



## **IIB ends 2016 by making one more step towards its institutional renewal**

December 30, 2016

On December 28, 2016, [the President of the Russian Federation, Vladimir Putin, signed the Federal Law № 482-FL "On the Ratification of the Protocol Amending the Agreement Establishing the International Investment Bank and Its Charter"](#). Thus, the country of the Bank's seat brought it one step closer towards a new stage of institutional development. Apart from Russia, IIB's new statutory documents have already been ratified by Hungary, Vietnam and Romania.

New versions of the Agreement Establishing the IIB and of the Bank's Charter fully reflect best practices of leading international financial institutions. These include, most importantly, the introduction of a new voting system taking into account shares of individual countries in the Bank's capital while protecting the interests of small shareholders. Another important change is a new, three-tier governance structure with a Board of Governors, Board of Directors and Management Board, the transition to which was prepared by the IIB this year with assistance from consultants of the World Bank. Reflecting the support by shareholder countries of further dynamic growth of the institution, the new statutory documents will also increase its authorised capital to EUR 2 billion.

It is expected that the finalisation of the ratification of IIB's statutory documents by all the member states will formally close the chapter on the reform of the multilateral development bank, which, during the next five-year strategic cycle, plans to focus on geographic and operational diversification while further improving financial sustainability, among other tasks.