Code of Conduct
of the Council of Europe Development Bank

applicable to the members of the Auditing Board
(Approved by the Governing Board on 27 November 2009)

1. Preamble

The adoption of a Code of Conduct (hereafter referred to as “the Code”) specifically for the members of the Auditing Board constitutes a further step in the due implementation of best international practices in matters of the Bank’s governance and takes its inspiration from the rules in force in the other multilateral development banks.

The rules and principles set forth below apply to all the members of the Auditing Board. For the purposes of this Code, the term “members of the Auditing Board” thus refers generally and globally to all the members of the Auditing Board, as well as to the outgoing member of the Auditing Board who attends the Auditing Board’s meetings as an advisor until the next rotation takes place, in accordance with point 2.2 of the Rules of Procedures of the Auditing Board.

2. Basic rules of conduct

The members of the Auditing Board must conduct themselves in accordance with the most ethical behaviour.

It shall be prohibited to show any illicit discrimination based on sex, race, colour, ethnic or social origin, political, philosophical or religious convictions, membership of any national minority, property, birth, disability, age or sexual orientation, nationality or, in general terms, the way in which the persons bound by this Code choose to conduct their private lives.

The members of the Auditing Board are required to conduct themselves in a manner that befits their international functions. Moreover, their conduct should not bring the Bank into disrepute or create the appearance of impropriety. They should bear in mind the reserve and tact incumbent upon them by reason of their international functions and are required to exercise the utmost discretion in regard to all matters relating to the Bank. They should avoid any kind of action, public announcement or activity for private gain that may adversely reflect upon their status, their integrity, or the impartiality that is required in their position.

3. Conflicts of interest

The members of the Auditing Board must ensure that no personal interests or any particular financial interests in any way affect their activities on behalf of the CEB or jeopardise the image of the CEB, given the information of which they have knowledge within the framework of the performance of their duties. The members of the Auditing Board remain bound to respect these obligations after their mandate expires.

Should an actual or apparent conflict of interest arise, the members of the Auditing Board shall promptly disclose the matter to the Chief Compliance Officer (CCO) for guidance. They shall recluse themselves by withdrawing from any attendance of or participation in deliberations or decision-making connected with their particular case, unless the CCO deems otherwise.
4. Activities

The members of the Auditing Board shall not engage in any professional activity that is incompatible with the proper performance of their duties and responsibilities to the Bank, including the obligations of this Code.

Any member of the Auditing Board who is offered an activity of an official/professional nature that could give rise to a permanent conflict of interest with regard to their duties and responsibilities at the Bank, shall inform the CCO thereof and shall ensure that acceptance of such a function would be compatible with the duties and responsibilities incumbent upon them because of their functions at the Bank. In considering whether to engage in such activities, they shall give priority to the interests of the CEB and to the avoidance of any conduct that could bring the Bank into disrepute.

The members of the Auditing Board are required to declare to the Auditing Board, without delay and in writing, any professional activity they exercise at any time throughout the duration of their mandate. When taking up their position at the Bank, they must sign a written statement, declaring to the CCO all their external mandates, whether public or private, and all the institutions in which they have a position, assignment or controlling financial interest. The information contained in that document shall be updated whenever necessary. The CCO is responsible for the safekeeping of these declarations.

When participating in works of a scientific or theoretical nature concerning the Bank, the members of the Auditing Board must stipulate that they are speaking on their own personal behalf and that their words and opinions do not represent the CEB’s position.

5. Public declarations and relations

When making public declarations on CEB-related matters, the members of the Auditing Board should make it clear in what capacity they are speaking and must comply with the requirements of confidentiality.

6. Confidentiality

The members of the Auditing Board may not disclose any confidential information or data of which they have knowledge in the performance of their duties to any persons or organisations outside the Bank. This rule does not apply to the diffusion of confidential information by the members of the Auditing Board to CEB member states in the course of their duties or to persons assisting them in accomplishing their duties at the CEB, provided such persons are bound by an equivalent obligation of confidentiality.

Any member of the Auditing Board who in the course of their duties is provided with confidential information concerning the Bank, one of the Bank’s customers or any other person related to the activities of the Bank, or with confidential information related to someone’s personal affairs or a business or professional secret, shall not disclose such matters.

They shall not use confidential information to their personal advantage or for the benefit of any third party. They remain bound to comply with these obligations beyond the end of their mandate.

7. Insider information

The members of the Auditing Board who, in the context or performance of their duties and responsibilities, have either direct or indirect access to insider information or who are in possession of such information, may not use that insider information.

This obligation shall continue beyond the term of their mandate with the Bank.

8. Private investments

The members of the Auditing Board must not use the Bank’s official communication procedures or professional contacts to manage their private affairs.

They must promptly notify the CCO of any financial activity that is not in accordance with the Code and which could be in conflict with their official duties and responsibilities.
9. Gifts and other advantages

Since honesty and integrity are essential values, the members of the Auditing Board must not accept any gifts or personal advantages linked to the mandate they exercise at the CEB that might jeopardize these values.

In any event, any person bound by this Code receiving a gift or advantage above a token value must, as soon as possible and regardless of the nature of the gift or advantage, notify the CCO in writing and, over and above a certain significant value, must surrender the object to the Bank or refuse the advantage. The members of the Auditing Board must ask the CCO for his/her opinion when they do not know whether or not they may accept a gift or any other advantage.

10. Relations with staff members and with members of the Bank’s directing Bodies

The members of the Auditing Board shall refrain from exercising any pressure upon the Bank’s Appointed Officials, staff members and occasional contractual collaborators for their own interest or for that of a third party in matters concerning the attribution of markets, management of human resources or the administration of financial transactions.

11. Former and Prospective Employers

The Bank may not use the services of the members of the Auditing Board, either as managerial staff or as expert consultants, for a period of 24 months following termination of their functions.

A member of the Auditing Board or their substitutes who ceases to exercise their functions at the CEB should not use or disclose any confidential information known to them by reason of their activity at the Bank, and should not contact CEB Appointed Officials or staff members (other than through official channels) to obtain confidential information.

12. Supervision of the Code of Conduct and entry into force

The CCO supervises compliance with the Code of Conduct. If necessary, he/she reports to the Auditing Board, the Administrative Council and/or to the Governing Board, at the request of any of these Collegial Bodies, according to their own specific decision-making rules, or of the Governor. In order to ensure coherent application of the Code, the members of the Auditing Board must consult the CCO in case of doubt as regards the practical application of any of the criteria in matters of professional ethics set forth in this Code.

The CCO shall be responsible for exercising the discretion necessary to preserve the anonymity of the parties involved.

This Code shall enter into force on 1st January 2010.