



COUNCIL OF EUROPE DEVELOPMENT BANK

RULES OF PROCEDURE OF THE ADMINISTRATIVE COUNCIL¹

Edition updated in November 2016

¹ The original version adopted on 22-23 November 1994 used the name "Council of Europe Social Development Fund" as the name of the institution. Since the entry into force on 1 November 1999 of the Governing Board's decision of 28 June 1999 on the change of the name, the Institution's name has become "Council of Europe Development Bank" and the rules of procedure have been modified accordingly.

Following the decision by the Governing Board on 26 November 2010 to abolish the Executive Committee (Resolution 384), the Administrative Council amended its Rules of Procedure accordingly on 18 November 2011 (Resolution 1540 (2011)).

Rule 1: Powers

1. The Administrative Council shall exercise all the powers delegated to it according to the Articles of Agreement other than those set out in Article IX Section 3 paragraph 1 of the Articles of Agreement. The powers delegated to the Administrative Council in the Articles of Agreement may be reassumed only in exceptional circumstances and for a specified period.¹
2. It shall have the power, *inter alia*:
 - to approve the operating budget of the Bank;
 - to discharge the Governor from his responsibility for financial management each year; on this occasion it shall also agree on the allocation of the profits realised by the Bank;

Rule 2: Composition

The Administrative Council shall consist of one representative appointed by each Member of the Bank and a Chairman appointed by the Governing Board; each Member may appoint a substitute.

Rule 3: Chairmanship

1. The term of office of the Chairman shall be three years, renewable for a second three-year term. The Chairman shall not have the right to vote.
2. A Vice-Chairman shall be elected from among the members of the Administrative Council. The Vice-Chairman shall conserve his right to vote. The term of office of the Vice-Chairman shall be two years, renewable for a second two-year term. It shall end if the Vice-Chairman no longer represents a Member of the Bank.
3. If both the Chairman and the Vice-Chairman are absent or prevented from discharging their duties, the longest-serving member present shall open the meeting and call for the election of an *ad hoc* Chairman.

Rule 4: Allowances and travel expenses

The Administrative Council shall fix the allowances of its members, the official allowances, if any, of its Chairman and Vice-Chairman, and shall set the conditions for the reimbursement of travel expenses.

Rule 5: Meetings

1. The Administrative Council shall be convened by its Chairman, at least four times a year. Every year it shall fix the provisional timetable for its meetings in the following year. At each meeting it shall confirm the date of its next meeting.
2. In addition, the Administrative Council shall be convened, at any time, at the request of five of its Members.
3. Meetings shall in principle be held at the headquarters of the Bank's operational services. They may also take place at its principal office or at any other place appropriate to the circumstances.

¹ Cf. Article IX Section 3 para. 3

4. Meetings shall be held in camera. The Administrative Council shall decide what information to publish concerning its proceedings.

Rule 6: Convening of meetings

1. Meetings of the Administrative Council shall be convened on the instructions of its Chairman. The members must receive at least three weeks' notice of the ordinary meetings provided for in Rule 5 para. 1 of these Rules of Procedure.

2. Once a meeting has been convened, any request for postponement from a member of the Council must be addressed to the Secretariat at least two weeks before the date fixed. The other members shall be informed of the request for postponement and of the Chairman's opinion. A meeting shall be postponed if the majority of members of the Administrative Council signify their agreement at least one week before the date previously appointed.

3. By common agreement, the Administrative Council and the Governing Board may decide to hold joint meetings.

Rule 7: Attendance at meetings

1. The Governor or his representative and members of the Secretariat shall participate in meetings. The Secretary General of the Council of Europe or his representative may attend meetings.

2. The Administrative Council may invite to its meetings, inter alia:

- the Legal Advisor or his representative;
- representatives of other Council of Europe bodies;
- members of the Auditing Board;
- representatives of other international organisations or other persons or experts whose presence is deemed helpful for the Council's work.

Rule 8: Agenda

1. The draft agenda for each meeting shall be drawn up by the Secretariat in agreement with the Chairman of the Administrative Council. It shall be transmitted to members together with the convening letter.

2. At the request of a member, which must reach the Secretariat at least ten days before the meeting, additional items shall be included on the draft agenda.

3. The Administrative Council shall adopt the agenda for each meeting at the opening of the meeting.

Rule 9: Quorum

Decisions of the Administrative Council shall be valid only when two-thirds of its Members' representatives are present.

Rule 10: Documentation

1. The documentary material cited on the agenda must be in the possession of the Members, in both official languages, at least two weeks before the date set for the meeting. In case of duly justified emergency, this period may be reduced to one week.
2. If the periods cited in paragraph 1 are not respected, no decision shall be taken during the meeting insofar as concerns any item on the agenda in respect of which the documentation was not received in due time, should any member so request.

Rule 11: Secretariat

1. The secretariat of the Administrative Council shall be provided by the Secretariat of the Enlarged Partial Agreement on the Council of Europe Development Bank.
2. In accordance with the arrangements made by the Secretary General, the Secretariat of the Administrative Council shall ensure all necessary assistance for the carrying out of its work, including legal assistance and assistance in the relations with the Council of Europe and its organs.
3. The Secretariat shall prepare the documentary material referred to in Rule 10, the agendas and minutes. It shall further transmit to the Administrative Council the agendas, minutes and decisions of the Governing Board and shall ensure that the respective documents of the Administrative Council are transmitted to the Governing Board.

Rule 12: Languages

1. The official languages of the Administrative Council shall be French and English.
2. Any member may speak in a language other than the official languages, but in that case he must make his own arrangements for interpretation into one of the official languages.

Rule 13: Voting

1. Each member of the Administrative Council shall have a number of votes equal to the number of participating certificates subscribed by the Member he represents.
2. Any Member which has failed to pay on time the part of the capital falling due may not, for as long as such non-payment persists, exercise the voting rights corresponding to the sum due and not paid up.
3. As a rule, decisions shall be taken by show of hands.
4. Between meetings, the Administrative Council may also take decisions in writing. To this end, the Secretariat shall transmit to members, on the Chairman's instruction, the draft decision to be voted upon together with a postal voting form. Save in exceptional circumstances, members must ensure that their votes reach the Secretariat within two weeks of the date of receipt of the aforementioned papers¹.
5. The Administrative Council may take decisions ad referendum. In such a case, the members shall be invited to notify the Secretariat of their vote on an appropriate form. Save in exceptional circumstances, members must ensure that the written answer reaches the Secretariat within two weeks.

¹ Amended by a decision of the Administrative Council at its 205th meeting (20-21 January 2000)

Rule 14: Majorities required

1. Decisions shall be taken by a majority vote. Only votes in favour or against shall count for the purpose of calculating the majority or majorities.
2. However, the following decisions shall be taken by a majority of the Members voting in favour or against and by a majority of the votes cast:
 - i. proposals and opinions addressed to the Governing Board in accordance with Article IX, Section 3, paragraph 1, *litt.* c, d, f, m and n of the Articles of Agreement¹;
 - ii. adoption or amendment of the Rules of Procedure of the Administrative Council;
3. Decisions relating to investment projects which have not received the Secretary General's opinion as to admissibility referred to in Article XIII, *litt.* c, of the Articles of Agreement shall be taken by a majority of Members voting in favour or against and holding two-thirds of the votes cast.

Rule 15: Minutes

1. The proceedings of the Administrative Council shall be recorded on audio cassettes which shall be kept by the Secretariat. The cassettes shall be destroyed six months after the adoption of the minutes unless the Chairman or a member requests otherwise. Recording may be suspended at any time at the request of the Chairman or of a member, and the Secretariat shall take notes for that part of the meeting.
2. Draft minutes shall be prepared by the Secretariat and submitted by the Chairman to members within ten days of each meeting. The minutes shall give a summary of any discussion on particular items, especially those on which decisions were taken, and shall record all decisions reached. The individual views of a member shall be recorded on request.
3. Members shall be asked to notify the Secretariat of any proposed amendments to the provisional minutes so that revised minutes may be drafted.
4. The minutes shall be adopted finally at the following meeting.
5. In exceptional cases, the Administrative Council may decide during the meeting – or at the following meeting at the latest – to ask the Secretariat to prepare a verbatim transcript, in the original language, of a specific part of the debates and to transmit it to the participants.

Rule 16: Amendments to the Rules of Procedure

These Rules of Procedure may be amended by a decision of the Administrative Council approved by a majority of Members voting for or against and by a majority of the votes cast.

¹ See Article IX, Section 3, paragraph 1, *litt.* c, d, f, m and n of the Articles of Agreement :

"The Governing Board shall

...

c. adjust the apportionment of the capital among Members as shown in the table appended to the present Articles of Agreement;

d. increase or reduce the authorised capital and fix the proportion of the subscribed shares to be paid up and the dates by which payment must be made;

...

f. suspend or terminate the Bank's operations and, in the event of liquidation, distribute its assets;

m. appoint the members of the Auditing Board;

n. appoint the external auditor and lay down his terms of reference;