

Organisation of the European Investment Bank

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Organisation of the European Investment Bank

The European Investment Bank (EIB) is directed and managed by a Board of Governors, a Board of Directors and a Management Committee. It also has an Audit Committee.

The Bank's Secretary-General provides secretarial services for the Board of Governors, the Board of Directors, the Management Committee and the Audit Committee.

The Bank's services are organised into Directorates-General and independent Departments which prepare and implement the decisions of the Bank's Management Committee.

The Board of Governors

The Board of Governors consists of Ministers designated by each of the Member States, usually Ministers for Finance, Economic Affairs or the Treasury. It lays down general directives on the credit policy of the Bank, with particular reference to the objectives to be pursued as progress is made in attainment of the common market, and ensures that these directives are implemented. It decides on increases in the subscribed capital and on the Bank's participation in financing operations outside the European Union and approves the annual report, the annual balance sheet, the profit and loss account and the Bank's Rules of Procedure. It appoints the members of the Board of Directors, the Management Committee and the Audit Committee. The Board of Governors is competent, when acting unanimously and within the framework of the Treaty and in accordance with the Statute, to take any decision concerning the suspension of the operations of the Bank and, should the event arise, its liquidation.

Decisions of the Board of Governors are usually taken by a majority of its members. This majority must represent at least 50 % of the subscribed capital. Voting by the Board of Governors is in accordance with the provisions relating to acts of the Council of the European Union (Article 205 of the Treaty establishing the European Community).

The chairmanship of the Board of Governors rotates between the members of the Board, according to the alphabetical order of the Member States.

The Board of Governors meets when convened by its Chairman on his own initiative or at the request of one of its members. The Bank's President may, on his own initiative or at the request of the Board of Directors, ask the Chairman of the Board of Governors to convene the Board. The Board of Governors holds an Annual General Meeting, no later than 30 April, in order to review the annual report, the balance sheet and the profit and loss account.

The Board of Directors

The Board of Directors originally consisted of 12 directors and 12 alternate directors; following enlargement of the European Union in 2007, the Board consists of 28 directors and 18 alternate directors. The directors are appointed by the Board of Governors for a renewable period of five years, one nominated by each Member State, and one nominated by the Commission.

The alternate directors are appointed by the Board of Governors for a renewable period of five years as shown below:

- two alternates nominated by each of the following Member States: France, Germany, Italy and the United Kingdom,
- one alternate nominated by common accord of Portugal and Spain,
- one alternate nominated by common accord of the Benelux countries,
- two alternates nominated by common accord of Denmark, Greece, Ireland and Romania,
- two alternates nominated by common accord of Austria, Estonia, Finland, Latvia, Lithuania and Sweden,

- three alternates nominated by common accord of Bulgaria, the Czech Republic, Hungary, Malta, Poland, Slovakia and Slovenia,
- one alternate nominated by the Commission.

The Board of Directors co-opts six non-voting experts: three as members and three as alternates.

The members of the Board of Directors are chosen from persons whose independence and competence are beyond doubt; they are responsible only to the Bank.

The Board of Directors is responsible for:

- taking decisions in respect of granting loans and guarantees and raising loans (sole power),
- fixing the interest rates on loans granted and the commission on guarantees,
- seeing that the Bank is properly run, and
- ensuring that the Bank is managed in accordance with the provisions of the Treaty and of the Statute and with the general directives laid down by the Board of Governors.

At the end of the financial year, the Board of Directors must submit a report to the Board of Governors. If the annual report is not approved, the Board of Directors must resign.

Each Director has one vote on the Board of Directors. Decisions of the Board of Directors are usually taken by at least one third of the members entitled to vote, representing at least 50 % of the subscribed capital. A qualified majority requires eighteen votes and 68 % of the subscribed capital in favour.

The Rules of Procedure of the Bank specify that 18 members of the Board of Directors constitute the quorum needed for the adoption of decisions. Alternates have no right of vote except where they replace one director or more than one director or where they have been delegated for this purpose in accordance with the provisions of the Statute.

The Board of Directors meets at least six times a year and at each meeting it determines the date of the next meeting. The President of the Management Committee or, in his absence, one of the Vice-Presidents, presides over meetings of the Board of Directors but does not vote.

Following the entry into force of the Treaty of Nice of 26 February 2001, the Council may, acting unanimously, alter the composition of the Board of Directors and its rules on decision-making.

The Management Committee

The Management Committee consists of a President and six Vice-Presidents — originally there were only two Vice-Presidents — appointed for a period of six years by the Board of Governors on a proposal from the Board of Directors. Their appointments are renewable. The Board of Governors, acting unanimously, may vary the number of members on the Management Committee.

As the EIB's collegiate executive body, the Management Committee is responsible for the current business of the Bank, under the authority of the President and the supervision of the Board of Directors. It prepares the decisions of the Board of Directors, in particular decisions on the raising of loans and the granting of loans and guarantees, and it ensures that these decisions are implemented.

The Management Committee establishes the Bank's administrative Rules of Procedure.

The President or, if he is prevented, a Vice-President represents the Bank in judicial and other matters.

The officials and other employees of the Bank are under the authority of the President. They are engaged and discharged by him.

The Management Committee and the staff of the Bank are responsible only to the Bank and are completely independent in the performance of their duties.

The Management Committee meets as required for the management of the Bank. At least five of its members must be present for decisions taken by the Committee to be valid.

The Audit Committee

The Audit Committee consists of three members, appointed on the grounds of their competence by the Board of Governors for a renewable term of office of three consecutive years. One member of the Committee is replaced each year.

The Audit Committee annually verifies that the operations of the Bank have been conducted and its books kept in a proper manner. It forwards to the Bank's President a written opinion on whether the balance sheet and profit and loss account are in agreement with the accounts and faithfully reflect the position of the Bank in respect of its assets and liabilities.

The Committee meets at least once a week with the Management Committee to discuss the outcome of its activities during the previous financial year and its work programme for the current financial year.

The Committee must submit a comprehensive report to the Board of Governors on the outcome of its activities during the previous financial year. This report is forwarded to the Board of Governors together with the annual report of the Management Committee.

The Committee may only conduct its business validly when the majority of its members are present. Apart from the aforementioned statement and report, both of which must be adopted unanimously, all Committee decisions require the concurrence of the majority of its members. The Committee lays down all other rules of operation itself.

The responsibilities of the Committee members end on the day on which the Board of Governors approves the annual report, the balance sheet and the profit and loss account.

The office of Chairman of the Committee is held by the member whose appointment is to end on the day on which the Board of Governors approves the Bank's annual report.

The Committee is assisted in the performance of its duties and responsibilities by an observer appointed by the Board of Governors for a renewable term of office of one year.