

RULES OF PROCEDURE OF THE COMMITTEE SET UP UNDER THE AUSPICES OF THE EUROPEAN INVESTMENT BANK ('INVESTMENT FACILITY COMMITTEE')

Article 1

1. The Investment Facility Committee hereinafter referred to as the 'Committee' shall consist of a representative for each Member State and a representative of the Commission of the European Communities, hereafter referred to as the 'Commission'. Only the Member States' representatives shall vote.

The Chairman and the deputy Chairman of the Committee shall be elected from within the members of the Committee for a period of two years. The election shall take place at the beginning of the first meeting of the Committee by secret vote. The Chairman shall be elected among the candidates on the basis of a qualified majority. The election of the deputy Chairman shall follow the same procedure.

The European Investment Bank, hereafter referred to as the 'Bank', shall provide the Committee's secretariat and support services.

2. The Member States shall each appoint a representative and an alternate authorised to exercise voting rights. An alternate may attend meetings of the Committee as an observer, but shall only have the right to vote when his Member State's representative is absent. Under exceptional circumstances, where neither the representative nor the alternate can attend a meeting of the Committee, the representative may give a proxy to another representative, or may be replaced by a third person to be appointed ad hoc. The Member States shall inform the Bank and the General Secretariat of the Council of the names and addresses of their representatives and their alternates through their Permanent Representations to the European Communities.

3. The Commission shall appoint a representative and an alternate to attend the meetings of the Committee and shall communicate their names to the Bank and to the General Secretariat of the Council. These appointees may be assisted by officials and servants of the Commission.

4. The Bank shall appoint a representative and an alternate to take part in the work of the Committee and shall communicate their names to the Commission and to the General Secretariat of the Council. These appointees may be assisted by officials of the Bank.

5. A representative of the General Secretariat of the Council shall be invited to attend meetings of the Committee as an observer.

Article 2

The Committee shall meet at least four times a year at the Bank's headquarters in Luxembourg and shall be convened by its Chairman. The Chairman may convene additional meetings at the request of a representative of a Member State or of the Commission, or the Bank.

The secretariat shall send notices of meetings to the representatives and their alternates, including details of the agenda

proposed for the meeting, at the same time as the relevant documents, as specified in Article 5(1).

Article 3

The Committee shall act in all matters by a qualified majority of 145 votes, expressing a vote in favour by at least eight Member States. The votes of the representatives of the Member States shall be weighted as follows:

<i>Member State</i>	<i>Votes</i>
Belgium	9
Denmark	5
Germany	50
Greece	4
Spain	13
France	52
Ireland	2
Italy	27
Luxembourg	1
Netherlands	12
Austria	6
Portugal	3
Finland	4
Sweden	6
United Kingdom	27

Article 4

1. The Committee shall, under the conditions laid down in Article 3:

- (a) with regard to the Investment Facility, approve:
 - (i) the operational guidelines and proposals for their revision;
 - (ii) the investment strategies and business plans, as per Article 30(1)(2) of the Internal Agreement;
 - (iii) the annual reports, including the financial statements;
 - (iv) any general policy document, including evaluation reports;
- (b) deliver an opinion on:
 - (i) proposals to grant an interest subsidy, as per Article 30(2)(1) of the Internal Agreement;
 - (ii) proposals related to projects for which the Commission has rendered a negative opinion;
 - (iii) any other proposal based on the general principles defined in the operational guidelines.

2. The documents referred to in Article 4(1)(a) shall be prepared and submitted to the Committee by the Bank. Proposals pursuant to Article 4(1)(b) shall be submitted to the Committee by the Bank and provide details of:

- (a) the description of the project and its relevance to the country development strategy as presented in the country strategy papers;
- (b) the development objective which the project is intended to achieve, including the sustainability of the measures planned;
- (c) the general organisation of, and the justification for, the project;
- (d) the project's costs, method of financing and risks involved, as well as, when relevant, the risk mitigation measures the Bank intends to apply;
- (e) the project's local, national and regional impact, based on the provisions of the ACP-EC Cotonou Agreement, including on the environment;
- (f) the agreement or opinion of the Commission, as specified in Article 30(4) of the Internal Agreement.

3. As a general rule, the detailed rules governing the technical execution of the project and the timetable for carrying it out shall be summarised in the Annex.

Article 5

1. For the purposes of Article 4, the Bank shall send the relevant documents and proposals to the representatives to the Committee and their alternates. It shall do so within the following respective time limits:

- (a) at least four weeks before the date fixed for meetings in the case of Article 4(1)(a);
- (b) at least three weeks before the date fixed for meetings in the case of Article 4(1)(b).

The Chairman may in exceptional cases waive the above time limits at the reasoned request of the Bank.

2. For documents under 1(a) and 1(b), representatives shall notify the Bank in writing of any comments or requests for further information, at least five working days and three working days respectively before the date of the meetings.

3. Acting on a proposal from its Chairman, the Committee shall adopt the agenda at the beginning of the meeting. Each representative may request that items be added to the agenda for discussion only. Information supplied in this connection may be given orally.

4. An absent representative shall be deemed to have approved or delivered a favourable opinion on the documents submitted, except where his alternate (or exceptionally, ad hoc replacement) is present or where he has given the Chairman of the Committee written notice of his intention not to approve or deliver a favourable opinion, or where, as an exceptional

measure, he has given a proxy to another representative. Where proxies to vote have been given or a replacement has been designated, the Chairman of the Committee shall be so informed.

A representative may receive a proxy from one other Member State representative only.

Article 6

1. The opinion of the Committee may be sought by means of a written procedure at the initiative of the Bank and with the prior agreement of the Chairman.

In the case of a proposal submitted through written procedure, the Bank shall submit it together with any supporting documents. A representative's vote shall be deemed to be in favour of a proposal on which he does not notify a negative vote within three weeks following the submission thereof.

If discussion at a meeting of the Committee is specifically requested by a representative not later than five working days before expiry of the three-week period referred to in the preceding paragraph, the proposal will be submitted in the next scheduled meeting of the Committee. In exceptional cases of particular urgency, the Bank may request that an extraordinary meeting of the Committee be convened by the Chairman pursuant to Article 2.

Article 7

1. While the Bank shall always act in accordance with Article 30(5) of the Internal Agreement, the Committee's approval of documents under Article 30(1) of the Internal Agreement or favourable opinion under Article 30(2) of the Internal Agreement, may be granted subject to any amendment specified by the Committee.

2. The Committee may ask for the appraisal of a request or proposal to be supplemented in certain respects. In such an event, the request or the proposal can be put before the Committee a second time.

3. The opinions delivered by the Committee shall be forwarded to the Bank's decision making bodies.

Article 8

1. A record of the main conclusions of each meeting of the Committee and the main standpoints adopted by the representatives shall be drawn up by the secretariat under the responsibility of the Chairman within no more than two weeks from the date of the meeting. The secretariat shall likewise record the opinions and votes cast under a written procedure. These records shall be sent to the addressees specified in Article 1(2).

2. The record shall be deemed final once approved by the Committee, whether by written procedure or at a subsequent meeting.
3. Correspondence concerning the Committee shall be addressed to the secretariat, for the attention of the Chairman of the Committee.
4. Those attending meetings of the Committee shall be required to observe the confidentiality of the Committee's work and deliberations. Documents relating to such work and deliberations shall be for the use of those to whom they are addressed, who shall be responsible for their safekeeping and the preservation of their confidentiality.

Article 9

1. The operating expenditure of the Committee, including travel expenses for one member of each Member State delegation, shall be borne by the Bank.
2. The Bank shall place at the disposal of the Committee the premises and equipment necessary for its work.

Article 10

All notices, correspondence or documents to be transmitted pursuant to these rules may be so transmitted using electronic mail or facsimile machine.
