reflect on how alignment with policies and priorities could potentially be better reflected and assess adjustments where these add clarity and consistency. The Management Committee acknowledges the importance of developing selected impact pathways at sector, theme, or product level and will pilot how these could be linked to the AIM framework to support clearer communication of impact narratives.

1.b) The Management Committee agrees to explore ways to strengthen AIM's methodological robustness of Pillar 2 and Pillar 3 sub-indicators and supports a systematic review of project result indicators (PRIs) for clearer communication, while considering existing reporting obligations. However, any changes to the scoring system, including rounding and rating granularity, will be carefully analysed in terms of consistency and overall systems impact against their benefits.

1.c) The Management Committee agrees to take action to improve AIM data accessibility and user-friendliness to enhance internal and external communication.

RECOMMENDATION 2

Explore a more ambitious KPI to steer the portfolio towards higher additionality and impact.

MANAGEMENT RESPONSE: PARTIALLY AGREED

The Management Committee acknowledges the recommendation and considers it important to first explore how to leverage on the existing AIM framework to better capture additionality and impact. The need to review current levels of the KPI will therefore depend on how Recommendation 1 is implemented to strengthen AIM's usefulness in decision-making and better reflect policy alignment. Any potential adjustments to the KPIs will need to be carefully assessed, including in terms of strategic, operational, and business impact.

RECOMMENDATION 3

Guide project teams in using AIM as a learning tool.

MANAGEMENT RESPONSE: AGREED

3a) and 3b) The Management Committee agrees to rationalise and discontinue ex post AIM pillar scorings ("AIM at completion") to the extent existing reporting obligations e.g. in the context of EU mandates permit this. Instead, ex-post data collection should concentrate on project core outcome indicators that are meaningful for external communication and to understand deviations from expectations at project appraisal stage.

3 c) The Management Committee notes that the AIM (incl. ex-post project outcome indicators) is only one element within the broader monitoring and completion process that can support internal learning. Therefore, the Management Committee agrees to a broader pilot within this context focused on selected sectors, products, or themes to test the establishment of feedback loops on financial, technical and impact data. However, expanding beyond a pilot would clearly call for more resources.

RECOMMENDATION 4

Improve the efficiency of AIM-related processes.

MANAGEMENT RESPONSE: AGREED

The Management Committee acknowledges the importance of improving the efficiency of AIM-related processes and supports efforts to streamline workflows and reduce administrative burden. Automation across the project cycle could deliver efficiency gains provided it is supported by careful sequencing and IT resources.

With regard to coordination, the Management Committee notes the existing and well functioning collaboration between services and recognises the importance of further strengthening the AIM coordination function, in particular through clear governance with defined roles and responsibilities for the coherent implementation of the AIM framework. Finally, the Management Committee supports enhancing guidance and training for users.

CONTEXT AND SCOPE

THE AIM IS THE EIB'S TOOL FOR ASSESSING, DEMONSTRATING AND COMMUNICATING HOW IT MAKES A DIFFERENCE

As the European Union's financial arm, the EIB's goal is to support and contribute to the realisation of the European Union's policy goals. The Bank is a policy-driven institution: its activity supports key EU priorities inside and outside the European Union.³ Its high-level policy objectives are defined by the Treaty on the European Union and the EIB Statute, which call on the Bank to support less-developed regions, projects of common interest to Member States, economic productivity and the deepening of the internal market. The EIB has a defined set of public policy goals (PPGs) that align its business activity with such EU priorities.⁴ Targets for volumes of signatures are set against these goals within the EIB Group's Operational Plan.⁵

Given its role as a public and policy-driven financial institution, the EIB should demonstrate the value of, be accountable for, and seek to continuously learn from its activities.⁶ The EIB has a range of assessment tools for these purposes, including independent evaluations, ad-hoc in-depth impact studies, macroeconomic modelling (for instance drawing upon the RHOMOLO model),⁷ and project-level value added frameworks.

The Additionality and Impact Measurement (AIM) framework is the EIB's current project-level value added framework, and a key part of its toolkit for documenting results and fostering accountability. In 2021, the EIB rolled out the AIM framework, which replaced the its earlier results frameworks: the Three-Pillar Assessment (3PA), which focused on operations inside the European Union, and the Results Measurement (ReM) Framework, used outside the European Union.^{8,9} As well as replacing these two frameworks with a single approach for operations both inside and outside the European Union, the AIM placed added weight on the rationale for EIB intervention being to address market failures. It also introduced new features, including an "Additionality and Impact Statement" and pillar "Narratives" (which are qualitative descriptions of the additionality and impact of an EIB intervention alongside the quantitative scoring). With the AIM, the EIB sought to apply an improved and more consistent results measurement framework to all its financing products and geographies.

The overarching goals of the AIM are to better measure, demonstrate and communicate how the Bank generates impacts – or makes a difference to the lives of the citizens it serves. In doing so, it seeks to contribute to reinforcing awareness of the EIB's additionality and impact, and bolster its accountability as a public body. Therefore, though not explicitly set out in EIB documentation, the specific role of the AIM as a practical tool is twofold: to support investment decisions with project-level assessments of additionality and impact, and to report on results generated for accountability and learning purposes. The definitions of additionality and impact can vary across contexts and organisations. [Box 1](#) summarises how the EIB defines the two concepts.

³ EIB Group Operational Plan 2024-2026.

⁴ The public policy goals (PPGs) term has applied since 2015; before there were priority lending objectives in 2007-2012 and public policy objectives in 2012-2014.

⁵ EIB Group Operational Plan 2024-2026.

⁶ EIB, Measuring the EIB Group's impact: Methods and studies, 2021.

⁷ EIB, Assessing the macroeconomic impact of the EIB Group - 2022 update.

⁸ Several iterations of the EIB's value added framework have been implemented over time, all seeking to assess intended results from financed operations and understand the extent to which these have been realised. These included: 2005-2012: the Value Added Framework (VAF) was used inside the European Union and the Economic and Social Impact Assessment Framework (ESIAF) outside the European Union. 2012-2021: the Three-Pillar Assessment (3PA) was used inside the European Union and the Results Measurement Framework (ReM) outside the European Union.

⁹ For advisory operations outside the European Union, the ReM technical assistance component is still currently used alongside the AIM.

Box 1: EIB definitions of additionality and impact

Additionality

The EIB considers its interventions are additional if three conditions are met:

- EIB operations should address sub-optimal investment situations resulting from market failures. (The why of the EIB's intervention);
- EIB support should influence the investment activity undertaken (in terms of scale, scope, structure, quality and/or timeframe) to alleviate the sub-optimal investment situation (what the project does to address suboptimal investment situations and what difference the EIB makes in shaping it);
- EIB support should be complementary to what is available from other sources of financing (how EIB financing and advice make a difference).

Impact

In the context of this evaluation, impacts are the ultimate, or most far-reaching effects of EIB interventions on the lives of people across the European Union and the world. They refer to an indirect, broad, and/or longer-term effect of the intervention, intended and unintended, positive or negative. It is usually associated with the contribution to high-level policy objectives such as competitiveness or climate change mitigation.

Internal EIB guidance also indicates that the test of **additionality and impact** ensures that an EIB intervention facilitates and/or strengthens an eligible project from a public welfare perspective in a way that the market alone cannot, at least not to the same extent or in the same timeframe, notably by mitigating market failure.

Three pillars:

To facilitate the identification of operations that generate additional impacts, the Bank relies on the AIM framework, which sets out the above conditions through its three pillars:

- Pillar 1 (Policy): The EIB intervention should address sub-optimal investment situations arising from market failures – situations where the market would not provide a socially optimal level of financing to projects.
- Pillar 2 (Project Quality and Results): The EIB intervention should influence the investment activity undertaken (in terms of scale, scope, structure, quality and/or time) to alleviate sub-optimal investment situations. It should finance economically viable projects which present net social benefits beyond the net financial benefits – encompassed by the requirement that the economic rate of return is higher than the financial internal rate of return.
- Pillar 3 (EIB Contribution): The EIB intervention should provide financial and non-financial inputs that are complementary to what is available from other sources of financing on the market, thus making a difference to the realisation of the project. If an operation did not address market failures, this condition would mean that the market could potentially finance it, albeit, for example, at a higher interest rate. In this case, public support would have a windfall effect: financing a project that would have been financed anyway, thus crowding out private financing and giving revenue to the promoter.

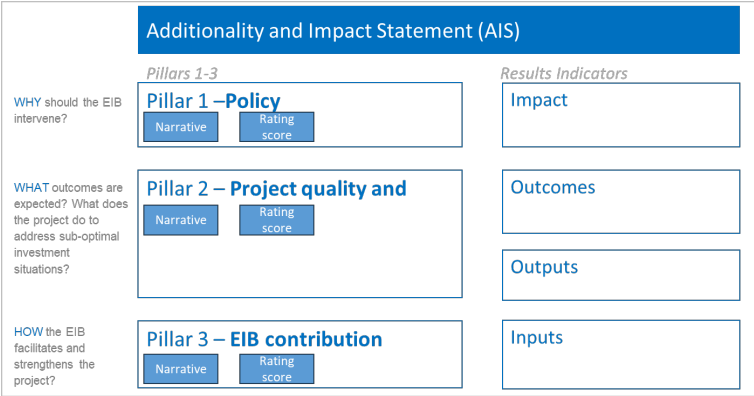
THE AIM FRAMEWORK IS STRUCTURED INTO THREE PILLARS

The AIM framework summarises the additionality and impact of operations through three ‘pillars’, as shown in Figure 1. Pillar 1 focuses on the why – or the rationale for an EIB investment due to the presence of market failures and relevant policy goals (as well as EIB eligibilities). Pillar 2 sets out the intended outcomes of that operation – or what it does to generate economic and social benefits, including employment, and to mitigate social, governance and environmental risks. Pillar 3 measures how the EIB specifically facilitates and strengthens the operation, providing financial and/or non-financial benefits or inputs beyond what would have been available on the market. An overarching score, essentially a weighted sum of several sub-components, is provided for each of the three pillars – alongside narrative descriptions for each. Scores are provided on a four-point scale of “Fair”, “Good”, “Very good” and “Excellent”.

The framework includes an **Additionality and Impact Statement (AIS)**, which provides an overview of the key additionality and impact elements of the operation. The Additionality and Impact Statement presents the causal link between the key aspects of all three AIM pillars, highlighting the strengths of the project. This should set out why the EIB is pursuing the operation, what it will deliver on and how the EIB will make it better.

Project results indicators, also highlighted in Figure 1, are not rated but provide detailed information on the expected and realised inputs, outputs and outcomes generated by an operation financed, in line with the results chain set out by the three pillars.

Figure 1: The AIM framework structure – three pillars supported by an Additionality and Impact Statement and Project Results Indicators



Source: Evaluation team, Additionality and Impact Measurement (AIM) training.

The specific methodology underpinning the AIM framework, and corresponding templates for AIM assessments, are delineated by products and regions of operation. Table 2 below sets out in detail the components and sub-components underpinning each Pillar rating – highlighting where methodologies vary. AIM assessments are completed using a dedicated ‘wizard’ integrated into the EIB’s internal IT systems. The AIM methodology draws on and is linked with broader project appraisal data and systems. In some cases, AIM ratings are automatically filled based on existing project appraisal data;¹⁰ future automation and efficiency gains are expected through a planned migration to a new IT solution.

¹⁰ For example, for direct lending operations the system automatically reads the employment, ERR and BSB values from the project appraisal wizard and proposes a rating within the AIM Pillar 2 assessment.

Table 2: Summary of AIM pillars and sub-elements

Pillar	Sub-component	Direct lending	Intermediated lending
Pillar 1	Narrative	Appraises the operation's alignment with policy objectives, or development priorities (outside the European Union), as well as market failures. In cases where the market failures are already substantially mitigated by other policy responses, this, and how these are complemented by EIB support, should be reflected.	
	Market failure rating¹¹	Assesses the extent of the sub-optimal investment situation or investment gap resulting from market failures relevant to the EIB operation - that is, in line with EIB PPGs – and how the EIB operation addresses these. To guide the completion of the AIM, internal guidance is provided mapping market failures to each policy objective – against which a rating must be selected. ^{12,13,14}	Firstly, a rating is selected (either 'fair' or 'good') based on the extent to which the operation targets geographic regions within which access to finance is constrained (such as EU cohesion regions, constrained regions as identified by the EIB investment survey).
	Cohesion (inside the European Union)	Where at least 50% of the project investment cost (PIC) is in a cohesion ¹⁶ region, ratings increase by one point relative to what is assigned through the market failure assessment.	Second, operations targeting particularly constrained/vulnerable companies (that is, an underserved company segment such as micro-enterprises or female-owned companies) receive an additional one or two scoring 'notches'. Scores are further increased where projects focus on policy objectives beyond just the SME/Mid-cap PPG (such as innovation, climate action). ¹⁵
	Auto notch (outside the European Union)	All direct operations outside the European Union automatically receive a one-point increase in their pillar rating, relative to what is assigned through the market failure analysis.	
	Strategic alignment rating (outside the European Union)	An operation's strategic alignment to development impact needs and EU development policy priorities in that country (i.e., both the EU interest ¹⁷ and the partner country's interest) are also assessed. Operations that are <i>strongly aligned</i> (rather than simply <i>aligned</i>) receive an additional point, whereas operations that are not <i>strongly aligned</i> cannot reach an 'excellent' score for Pillar 1. This is based on judgement, requiring a convincing causal argument linking outcomes to sector or macroeconomic impacts.	
Pillar 2 ¹⁸	Narrative	Assesses the quality and intended results of supported projects through an overarching narrative linking the project with expected outcomes.	

¹¹ The opportunity for the Bank's additionality is directly tied to the existence of market and/or institutional failures, and the specific attributes of the Bank which allow it to offer finance under reasonable conditions while still observing the principles of sound banking. Market failures also justify the interference of a public bank such as the EIB (due to malfunctioning of the markets – that is, no crowding out).

¹² Including the market failure associated with the cross-cutting climate action and environmental sustainability – that is, climate externalities.

¹³ The list of potential market failures is long, and goes beyond traditional textbook examples, by also including macro and coordination failures.

¹⁴ EIB PPGs are broken down into granular eligibilities and then aggregated back up into a set of policy objectives which apply across all operations. For each objective relevant to the operation, a rating is provided that reflects the degree or prevalence of market failures in that context.

¹⁵ This approach is applied only to MBILs addressing SME-related market failures. MBILs addressing non-SME market failures follow the same rating process as for direct operations.

¹⁶ Cohesion is assessed separately to market failures since the concept is more related to market/social equity than market efficiency.

¹⁷ The EIB is currently working to develop a definition for EU interest, and will continue to do so in cooperation with the European Commission.

¹⁸ The rating for operations targeting microfinance institutions, micro-investment vehicles, equity and private equity funds assesses results in terms of increasing access to finance, developing the financial sector and risk (in terms of soundness of the intermediary and quality of the operating environment). The assessment follows a similar approach to that for intermediated financing, but without a separate rating for employment.

Pillar	Sub-component	Direct lending	Intermediated lending
	Benefits	<p>Growth (40% of the overall rating): composed of the economic rate of return (ERR), assesses the economic justification for the project as estimated during its economic appraisal. This takes a broad view of the costs and benefits generated by the project – including financial and other benefits and costs to society to/from all stakeholders. It must exceed a certain hurdle rate.</p> <p>Broader social benefit (BSB) (15%): The broader social benefit indicator estimates the difference between the ERR and the financial internal rate of return (FIRR). This measures the project’s contribution to social welfare over and above its returns to private investors/financial stakeholders. It proxies the extent to which the project alleviates sub-optimal investment situations stemming from market failures. It must be positive.</p>	<p>Increasing access to finance and improving financing conditions for final beneficiaries (40%): measures intended results for SMEs/Mid-caps based on several possible sub-components including: the average tenor of sub-loans, transfer of financial advantage, improved competition, diversification of funding sources, novelty of the product, the extent to which the project operates in a shallow market, scale of finance made available by the intermediary, and additional benefits.</p>
	Risks	<p>ESG (30%): a composite indicator that measures the social and environmental risks, mitigations and positive impacts that a project may have, promoter capabilities and capacities, as well as contextual risks across all three dimensions. The overall score is an average across the three, equally weighted sub-components (10% each) – for environment, social and governance – calculated through a separate Excel-based tool.</p>	<p>Capacity and soundness of the intermediary and quality of the operating environment (40%): assesses the risks to delivering and achieving results based on the soundness and implementation capacity of the intermediary as well as the soundness of the operating and (for operations outside the European Union) macroeconomic environment.</p>
	Employment	<p>Measures the number of person-years (full-time equivalent) jobs generated (during construction) and sustained (in operation) per million euros of project investment. The overall rating corresponds to the higher of the two metrics (that is, employment during construction or in operation). It counts towards 15% of the overall score.</p>	<p>Measures the employment sustained in the SMEs/Midcaps supported per EUR million of the allocated lending. Contributes to 20% of the overall score.</p>
Pillar 3	Narrative	Summarises the EIB’s contribution and score – a weighted average of two sub-components: ¹⁹	
	Financial additionality	The EIB’s ability to provide financing that, relative to the market, has: longer maturities, more customised terms, a better financing structure (such as grace periods, sculpted repayments etc.) and financial advantages (that is, financial value added (FVA) – for operations inside the European Union only). The overall financial contribution score is a weighted average of each sub-component.	
	Non-financial additionality	A weighted average of five components – of which four are mandatory and one optional (bonus): the extent to which the EIB support mobilises or crowds-in financing, the difference made by the EIB’s financial advice and structuring support for an investment and its value to the client, the role of the EIB’s technical contribution and advice, and innovative financing (bonus). Outside the European Union, two additional elements are considered: the subsidy or grant amount provided by the EIB as a share of the lending amount, and the impact of the EIB on the promoter’s standards.	

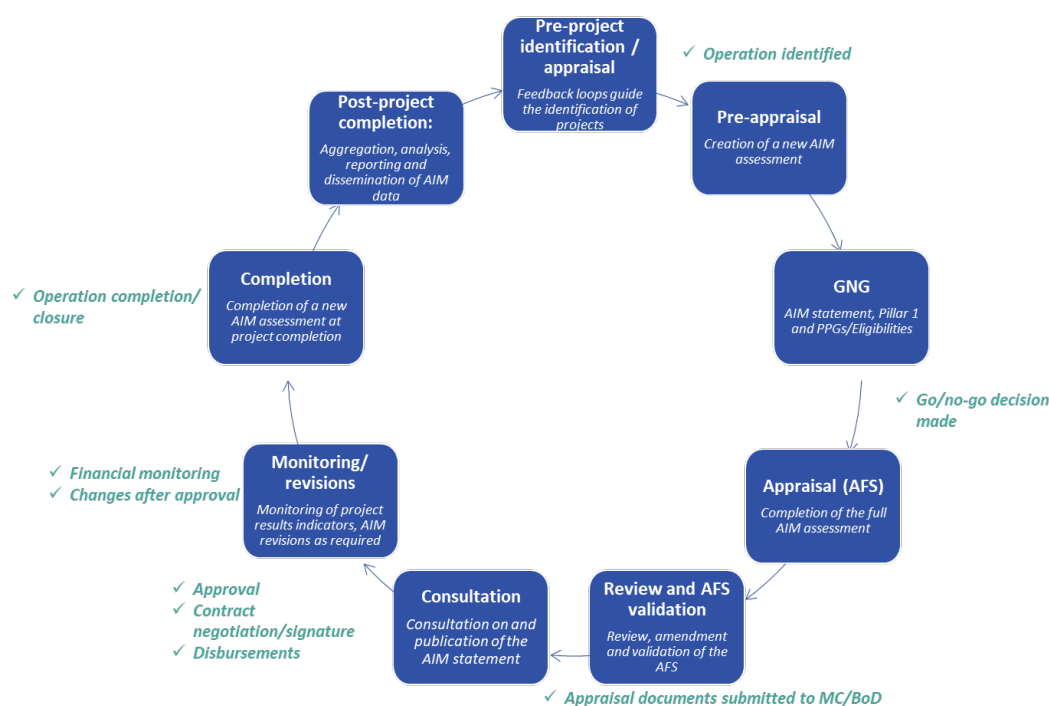
THE AIM IS TRIGGERED AT VARIOUS STAGES OF THE PROJECT CYCLE

The AIM assessment system is triggered notably at pre-appraisal, appraisal, and completion stages. The pre-appraisal and go/no-go stage is where the decision to appraise the operation for potential EIB financing is made. Its inclusion at this stage suggests that, by condensing information on additionality and impact in a standardised format, the AIM should help EIB decision-makers consider operations based also on their intended results, and

¹⁹ Weights allocated to each sub-component differ inside and outside the European Union and also between products.

whether the EIB would be well placed or required for these to be realised. On the other hand, the requirement to update the AIM assessment at project completion implies it should also track the results *realised* by EIB-financed operations, which should support learning, accountability, transparency and communication. Figure 2 below maps out, against each stage of the project cycle, the elements of the AIM assessment that are expected, in principle, to be completed. The evaluation assesses whether the AIM is relevant and indeed used at each of these stages throughout the project cycle.

Figure 2: The role of the AIM along the project cycle: overview



Source: Evaluation Division, EIB internal guidance. Abbreviations: AFS: Appraisal Fact Sheet, GNG: Go/No-Go, PPG: Public Policy Goal, MC: Management Committee, BoD: Board of Directors.

The AIM is also intended to be used beyond the project cycle. For instance, the AIM is used as the 7th criterion within the EIB's lending delegation framework: a low AIM score²⁰ flags an operation as high-risk, requiring Board-level review. It also feeds into one of the key performance indicators within the EIB's Operational Plan – impacting the Bank staff's overarching performance award.

Throughout the project cycle, the AIM involves inputs from various EIB services. From pre-appraisal to appraisal, the Projects Directorate, the Operations Directorate, and/or the EIB Global Directorate (depending on the specific operation – the type of product involved, geography, etc.), are responsible for creating and completing the AIM assessment, with input from the Economics Department. The Board of Directors and/or Management Committee are involved in the review and validation of the AIM assessment alongside the appraisal. Post-approval, the Operations Directorate initiates a consultation with the client on the AIM statement. Following project signature, the AIM statement is published and the assessment is updated through post-approval changes as required. Finally, a new AIM assessment²¹ –

²⁰ If both Pillar 1 and Pillar 2 ratings are lower than 'Very Good' or any of the pillars is rated 'Fair'.

²¹ The specific trigger for completing the AIM at completion assessment varies across EIB products. For Investment and Framework Loans, it is alongside the project completion report. For MBILs, it is at the end of allocation. For microfinance institutions, it is at the end of loan maturity, for microfinance investment vehicles, private equity and equity to banks, it is at the end of the investment period/fund life.

the owner of this process currently varies depending on the specific indicator and financial product.²² Throughout the project cycle, support is offered by specific AIM teams within the Operations Directorate, Projects Directorate, or the Economics Department, which review AIM assessments to verify their quality and consistency.

ABOUT THIS EVALUATION

As the EIB's key tool for measuring and communicating additionality and impact, the AIM framework must be reviewed to ensure it fulfils its role and remains fit for purpose. The AIM should help justify the Bank's 'raison d'être' – measuring and demonstrating its impact and enabling it to keep learning, improving and communicating. Thus, it is important to periodically review the relevance of the methodology underpinning the AIM framework, as well as its effectiveness, efficiency and coherence as a tool in practice. The need for continuous improvement in the measurement of additionality and results has been driven by high-level international financial institutions (IFIs)/inter-governmental cooperation groups in recent years. For example, the definition and measurement of additionality has been a topic covered in-depth in recent years by the Evaluation Cooperation Group (ECG) and the Managing for Development Results Working Group (MfDR WG). Generally, multilateral development banks (MDBs) have sought to improve their assessment and measurement tools (for example, through development of harmonised frameworks such as Harmonized Indicators for Private Sector Operations (HIPS0) and the MDB Harmonised Framework for Additionality in Private Sector Operations²³), and the G20 has requested this effort to continue.

This evaluation responds to a request, made by the EIB Board when it approved the AIM for pilot testing in 2020, to review the framework after a few years of implementation.²⁴ Almost five years into the AIM's full rollout, a meaningful initial analysis of both the framework and its practical functioning can now be conducted.

SCOPE

This evaluation covers all EIB operations inside and outside the European Union approved between 1 January 2021 and 31 December 2024. The evaluation encompasses 1 500 operations with a total net signed amount of €240 billion, of which 90% are operations inside the European Union, and 10% are outside the European Union. Investment and framework loans account for approximately 73% of the total net signed amount, while multiple beneficiary intermediated loans (MBILs) represent 16% and equity/quasi-equity and guarantees make up around 2% and 9%, respectively. The evaluation's analysis of the AIM scores includes investment and framework loans as well as MBILs, which together cover 94% of operations and 90% of the total net signed amount.

METHODOLOGY

This evaluation assesses whether the AIM framework is fit for purpose, adequately and efficiently deployed, and useful for its intended users. In doing so, it seeks to identify key barriers and enablers to the implementation and functioning of the AIM as it was originally intended, as well as areas for improvement going forward.

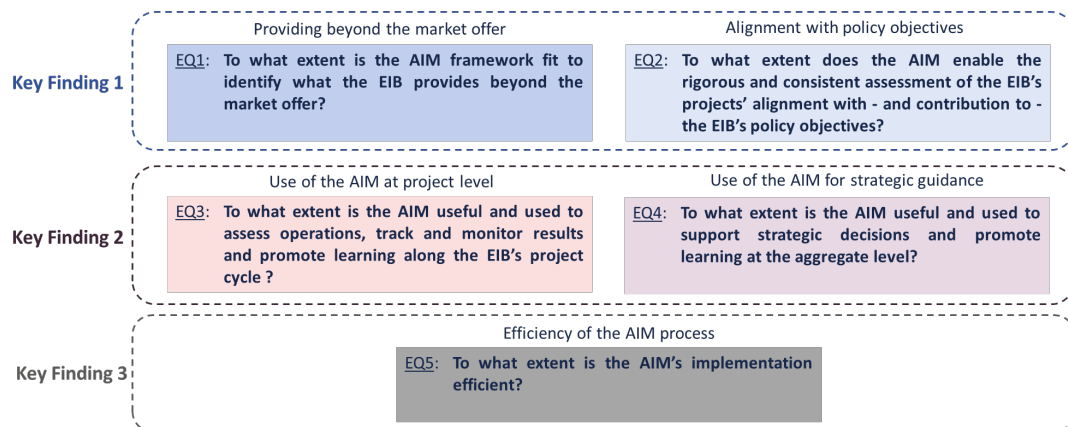
²² At the time of writing this report, the responsibility of completing the AIM at the completion stage is in the process being transferred to the Portfolio Management and Monitoring Directorate regarding the completion of Pillar 3, certain Project Results Indicators for Direct Lending operations and the completion of the full assessment for Intermediated Lending operations. Some indicators are still to be completed by the Projects Directorate and Economics Department at the completion stage. The Portfolio Management and Monitoring Directorate has not yet had the responsibility of completing the AIM assessments at completion stage for any of the operations within the scope of this evaluation. The Portfolio Management and Monitoring Directorate is considering ways of centralising the approach to the AIM ex-post assessment of projects.

²³ Asian Development Bank, Multilateral Development Banks' Harmonized Framework for Additionality in Private Sector Operations, 2018.

²⁴ European Investment Bank Evaluation Activity Report 2023 and Work Programme 2024-2026.

The evaluation answers five questions (see Figure 3 below). The first two questions probe the relevance and effectiveness of the methodology underpinning the AIM framework and are addressed in Section 1 of this report. The third and fourth assess the usefulness and use of the AIM at the project and aggregate level, addressed in Section 2. The fifth and final evaluation question examines the efficiency of the AIM as a tool, as well as its implementation process, and is addressed in Section 3. The full evaluation framework, including judgement criteria and guiding indicators, is available in Annex 3.

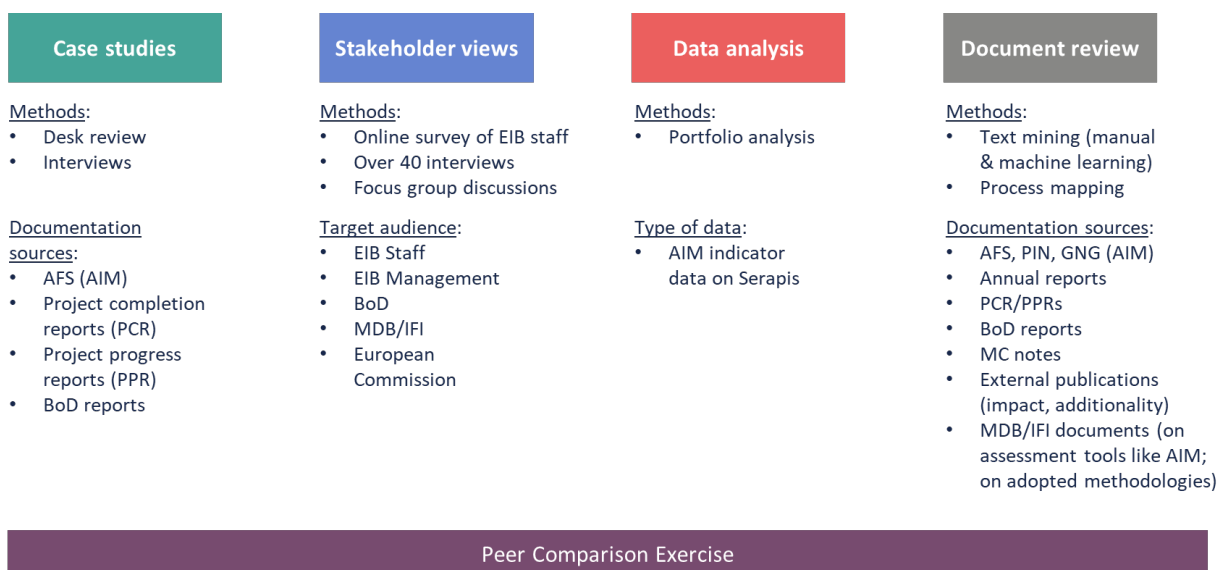
Figure 3: Evaluation questions



Source: Evaluation Division.

To answer these five evaluation questions, multiple data sources and analytical approaches were adopted to build a robust evidence base. The range of methods used for this evaluation are summarised in Figure 4 below and discussed in detail in Annex 3. Data gathered across these sources were triangulated when developing the key conclusions for this report. Considering the internal nature of the AIM framework, the evaluation mainly solicited internal data sources and counterparts.

Figure 4: Overview of methods used



Source: Evaluation Division. Abbreviations: AFS: Appraisal Fact Sheet, PCR: Project Completion Report, PPR: Project Progress Report, GNG: Go/No-Go, PPG: Public Policy Goal, MC: Management Committee, MDB: Multilateral Development Bank, IFI: International Financial Institution, BoD: Board of Directors, PIN: Preliminary Information Note.

1. THE AIM FRAMEWORK: CONCEPTUALLY SOUND, YET PRACTICAL LIMITATIONS REDUCE ITS USEFULNESS

Overall, this evaluation found that the methodological design underpinning the AIM framework is conceptually sound. The use of a project-level value added framework intended to demonstrate the rationale for a public bank's intervention is best practice. Furthermore, the AIM methodology is best-in-class practice, and its specific indicators measured across the three pillars are well-aligned with standards set by international financial institutions (IFIs), including the MDB harmonised framework for additionality assessment and the Harmonized Indicators for Private Sector Operations (HIPSO). In fact, the EIB's AIM is even used as a guiding framework by some peer national promotional banks (NPBs).

However, several challenges limit the AIM's ability to consistently and rigorously summarise the additionality and results of operations, reducing its overall usefulness. As will be discussed further in [Section 2](#), some of these relate to institutional incentives as well as clarity around the practical role and level of ambition for additionality and impact within the Bank. Other challenges relate to the methodological design and implementation of the AIM. The following subsections set out these challenges, as well as how they affect the credibility, consistency, meaningfulness and consequently the usefulness of the AIM.

1.1 THE AIM PROVIDES A SOUND FRAMEWORK FOR JUSTIFYING AN EIB INTERVENTION BY REFERRING TO MARKET FAILURES

AIM's Pillar 1 provides a clear framework to describe why an EIB intervention is justified based on market failures. Pillar 1 requires the EIB to document which market failures and policy objectives each EIB-supported project is expected to address. Under the 3PA and ReM (the EIB's value added frameworks prior to the AIM), the justification for EIB intervention only reflected an operation's alignment with policy goals and eligibilities. The market failure assessment was added to the design of the AIM framework to ensure that, as well as financing operations that are in line with EIB eligibilities and policy objectives, the Bank only steps in where the market alone cannot provide sufficient financing. This aligns with Article 16 of the Bank's Statute: the Bank shall provide finance "to the extent that funds are not available from other sources on reasonable terms". Further, the concept of market failures anchors the EIB intervention in economic theory, providing an objective and theory-based rationale.

Box 2: Market failures

Market failures refer to the economic concept that a market-based allocation can be socially sub-optimal as the price mechanism fails to allocate resources efficiently. An example of a market failure is a negative externality represented by CO₂ emissions or pollution: purely market-based allocation mechanisms lead to the production of goods and services with higher emissions levels than would be socially optimal, as the true cost the emissions impose on society are not borne by either the producers or the consumers of these services.

Market failures are often considered by public financial institutions – including IFIs, MDBs or NPBs – as a justification for public interventions in the market. The concept is also related to that of additionality, since it implies that public interventions take place only where the market is not providing a viable alternative due to a failure.

The AIM introduced the explicit consideration of market failures within the EIB's value added framework for the first time. It was added following the implementation of the European Fund for Strategic Investments (EFSI) – the regulation for which explicitly refers to market failures in its definition of additionality.¹ By referring to market failures, the EIB aimed to root the justification for its interventions in economic theory whilst ensuring its objectivity.

Several peer institutions also refer to the concept of market failures in the context of their value-added frameworks. However, in some cases, organisations explicitly chose to adopt a different angle. For example:

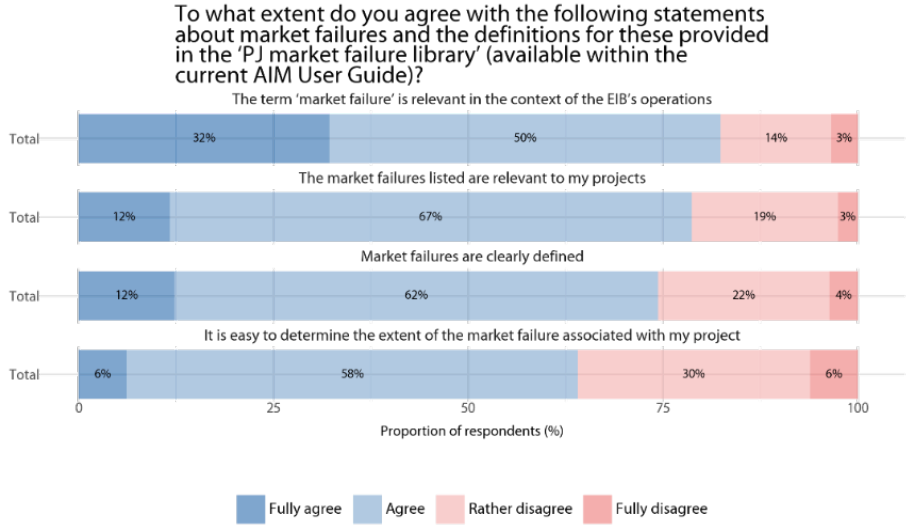
- One NPB interviewed purposely avoids the term 'market failure'. This is because in the context within which it operates (within the specific market, mainly with large blue-chip companies) traditional market failures are more limited. Instead of a binary assessment of market failures, the Bank refers to 'Degrees of Market Imperfection', considering the complementarity of its interventions to the market.
- One MDB reviewed does not assess market failures explicitly. This is because these are considered to already be embedded in the policy priorities that are set by the country and institution, based on country diagnostics.
- Another development bank conducts one-off analyses on issues relevant to its programmes, including assessments of the presence of market failures and whether there is room for it to intervene to correct those. Rather than a formal mechanism for assessing market failures within its value-added framework, it shares findings of the studies informally with its management, which uses them to shape its strategic priorities.

¹ According to Article 5 of the original EFSI Regulation additionality is provided when an operation: (a) addresses market failures or sub-optimal investment situations, and (b) could not have been carried out in the period during which the EU guarantee can be used, or not to the same extent, by the EIB, the EIF or under existing Union financial instruments without EFSI support.

The concept of market failures is generally well understood and accepted to be relevant to the Bank. EIB staff across all Directorates generally understand the concept of market failure and believe it is relevant to assess in the context of the AIM framework. They usually find that the concept has a clear operational value, though some find it to be too abstract and theoretical. For instance, as shown in [Figure 5](#) below, 82% of the staff surveyed agreed or fully agreed that the term "market failure" is relevant to the EIB, and 79% consider it relevant to their

projects. It was also noted that identifying market failures was relatively straightforward because the Bank tends to operate where these are more evident.

Figure 5: EIB staff survey: use of the concept of market failures



Source: EIB staff survey. Abbreviations: PJ: Projects Directorate.

Within the AIM, a theoretical framework was developed through which staff could identify relevant market failures. The AIM framework requires staff to identify and rate market failures that are relevant to EIB financing operations. As explained in the introduction section, a key component of the Pillar 1 assessment involves rating the prevalence of market failures associated with each 'policy objective' relevant to the project. In this context, 'policy objectives' refer to objectives mapped from EIB eligibilities which were in turn derived from EIB public policy goals. To facilitate this assessment, a market failure library was developed listing possible market failures, or 'policy objectives'. Over 70% of the survey respondents agreed or fully agreed that the market failures in the EIB library were clearly defined. The evaluation's review of project documentation, through deep dives and case studies, highlighted that the market failures relevant to each operation were systematically identified and described within the Pillar 1 narrative or AIS.

However, some theoretical challenges with the market failure concept were identified.

- **Some broad assumptions applied within the AIM scoring system regarding the extent of market failures across regions could, somewhat artificially, skew scores towards higher ratings.** For direct lending operations inside the European Union, Pillar 1 scores are automatically increased by one 'notch' if at least half of the operation financed falls within a cohesion region. Direct lending operations outside the European Union are also automatically attributed an additional 'notch'. Cohesion is treated separately to market failures given it is not related to market efficiency but rather the reduction of disparities. This is however inconsistent with some interpretations of this scoring system as capturing the assumption that market failures are more severe in less-developed regions within and beyond the European Union. Similarly, intermediated operations that fall within cohesion regions (alongside other regions as identified by the EIB investment survey) are assigned an additional 'notch' since it is assumed that these regions are more constrained in their access to finance. Though in some cases these underlying assumptions are well sustained (e.g., for intermediated lending, the EIB investment survey is used to identify regions that are finance constrained), in others they could be called into question. For instance, in some countries outside the

European Union where the EIB is operating (such as China), market failures may not be more prevalent than in some regions of the European Union. Furthermore, this uniform approach—applying the same assumptions across large and diverse regions—does not capture intra-regional differences.

- **The definition of market failures applied in the context of the AIM framework can be considered pragmatic from a social welfare perspective.** Indeed, a simple assessment of the degree or prevalence of a market failure is made, as it is not possible to measure how much the market failure actually costs in terms of social welfare.²⁵ This issue is common in the context of public banks, where market failures are interpreted and defined differently across institutions (see [Box 2](#)).
- **In a dynamic context, the focus on market failures to justify EIB intervention could be considered too restrictive.** The Bank could go beyond simply correcting market failures by, for example, playing a role in market creation or contributing to policy goals beyond market failures.
- **Whereas the AIM framework enables the identification of multiple market failures for a project, it does not provide explicit guidance on how to assess the overall effects of the EIB intervention in addressing some of them.** Theoretically, in the presence of several market failures, addressing one may not lead to the reduction of another, and the overall effect on social welfare is undetermined (i.e., where multiple distortions are present, removing one may not necessarily improve welfare).
- **The EIB does not sufficiently account for market failure mitigation measures already in place and their interaction with EIB financing, potentially inflating market failure assessments.** Cases where market failures are already mitigated should be reflected in the AIM Pillar 1 narrative, alongside how such responses are complemented by EIB support. However, the case studies analysed flagged limited analyses of how the EIB operates alongside other mitigating public interventions, as well as of the coherence, or synergies between these.

Several limitations were also identified in how market failure assessments were conducted in practice. Insufficient guidance, combined with a complex rating process, creates challenges relating to both the rating and narrative components of the market failure assessment. Specifically:

- **The market failure rating process requires a relatively complex, multi-step assessment that is not explicitly set out and therefore is not consistently followed as intended in practice.** Despite the availability of the market failure library, the overall process of rating market failures is complex, requires multiple steps, documents and systems.²⁶ This may be exacerbated by a limited availability of sufficiently detailed, accessible or user-friendly training to staff. Further, some of the staff interviewed were unaware of the existence of the market failure library, whilst others felt the definitions within it were outdated and too theoretical. In fact, the consultation and document review conducted highlighted that at times the market failures identified were inflated, or inaccurate.
- **Many AIM Pillar 1 narratives are generic and lack project-specific analysis, repeating standard market failure definitions without explaining their relevance or how EIB intervention addresses them, limiting their meaningfulness.** Internal guidance states that narratives accompanying Pillar 1 ratings should provide a detailed and project-specific analysis of market failures to be meaningful. However, these were often generic, with little evidence provided to justify the identified market failures and how these would be

²⁵ This is very challenging to assess, in particular outside the European Union. However, the one MDB assesses market failures by measuring the gap between the target country and best-performing peers in six thematic dimensions.

²⁶ For each policy objective identified as relevant to that operation, staff are required to take the steps of: (i) finding the list of possible market failures available in the Projects Directorate library, (ii) choosing which market failure(s) apply, (iii) assessing the prevalence of that/those market failure(s) within the context of that operation, and iv) selecting an appropriate rating reflecting the degree or market failure prevalence in the context of each policy objective.

addressed by the projects financed. In fact, some of the staff consulted and surveyed felt that market failure definitions (for example, those regarding access to finance) were more of a standardised, tick-box exercise. Further, consultations and document reviews highlighted a tendency for similar operations (such as within the energy sector) to, as a rule, signal the same market failures without explaining how the project targeted is affected and how the EIB intervention would mitigate this.

1.2 SPECIFIC DESIGN FEATURES AND IMPLEMENTATION CHALLENGES LIMIT THE ASSESSMENT OF ALIGNMENT AND CONTRIBUTION TO POLICY OBJECTIVES

Overall, the current approach to the assessment of policy alignment is partly inconsistent and lacks clarity. The EIB Operational Plan states that the AIM would help to ensure the Bank's financing makes a tangible impact by financing high-quality operations that are *fully aligned with EU policy objectives*.²⁷ However, the approach to assessing policy alignment throughout the AIM framework results in inconsistencies: while some policy objectives explicitly influence scoring, others do not, leading to uneven treatment. This is particularly the case for new or emerging policy priority areas. Beyond tracking policy alignment, the AIM is also limited in its ability to assess how, and by how much, a project contributes to policy objectives.

The EIB's activity is required to align with a multi-layered and evolving set of policy and strategic objectives. These include:

- High-level objectives defined by the Treaty and the EIB Statute.
- Public policy goals, which ensure broad alignment with key EU priorities, and against which signature-based targets are set.
- Additional EU-level priorities that emerge or evolve over time (for example, climate, digitalisation, security and defence, strategic autonomy, EU competitiveness).
- The EIB's 2024-2027 Strategic Roadmap, which introduced eight core strategic priorities building on existing policy goals set by the Bank by highlighting some existing programmes and introducing new ones. These focus on its contribution to closing Europe's investment gap.
- The United Nations' Sustainable Development Goals (SDGs), against which the EIB Group has been tracking and reporting its projects' contributions.
- External mandates (such as InvestEU, NDICI), representing a significant part of the EIB's activities. Whilst aligned with the EIB's overall policy goals, they are assigned specific objectives.

In practice, the overall approach to the assessment of policy alignment within the AIM Pillar 1 lacks clarity and consistency. The AIM Pillar 1 currently does not have a unified mechanism for assessing policy alignment. Different types of operations (such as intermediated lending, direct lending inside/outside the European Union) apply varied approaches, leading to inconsistency across products and regions. For all operations, an assessment of alignment with the policy environment is required within the AIM Pillar 1 narrative.²⁸ However:

- Intermediated lending operations receive one or two points if they contribute to policy priorities beyond the SME/Mid-cap PPG.

²⁷ EIB Group Operational Plan 2024-2026.

²⁸ EU directives, national strategies, and policies are consistently considered in the AIM statements of specific projects.

- Direct and intermediated operations outside the European Union can receive additional points depending on their strategic alignment to development needs (as established in country-specific, or EU priorities). The strategic alignment assessment can also limit points received in Pillar 1 as noted in the introduction section, operations that are not strongly aligned cannot reach an ‘excellent’ score.
- For direct lending inside the European Union, policy does not feature explicitly in the Pillar 1 scoring approach.²⁹ Instead, scoring is in principle designed to focus on market failures. This has some clear benefits, including a strong anchor to economic theory that helps to ensure the stability of the tool in a changeable policy environment. Nevertheless, in practice some policy objectives do explicitly enter into scoring. For example, direct operations inside the European Union can achieve a point within Pillar 1 for the project’s contribution to cohesion policy objectives.³⁰ In addition, the reliance on market failures for scoring does not adequately reflect current policy priorities or operational realities. For example, while ideally policy objectives should overlap with market failures, some cannot easily be reflected by market failures.³¹ In addition, market failures are relatively broad, and they by design do not reflect the latest priorities staff are asked to deliver on – at the project level, all market failures are considered equal.³²

Policy-relevant aspects play an important role in driving the overall Pillar 1 score. Box 3 below highlights that these varied approaches to assessing policy alignment within Pillar 1 not only feature in, but meaningfully contribute to driving the overall Pillar 1 rating.

Box 3: The importance of policy-relevant ‘notching’ within Pillar 1 scoring

For direct lending operations, the overall Pillar 1 score is largely driven by points awarded for alignment with policy-relevant aspects. Figure 6 shows that for direct lending operations outside the European Union, the additional points achieved due to an operations’ strategic alignment with country and EU priorities (the so-called ‘policy notch’) make a key contribution to the total Pillar 1 score, alongside points reflecting the assumption that market failures are greater outside the European Union (the ‘auto notch’). In fact, before these additional ‘notches’ are applied (i.e., when only the prevalence of market failures is reflected in the Pillar 1 score), 34.1% of operations were rated as excellent; afterwards, this figure rose to 78.3%. Therefore, AIM ratings for operations outside the European Union are somewhat artificially ‘inflated’ through these additional notches, in particular given operations inside and outside the European Union typically do not compete for EIB resources. The ‘cohesion notch’ for direct lending operations inside the European Union has a similar, albeit more modest impact. The proportion of operations rated “excellent” increases from 27.6% to 47.2% once the cohesion assessment was taken into account. This limits the granularity of AIM ratings since, in practice, most operations fall within the top rating brackets.

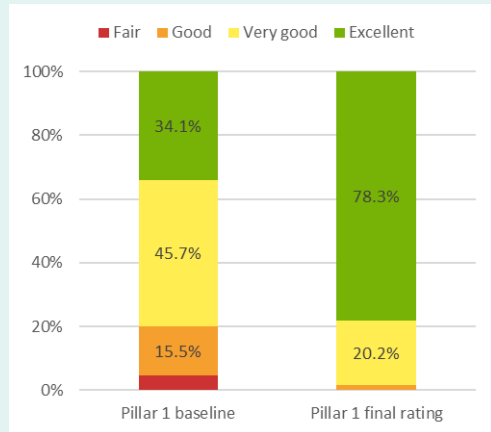
²⁹ Policy aspects are, however, linked to the concept of market failure for all direct lending, since these are mapped to PPGs and eligibilities.

³⁰ As discussed above, cohesion is treated separately from market failures since the concept of cohesion is related to market equity – it therefore could be considered a policy objective that enters the Pillar 1 scoring system.

³¹ Certain policy objectives such as climate change mitigation or innovation support can be mapped well into corresponding market failures. However, other policy objectives do not lend themselves well to this framework – for instance, defence, gender or strategic autonomy. Indeed, some interviews suggested that the Bank’s operations outside the European Union should be assessed in terms of the part they would play in advancing EU strategic interests (for example, development considerations, commercial interests of EU businesses, etc.).

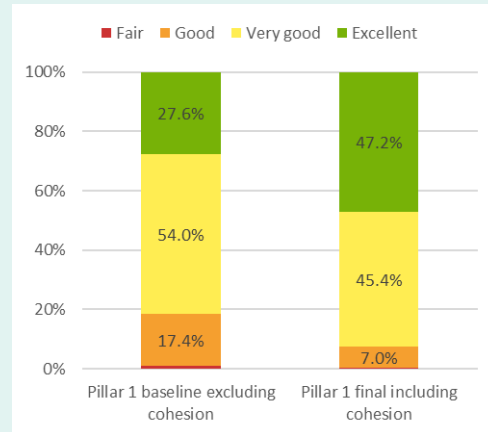
³² However, it is important to note that policy priorities are to some extent implicitly rated at the policy level, outside the AIM framework through the existence of volume targets in line with PPGs and more recently the Bank’s eight priorities.

Figure 6: Pillar 1 rating (Investment or Framework Loans outside the European Union) - influence of the auto notch and the policy notch



Source: Evaluation Division, based on project documentation.

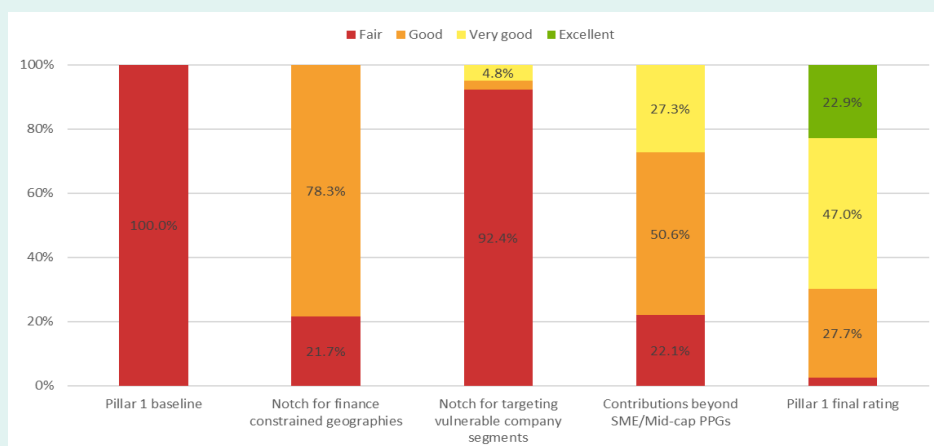
Figure 7: Pillar 1 rating (Investment or Framework Loans inside the European Union) - influence of the cohesion notch



Source: Evaluation Division, based on project documentation.

Similarly, **Figure 8** shows that for MBILs inside the European Union the relatively high Pillar 1 ratings achieved are largely driven by operations' alignment with policy-relevant aspects. Many MBILs inside the European Union received additional points for targeting policy objectives - PPGs and associated market failures - beyond the SME/Mid-cap objective. Instead, few received additional notches for targeting underserved segments¹ – suggesting that staff are disincentivised either from recording where operations do target these segments, or from tailoring operations further to achieve higher AIM ratings. For example, where MBILs already secure a very good or excellent score based on their level of access to finance (determined by geographical location of the operation) and contribution to policy objectives (for which they could receive a whole extra 'notch'), staff may not be encouraged to record that they are targeting particularly vulnerable or underserved companies (such as micro-enterprises, female-owned businesses) – for which operations could receive additional points in Pillar 1 but would require gathering additional project-level data.

Figure 8: Distribution and drivers for Pillar 1 ratings for MBILs financed inside the European Union



Source: Evaluation Division, based on project documentation.

¹ Operations outside the European Union are not presented due to their smaller sample size, however the analysis of underlying scoring offers a similar view: most operations receive a 'Very Good' score through the strategic notch alone, with the policy notch also contributing to increasing scores to 'Very Good' and 'Excellent'. Outside the European Union, though, a slightly higher share of operations receives extra notches for targeting vulnerable company segments (around 16% achieve two extra points and 19% receive one).

Policy alignment is also tracked through other elements of the AIM framework than Pillar 1³³, in particular through tags and flags that enter the framework in an *ad hoc* manner. While not initially designed for this purpose, the AIM has increasingly been used to track the EIB's contribution to policy objectives by adding ad-hoc tags and/or flags (such as gender, digitalisation, RePowerEU).³⁴ This reflects the evolution of policy priorities over time, which requires the Bank to focus its activities and monitoring efforts on certain areas. However, the ad hoc nature through which these evolving priorities are tracked means new priorities are not always weighted consistently.

Finally, even though the AIM Pillar 1 in its current form reflects - albeit with imperfections - policy alignment and the share of financing attributed to various eligibilities, it says little about how, and the extent to which operations contribute to policy objectives. Beyond the issue of policy alignment, the AIM is currently limited in its assessment of an operation's contribution to the advancement of EU policy priorities. The assessment within the AIM Pillar 1 narrative focuses on the extent to which an operation is in line with one or several EU policy objectives, and what share of financing is allocated to these, rather than how and by how much it is expected to contribute to progress these. This is in part due to the challenges in using the AIM to infer impacts, which will be discussed next.

1.3 THE AIM IS LIMITED IN ITS ABILITY TO INFER INTENDED IMPACTS

The AIM framework follows a results chain structure – with Pillar 1 assessing the impact-related aspects of an operation. Pillar 1 considers an operation's alignment with broader impact-related aspects (policy alignment, correcting market failures). The remainder of the results chain can be mapped onto other AIM pillars – with Pillar 2 summarising the outcomes directly attributable to the project such as its economic rate of return (ERR) or direct employment³⁵ and Pillar 3 setting out the EIB's inputs as a financier, including its advisory offer. The project results indicators underpinning the AIM framework track the specific inputs, outputs and outcomes of the project.

The AIM framework does not directly measure 'impact' in the sense of the long-term, ultimate effects of an operation. Even if its intention is to render visible how the Bank *makes a difference* to the functioning of the European Union and to the lives of the citizens it serves, the AIM predominantly focuses on assessing inputs, outputs and outcomes attributable to an operation. This is because, as a project-based tool, it is limited in its ability to measure long-term impacts within the timeframe of an operation – as they may not yet have been realised by project completion.

³³ For example best practice cost-benefit analysis includes policy objectives in the calculation of ERR by using appropriate accounting prices (Drèze and Stern). However, the extent to which this approach is adopted within the EIB in practice is unclear.

³⁴ In some cases, such as the digitalisation or RePowerEU flags, these are simple binary indicators used for monitoring purposes, whereas in others, such as for the gender tag, they involve ratings which have – albeit minor – implications on the AIM Pillar 2 score (see [Section 1.4](#)).

³⁵ For direct lending, Pillar 2 rates: (i) economic rate of return and broader social benefits, (ii) social and environmental benefits and risks and (iii) direct employment creation. For intermediated lending, it rates: (i) capacity and soundness of the intermediary and quality of the operating environment, (ii) increasing access to finance and improving financing conditions for final beneficiaries and (iii) employment generated.

Box 4: Impact – a variable concept at the EIB

EIB internal guidance defines impact as *how people are ultimately affected by the project*. In other words, impacts are the ultimate, or most far-reaching effects of EIB interventions on the lives of people across the European Union and the world.

However, the concept of impact is interpreted in various ways across the EIB Group, leading to differing understandings and, ultimately, confusion. These interpretations generally fall into two categories:

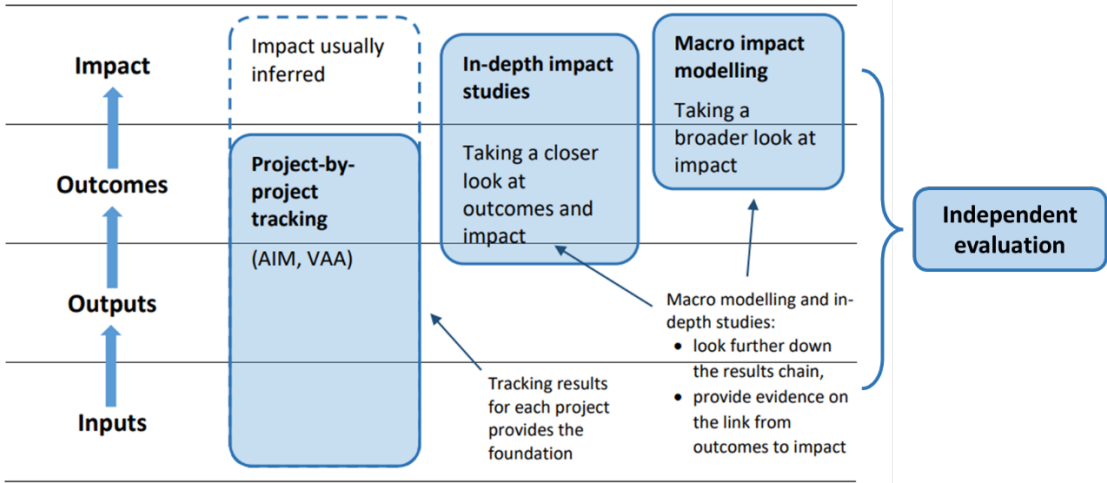
- **Impact as the ultimate effect of interventions on society:** this definition relates to the contribution of operations to broader policy objectives, such as enhancing EU competitiveness, improving well-being, or strengthening strategic autonomy. It reflects the indirect, longer-term societal effects to which EIB projects contribute.
- **Impact as a generic term, encompassing direct or indirect effects** and usually used for external communication purposes. The EIB's activity report for 2024 encompasses under "the EIB's impact" effects as diverse as kilometres of power lines installed, hectares of forest restored, number of new jobs created, or impact on EU GDP.

There are also several approaches to measuring impact, which can affect how it is interpreted. For example, impact could be measured using a macroeconomic modelling tool such as RHOMOLO-EIB or quasi-experimental methods at the microeconomic level to compare observable outcomes with a hypothetical scenario – called the counterfactual – where the intervention would not have taken place. Both approaches attempt to provide a rigorous assessment of the intervention's effect but can lead to different interpretations of the impacts of an operation.

The Bank draws upon tools other than the AIM to assess impacts. These include ad hoc in-depth impact studies, ex post evaluations and macroeconomic modelling – drawing on tools such as the RHOMOLO model.³⁶ EIB guidance states that these analyses should be used to both check impact-level inferences and refine the evidence base that informs the selection of operations. How the EIB draws on various tools to assess results along the results chain is represented in [Figure 9](#) below.

³⁶ EIB, [Assessing impacts on jobs and growth](#).

Figure 9: EIB tools for measuring results along the results chain



Source: EIB, 2021, *Measuring EIB Group Impacts: Methods and studies*; Evaluation Division. Abbreviation: VAA: Value-Added Assessment.

It is challenging for the AIM to enable project impact claims to be even inferred. Through its results chain structure, the AIM should enable impacts to be logically inferred from the inputs, outputs and outcomes defined. Intended impacts are mentioned throughout the AIM assessment (for example, in the AIS, Pillar 1 or at times the Pillar 2 narratives). However, the results chain underpinning the AIM is not sufficiently detailed. Firstly, the pathways to achieving intended impacts – how exactly a project is intended to generate outputs that lead to outcomes and then impacts – are not explicitly articulated (for instance, how an operation could contribute to the achievement of an EU objective such as energy affordability, increased EU autonomy, etc.). Further, impact claims should be based on well-evidenced assumptions – which are not systematically or explicitly identified within AIM assessments. For instance, investing in building new hospitals may result in an increased number of beds (output) allowing more patients to be treated (outcome) thereby reducing infection or mortality rates (impact), but such an impact depends on the quality and affordability of health services—factors not systematically captured in AIM narratives. The market failures library or the gender tag “quick paths” are examples of an effort to identify credible impact-level assumptions based on reliable evidence.

To strengthen the impact narrative at project level, standardised impact pathways could be explored. Theory-based approaches based on well-evidenced assumptions – including impact pathways or project whitelists – could be developed at the level of sectors, themes or products to front-load the bulk of the analytical work and simplify the ask on EIB project staff. Though a potentially resource-intensive exercise upfront, it may make way for a more standardised and consistent approach.

1.4 WHILE THE AIM ASSESSES OUTPUTS AND OUTCOMES THAT ARE ESSENTIAL FOR A PUBLIC BANK TO DEMONSTRATE, IT USES INDICATORS OF VARIED RELEVANCE AND USEFULNESS TO DO SO

Through its Pillar 2 and project results indicators, the AIM framework assesses several key outputs and outcomes that are essential for a public bank to demonstrate its effectiveness. As set out in detail in Table 2, Pillar 2 adopts a standardised approach, conducive to aggregation, to considering a project’s outputs and outcomes - focusing on three aspects: (1) the project’s contribution to economic and societal benefits, (2) the project’s contribution to employment, and (3) the project’s role in mitigating and compensating for any residual

negative environmental, social, governance and contextual risks, alongside its efforts to contribute to positive environmental and social outcomes. Project results indicators do not form part of the AIM rating but are intended to track project-specific output and outcome results, in line with the intervention logic set out within the AIM. In some cases, however, they underpin the assessment of the Pillar 2 indicator ratings for some components (for example, employment, positive social outcomes).

Several challenges with the design and implementation of project results indicators were identified that limit their usefulness in measuring project outputs and outcomes. Box 5 below sets out the key challenges identified in detail.

Box 5: While project results indicators seek to measure outputs and outcomes, design and implementation challenges in practice limit their ability to do so

Project results indicators should enable the Bank to monitor and communicate its outputs and outcomes at both the project and aggregate levels. Per EIB product, a standardised list of input and sector-specific project output and outcome indicators are made available to staff completing the AIM assessment, alongside core outcome indicators such as employment. Additional indicators can also be tracked. At the appraisal stage, a baseline value is estimated for each indicator, as well as the value expected after completion. At the project completion stage, indicators should be re-assessed.

However, three main challenges with the design and implementation of results indicators were identified, limiting their ability to accurately and consistently measure the intended and realised results of an operation.

- **The library of outcome indicators includes some which were found to be unfit for purpose.** Whereas most of the staff surveyed agreed that having a standardised list of indicators to choose from was helpful, responses were more mixed regarding the suitability of these indicators in demonstrating the intended outputs and outcomes of operations. Some indicators were found to be too generic,³⁷ not sufficiently tailored to the operation,³⁸ outdated³⁹ or too focused on project implementation rather than outcomes.⁴⁰ For several of the case study operations reviewed, the indicators followed did not fully reflect the broader or indirect effects of an operation as stated in the AIS or Pillar 1 and 2 narratives.
- **An overload of indicators has created risks of inconsistency across operations, sectors and divisions.** Over time, the number of available indicators has increased – with over 600 individual indicators used across the 1 500 operations within scope. This calls for simplification, consolidation of the large number of indicators into a smaller and more focused set, accompanied by guidance on how to select meaningful indicators to improve usability. Standardised project indicators could also feed into a smaller number of aggregated indicators that are relevant to a specific sector as well as for measuring cross-cutting corporate results.
- **Availability of data from promoters:** project promoters are usually expected to estimate the value of project results indicators. However, almost 40% of staff surveyed disagreed with the statement that project results indicators were mostly compatible with national or project promoter systems, suggesting an undue burden on counterparts and challenges relating to data availability. Here again, the rationalisation of indicators could improve capacity to collect complete indicator data and reduce burden.

³⁷ For example, some indicators tracked broad sector-level indicators such as healthcare expenditure.

³⁸ For example, it was reported that available indicators were not well suited to track innovation outcomes.

³⁹ For example, some health indicators used were no longer relevant due to changes in national legislation.

⁴⁰ For example, indicators often tracked progress with development of infrastructure rather than the outcomes generated by the infrastructure developed.

Similarly, there are issues affecting the meaningfulness and usefulness of the Pillar 2 assessment:

- **Pillar 2 combines highly diverse elements (compliance, promoter capacity, outcomes), complicating the interpretation of its rating.** The Pillar assesses a combination of: *indirect outcomes* beneficial to society at large, *direct outcomes* generated by the project, specific *project efforts or design features* that contribute to positive social and environmental outcomes, *compliance* with environmental, social and governance standards and *promoter capacity*.
- **In some cases, the weighting attributed to important sub-components raises questions regarding the extent to which they would tangibly contribute to, or be reflected within, the overall score.** For example, the economic rate of return, broader social benefit and employment indicators together comprise 70% of the overall Pillar 2 rating (for direct lending). Given this, it is unclear whether any subcategories of the ESG indicator (for example, positive social impacts), which as a whole is weighted at 30% of the overall Pillar 2 score, would ever influence the final rating in any meaningful way. This leads to a mismatch between the weight assigned to those indicators and the expertise, analytical capacity and data required to rigorously assess those. The low weighting assigned to those dimensions (such as social inclusion, resilience) doesn't encourage analytical efforts on aspects that are otherwise important to the Bank's impact narrative.
- **The data collected through Pillar 2 presents limitations in terms of its granularity, interpretability, and usefulness for portfolio-level analysis or learning.** For instance, the ratings and narratives often lack detail on whether a positive environmental rating under the ESG indicator stems from project-driven impacts, risk mitigation, or compliance with existing standards (the extent to which the rating is driven by the project or by a strong legal framework already in place). This lack of granularity limits the analytical value of the data and constrains learning across the entire portfolio.

Furthermore, sub-indicators under Pillar 2 are not always relevant, consistently applied, or complementary to one another. The following subsections explain these limitations with regards to the economic rate of return, ESG, and employment indicators. It is important to note that the Pillar 2 assessment approach varies according to the type of EIB product – so the methodology for assessing indirect lending operations, such as MBILs, differs from the one used for direct operations. The specific findings discussed in this and the following sub-sections are mostly relevant for direct lending operations. Nonetheless, some findings, particularly relating to employment and project results indicators are valid across templates.

DESPITE BEING THEORETICALLY SOUND, CHALLENGES ARE IDENTIFIED WITH THE ESTIMATION OF THE GROWTH (ERR) AND BROADER SOCIAL BENEFIT INDICATORS, AS WELL AS THEIR COMPLEMENTARITY WITH OTHER AIM INDICATORS

A solid theoretical foundation exists to estimate both the growth and broader social benefit indicators. Growth and broader social benefit are the first two sub-components of Pillar 2, amounting to 55% of the overall score for direct lending operations. Growth measures the economic rate of return (ERR) of a project. This takes into account the costs and benefits of a project to society, including all resources used (human, technological, natural) and the value generated for all stakeholders. To justify the EIB intervening, the ERR must not only surpass a hurdle rate, but it must also exceed the financial internal rate of return (FIRR) of a project. The broader social benefit indicator, considered separately within Pillar 2, estimates the difference between the ERR and the FIRR of a project. The delta reflects the distribution of net benefits between the project promoter and the rest of society by identifying the benefits that are *in excess* of the average annual return to financial stakeholders (therefore benefits that are not reflected in the prices charged).

Although the ERR and broader social benefit indicators rely on a recognised cost benefit analysis (CBA)⁴¹ methodology, two main challenges have been identified with their estimation in practice:

- **Due to data limitations, the ERR is often estimated qualitatively, and approaches to doing so vary across sectors/teams.** The ERR and FIRR should, in theory, be estimated quantitatively. However, data to numerically estimate or monetise benefits are often limited. Therefore, a qualitative approach is often applied to the ERR estimation. Where analysed qualitatively, AIM ratings for both the ERR and social benefits indicators are derived from qualitative sector-specific criteria aligned with overarching principles for ERR estimation. However, these guidelines are primarily developed by individual sector teams, leaving room for variation in the approach across sectors. For example, in some cases, the societal benefits recorded in the ERR were directly resulting from the project, in others they were linked to benefits outside the immediate project scope (for example, technology developed by the project later commercialised and taken up by the sector at large). The FIRR is always estimated quantitatively – meaning that in many cases the broader social benefit indicator is a combination of a qualitative and quantitative estimate.
- **Cases of overlap, rather than complementarity, between the ERR and other indicators were identified, creating a risk of inconsistency and double counting.** The type of information considered when estimating the ERR or broader social benefit sometimes overlap with that of other elements of the AIM. For example, the assessment of alignment with market failures is to some extent captured by the analysis of broader social benefits. Furthermore, the environmental and social impacts of an operation that are assessed through the ESG indicators – such as pollution – may also be considered by the ERR. In contrast, some benefits such as the broader economic benefits of gender equality may not be captured in the ERR. Indeed, where, within the ESG indicator, a project scores highly on positive social impact due to design features that address gender inequality, the ERR may not consider the resulting societal benefits.

WHILST THE ESG INDICATOR PROVIDES A SOUND SUMMARY OF ESG RISKS AND MITIGATIONS, IT OFFERS A MORE LIMITED ASSESSMENT OF POTENTIAL POSITIVE OUTCOMES AND IMPACTS

The ESG indicator attempts to capture within a single rating many different and transversal aspects – including project, context and promoter-related risks, mitigations and outcomes. ESG is the second main component of Pillar 2, representing 30% of the overall weight of the Pillar 2 score for direct lending operations. It assesses compliance and risk mitigation based on the application of the EIB’s environmental and social standards. It also assesses promoter capacity in terms of governance and determines contextual risks relating to all three areas. Beyond risks, the indicator assesses how the project might contribute to positive social and environmental outcomes. The latter is a more recent addition to the EIB’s measurement efforts, responding to the growing focus on outcomes such as social inclusion, gender equality, conflict prevention and resilience building amongst others.

⁴¹ It is also important to note that best practice cost-benefit analysis includes policy objectives in the calculation of ERR by using appropriate accounting prices (Drèze and Stern).

Box 6: The ESG assessment for direct lending operations

The ESG assessment consists of estimating three sub-components, each of which are equally weighted (10% of the overall Pillar 2 score) and made up of several sub-components:

- **Environment**, including: in line with EIB standards, negative environmental impacts and the measures put in place to avoid, minimise, mitigate or compensate for these (which makes up 45% of the environment score), positive impacts in terms of biodiversity and ecosystems, zero pollution, circular economy and resource efficiency (45%), contextual environmental risks (10%).
- **Social**: in line with EIB standards, negative impacts and how they are avoided (making up 45% of the social score), positive non-financial effects on the social wellbeing of a community and individuals in terms of gender equality, social inclusion and resilience building (45%), social contextual risks (10%).
- **Governance**: a measure of promoter capacity, including the quality of a promoter's management and governance systems, leadership and commitment to sustainability objectives, as well as the project vulnerability to contextual risks (considered together with no individual sub-weighting).

A spreadsheet is used to calculate these sub-components and associated scores. Within the AIM framework, overall scores for ESG as well as each of the three sub-components must be provided, alongside an optional narrative explanation.

Overall, the ESG rating provides a sound summary of the risks associated with each project as well as the extent to which these will be mitigated. The risk element of the ESG assessment is captured completely and consistently across operations. Nonetheless, while Pillar 2 of the AIM framework primarily focuses on assessing results, the assessment of ESG risks and mitigations is more indicative of the EIB Group's technical contribution to raising standards – particularly in operations outside the European Union – thus aligning more closely with Pillar 3 (non-financial additionality). Further, the feasibility and coherence of assessing all four sub-components of ESG risk – environmental, social, governance and contextual – under the same umbrella rating was questioned. For instance, it is unclear how governance-related risks (essentially a counterparty risk assessment) fit in with assessments of social and environmental risks associated with an operation.

Yet, the ESG indicator is less effective in summarising positive social and environmental outcomes. EIB environmental and social standards and definitions guide risk categorisation and the assessment of potential mitigations. However, the categorisation of positive outcomes/impacts do not benefit from such a clear framework, making them more challenging to consistently assess without expert knowledge or readily available data. This is particularly the case for social outcomes; these are not defined by an EU taxonomy and tend to be context specific. Although standardisation is necessary for ease of application, it is also particularly challenging in this context. In part due to these challenges, the assessment of positive ESG outcomes is often reliant on expert judgement. However, expert input is only available when completing AIM assessments for high-risk operations due to the risk-based allocation of resources. This, without rigorous and easily accessible training, increases the risk of inconsistent assessments in practice.

THE ASSESSMENT OF EMPLOYMENT LACKS COHERENCE AND UP-TO-DATE GUIDANCE

Employment is the third sub-component of the Pillar 2 assessment. For direct lending operations, it represents 15% of its overall rating score and measures the number of jobs created by an operation during construction

(temporary employment) and in operation (long-term employment). For intermediated lending, it measures employment sustained in the SMEs/Midcaps supported per € million of allocated lending – and represents 20% of the overall rating score.

The employment indicator presents some challenges in terms of coherence and rigour of its assessment:

- **Employment is simultaneously treated as a positive policy outcome and a project cost, depending on the lens.** Reporting on employment is usually requested by mandators (primarily the European Commission) and is thus captured as a separate indicator within Pillar 2. Yet employment created or sustained is also captured in the ERR (for direct lending operations) – as a fixed *cost* to the project before implementation and an operational *cost* to the project once implemented. This dual treatment raises questions about the coherence of the framework under Pillar 2, which rewards employment as a positive outcome on the one hand, and penalises it in ERR calculations as a cost burden on the other.
- **The portfolio analysis also highlighted a proliferation of employment-related project results indicators** – nearly 30 with partially overlapping names were identified – and a lack of clarity regarding their use and relationship with Pillar 2.
- **The assessment and disaggregation of employment (for example, by gender) face insufficient guidance, and difficulties obtaining estimates from promoters.** Stakeholders highlighted challenges in obtaining accurate estimates of employment generated from project promoters. Furthermore, whilst the EIB seeks to gather gender-disaggregated employment information and is committed to job creation for women, indicators concerning female employment are frequently set at a default of 50% of the total, suggesting challenges in either collecting gender-disaggregated data or in credibly estimating the disaggregation. Current guidance relating to the employment indicator does not exist in the case of gender disaggregation.

1.5 THE AIM ADEQUATELY CAPTURES THE EIB'S FINANCIAL CONTRIBUTION BUT PROVIDES LIMITED INSIGHT INTO ITS NON-FINANCIAL CONTRIBUTION AND OUTPUT ADDITIONALITY

Pillar 3 of the AIM framework sets out how the EIB specifically contributes to a project beyond what could have been provided by the market – the EIB's input additionality. In line with the MDB harmonised framework, the AIM considers additionality in financial and non-financial terms. The EIB's financial additionality includes the extent to which it provides financial benefits such as longer maturities, better pricing or more customised terms. The EIB's non-financial additionality considers its support in crowding in additional financing and providing access to innovative financing, advice or technical support.

Overall, the AIM framework supports a consistent *ex ante* assessment of the financial contribution of the Bank. Staff consulted generally agreed that the financial additionality component of the AIM was well developed. Of the respondents to the evaluation survey, 78% agreed or strongly agreed that the AIM was a useful tool in summarising the potential financial added value of the EIB. Some variation in the approach to, and potentially the rigour of, the estimation of the EIB's financial added value was found. For example, in some cases estimates of maturities or financial benefits (financial value added, in basis points) were based on real alternatives while in others, where such data was unavailable, they were estimated based on assumptions, drawing on past experiences of similar loans with similar clients. Nonetheless, both approaches are in line with internal guidance that, given data availability constraints, states that the FVA estimate should be based on the most likely alternative scenario.

Overall, the financial additionality of projects is particularly high, and has increased in recent years due to market conditions. The AIM methodology sets relatively equal weights across the overarching financial and non-

financial components of Pillar 3.⁴² In practice, Figure 10 and Figure 11 highlight that sub-components of financial additionality (such as maturity, financial benefit –the FVA – and customised terms) tend to receive higher scores than those of non-financial additionality. High financial additionality has, as shown by Figure 12 below, driven an overall increase in Pillar 3 scores over time – which is explained by increasing market interest rates, and thus the relative financial advantage of EIB financing, in the context of the COVID-19 crisis, post-COVID inflation and the war in Ukraine.

The sub-components of non-financial additionality generally contribute less to the total Pillar 3 rating score both inside and outside the European Union. Except for the crowding in effect, non-financial additionality components contribute less to the overall rating than the effect of rounding the score for each of the sub-components – in particular inside the European Union (Figure 10).

Figure 10: The contribution of the different components of additionality to the total Pillar 3 score, inside the European Union, Investment and Framework Loans

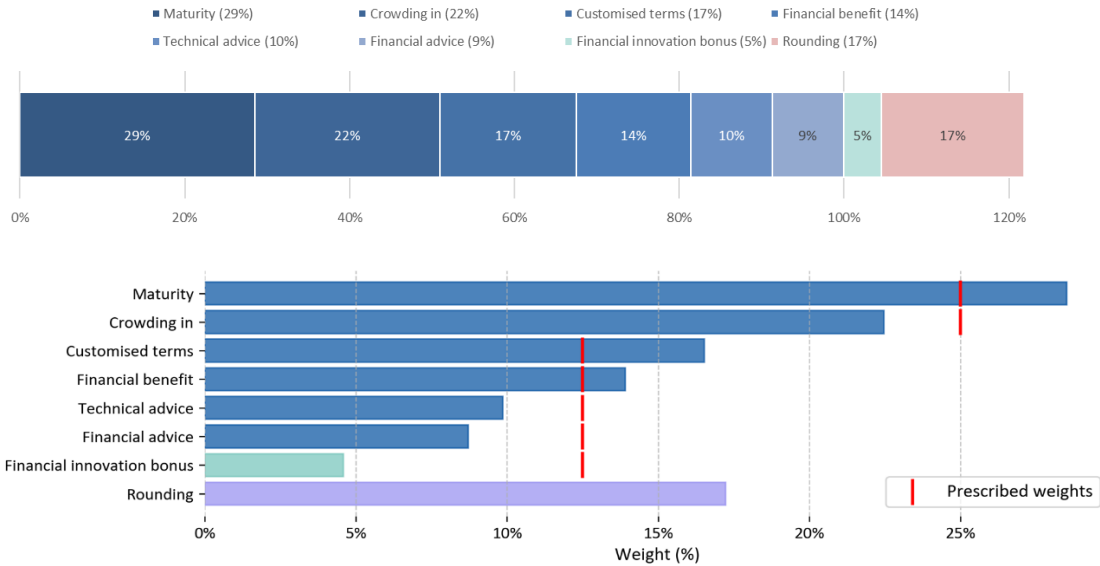
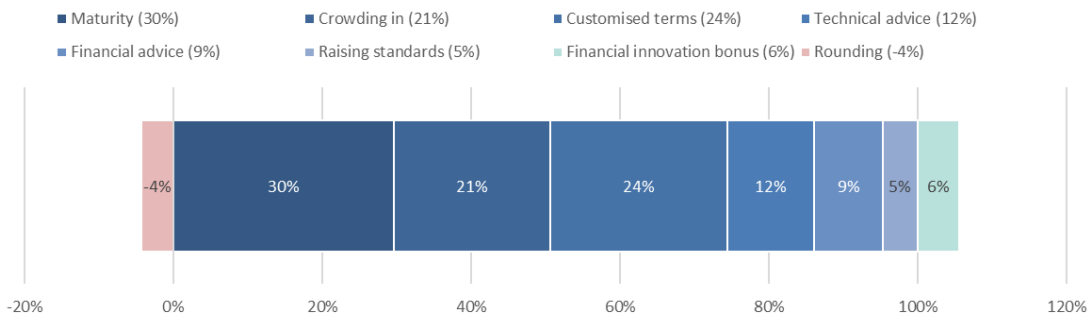
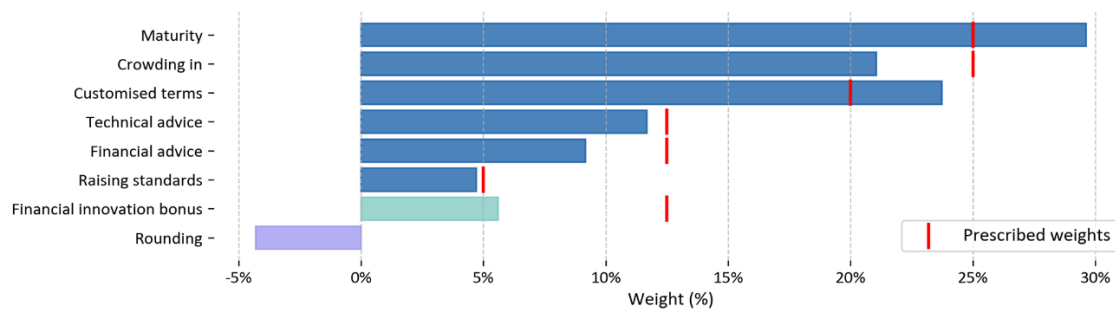


Figure 11: The contribution of the different components of additionality to the total Pillar 3 score, outside the European Union



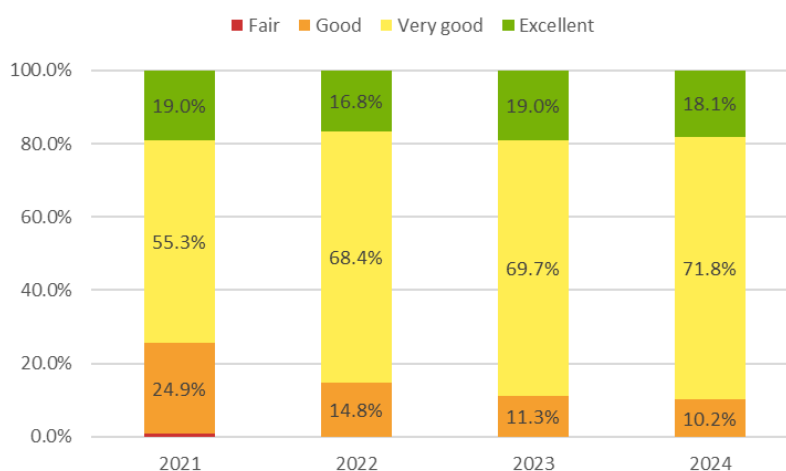
⁴² The weighting attributed changes depending on the product and geography but, overall, the weighting attributed to financial and non-financial components by the rating methodology remains fairly even. For Investment Loans and Framework Loans, the weight attributed to each component is 50%.



Source: Evaluation Division, based on project documentation.

Note: The upper stacked bar chart shows the relative weight of the average Pillar 3 score contribution within the average final score. We adjusted the denominator by subtracting the rounding and financial innovation bonus. Hence, the sum of the stacked bar may exceed 100%. Contribution is defined as the product of the prescribed weight for each sub-component and its score. We then aggregate the calculation using a simple mean. The lower grouped bar chart compares the actual weight (bar) against its prescribed weight in the manual (red marker). A bar above (below) the prescribed weight points at a high (low) relative score for the respective sub-component.

Figure 12: Pillar 3 – Share of ratings in each category over time



Source: Evaluation Division, based on project documentation.

The relatively lower contribution of non-financial additionality to the overall score is mainly explained by issues in its accurate and consistent assessment within the AIM framework, leading to underestimating its true value. The AIM framework was found to be less effective in defining and summarising evidence on the EIB’s non-financial contribution. Several challenges to this assessment were highlighted through the evaluation, relating to the AIM methodology, its implementation and the availability of guidance to do so:

- **In part due to a lack of guidance, the analysis of non-financial additionality is generally open to subjectivity and inconsistently rated across operations.** For example, amongst operations that received very good non-financial additionality ratings, some only benefitted from EIB monitoring and ad-hoc missions, whilst others had received more hands-on support (such as in structuring operations so they could be financed by the EIB). Ratings were found to be often based on subjective judgements, despite the availability of guidance for each sub-component of Pillar 3. Further, the often-limited availability of an explanation for the scores attributed within the AIM framework render assessments difficult to interpret or verify. Together, this evidence suggests a lack of sufficient, easily accessible and user-friendly guidance to support staff conducting assessments.

- **The value of the advisory provided by the EIB is not adequately taken into account in the AIM.** In particular, advisory provided upstream, or that is not directly linked to an operation, is often not accounted for sufficiently, or at all, within the AIM. In addition, several stakeholders consulted expressed uncertainty regarding what counted as a technical contribution by the Bank. As a result, inputs from advisory were at times conflated with broader technical contributions, leading to misinterpretation of their distinct roles. Further, advisory can play a role in generating impact at the macro, or policy level, which may not be adequately captured through a project-level assessment. [Box 7](#) below provides a more detailed assessment of these challenges.
- **The assessment of the EIB's role in crowding in financing is complex and currently lacks guidance.** Assessing the EIB's role in crowding in financing is inherently complex. It involves evaluating demonstration effects, market creation, and direct mobilisation—each difficult to verify and attribute, especially in multi-DFI operations.⁴³ While guidance exists, it remains insufficiently clear on how to formulate a judgement on causality and determine the extent of crowding-in. For example, a common assumption is that the EIB crowds in financing by only contributing up to 50% of the project cost. However, some operations attribute the full crowding-in effect to the EIB, even when co-financed, while others allocate it proportionally. This inconsistency is rarely supported by evidence in Pillar 3 narratives.

Given the methodological difficulty of estimating output or outcome additionality – which often requires a counterfactual analysis – the current approach remains pragmatic but risks overlooking windfall effects.

Output additionality assesses the extent to which a project may have gone ahead at the same scale, scope, quality or timeframe without EIB support. In the absence of output additionality, the financial contribution of the Bank would only have a windfall effect – providing cheaper financing to a promoter – and the EIB would crowd out private financing. This assessment is challenging to apply in a robust manner – in particular ex ante – often requiring a counterfactual. In fact, the Multilateral Development Banks' Harmonized Framework for Additionality in Private Sector Operations focuses on financial and non-financial inputs, rather than outputs, within its assessment of additionality. The EIB follows the Harmonized Framework approach, though it also partly assesses output additionality within Pillars 1 and 2 (for example, by addressing market failures the EIB should be intervening in areas where the markets would not otherwise have provided financing; and by implementing EIB standards, project risks are mitigated potentially enabling successful implementation). The EIB's 50% limit on contributions to the project investment cost is the main mitigation to avoid the risks of windfall and crowd-out effects, even where financing was provided to promoters with strong access to private markets.

⁴³ In fact, one MDB assesses additionality based on the collective contribution of all participating Development Finance Institutions.

Box 7: Advisory in the AIM Pillar 3

Advisory is an important aspect of the EIB's value proposition. It often plays a crucial role in the quality and feasibility of financed operations. It enables fast access to EIB financing, crowds in other sources, and is often unavailable with other financiers – thus being key to the EIB's additionality.

Despite the important role of Advisory Services, the AIM Pillar 3 faces challenges in the complete and consistent assessment of their additionality and impact. In particular:

- **For operations outside the European Union, the “ReM technical assistance assessment” is completed – a legacy item that is not included within the AIM Pillar 3 or addressed within AIM guidance documents.** This follows a similar structure to the AIM framework overall – developing a narrative framing for the intervention and identifying indicators to measure outputs, outcomes and the EIB's contribution. Data are captured at the start and end of an advisory operation. Despite its explicit focus on advisory, challenges were identified with the ReM technical assistance, including that it: cannot accommodate several donor reporting requests (such as for annual updates), draws upon a standardised list of output/outcome indicators (for example, number of people trained) which does not capture the complexity of advisory work, and may not accurately capture the link between advisory and projects financed.
- **Currently, advisory components are not considered separately to other forms of support provided by the EIB during project preparation – leading to an incomplete assessment of its true value.** Advisory components are reflected through the ‘technical contribution and advice’ or ‘financial advice and structuring’ sub-components of non-financial additionality – which do not explicitly single out Advisory Services and are each weighted at 12.5% of the total rating score. There is a case for considering advisory as a separate component of non-financial additionality, and for attributing greater weight to it, given its importance in generating additionality and impact independently from technical contributions by project teams during preparation (for example, loan structuring or monitoring). Doing so would better reflect its distinct value and help avoid confusion between formal advisory and broader project support.
- **The AIM Pillar 3 does not capture the effects of Advisory Services that are provided upstream or are not directly or immediately linked to the financing of a project.** For direct lending, staff are required to capture all dimensions of the technical contribution of the EIB – including upstream involvement of advisory services. However, since the AIM is linked to financing operations, it is possible that upstream support (for example, towards market creation), or support that is more indirectly linked with the financing of a specific operation (such as capacity building, creating an enabling environment for investment), would be missed or too methodologically challenging to capture within the AIM – despite potentially generating a pipeline of investments. Further, project teams responsible for completing the AIM assessment may not be aware of the role of upstream or other advisory support in enabling a specific operation to go ahead, if advisory services are not consulted.
- **In some cases, the role of advisory in supporting policy or macro level outcomes is not fully taken into account.** Advisory may enable operations to contribute to policy goals (for example by refocusing the project on policy-relevant areas) and in some cases support outcomes beyond the scope of a financing project (for example, by increasing capacity, mobilising financing). Yet, this role is not consistently taken into account under Pillar 3, from one project to another.

2. THE USE OF THE AIM IN PRACTICE: INDIRECT FOR DECISION-MAKING, LIMITED FOR LEARNING

Overall, this evaluation found that information summarised through the AIM is only partially used at the project, aggregate or strategic levels, illustrating insufficient clarity and granularity to allow meaningful interpretation. The AIM was envisaged as an assessment and reporting tool. In practice, at the project level, it plays an indirect role in guiding investment decisions. At completion, the information gathered across all AIM pillars as well as through the project results indicators is incomplete, inconsistent and only partially used. Whereas data gathered through the AIM do feature in some aggregate reporting, there is scope to better harness it to support aggregate analyses, learning, communication and strategic planning.

2.1 THE AIM WAS DESIGNED TO SUPPORT PROJECT-LEVEL DECISIONS BY EIB MANAGEMENT; IN PRACTICE IT PLAYS AN INDIRECT ROLE

The AIM framework was designed to help EIB management consider results, in terms of additionality and impact, when making *project-level* investment decisions. The EIB operates within a complex decision-making space when considering projects to select and approve for financing, balancing various priorities including operational volume targets, financial sustainability, risk and results. Ex ante, the AIM is designed to summarise technical information on the intended impacts and additionality of operations in a consistent and objective manner. Thus, it should support EIB decision-makers in effectively navigating this complex environment.

Overall, this evaluation finds that the AIM mainly plays an indirect role at the project selection stage and a limited role in supporting investment decisions, as will be discussed in the following subsections. At the pre-appraisal stage, AIM indirectly filters out operations unlikely to be eligible and to achieve acceptable AIM scores. At the appraisal stage, AIM effectively demonstrates that proposed projects meet key eligibility and strategic requirements. However, the practical way in which the information it contains should be used to inform such project-level decisions is not clearly set out. In addition, its role in guiding approval decisions is constrained by the limited interpretability of its ratings—reducing its practical influence and decision-making value.

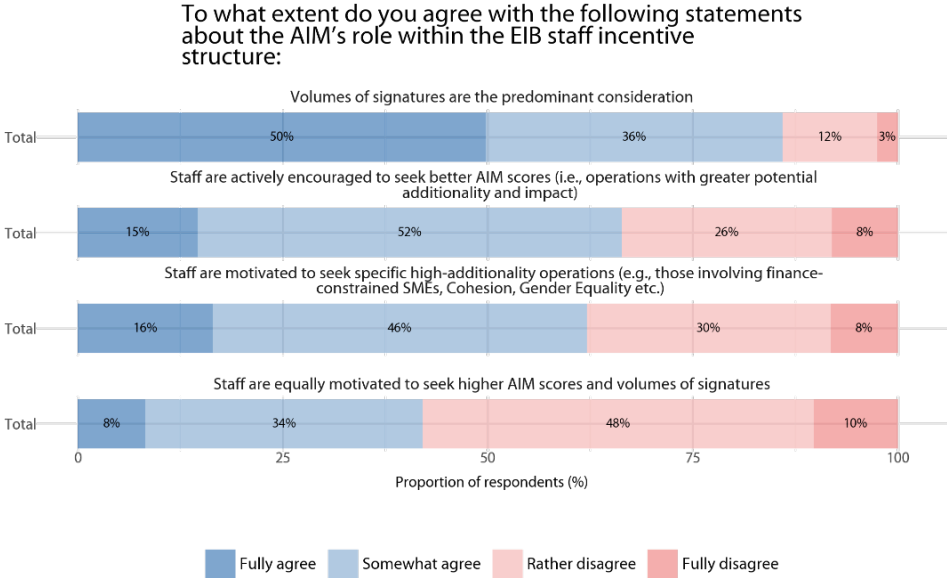
AT PRE-APPRAISAL

At the pre-appraisal stage, the AIM indirectly encourages staff to pay more attention to additionality and impact. Before the go/no-go decision, only the AIM's Pillar 1 and an initial Additionality and Impact Statement are completed. Thus, the AIM does not formally affect the initial decision to select a project for appraisal. However, completing these initial steps of the AIM assessment fosters greater awareness of, and emphasis on additionality and impact. It encourages an indirect or implicit filtering of operations by prompting consideration for AIM requirements at origination. This occurs because project teams, when assessing operations, are unlikely to proceed with a full appraisal unless they are confident that the operation is eligible and could attain an acceptable AIM score.

At the moment, the KPI associated with the AIM framework does not steer the portfolio towards higher additionality and impact. Given the role of the AIM assessment in the project approval process, achieving high AIM scores should increase the likelihood of an operation being approved – which serves as an inherent

incentive. However, incentives for most Operations Directorate staff are primarily linked to signature-based targets — favouring larger “tickets”. While this does not inherently conflict with the pursuit of additionality and impact, survey respondents largely disagreed that EIB staff are equally motivated to maximise both signature volumes and AIM scores (see Figure 13). Second, the complexity of accurately and consistently measuring and interpreting additionality and impact — particularly in relation to volume — makes it difficult to set performance targets for these dimensions. Finally, the only explicitly AIM-related operational target in place is a KPI focused on the average quality rating for EIB operations within a year, which aims at an average portfolio rating of ‘Very Good’ across all three AIM pillars. This target is not particularly ambitious since it aligns with the historical performance of the Bank and is rendered relatively easy to achieve due to automatic upward adjustments for certain policy objectives and intermediate rounding, as discussed in Section 1.2. For example, the presence of several automatic upwards adjustments within the AIM Pillar 1 score (e.g., the auto-notch for operations outside the EU) artificially inflates AIM ratings, meaning that most operations achieve either a ‘Very Good’ or ‘Excellent’ score. Therefore, this KPI does not effectively steer the EIB’s portfolio towards higher additionality and impact.

Figure 13: EIB staff incentive structures



Source: EIB staff survey.

AT APPRAISAL

The AIM complements other appraisal processes by demonstrating that the projects submitted for approval meet key eligibility and strategic requirements. The AIM provides a “stamp of quality” by EIB experts. A comprehensive AIM assessment must be provided alongside other appraisal documents when submitting a project for approval to the Management Committee or Board of Directors. Furthermore, the AIM includes several inbuilt mechanisms to ensure that operations meet certain additionality or impact-related requirements before they can be submitted for approval. For example, to ensure that a project brings sufficient benefits to society, its economic rate of return (ERR) must exceed a certain hurdle rate, and its broader social benefit indicator must be positive.

However, in practice the AIM plays a limited role in supporting or informing project approval decisions. Beyond providing a “stamp of quality”, the AIM contributes marginally to the decision-making process for project approvals. For example:

- Decision-makers at the operational level (such as heads of sector divisions responsible for the technical quality of operations) tend to rely on detailed appraisal documents for project-level decisions, rather than on the AIM which by design provides only a short summary of these documents.
- The AIM has occasionally been discussed by the Management Committee when (a) inconsistencies in project appraisal documentation were identified; (b) questions were raised around the rationale for providing EIB support or, (c) for operations outside the European Union, to discuss whether these aligned with EU policy in the country of operation. However, it is fair to note that these are rare events as the appraisal process is expected to filter out projects facing such issues. The AIM has also at times played a role in triggering discussions regarding how to improve potential projects by, for example, refocusing EIB financing on aspects of the project where the Bank could offer greater additionality. The evaluation did not obtain direct input from Board members to confirm the extent of their use of the AIM at the approval stage.

The AIM’s role in guiding investment decisions is limited because its contribution to approval processes is not clearly defined and its scoring system lacks clarity. Firstly, available documentation does not explicitly lay out how the AIM assessment is intended to be used for decision-making during the appraisal and approval process – or how considerations of additionality and impact should interact with other decision factors (such as volumes, risk). Secondly, AIM scores are limited in their ability to provide a basis for rejecting operations at the Management Committee or Board stage since they merely provide a summary of information gathered through an extensive appraisal, which in turn would have eliminated projects likely to be rejected. Similarly, projects of similar scope do not tend to come for decision simultaneously and therefore there is little opportunity to compare similar projects on the basis of a stronger AIM score. Some issues with the perceived meaningfulness of AIM scores also play a role in affecting its usefulness in supporting project approval decisions. These are summarised in [Box 8](#) and discussed further in [Section 1](#) of this report.

Box 8: Limited meaningfulness of AIM ratings undermines their use in project decision making

One of the key reasons AIM ratings have limited influence on project decision-making is their perceived lack of usefulness, stemming from lack of **granularity, interpretability, credibility**—and, most critically, **meaningfulness**.

- **The fact that the vast majority of projects fall into the two highest AIM ratings (against a four-level rating scale) makes these difficult for decision-makers to interpret.** AIM ratings are, by design, relatively aggregate – offering only four possible, abstractly named rating values (for example, ‘good’). In addition to this, currently between 85-90% of all operations score either ‘very good’ or ‘excellent’ across each of the Pillars – meaning that of the four AIM scoring categories, only two are most often presented to the Management Committee. This does not allow for granularity and meaningful differentiation between projects.
- **Intermediate rounding has a sizeable effect on final AIM scores, hampering their meaningfulness.** The AIM methodology prescribes that the final ratings for the sub-components of Pillars 2 and 3 are the weighted average of *rounded* scores for each. This rounding makes the overall scores less meaningful because each sub-component score underpinning the overall Pillar 2 or 3 rating is essentially inflated or deflated through rounding. For example, as shown in [Section 1.5](#) in more detail, for investment and framework loans within the European Union, rounding positively influences the Pillar 3 score distribution (creating a higher share of ‘excellent’ and lower share of ‘good’ operations), whereas outside the European Union, it has a negative impact (lower share of ‘excellent’ operations).

2.2 THE AIM ASSESSMENT AT PROJECT COMPLETION IS LARGELY INSUFFICIENT TO ENABLE ACCOUNTABILITY AND LEARNING

Beyond the project appraisal stage, AIM assessments are required at project completion. For direct lending operations, an ex post AIM assessment is required to be completed at the project completion stage and three years after completion for operations outside the European Union. For intermediated operations, it is conducted after the final allocation. Since the evaluation is taking place close to five years after the AIM’s initial rollout, the evaluation portfolio includes relatively few completed operations – around 60 out of 1 500 at the time of drafting this report – and therefore few ex post AIM assessments were available for review.

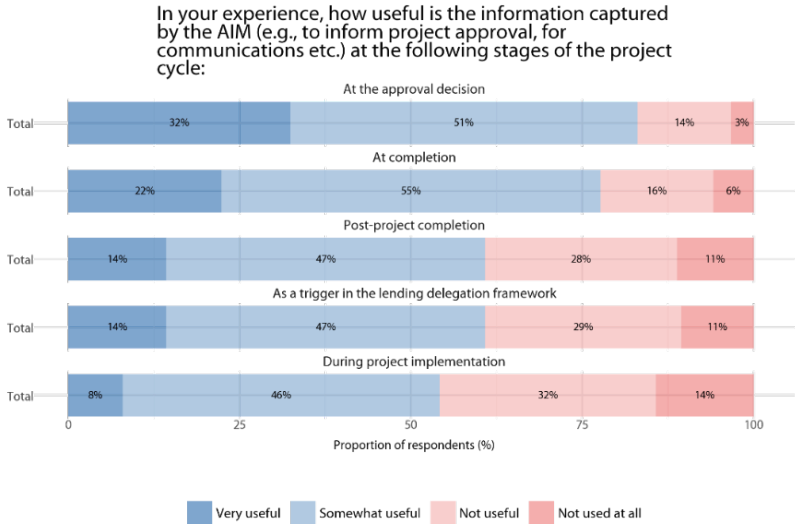
Within the relatively small sample of completed operations, the quality of AIM assessments at completion was highly variable. The information included in these assessments was often incomplete and inconsistent. In several cases, AIM assessments at completion did not accurately reflect changes to an operation or the outputs and outcomes it had realised. For example, inconsistencies in AIM reassessment practices have emerged: in one case, a project’s AIM assessment remained unchanged despite the cancellation of part of the EIB financing, while in another, all indicators were thoroughly re-evaluated. This was often attributed to challenges obtaining relevant data from promoters. For MBILs, challenges relate to the lack of integration between the allocation monitoring tool and the AIM framework, as well as difficulties in reconciling data requirements with data availability from clients and final beneficiaries of intermediated financing.⁴⁴ It was also noted that some sub-components of the

⁴⁴ The accuracy of data provided by clients depends on whether required data points are within their system’s capacity to provide, which in turn requires good dialogue between clients and EIB staff, and whether data requirements are clearly set out in formal contractual arrangements.

AIM pillar ratings, such as market failures and financial added value, are less relevant or more challenging to track ex post.

Alongside the variable quality of AIM assessments at completion, a lack of processes for reviewing this information limits the extent to which they can be used for accountability and learning purposes. There are no set or formal processes to review the information gathered through the AIM assessment at completion and extract lessons. This creates disincentives for staff to engage in detailed AIM assessments at the project completion stage. Equally, the variable quality of the analyses conducted affects the utilisation of data, creating a negative cycle. While the majority of survey respondents (83%) considered the information captured by the AIM framework to be useful at the appraisal stage, only 61% considered it useful post-project completion.

Figure 14: EIB staff survey: how useful is the information from the AIM framework at different stages of the project cycle



Source: EIB staff survey.

Overall, there is no consistent, documented feedback loop at the project level that draws upon the AIM. Project appraisals rarely draw upon past AIM assessments, whether at appraisal or completion. Where they do, information from previous AIM assessments was simply reused within new projects to speed up the process of completing the AIM, rather than to draw upon or learn from past experiences. This reflects broader challenges in the EIB’s approach to project-level learning and the limited effort dedicated to it. This is corroborated by the Evaluation Division’s experience across past evaluations, which consistently found that project reporting does not consistently offer practical value for learning.⁴⁵ Evidence from this evaluation further reinforces that the presence of an AIM assessment at completion—alongside a project reporting—does not bridge this gap. Whereas lessons learned may be effectively captured by staff, the fact that they are not recorded creates an over-reliance on individuals’ memory and limits the diffusion of knowledge across the institution.

⁴⁵ Several Evaluation Division Evaluations highlighted challenges with the quality and availability of information on project-level learning within monitoring reports. For example: the evaluation of the EIB’s special activities (2022) highlighted that ex-post data on the ERR was only available for 18% of the portfolio; the evaluation of the EIB support for agriculture and bioeconomy outside the European Union from 2014–2023 (2024) noted that reporting on project completion was very limited, relying heavily on reporting by the promoter which failed to capture the contributions to development objectives; and the evaluation of the EIB’s use of framework loans in addressing disasters and emergencies (2025) highlighted that reporting on completed framework loans was inconsistent and did not systematically present data on the outputs and outcomes achieved.

Furthermore, there could be an opportunity to use the AIM as a monitoring tool. The AIM framework is neither designed nor used as a monitoring tool; monitoring is undertaken exclusively through project reporting. This tends to focus on implementation progress, with little reference to the AIM framework, or the impact or additionality of an operation. Indeed, only 54% of survey respondents considered the AIM to be useful at the project implementation stage. While this is by design, it represents an opportunity to pay greater attention to additionality and impact during implementation and implement specific course-corrective actions to address any issues relating to this.

2.3 CHALLENGES IN USING THE AIM FOR AGGREGATE ANALYSES CONSTRAIN ITS STRATEGIC AND COMMUNICATIVE USE

AIM produces data that, when aggregated, can support continuous improvement, strategic decision-making and impact-focused communication. Aggregate analyses of data gathered through the AIM framework – including AIM ratings and project results indicators gathered both ex ante and ex post – have the potential to generate learning that could inform strategic decisions and support more effective communication. This is in line with some of the AIM’s key objectives - to bolster the EIB’s accountability, and better demonstrate, communicate and raise awareness of how the Bank makes a difference. In fact, alongside other tools employed by the EIB to assess impacts, the AIM should enable the Bank to continuously learn from and improve upon the operations it finances.

Although AIM data are occasionally used for aggregate reporting – especially for mandate-driven activities or those outside Europe – it remains significantly underutilised at the strategic level, limiting its potential to inform decision-making, learning and communication. Due to the limited quality of AIM assessments at completion (as discussed in Section 2.2) alongside challenges in comparing outcomes across operations at the completion stage (due to differences in contexts and timelines), most aggregate reports draw upon AIM data as estimated ex ante, rather than what is in fact realised ex post. Even for ex ante data gathered through the AIM framework, examples of it being analysed at the aggregate level were limited or unevenly applied across contexts. For example:

- Data gathered through the AIM framework are often drawn upon for mandate reporting – for example to fulfil InvestEU and NDICI reporting obligations. However, these mainly use project results indicators rather than AIM pillar ratings. An increasing number of project results indicators are also featured in aggregate reports such as the EIB’s annual press conference or on its contribution to SDGs.
- The EIB Group Operational Plan draws on AIM data, but mainly to report against the Bank-wide target of achieving a ‘very good’ ratings across all three AIM pillars.
- The EIB Global Impact Report uses AIM data to report on outcomes generated by operations outside the European Union. However, no equivalent report exists for operations inside the European Union, even though this is where the majority of EIB financing is concentrated.
- Some directorates or sector teams within the Bank have proactively performed their own aggregate analyses at the portfolio-level. These include a review of AIM pillar ratings at the aggregate level and over time to, for example, derive general lessons learned in terms of the additionality or impact of operations financed, or check for inconsistencies in how operations were rated/assessed. However, such analyses are not completed consistently across teams. In fact, about 40% of survey respondents indicated they had no experience with analysing AIM data – a much higher level of inexperience than was reported for the other survey questions.

The limited use of aggregate AIM data is partly explained by technical barriers.

- **As raised in Section 2.1, the limited granularity of the AIM’s four-point rating scale restricts the Bank’s ability to use it to guide its strategic direction.** While aggregate AIM scores are used as Key Performance Indicators within the Operational Plan, their strategic value is diminished by the narrow 4-scale scoring range. The current target of achieving a ‘very good’ rating across all three pillars is routinely met and therefore may not be sufficiently challenging. However, due to the 4-point nature of the rating scale, setting the target at the next level up (that is, the top score, or ‘excellent’) may become *too* ambitious. Without a more nuanced scale, the scores lack the precision needed to support effective target setting and strategic planning.
- **Limited access to, and usability of AIM data constraints aggregate analyses and impact-focused communication.** There is currently no consolidated system, dashboard or report containing standardised data from AIM assessments. Specialist input is required to access clean, usable aggregate AIM data and interpret it correctly. The cumbersome

process through which data can be requested makes aggregate analysis inefficient, discouraging proactive use. For example, the EIB Communication Department does not have direct access to AIM data or narrative statements and must rely on other services to obtain these. This limits the AIM's use for communication purposes, and thus the Bank's ability to communicate its value added in a consistent and data-driven way.

- **Current AIM data are not well suited for external communication: its ratings are too aggregate and its narrative too technical for a broader audience.** To some extent, the AIM has been used in external communications, particularly at the project level. In fact, the Additionality and Impact Statement (AIS) introduced by the AIM is published for each project, thus improving external communication at a project level. The AIS is also drawn upon by strategic decision-makers within the Bank for communication purposes – for example at conferences. Yet, AIS are often perceived as being too technical to effectively communicate the impact narrative of a project to an external audience. The fact that these are presented as narrative statements tailored to each project also means they are difficult to aggregate consistently. AIM scores themselves, though more easily aggregable, are by design relatively abstract (i.e., 'good' or 'very good' – as noted in [Box 8](#)), making them difficult to communicate or interpret.

2.4 THE AIM'S LIMITED ROLE IN PRACTICE IS ALSO ATTRIBUTABLE TO A LACK OF DIRECTION ON ITS SPECIFIC USE AND VALUE

The AIM's high-level objectives are clearly stated. They are twofold:

- The AIM is expected to **support investment decisions**, by correctly estimating the potential additionality and impact of operations ex ante. This should enable the EIB to steer its portfolio towards operations that not only meet eligibilities or are aligned with policy goals, but where the EIB is best placed to generate added value and impact. At the aggregate level, the tool should support decision-makers when balancing priorities – including operational volume targets, financial sustainability, risk and results - and guide investment decisions towards greater additionality and impact generation.
- The AIM is expected to **support accountability and learning**. At project level, it should demonstrate and communicate both internally and externally how the EIB contributes to policy objectives and adds value relative to the market, justifying the need for its intervention. It should also generate learnings regarding the EIB's impacts and added value to foster continuous improvement. At the aggregate level, this should improve the quality of operations as well as strategic decisions regarding where and how the Bank should focus its resources. Aggregate communications drawing on the AIM should enhance an impact-focused culture within the Bank, and raise awareness on the need for, and specific benefits of, the EIB as an institution.

However, processes and practical guidelines for using the AIM are not fully conducive to the achievement of these objectives, leading to confusion and frustration amongst staff about its value and role. As noted in [Section 2.1](#), there is a lack of direction surrounding the level of ambition for additionality and impact at the portfolio level – given the insufficiently ambitious KPI. Staff are also generally unclear on what, and by whom, the information input, particularly at the project completion stage, is eventually used for – whether that be reporting, learning, accountability, communication or decision-making. Many did not see the value in the AIM, apart from as a summary of analyses completed through other project appraisal processes for decision-makers at the project approval stage. This ambiguity led to frustration and reduced staff motivation to prioritise AIM analyses.

The AIM may not be the only tool to fulfil all purposes outlined above, but there is a need to clarify which role it does intend to play. For example, as noted throughout this report, the AIM was in fact not designed, or intended to be used for the assessment of impacts. Reviewing all potential roles for the AIM and focusing on those it is most suited to may enable it to be used more strategically, and therefore more effectively. This could support greater engagement in, and understanding of the tool by staff, enhancing the results-focused culture within the Bank.

3. AIM PROCESSES AND SYSTEMS: FUNCTIONING BUT FRAGMENTED

Overall, AIM processes and systems are operational but remain fragmented in their structure and implementation. The AIM provides a unified entry point for both EU and non-EU operations, it requires a reasonable time investment from staff, benefits from collaborative cross-service ownership, integrates well with other ex post reporting tools, and is expected to become more efficient through automation – since at the time of drafting this report, the EIB is undergoing a transition to a new IT system which is expected to automate several aspects of the AIM assessment. Yet, the AIM is also constrained by several inefficiencies; including those stemming from the implementation of the AIM methodology and related IT system. Further, as noted in [Section 1](#) and [Section 2](#), the tool could benefit from a review of its purpose, and of each data point gathered. The more complex and technical parts of the AIM still rely heavily on documentation and expert judgement. There are opportunities to simplify and make the process more data-driven and user-friendly – such as through further automation.

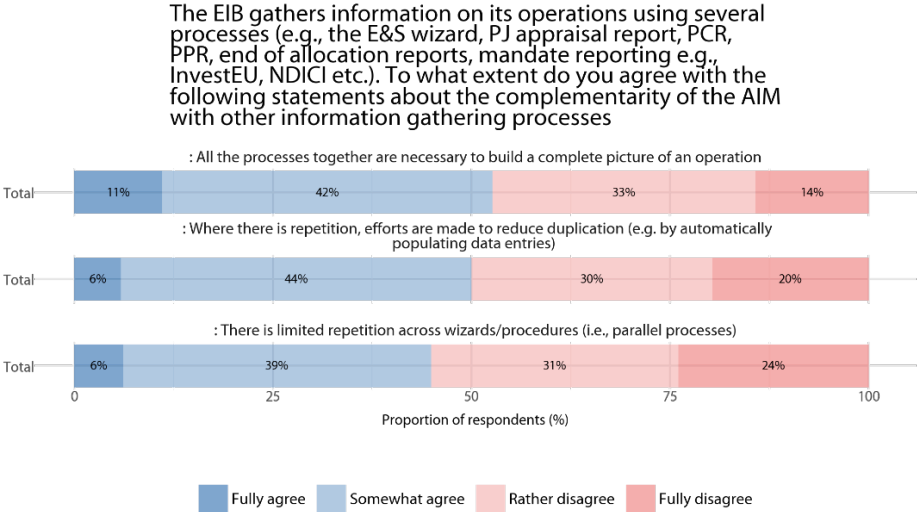
Since the AIM is a summary tool, it generally requires a reasonable time input from staff to complete. The majority of staff surveyed reported spending at most two days to complete the AIM at appraisal, and at most one day at completion. Thus, the AIM assessment does not account for a large share of the overall time to market for an operation. Since the AIM principally draws on analyses conducted as part of other project appraisal processes, it is to be expected that it would not require a significant time investment from staff.

The AIM integrates and complements well with other ex post reporting tools. The AIM complements other project-level information gathering tools used by the EIB to track implementation, capture lessons learned and fulfil mandate-specific reporting requirements. Overall, the evaluation found no inconsistencies or incompatibilities across these processes. While mandate-level reporting comes with additional data requests, InvestEU reporting was highlighted as an example of strong alignment with AIM data gathering and reporting processes. This alignment was supported by the concurrent development timelines of AIM and InvestEU, allowing for a harmonised and purpose-built reporting approach.

Nonetheless, due in part to its nature as a summary tool, there are duplicated efforts when completing the AIM – suggesting that time spent doing so may not be used optimally. The AIM is intended to summarise information from other appraisal or project completion processes, in a manner that highlights additionality and impact. By design, AIM data may therefore be repetitive of that included in other documents. However, staff have noted opportunities to improve efficiency. As illustrated in [Figure 15](#), a notable share of survey respondents felt that project-level information gathering could be streamlined further, to minimise duplication. Many users highlighted the repetitive nature of data entry across documents and wizards, often resorting to manual copy-pasting from appraisal documents into the AIM. Within a single AIM assessment, staff frequently reuse content from previous assessments – especially for client-driven elements like the FVA. This suggests that time spent on the AIM is partly absorbed by low-value tasks.

Enhancing automation and reducing redundancy would allow staff to focus more on meaningful analysis, supporting the Bank's broader goal of accelerating time to market. There is a strong call for better integration, automation, and simplification across different analyses to improve efficiency. Some efforts are currently being made (for example, the AIM system automatically reads the employment, ERR and BSB values from the appraisal wizard and proposes a rating). Yet further automation of data transfer from other appraisal documents - using the golden source principle – would further improve efficiency.

Figure 15: Staff survey responses on the extent to which they agree with several statements regarding the complementarity of the AIM with other information gathering processes

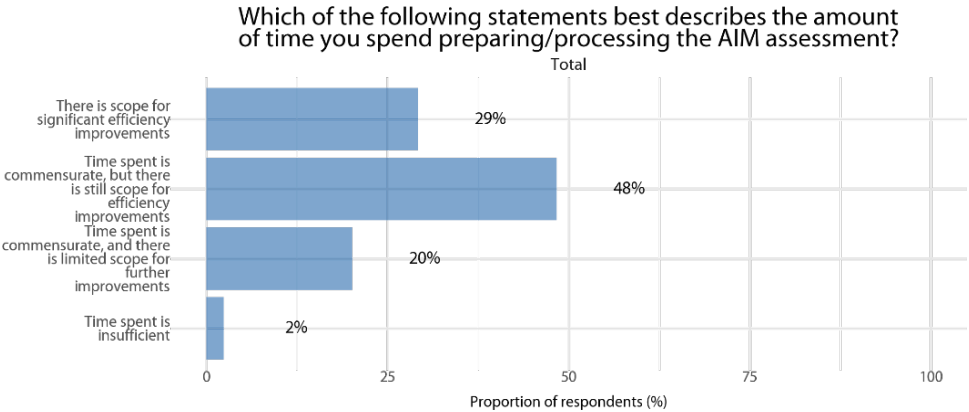


EIB staff survey. Abbreviations: E&S: Environment & Social, PJ: Projects Directorate, PCR: Project Completion Report, PPR: Project Progress Report, NDICI: Neighbourhood, Development and International Cooperation Instrument.

Internal consistency across different aspects of the AIM assessment was also identified as a challenge. Though several sub-components across the three pillars are related, interactions across these are not always automated or clearly flagged – leading to inconsistencies. For example, several examples were identified through case studies of where operations flagged alignment with SDG 5 – focused on gender equality – but were not gender tagged.

AIM IT systems and processes offer opportunities for greater efficiency and simplification. While most staff agree that the time spent preparing AIM assessments is proportionate to its purpose, many see room for improvement in system usability. Common concerns include technical glitches, limited stability, and challenges with collaborative editing. To streamline teamwork, staff often prefer working offline before entering data into the system. Additionally, process logs show frequent deviations from the standard AIM workflow – such as skipped AIS publication – suggesting a need for clearer guidance and more intuitive system support.

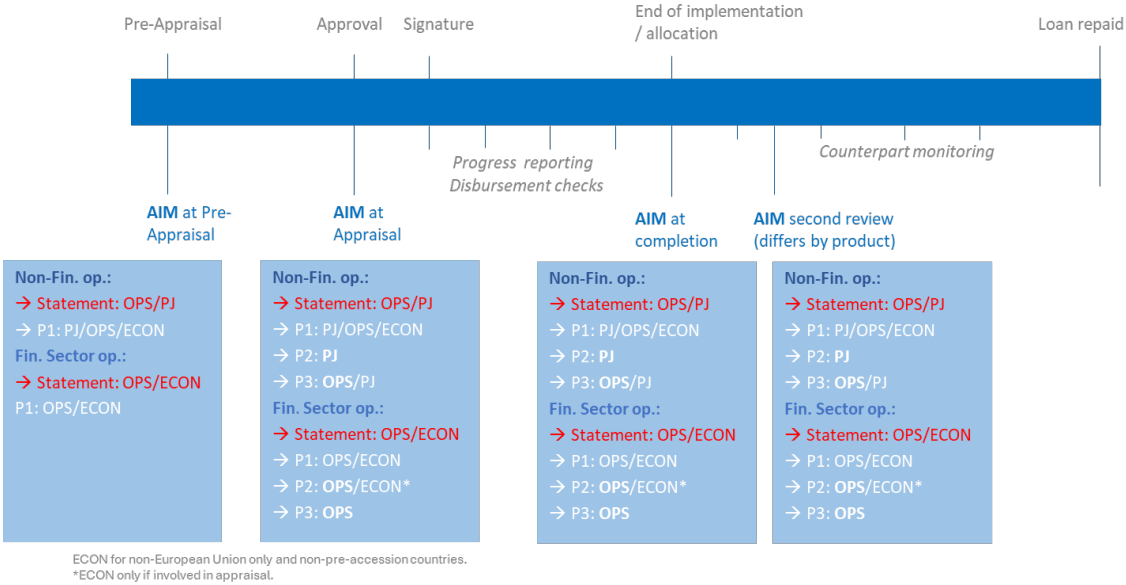
Figure 16: Staff survey responses on the extent to which they agree with statements regarding the time spent preparing/processing the AIM



EIB staff survey.

The AIM is collaborative by design, which is beneficial to the quality of the assessment produced. The process ownership of the AIM is shared across its divisions. As shown in Figure 17 and Figure 18 below, the Projects Directorate, Operations Directorate, EIB Global Directorate, Economics Department and Portfolio Management and Monitoring Directorate⁴⁶ are all involved in contributing to the AIM assessment at various stages of the project lifecycle – depending on the specific product, client type and region. This degree of collaboration was a conscious decision and a positive feature. For example, it ensures the inputs across teams reflect the respective areas of expertise and role of each. It also ensures that the administrative burden of completing the AIM does not fall on just one team and reduces siloed working.

Figure 17: The AIM process along the project lifecycle: who does what



Source: EIB internal guidance. Abbreviations: OPS: Operations Directorate, PJ: Projects Directorate, ECON: Economics Department.

Figure 18: The AIM by region and product: who does what

Region	Serapis AIM template	Pillar 1 Policy	Pillar 2 Project quality + results	Pillar 3 EIB contribution	Project Results Indicators
European Union	Investment Loans & Framework Loans MBILs	AFS: PJ PCR: PJ	AFS: PJ PCR: PJ	AFS: OPS, PJ PCR: PMM, PJ	AFS: OPS, PJ PCR: PMM, PJ
Outside the European Union	Investment Loans & Framework Loans MBILs	AFS: OPS PCR: PMM	AFS: OPS PCR: PMM	AFS: OPS, PJ PCR: PMM, PJ	AFS: OPS, (PJ) PCR: PMM, (PJ)
	Microfinance institutions**	AFS: PJ, ECON PCR: PJ, ECON	AFS: PJ, GLO PCR: PJ, PMM	AFS: GLO, PJ PCR: PMM, PJ	AFS: GLO, ECON, PJ PCR: PMM, ECON, PJ
	Micro investment vehicles**	AFS: GLO, ECON PCR: PMM, ECON	AFS: GLO, ECON PCR: ECON	AFS: GLO, PJ PCR: PMM, PJ	AFS: GLO, ECON, (PJ) PCR: PMM, ECON, (PJ)
	Private equity funds**	AFS: GLO, ECON PCR: PMM, ECON	AFS: GLO, ECON PCR: PMM, ECON	AFS: GLO, PJ PCR: PMM, PJ	AFS: GLO, ECON, (PJ) PCR: PMM, ECON, (PJ)
	Equity to banks	AFS: GLO, ECON PCR: PMM, ECON	AFS: GLO, ECON PCR: PMM, ECON	AFS: GLO, PJ PCR: PMM, PJ	AFS: GLO, ECON, (PJ) PCR: PMM, ECON, (PJ)

Source: EIB internal guidance. Abbreviations: AFS: Appraisal Fact Sheet, PCR: Project Completion Report, OPS: Operations Directorate, PJ: Projects Directorate, ECON: Economics Department, GLO: EIB Global Directorate, PMM: Portfolio Management and Monitoring Directorate.

⁴⁶ Going forward, the Portfolio Management and Monitoring Directorate will also be involved in contributing to the AIM assessment at the completion stage. The details of this change were being finalised at the time of drafting this report.

In practice, a lack of clear guidance around AIM-related roles and responsibilities across teams has led to some process inefficiencies. As highlighted in [Figure 18](#), the division of labour across teams is relatively complex and dependent on several features of the operation (such as region, client, product, stage of the operation). This, combined with a perceived lack of sufficient training or guidance, has generated confusion and meant that collaboration is at times influenced by personal working styles rather than by standardised procedures.

Strengthening the role of AIM coordination teams within Directorates may help improve process efficiency and enhance the consistency and use of AIM data. Some peer organisations noted that strong coordination to drive the process of completing value added framework assessments was a key enabler for efficiency. This increased the level of oversight on their consistency and the extent to which they were championed and used. At the EIB, strengthening the role of each AIM coordination team may be needed to ensure sufficient resources are in place for up-front efforts to simplify, streamline and automate, as well as for the overall quality assurance of AIM data, assessments and ongoing management (for example, the inclusion of new indicators/components). Enabling these teams to play a more active role in ensuring consistency in the content of AIM assessments as well as collaborative processes, alongside more automated, system-based alerts and guidance, may improve both consistency and efficiency.

4. CONCLUSIONS AND WAY FORWARD

This evaluation reviewed the design and functioning of the AIM, and its ability to demonstrate how the projects supported by the EIB – a public, policy-driven financial institution – improve the lives of citizens. Three main conclusions emerge from this evaluation, each of which informs a corresponding recommendation.

CONCLUSION 1: THE AIM IS A STRONG CONCEPTUAL FRAMEWORK, YET SOME DESIGN AND IMPLEMENTATION FEATURES REDUCE ITS USEFULNESS

Overall, while the AIM is a strong tool for ex ante assessment, further refinements are needed to enhance its clarity, and ability to evidence contribution to policy objectives and additionality.

- The AIM framework is conceptually robust and aligns well with international standards, providing a strong basis for justifying EIB interventions by systematically identifying market failures. Its methodology is considered best practice and has even served as a reference for peer institutions. However, the framework faces challenges in consistently demonstrating how operations align with evolving policy objectives, particularly within Pillar 1, where reliance on market failures does not always capture current policy priorities or nuances such as EU strategic autonomy.
- The AIM effectively tracks project inputs, outputs, and some outcomes. However, how a project may lead to impacts, and the assumptions required for it to do so, are often implicit or inconsistently stated. The use of a large and varied set of indicators in Pillar 2 can dilute focus, suggesting a need for simplification and standardised impact pathways. Further, while the AIM reliably assesses the EIB's financial contribution, it provides limited insight into non-financial and output additionality, with subjectivity and lack of clear guidance affecting consistency.
- Accessing and using aggregate AIM data is challenging, which limits its use for strategic decision-making and communication. There are good examples of the use of AIM data for aggregate reporting and communication purposes. However, aggregate analyses and impact-focused communication are discouraged by insufficient data accessibility, broad rating brackets that are difficult to interpret, overly technical narratives accompanying AIM assessments, and challenges with the consistency, comparability and completeness of the underlying data at project level.

Recommendation 1: Improve AIM design and implementation to enhance its usefulness for decision-making, learning and communication

- a) **Deepen analysis of a project's alignment with, and contribution to evolving policy objectives.** For its intended users, it is important to know by how much an operation contributes to today's policy objectives – how it makes an impact. The AIM framework does not fully respond to this demand: it does not fully capture evolving and recent priorities, applies uneven treatment of the various priorities, and its reliance on market failure market – although a stable and rigorous basis for assessment – does not adequately capture priorities such as EU energy security or technological sovereignty, which do not align neatly with traditional market failure categories. To enhance this, the evaluation recommends to: (i) define a more robust method for estimating the degree of project alignment and contribution to policy objectives, in addition to the market failure assessment; (ii) support the assessment with the definition of selected impact pathways at sector/theme/product level to clearly explain how a project will support broader policy objectives/impacts;

- (iii) add consistency and granularity to Pillar 1 ratings by revisiting the rationale for “policy notches” (associated for example to extra points given to operations located outside the EU); (iv) make the framework more agile to include evolving policy objectives and priorities as they emerge.
- b) **Strengthen the methodological robustness of the AIM framework to increase its usability.** The relevance and consistency of indicators used to capture inputs, outputs and outcomes vary. Furthermore, the information presented through narratives is at times too technical, and the scoring system too abstract and aggregate to allow meaningful interpretation. It is therefore recommended to: (i) reduce the number of project result indicators, by focussing on those identified through impact pathways at sector/theme/product level; (ii) improve the quality and completeness of Pillars 2 (in particular for direct lending operations) and Pillar 3 sub-indicators; (iii) ensure consistency of the rounding approach and improve the granularity of the rating scale.
- c) **Improve the accessibility and user-friendliness of the data gathered through the AIM, including for communication purpose.** Challenges in accessing and using aggregate AIM data discourage both aggregate-level analysis and impact-focused communication. The EIB Global Impact Report shows that AIM data can be leveraged to report on impacts generated across operations. To enable more strategic use of aggregate AIM data, it should be made available in a format that is easily usable, understandable, and suitable for impact stories. Narrative assessments should also be reviewed to ensure they are accessible, avoiding overly technical language.

CONCLUSION 2: THE USE OF THE AIM HAS BEEN INDIRECT FOR DECISION-MAKING, LIMITED FOR LEARNING

The AIM framework plays an indirect role in guiding project selection. At the pre-appraisal stage, an initial AIM assessment is required in advance of the Go/No-Go decision to appraise a project. At this stage, the AIM indirectly filters out operations that are unlikely to be eligible or achieve acceptable AIM scores. Then, at the appraisal stage, the AIM provides a “stamp of quality” by EIB experts: it complements other appraisal processes by demonstrating that the projects submitted for approval meet key eligibility and strategic requirements. However, beyond this “stamp of quality”, this tool contributes marginally to the decision-making process for project approvals. This is because the information presented – through narratives and its scoring system – lacks the clarity and granularity required to allow meaningful interpretation. It is also because the AIM’s role in guiding investment decisions is not clearly defined.

The AIM assessment at the project completion stage is largely insufficient to enable accountability and learning. AIM sheets, including pillar ratings and project results indicators, are completed as part of the ex post assessment of all EIB operations. However, the information collected at this stage is often incomplete, inconsistent, or not up to date. For the completed projects analysed, ex post data was often a replication of ex ante data, not accounting for potential delays or partial disbursements. This is for several reasons, including difficulties reconciling data requirements with data availability from clients, as well as the fact that some indicators are less relevant or more challenging to track ex post (e.g., market failures, financial added value). This also reflects a lack of processes in place for extracting lessons from the AIM assessment at completion, in particular for operations inside the EU. In fact, the feedback loop at the project level relies primarily on individuals, not enough on structured processes.

At the moment, the KPI associated with the AIM framework does not steer the portfolio towards higher additionality and impact. The EIB has established a KPI that focuses on the overall quality rating of projects assessed under the AIM framework during a given year. The KPI aims for an average portfolio rating of “very

good” across all three AIM pillars. However, this target is not particularly ambitious: it aligns with the Bank’s historical performance and is further eased by automatic upward adjustments for certain policy objectives. These factors significantly diminish the role of the KPI as a driver for additionality and impact.

Recommendation 2: Explore a more ambitious KPI to steer the portfolio towards higher additionality and impact

Subsequent to Recommendation 1, Management could consider redefining the KPI to make it a stronger driver of additionality and impact. Various options may be explored, including:

- Raising the overall portfolio target to reflect a higher level of additionality and impact, rather than maintaining historical performance.
- Introducing differentiated targets for specific AIM pillars (e.g., stronger emphasis on Pillar 1 – Contribution to policy objectives) to incentivise projects where the Bank’s value added is most critical.
- Applying higher thresholds for priority sectors or products that align with strategic priorities, to ensure resources are channelled towards areas with the greatest transformative potential.
- Combining two complementary dimensions: a quantitative target (tracking average rating across the portfolio) and a qualitative one (such as a percentage of projects rated “excellent” in specific areas) to create a dual incentive of maintaining strong overall performance and a push for a higher concentration of top-tier projects.

Recommendation 3: Guide project teams in using AIM as a learning tool

The EIB should explore ways to transform ex-post AIM assessments into a meaningful learning tool for project teams, rather than a routine reporting exercise. It is recommended to:

- a) **Consider discontinuing ex-post AIM ratings, which offer limited insights for accountability or learning;**
- b) **Instead, concentrate ex-post data collection on core outcome indicators, with a focus on understanding deviations from expectations; and**
- c) **Pilot for selected sectors, products, or themes, a structured feedback loop that enables project teams to draw on ex-post findings to inform and strengthen the design of future operations.**

CONCLUSION 3: AIM PROCESSES AND SYSTEMS ARE FUNCTIONING, BUT CONSTRAINED BY FRAGMENTATION AND LIMITED INTEGRATION

AIM processes and systems are operational but remain fragmented in their structure and implementation. The AIM provides a unified entry point for both EU and non-EU operations, requires a reasonable time investment from staff, benefits from collaborative cross-service ownership and integrates well with other ex post reporting tools. However, inefficiencies were also identified, including: the duplication of efforts, a lack of automation between AIM and other processes and reporting requirements, and a document-heavy process for complex tasks. Enhancing automation and reducing redundancy would allow staff to focus on more meaningful analyses. While cross-service cooperation is valuable, the division of labour across teams is relatively complex and varies depending on region, client, product, and stage of the operation; this complexity calls for strengthening the role of AIM coordination teams within Directorates.

Recommendation 4: Improve the efficiency of AIM-related processes

- a) **Streamline AIM processes** by removing redundancies, enhancing automation (e.g. smart templates, auto-fill), and improving IT systems to support smoother workflows and better integration with IRIS. Automating data transfer using the golden source principle and refining system features (e.g. mandatory steps, alerts) would help shift AIM towards a more output-driven process.
- b) **Strengthen AIM coordination teams** to ensure consistent implementation and integration across the Bank. Clarifying roles and responsibilities would support coherent use and maintenance of the AIM framework.
- c) **Provide clear, user-friendly guidance and recurrent training to improve staff understanding and rating quality.** Simplified instructions—especially on complex areas like non-financial additionality and ESG (Environmental, Social, and Governance) assessment—alongside continuous support would foster more consistent and robust assessments.

ANNEX 1 – A HISTORY OF PROJECT RESULTS FRAMEWORKS AT THE EIB

2005-2012: VALUE ADDED FRAMEWORK (VAF) AND ECONOMIC AND SOCIAL IMPACT ASSESSMENT FRAMEWORK (ESIAF)

From 2005 onwards, the EIB operated two *ex ante* assessment frameworks in parallel: one for operations inside the European Union and one for operations outside the European Union. The Value Added Framework (VAF) was used for EU projects, while the Economic and Social Impact Assessment Framework (ESIAF) served non-EU operations. Both tools relied on three pillars.

The Value Added Framework was modified in 2008. In 2008, the President of the Bank asked a task force comprising Projects Directorate, Operations Directorate and Inspectorate General representatives to work on a new tool, addressing the limitations of the VA framework. This led to the adoption in December 2009 of a new methodology for the VA framework – which adopted a scorecard approach – which became operational from January 2010.

2012-2021: THREE-PILLAR ASSESSMENT (3PA) AND RESULTS MEASUREMENT FRAMEWORK (ReM)

For non-EU operations, the Results Measurement (ReM) Framework replaced the ESIAF in October 2011. The ReM became fully operational from January 2012. It consisted of three pillars:

- **Pillar 1 – Contribution to EIB, EU and national priorities.** An assessment of a project's consistency with EIB mandate objectives as well as its contribution to EU priorities and country development objectives,
- **Pillar 2 – Quality and soundness of the project.** A series of sector-specific standardised indicators to capture economic, social, environmental and institutional outcomes of the project,
- **Pillar 3 – EIB technical and financial contribution.** A set of objectively measurable indicators to assess the EIB's additionality over and above market alternatives in terms of financial value added, technical and sector contribution, and standards and assurance.

For operations inside the European Union, the 3 Pillar Assessment (3PA) replaced the VAF in January 2013. Some of the suggestions provided by the Evaluation Division – along with the experience gathered by the Bank's services since 2010, the lessons learned from the introduction of the ReM and the need to report to the governing bodies on the use of the capital increase – were taken into account by the Projects Directorate and Operations Directorate in the Revised Value Added Methodology – the 3 Pillar Assessment (3PA). The 3PA was approved by the Board in December 2012 and introduced in January 2013, replacing the Value Added Framework (VAF).

The 3PA initially consisted of the following three pillars:

- **Pillar 1 – Quality and Contribution to Sustainable Growth and Employment,** which referred to the quality and soundness of the operation, including the capacity of the promoter/intermediary to create the expected impact at the beneficiary level;

- **Pillar 2 – Contribution to EU/EIB policies**, which assessed both the eligibility of the project with respect to EU/EIB objectives and its possible contribution to supporting higher EU/EIB priority objectives or exceptional features under the Growth and Employment Facility; and
- **Pillar 3 – EIB Contribution**, which assessed the value originated by the Bank itself, both in terms of financial and non-financial benefits enjoyed by the project.

From 2014, following the evaluative opinion, the 3PA was modified in order to align with the ReM and prepare for EFSI.⁴⁷ The proposed changes included, among others, renaming and reordering the pillars and incorporating new public policy goals and EFSI into the aligned methodology. This updated version of the 3PA was used up until the introduction of the AIM in 2021.

2015-2020: EFSI – UPDATED 3PA AND REFLECTION ON THE NEW EX ANTE ASSESSMENT FRAMEWORK

The European Fund for Strategic Investments (EFSI), launched and operational from 2015, was a game-changer as regards the measurement of additionality at the EIB.⁴⁸

- An extra (4th) pillar was added to the 3PA for operations appraised under EFSI. The fourth pillar covered physical indicators or indicators of macroeconomic nature: number of jobs created, items of infrastructure built, etc.
- More importantly, because of its considerable size and fixed deadline to reach the volume target, EFSI sparked a discussion on the additionality of EIB interventions in relation to the supported investments.

The EFSI Regulation explicitly defined the additionality concept and requirements. According to Article 5 of the original EFSI Regulation, operations provide additionality when:

- a) they address market failures or sub-optimal investment situations, and
- b) they could not have been carried out in the period during which the EU guarantee can be used, or not to the same extent, by the EIB, the EIF or under existing Union financial instruments without EFSI support.

⁴⁷ Evaluative Opinion on the EIB's revised 3 Pillar Assessment (3PA), April 2014.

⁴⁸ EFSI was launched in November 2014 as a flagship initiative of the European Commission, as part of the Investment Plan for Europe (IPE). The latter, in turn, was a policy response to the consequences of the global financial crisis of 2008-2009 and the sovereign debt crisis of 2011-2012, both resulting in a sharp fall in investment.

Box 9: Additionality under EFSI: operationalisation of the concept

Projects were considered to automatically provide additionality if they carried a risk corresponding to EIB Special Activities (SA). SA operations carry higher risk, and are defined in Article 16 of the EIB Statute and by the EIB internal credit risk guidelines. Under the amended EFSI Regulation, SA status became a strong indication, but no longer automatically conferred additionality. From this standpoint, as the evaluation of EFSI 2018 assessed, 98.8% of EFSI operations (by number) were additional by the mere fact that they were Special Activities.

For the SME Window (SMEW) of EFSI, managed by the EIF, additionality was defined at the product level. Under Article 17(2) of the EFSI Agreement, EFSI-guaranteed operations offering SMEW products approved by the EFSI Steering Board and managing director (following consultation with the EFSI Investment Committee) were deemed to satisfy the additionality criteria as they provided supplementary volume of financing in areas perceived as suffering from market failures. No further individual assessment of the additionality of SMEW operations was undertaken by the EFSI Investment Committee.

An internal inter-service working group was put in place at the Bank in 2019 following the discussions surrounding the additionality of EFSI. The evaluation of EFSI 2018 conducted by the Evaluation Division – and other evaluations of EFSI conducted in parallel – contributed to the awareness of the need to strengthen the *ex ante* assessment tools of the Bank. One of the key motivations was the necessity to ensure and better measure the additionality of EIB-supported investments.

SINCE 2021: THE INTRODUCTION OF THE AIM

The efforts of the additionality working group resulted in the design of the new Additionality and Impact Measurement (AIM) framework, which replaced both the 3PA and the ReM.⁴⁹ It was discussed at the Management Committee meeting on 22 October 2019 and was submitted for the approval of the Board of Directors on 24 October 2019. A pilot phase was launched in 2020, and the new framework became fully operational from 1 January 2021.

⁴⁹ The ReM technical assistance remained as an add-on to the regular AIM *ex ante* assessment for operations outside the European Union.

ANNEX 2 – EVALUATION METHODOLOGY

EVALUATION QUESTIONS

The Evaluation Division identified five questions, in line with the evaluation criteria of the OECD Development Assistance Committee (OECD/DAC), that this evaluation should answer (Table 3). The questions have been formulated following preliminary document and quantitative data reviews, as well as discussions with Services.

Table 3: Evaluation questions

Evaluation question (EQ)		OECD/DAC criteria
What — did the EIB achieve its objectives and why?	EQ1 and EQ2 — Rigor and consistency of the framework	Effectiveness, sustainability and impact
How — how well did the EIB approach and products work	EQ3 — Use at the project level EQ4 – Use at the aggregate level EQ5 - Efficiency	Efficiency, effectiveness

The following Table provides an overview of the evaluation questions and judgement criteria underlying each question. Associated with each judgement criterion, a set of guiding indicators that the evaluation aimed to gather data against were identified. This data would be used to inform the judgement made for each criterion.

Table 4: Evaluation questions, judgement criteria and guiding indicators

1: To what extent does the AIM provide a rigorous and consistent framework to identify what the EIB provides beyond the market offer?	
Judgement criteria	Guiding indicators
1.1. The AIM enables adequate, consistent and documented justification of market failures at the operational level	1.1.1. The definition of market failures presented in project narratives matches the definition in the AIM manual
	1.1.2. The market failure approach is sufficiently well understood and internalised by project staff for consistency in its roll out
	1.1.3. The market failure approach at project level is sufficiently well backed up by evidence

<p>1.2. The AIM credibly and consistently captures how and the extent to which EIB support influences the investment activity undertaken in terms of the scale, scope, structure, quality of the investment operation, and/or time required for it to be financed/implemented</p>	<p>1.2.1. The AIM allows the EIB to assess the extent to which the project would have happened anyway, at the same scale/scope/timeframe/structure, without EIB intervention</p> <p>1.2.2. The AIM allows for a credible assessment of the net economic benefits</p> <p>1.2.3. The integration of the ESG is sound</p>
<p>1.3. Financial contribution: the AIM allows for a sound assessment of the EIB's financial added value with respect to the market</p>	<p>1.3.1. The AIM reports the difference in terms of interest rate/maturity/grace period with respect to the market and local context (drawing upon meaningful benchmarks)</p>
<p>1.4. The AIM is able to adequately capture the EIB's non-financial contribution</p>	<p>1.4.1. The AIM methodology is able to accurately report reputational effects/signalling</p> <p>1.4.2 The application of the AIM methodology as regards reputation/signalling is consistent across projects, whilst taking into account the local context</p> <p>1.4.3. The AIM is able to accurately report advisory services' intended (ex ante) and actual (ex post) added value (such as how it might have helped bring about financing/investments, how advisory might have shortened the time to market, how it helps broaden the climate action and environmental sustainability portfolio of the counterparty)</p> <p>1.4.4 The application of the AIM methodology as regards advisory services is consistent across projects whilst taking into account the local context</p>
<p>1.5. The AIM captures with rigour the intended impact of operations</p>	<p>1.5.1. The AIM identifies the intended direct and indirect impact alongside direct outcomes</p> <p>1.5.2. The application of the AIM methodology is consistent across projects</p>

2: To what extent does the AIM enable the rigorous and consistent assessment of the EIB projects' alignment with – and contribution to – the EIB's policy objectives?

Judgement criteria	Guiding indicators
<p>2.1. The AIM is able to capture how well operations are aligned with EIB and EU policy objectives</p>	<p>2.1.1. The AIM allows for an accurate, precise indication of the Bank's intended contribution to the EU policy orientations inside and outside the European Union (climate action and environmental sustainability, gender equality, developmental impact, cohesion, social inclusion, etc.)</p> <p>2.1.2. The current tracking of alignment with policy objectives, including through indicators, tags and/or flags, is rigorous and consistent across projects</p> <p>2.1.3. The Additionality and Impact Statement credibly identifies and supports the intended EIB contribution to the policy objectives</p> <p>2.1.4. The AIM is able to provide an aggregate view of the EIB's policy contribution and/or alignment across the portfolio</p>

<p>2.2. The AIM is sufficiently flexible to incorporate changes in the EIB’s policy framework such as new sector/policy or transversal objectives (such as defence, the eight priorities)</p>	<p>2.2.1. The standard set of indicators and/or flags/tags used in the AIM can be successfully applied to track activities in new sectors (such as defence) or across new transversal objectives/policy (such as T2M)</p>
	<p>2.2.2. Adaptability of data: the AIM methodology can accommodate changes to policy, market context, needs</p>
	<p>2.2.3 The AIM is able to track results beyond volumes across transversal objectives</p>

3: To what extent is the AIM useful and used to assess operations, track and monitor results and promote learning along the EIB’s project cycle?

Judgement criteria	Guiding indicators
<p>3.5. The (standard and supplementary) indicators available through the AIM for project results monitoring are suitable to ascertain the quality of a project at appraisal and track its progress/results throughout implementation</p>	<p>3.5.1. The ESG ratings are well-defined, accurate and applied consistently</p>
	<p>3.5.2. The indicators (standard and supplementary) are well suited to assess the quality of the project (including direct employment)</p>
	<p>3.5.3. There is no <i>systematic</i> mismatch in the value of indicators ex ante and ex post</p>
	<p>3.5.4. The methodology used for the measurement of the direct impact is sound</p>
<p>3.6. The data gathered through AIM-related project/results monitoring and reporting are accurate, reliable and consistently available</p>	<p>3.6.1. The tags and flags under the AIM are used consistently and accurately</p>
	<p>3.6.2. The data for the various indicators of the AIM are sufficiently accurate and accurately inputted</p>
	<p>3.6.3. The data are consistently available for all the indicators</p>
<p>3.7. The AIM is compatible with other project documents</p>	<p>3.7.1 There is limited duplication of efforts between the AIM and other results tracking/management tools/documents and reporting requirements (such as InvestEU/mandate reporting)</p>
	<p>3.7.2 The data provided by the AIM are consistent and coherent with other project documents and results tracking/management tools</p>
	<p>3.7.3 The AIM, together with other tools and documents, provides a holistic view of the progression, results and lessons learned from each operation</p>

4: To what extent is the AIM useful and used to support strategic decisions and promote learning at the aggregate level?

Judgement criteria	Guiding indicators
4.1. The AIM provides incentives to project staff to seek projects with higher additionality and/or impact	<p>4.1.1. Share of operations targeting higher additionality areas (constrained SMEs, etc.)</p> <p>4.1.2. Incentives to staff to seek operations with higher AIM scores (and their alignment with wider policy objectives/priorities)</p>
4.2. At the overall/corporate level, the AIM methodology and processes effectively guide the EIB towards operations that generate greater additionality and impact	<p>4.2.1. Higher additionality/impact-generating operations (AIM pillar scores/targets achieved)</p> <p>4.2.2. Evidence of impacts/additionality of operations (high AIM scores)</p>
4.3. The AIM is used to identify the portfolio performance trends and inform the Bank's decisions (planning) at the strategic level	4.3.1. It is possible to aggregate or make an average of the AIM results to get a sense of overall bank performance (at the Bank/sector/thematic/regional/mandate level)
	4.3.2. The AIM or its data are actively used for strategic decisions at the Management Committee/Board of Directors level
	4.3.3. There are opportunities for the AIM to inform decisions on trade-offs between additionality/impact and other priorities for the Bank (such as risk)
4.4. The AIM is providing lessons/feedback that are used in further operations or to inform on the Bank's performance	4.4.1. The AIM indicators at completion are used to inform decisions on new projects at appraisal
	4.4.2. The use of analysis drawn from the AIM and its indicators allow for an improvement in the Bank's internal/external communication and reporting

5: To what extent is the AIM's implementation efficient?

Judgement criteria	Guiding indicators
5.1. The resources dedicated to the AIM are commensurate with requirements	5.1.1. The resources dedicated to the AIM (including staff time, technology, etc.) allow for both quality and comprehensiveness of the analyses (including for both public and private sector operations)
	5.1.2. Time allowed for and actually dedicated by staff to filling in AIM forms is commensurate with the type of analyses to be produced (there are no inefficiencies/duplications/bottlenecks)

	5.1.3. Project staff are well equipped to fill in the AIM (guidance, data, methodology, time, etc.)
	5.1.4. The information or data requirement from the clients (public and private) is not excessively burdensome
	5.1.5. The staff level of understanding of the AIM methodology/processes is sufficient to consistently perform the AIM-related tasks
	5.1.6. There is an effective quality assurance process for the AIM
5.2. The process of completing the AIM is efficient across different stages (ex ante, monitoring, ex post)	5.2.1. The IT infrastructure is efficient and useful in inputting, extracting and analysing AIM data
	5.2.2. The IT infrastructure enables efficient interaction with other wizards/tools (such as for ESG – duplication/efficiency)
	5.2.3 Roles and responsibilities across Services are clearly defined and processes for requesting support/reviews/validation are efficient

Table 5: Data collection and analysis methods

	Evaluation questions				
	1:	2:	3:	4:	5:
Documentary analysis/desk review					
Review of EIB policies and strategy documents	X ⁵⁰	X	X	X	
Deep-dive review of AIM-related documents for a sample of EIB projects (manual text mining)	X	X	X		(X)
Broader literature review (such as value added frameworks, definitions of impact/additionality)	X	X	X	X	X
MDB/IFI documents (on value added frameworks, definitions, methodologies)	X	X			

⁵⁰ X = main method, (X) = supportive method.

Process mapping / review of the AIM process flow						X
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Stakeholder consultation

Interviews and focus groups with EIB staff	X	X	X	X		X
Online survey of EIB staff	X	X	X	X		X
Interviews and focus groups with staff from peer institutions (MDBs/NPBs etc.)	X	X	X	X		(X)

Analysis of quantitative and statistical data

Construction and analysis of the portfolio	X	X				(X)
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Case Studies

Review of EIB project documentation (e.g., AIM documents, due diligence documents, project reporting etc.)	X	X	X	X		X
Interviews with key staff responsible for the operation	X	X	X	X		X

METHODS AND LIMITATIONS

The evaluation combined multiple data sources and analytical approaches to build a robust base of evidence and to triangulate data. These methods included a review and analysis of the portfolio of operations covered by the AIM (that is, operations approved since its implementation); a document review covering the policy/strategic context for the AIM, broader literature regarding additionality/impact, and the value added frameworks of peer institutions; a deep-dive review of project-level documentation for a sample of operations; a review of documents and data regarding the AIM process flow (process mapping); project case studies; interviews and focus groups with staff within the EIB and peer institutions; and an online survey of EIB staff. [Table 6](#) below sets out in detail the purpose and approach taken to implement each methodology, as well as their key limitations. In addition to these methods, several data interpretation workshops and focus group discussions were held throughout the evaluation with key stakeholders involved in the development and implementation of the AIM methodology, to review key findings and ensure clarity over fundamental methodological aspects of the AIM system.

Table 6: Key methods and their limitations

Methodology	Description	Key limitations
<p>Portfolio review and analysis</p>	<p>The portfolio sample covered all operations approved between 1 January 2021 and 31 December 2024. These data were extracted from the internal corporate database and provided to the evaluation team by the AIM data owners within the Projects Directorate. The key focus of the analysis was to assess:</p> <ul style="list-style-type: none"> - The overarching additionality/impact achieved by operations financed by the EIB over time, as well as the key drivers and interactions with, for example, volumes and project status, as recorded within the AIM framework (pillar ratings, sub-components for each pillar, project results indicators) - The quality of the data made available through the AIM framework - The coherence of scores with other indicators such as the gender tag and SDG 5, climate action and environmental sustainability and the AIM score for environment in Pillar 2 	<p>Data on project results indicators used across operations was provided. However, this was challenging to analyse and interpret due to the proliferation of indicators with similar/overlapping definitions and inaccuracies in the manual.</p> <ul style="list-style-type: none"> - Incoherence between related indicators: There were notable mismatches between the gender tag and SDG 5 flag – several operations were either untagged but flagged for SDG 5, or tagged without the corresponding SDG 5 flag. This inconsistency suggests differing methodologies or interpretations, which complicates analytical coherence. - Methodological divergence between climate action and environmental sustainability and Pillar 2 environment scores: Visual plots revealed weak correlation between climate action and environmental sustainability scores and the AIM environment rating under Pillar 2. This points to methodological differences in how each metric is calculated. Such divergence may confuse interpretation and undermine comparability. - Complexity and inconsistency in project results indicators: The dataset included a wide range of project results indicators, many with overlapping or similar definitions. This made the indicators difficult to analyse and interpret consistently across operations. - Inaccuracies in the manual regarding score weights: The guidance provided in the manual on how sub-scores should be weighted was found to be unclear or inconsistent.

<p>Desk research/ literature review</p>	<p>A broad review was conducted of academic literature and policy documents. This included a review of:</p> <ul style="list-style-type: none"> • EIB policy/strategy documents (communications and aggregate reporting drawing upon AIM data, internal documents regarding the development of and ambitions for the AIM as a tool, etc.); • Broader contextual literature including regarding the definitions for additionality/impact in relevant contexts, the use of value added frameworks such as the AIM; • Internal training/communications documents regarding the AIM as well as documentation regarding the value added frameworks employed by a sample of peer institutions (MDBs, NPBs, IFIs). <p>Key data from each document was extracted into a structured matrix, against each evaluation question/judgement criterion. The purpose of this review was to gather information against key judgement criteria, and provide a broader policy/historical context for the AIM and the evaluation generally.</p>	<p>The team faced some challenges in identifying documents that draw upon AIM data for aggregate/strategic-level reporting within the EIB. Through consultation with stakeholders, a relatively comprehensive list was identified.</p> <p>It was at times challenging to identify relevant, sufficiently detailed publicly available documents regarding the value added frameworks employed by peer institutions. The team complemented this task with interviews with staff from those institutions to build a more complete picture.</p>
<p>Deep-dive review of project-level documentation for a sample of operations</p>	<p>A structured review of 59 randomly selected operations (49 inside the European Union and ten outside the European Union) was conducted drawing upon data extracted from the EIB’s BO system and information available in Serapis.</p> <p>The analysis focused on available AIS/AIM assessments and narrative texts for each operation, including reviewer comments, across all AIM pillars.</p>	<p>An initial attempt to automate the review using machine learning techniques was unsuccessful due to the highly unstructured nature of the AIS/AIM narrative data. As a result, the analysis required a fully manual review, particularly for non-EU projects that had to be individually checked and populated using information mainly from Serapis.</p>

	<p>Each operation entry was systematically examined against a predefined template to assess consistency and alignment with the AIM manual on aspects such as market failure definitions and evidence, financial and non-financial contributions, articulation and coherence of intended impact and policy alignment, ESG considerations, and the use of tags/flags.</p>	<p>Inconsistencies were observed in how information was structured across projects. Key data – such as details on financial contributions – often appeared in different AIM pillars (P1, P2, or P3), depending on the project, making it more challenging to assess and extract data in line with the template consistently. This particularly impacted assessments of the presence of evidence to justify assessments made within the AIM (for example, around market failures).</p>
<p>Review of documents and data regarding the AIM process flow (process mapping)</p>	<p>Internal documents and event logs on the EIB’s internal IT software were reviewed to map out each step in the process of completing the AIM assessment, and how this relates to the overall project lifecycle.</p> <p>Relevant data gathered through interviews and focus groups with key stakeholders were also drawn upon for the review.</p> <p>This exercise aimed to set out the overall AIM process flow in practice, and how this relates to the methodology set out in the AIM guidance. In doing so, the efficiency of the overall process was analysed, including drivers for any inefficiencies identified.</p>	<p>Initially, the team planned to review the AIM process mainly by using event logs on EIB IT systems. However, our analysis showed that there was no clear and consistent process flow in the data, as each process was quite different. This variability was not due to any shortcomings in the software or its capabilities, but rather a result of the diverse nature of the processes themselves. Additionally, the process flows identified were complex and very sensitive to changes depending on the specific sample being analysed. This complexity made it difficult to understand a 'typical' process flow and to identify any anomalies. To complement our findings and draw additional conclusions, we also gathered information from document reviews and interviews.</p>
<p>Case studies</p>	<p>Case studies were conducted on ten operations. A purposeful sample of ten operations was selected from a random sample of the overall population. The ten operations selected were chosen to obtain a range across certain key criteria (region/country, product type, project status).</p> <p>The purpose of the case studies was to review in detail the specific AIM-related processes, methods and outputs for a select few operations, to understand these in greater depth.</p>	<p>In two cases, it was challenging to schedule interviews with key stakeholders responsible for completing the AIM-related processes for the operation (in one case, this was potentially because the operation selected had been cancelled after approval). One of these operations was therefore replaced with another with similar characteristics in the case study sample. For the other operation, stakeholders from the Portfolio Management and Monitoring Directorate were interviewed, though they could provide only minimal feedback regarding AIM-specific steps since they were not involved in this part of the operation’s implementation.</p>

	<p>Key project documents (such as appraisal documents as well as monitoring documents) were reviewed. Key stakeholders responsible for completing these operations (from the Projects Directorate, Operations Directorate, EIB Global Directorate, Economics Department and occasionally Portfolio Management and Monitoring Directorate) were subsequently interviewed.</p> <p>A fiche was prepared for each operation, setting out key findings and lessons learned from each review.</p>	
<p>Interviews and focus groups with staff within the EIB and peer institutions</p>	<p>The evaluation team conducted interviews based on semi-structured questionnaires.</p> <p>Overall, the team conducted over 40 individual and group interviews with EIB staff, including:</p> <ul style="list-style-type: none"> • A group interview with staff from the Communication Department • A group interview with staff from the Economics Department • Two individual interviews with staff from the EIB Global Directorate • One individual and three group interviews with staff from the Operations Directorate • 17 individual and group interviews with staff from the Projects Directorate • One interview with staff from the Portfolio Management and Monitoring Directorate • Two interviews with staff from the Secretariat General 	<p>Due to ongoing work with other MDBs/IFIs relating to Harmonized Indicators for Private Sector Operations (HIPSO), the team decided against interviewing these organisations to review their value added frameworks. Instead, information was provided by the Economics Department, which had been conducting a similar review exercise in parallel.</p> <p>A small number of stakeholders contacted did not respond to our request for interviews or were not available within the timeframe of the evaluation. Where possible, the team replaced these individuals with stakeholders with similar experience relating to the AIM.</p>

	<ul style="list-style-type: none"> Two interviews with staff from the Vice President offices <p>Several additional informal discussions, focus groups and data interpretation workshops were conducted with key members of the evaluation reference group (covering Projects Directorate, Operations Directorate, EIB Global Directorate and Economics Department), as well as staff from the Evaluation Division, Portfolio Management and Monitoring Directorate and Communication Department.</p> <p>Five further group interviews were conducted with staff from peer institutions.</p> <p>The purpose of the interviews was to gather rich, detailed information against each research question and judgement criterion, exploring further the findings from other research strands (such as document reviews).</p>	
<p>Online survey of EIB staff</p>	<p>An online survey of all EIB staff in the Projects Directorate, Operations Directorate, EIB Global Directorate and Economics Department (excluding directors and their assistants) was conducted. Overall:</p> <ul style="list-style-type: none"> 354 staff responded to the survey, of which 32% exited the survey immediately due to a (self-declared) lack of experience with the AIM Of the 354 respondents: 55% were from Projects Directorate, 25% from Operations Directorate, 14% from EIB Global Directorate, and 6% from Economics Department. 	<p>Despite the relatively high number of responses to the survey, 32% of the 354 respondents exited the survey immediately after flagging that they had no experience with the AIM. The responses to each individual question varied, and were generally lower due to the opt-out option. The majority of responses overall (55%) were from staff in Projects Directorate, followed by Operations Directorate (26%), EIB Global Directorate (15%) and Economics Department (6%). Nonetheless, responses across groups were analysed and found generally not to be significantly different.</p>

The purpose of the survey was to gather a broad cross-section of views regarding each evaluation question and judgement criterion. For each survey question, respondents could opt out of answering that specific question if they felt they had insufficient experience to do so. To the extent possible, questions were structured to enable a more quantitative analysis of results. However, some open-ended questions were also provided to enable respondents to elaborate on their views.

Responses to the questionnaire were overall rather positive. At times, this conflicted with feedback provided during interviews. This suggests that responses could be positively biased. This is potentially due to survey fatigue, confusion regarding the questions asked, or concerns regarding anonymity. A data interpretation workshop with key owners of the AIM system/methodology was conducted to review and better understand the survey findings.

ANNEX 3 – INTERVENTION LOGIC OF AIM

The Evaluation Division constructed an intervention logic for the AIM. The intervention logic is based on EIB documentation and meetings with Services. It served to clarify the overall objectives for, and role of the AIM. This aims to clarify the causal chains from inputs into its functioning to its intended impacts, and map factors that may affect the success of operations.

Why does the Evaluation Division need to produce an intervention logic of the AIM? An intervention logic helps the evaluation to clarify: (i) the EIB objectives for the AIM; (ii) the causal chains for the use of inputs; delivery of outputs; achievement of outcomes; and contribution to overall impacts, both at project level and at EIB level; and also (iii) the assumptions and factors which may affect success. The intervention logic has been used to formulate the evaluation questions and the evaluation framework and has informed the sampling strategy and selection.

How has the Evaluation Division drafted this intervention logic? The main sources of information used include relevant documents regarding the AIM's purpose and functionality as well as scoping discussions with key EIB staff members involved in its development.

INPUTS TO ACTIVITIES

The inputs from the EIB and third parties are expected to lead to the activities of the EIB to support the implementation and use of the AIM framework.

- The time, knowledge, tools/systems, data and methodologies provided through the AIM enable staff to be able to use the AIM at the project level (for approval decisions, monitoring, reporting at completion) and for communications.

The construction of the intervention logic includes the identification of underlying assumptions between the steps of the intervention logic. The assumptions are external factors that are beyond the control of the projects and can drive or hinder the expected achievements. The efficient use of inputs and the smooth implementation of the described activities rely on the assumptions that:

- **The AIM methodology is sound** (that is, clear and credible), **relevant** (for example, across all products/geographies/mandates in terms of the focus on 'market failures', definition of additionality/impact, alignment with policy objectives) **and well understood** by implementing staff (training is sufficient).
- Sufficient **resources (including staff time, tools, materials, etc.) are made available** (within/outside the EIB) to complete the AIM and monitoring/reporting activities.

ACTIVITIES TO OUTPUTS

The described activities are expected to translate into outputs.

- The expected **output** of the EIB activities is the fact that staff are sufficiently trained on and supportive of the AIM to use it effectively at the project level, leading to the selection of operations with high capacity for impact/EIB additionality, and enabling the EIB to consistently identify, track and communicate results across these.

The delivery of these outputs is dependent on the following assumptions materialising:

- The AIM assessment helps to **structure the intervention logic** and accurately **captures outcomes/impacts/EIB added value/market failures/policy alignment**.
- **Tags/flags that feed into the AIM assessment (such as gender/SDG) are used accurately/appropriately** to identify relevant **policy priorities, including transversal priorities**.
- AIM scores are **given accurately/impartially**, are based on **sound evidence** and set an **appropriate hurdle** for decisions.
- AIM assessments at appraisal play a **key role in approval** decision-making, and accurately **filter** for operations that have the capacity to generate impact/additionality.
- Results **indicators** accurately **capture results at all levels** (output/outcome/impact/additionality) and allow for **aggregation**.
- **Indicators are monitorable**, and **data** gathered from monitoring activities are **accurate and complete**.
- The AIM assessments and methodologies are **complementary with other impact/quality assessment tools** used at the project level (such as project progress report/project completion report) and do not create inefficiencies/duplication of efforts in the project cycle process.

OUTPUTS TO EXPECTED SHORT-, MEDIUM-, AND LONG-TERM OUTCOMES

The described outputs are expected to achieve several outcomes, which are structured here into short-term and long-term outcomes.

- In the short term, operations are financed that will generate intended impacts that align with policy goals and address market failures. Analyses based on rigorous and consistent AIM data are developed and drawn upon for future projects as well as for reporting, dissemination and communication regarding results achieved.
- In the long term, impacts related to policy/mandate goals are achieved and market failures partially addressed through the operations financed. Improvements within the EIB are enabled by analyses drawing on AIM data, including corporate and portfolio-level planning and strategy, transparency and awareness of the EIB's impact.

The delivery of these outcomes is dependent on the following assumptions materialising:

- AIM/project results are **regularly/consistently gathered, reviewed and reported** on.
- AIM assessments (including ESG, identification of indicators, narratives, tags/flags) are **completed rigorously and consistently** across operations.
- The AIM is **effective** in assessing and tracking additionality and impact, in all possible ways (financial, non-financial).
- The AIM assessment **effectively identified operations that align with PPGs, and can generate impact/additionality** (that is, that do not crowd out other financing, could not have happened at the same scale/rate/scope, etc. otherwise), and filtered out those that do not.
- **Equal weight** is placed on the use of the AIM **ex ante and ex post** (as an instrument for reporting, analysis and communications as well as for approval decisions).
- EIB staff are **incentivised**, through the AIM methodology and internal procedures (e.g., bonus) to identify and select projects that can have impact/additionality.

EXPECTED OUTCOMES TO EXPECTED IMPACTS

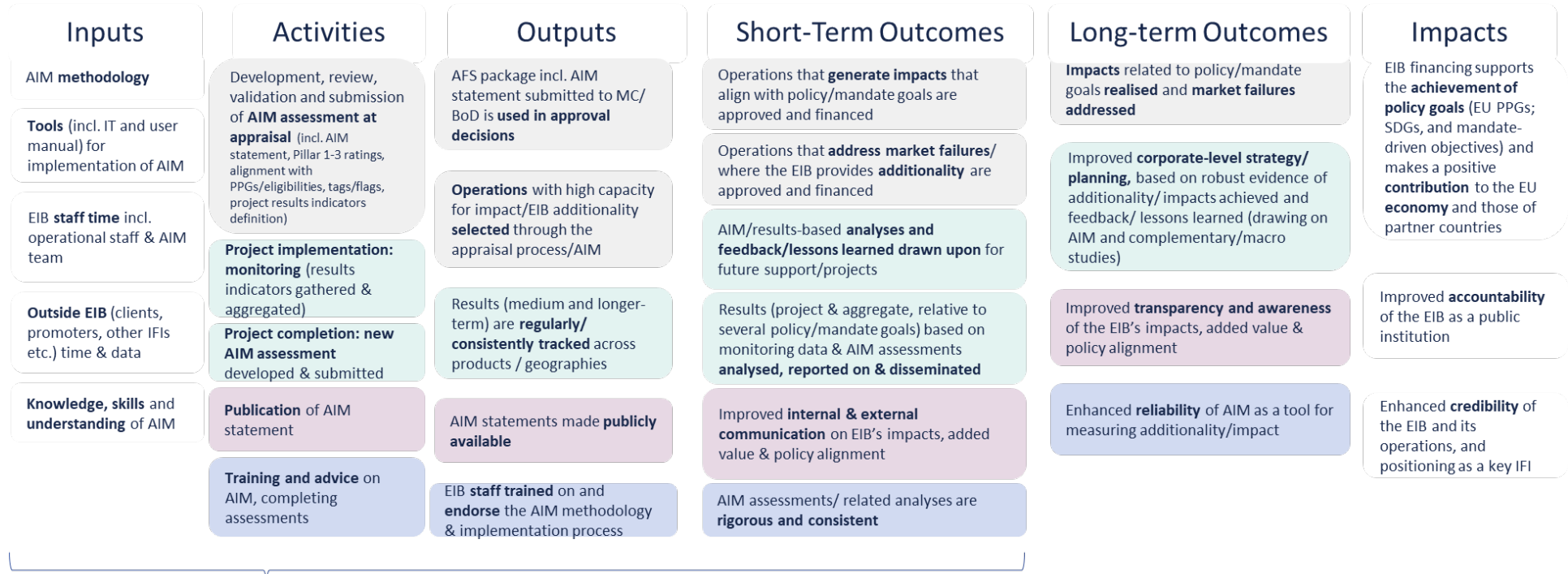
The outcomes are expected to contribute to desired impacts, i.e. higher-level systemic effects.

The EIB is able to contribute to the achievement of policy goals, thus supporting the EU economy more broadly. It is also perceived to be an accountable, transparent and credible institution.

The realisation of these impacts relies on the following assumptions:

- Projects financed are **successfully completed**.
- **Contextual** factors do not change adversely.
- AIM is sufficiently **flexible** to accommodate / adjust to changes in policy priorities.
- AIM/results **indicators and reports/analyses are used** to assess lessons learned **and inform strategic planning/assessments** of aggregate performance.

Figure 19: Intervention logic for the AIM Framework



Focus of the evaluation data collection/analysis

- Key:** the logic model is colour coded to highlight the causal pathways from activities to outcomes. The key themes of each pathway are:
- AIM assessments are used to identify, select and approve operations that can and do generate impacts and address market failures
 - Monitoring, tracking and reporting on the AIM generates lessons learned that are used to improve the EIB's strategy and capacity to achieve impacts/additionality
 - Publication of AIM assessments and analyses improve communication on the EIB's impact/added value, enhancing transparency
 - Training, material and support on the AIM enables its rigorous/consistent implementation and enhances its credibility/reliability
- There may be further, additional pathways, but these intend to capture the principal ones.

THE EVALUATION DIVISION OF THE EIB GROUP

The Evaluation Division of the EIB Group conducts independent evaluations of the EIB Group's activities. It assesses the relevance and performance of these activities in relation to their objectives and the evolving operating environment. It also helps the EIB Group draw lessons on how to continuously improve its work, thereby contributing to a culture of learning and evidence-based decision-making.

Evaluation reports are available from the EIB website: <https://www.eib.org/evaluation>

EIB ADDITIONALITY AND IMPACT MEASUREMENT (AIM) FRAMEWORK

AN INDEPENDENT EVALUATION

MARCH 2026



**European
Investment Bank** | Evaluation