

**REGULATION
FOR THE ADMISSION OF NEW MEMBERS
TO THE INTERNATIONAL INVESTMENT BANK**

**Article 1
General provisions**

1. This Regulation establishes principles, mechanisms and procedure for admitting states and international financial organisations (hereinafter referred to as ‘**the Candidates**’) into the membership of the International Investment Bank (hereinafter referred to as ‘**the Bank**’ or ‘**the IIB**’) subject to the Agreement Establishing the Bank¹ and its Charter.
2. Admission into the Bank’s membership entails accedence to the Agreement Establishing the Bank and its Charter. Those Candidates willing to be admitted to the Bank’s membership shall share the objectives and principles of the IIB’s activities and undertake obligations arising from the Agreement Establishing the Bank and its Charter.
3. Interaction between the Candidate and the IIB prior to their admission into the IIB membership is possible on the basis of an agreement signed between the Bank and this Candidate. The agreement may establish special conditions for IIB’s activities on the Candidate’s territory and provide for a special status of the IIB and the Candidate under the framework of such cooperation.

¹ The Agreement Establishing the IIB of July 10, 1970, registered with the UN Secretariat on December 1, 1971 under the Registry No. 11417

4. New members are admitted to the Bank’s membership upon a unilateral decision of its highest authority (hereinafter referred to as ‘**the Council**’) in accordance with the Agreement Establishing the Bank and its Charter.
5. ‘**The Candidate**’, as used herein, shall be any state or any international financial organisation that has expressed their willingness to join the Bank. They shall be duly authorised to negotiate the parameters for admission into IIB membership and to accede to the Agreement Establishing the Bank and its Charter in accordance with national law, and for an international financial organisation – in accordance with its internal regulation.
6. ‘**The Board**’, as used herein, means the executive body of the Bank, authorised to carry out preliminary consultations and negotiate the parameters for the Candidate to join the IIB and accede to the Agreement Establishing the Bank and its Charter.
7. ‘**The Authorised capital**’, as used herein, means the Bank’s authorised capital or aggregate of quotas allocated between the members of the Bank (the subscribed share), and, where applicable, the unsubscribed share of the Authorised capital.
8. ‘**The Paid-in capital**’, as used herein, means a share of the Authorised capital, contributed by the members of the Bank within the limits of quotas allocated to them.
9. ‘**The Quota**’, as used herein, means a share of the Bank’s member in the subscribed part of the Authorised capital.

Article 2

Preparations for admitting to IIB’s membership

1. **Preliminary consultations.**

1.1. The Board carries out preliminary consultations with the Candidate in order to determine key parameters for their admission into the IIB membership:

1.1.1. Indicative values of the Candidate's future Quota;

1.1.2. The need and preliminary timeline for the Candidate to complete internal procedures required for admission into the IIB membership;

1.1.3. Possible amounts, schedule and procedures for contributions to the Bank's Authorised capital within the limits of the allocated Quota.

1.2. Calculations of the Quota amount in the authorised capital are carried out in accordance with the Bank's regulatory documents.

1.3. Euro shall be the contribution currency under the Agreement Establishing the Bank and its Charter.

1.4. Following consultations and preliminary harmonisation of key parameters for admission referred to in paragraph 1.1., the Chairman of the Board informs the Heads of member states' delegations of the outcomes of the preliminary consultations with the Candidate, including calculations of indicative values with regard to the Candidate's future Quota in the authorised capital of the Bank, the amount of contribution to the Bank's authorised capital within the limits of allocated Quota and evaluation of opportunities and benefits arising from the Candidate's admission into the IIB membership. The Chairman of the Board requests the Council's authorisation to carry out formal negotiations based on preliminarily agreed key parameters referred to in the paragraph 1.1., subject to the Rules of the Procedures of the Council.

1.5. Should the Candidate's position regarding key parameters referred to in the paragraph 1.1. be in principle acceptable for the Council, it shall resolve to authorise the Board to carry out formal negotiations and define its mandate (inter alia, establish the limits for indicative values of the Candidate's future quota in the

Bank's authorised capital, the amount of contribution to the Bank's authorised capital within the limits of allocated quota and key parameters for their admission into the IIB membership).

2. Formal negotiations

2.1. During the phase of formal negotiations individual parameters of the Candidate's membership with the Bank are established, inter alia:

2.1.1. The amount of Candidate's Quota in the Authorised capital;

2.1.2. The amount, schedule and procedures for making contributions to the Authorised capital;

2.1.3. Other issues.

2.2. Upon completion of formal negotiations between the Bank and the Candidate, given that the conditions provided for in the paragraph 2.1. of this Article correspond to the powers granted to the Board, the arrangements between the parties shall be put on record in a meeting protocol or a memorandum signed by the authorised representatives of the Bank and the Candidate. The meeting protocol or the memorandum may also define specific parameters of cooperation between the Bank and the Candidate prior to the Candidate's formal admission into the IIB membership.

2.3. Should the Candidate's position on specific parameters of their membership with the Bank change in principle during the formal negotiations, and conditions provided for in the paragraph 2.1. of this Article shall not anymore correspond to the powers granted to the Board, the Board shall request a new mandate from the Council in order to resume formal negotiations with the Candidate.

Article 3 Procedures for admission into IIB membership

3.1. Upon completion of formal negotiations with the Candidate, the Board informs the Council thereof and forwards to the Council the meeting protocol or the memorandum signed jointly with the Candidate. Heads of the member states' delegations to the Bank initiate internal procedures within their countries, which are necessary for each member state to make a decision to approve the admission of a new member state into the IIB membership and to vote on this matter at the Council meeting subject to the requirements provided for by the paragraph 3.4. of this Regulation.

3.2. The Candidate forwards their Application to join the Bank (hereinafter referred to as '**the Application**') on conditions, specified in the signed meeting protocol or the memorandum, which states that the Candidate shares the objectives and principles of the Bank's activities and assumes the obligations imposed by the Agreement Establishing the Bank and its Charter. The Application template is attached (Appendix 1 hereto).

3.3. If a need arises for the Candidate to perform internal procedures essential for admission into the IIB membership, a dedicated clause shall be compulsorily included in the Application.

3.4. Upon the consideration of the Candidate's application and the meeting protocol or the memorandum, the Council shall make a decision on admitting the Candidate to the IIB membership and shall approve the key parameters for their admission into the Bank's membership, which are provided for in the meeting protocol or the memorandum jointly signed by the Bank and the Candidate.

3.5. Should the Council resolve to admit the Candidate to the IIB membership, a duly certified copy of the Council's resolution on admitting a new member shall be forwarded to this member and the Depository of the Agreement Establishing the Bank and its Charter. Alongside the copy of the Resolution on

admitting a new member, the Councils forwards the Candidate's Application to the Depositary.

3.6. Should the Candidate need to carry out a set of internal procedures in order to complete the IIB membership admission process (whereof the Candidate has informed the Council in its Application, in accordance with the paragraph 3 of this Article) a copy of the Council's resolution on admitting the new member and their Application are forwarded to the Depositary only after the Candidate has notified the Council that all relevant internal procedures were complete.

3.7. The Candidate is considered to have formally acceded to the Agreement Establishing the Bank and its Charter and admitted to the Bank's membership from the date, when the Depositary has received the copy of the Council's Resolution on admitting the new member and their Application.

3.8. The Depositary notifies the Bank and its other members of the date, when it has received the copy of the Council's resolution on admitting the new member and their Application.

3.9. The new member's Quota in the Authorised capital shall be determined from the date of their admittance to the IIB membership. The new member provides the Bank with an undertaking statement for the whole amount of their Quota in a form, specified in Appendix 2 hereto.

3.10. For each contribution, the Bank provides the new member with a Contribution certificate in a form, provided in Appendix 3 hereto.

3.11. Within 5 (five) working days, the Board notifies in writing all member states of the Bank, that the new member has made their first contribution to the Authorised capital and attaches the information of an updated quota allocation between the member states in the Paid-in capital.

Application form

To the Council [Board of Governors²] of the International Investment Bank

Herewith, on behalf of (*name of competent authority and state*)/(*name of executive body of international organisation*), I am authorised to inform that guided by an aspiration to strengthen further the economic relations between (*name of state or international organisation*) and the member states of the International Investment Bank, (*name of state or international organisation*) expresses its willingness to join the International Investment Bank.

(*Name of state or international organisation*) shares the objectives and principles of IIB's activities and assumes the obligations arising from the Agreement Establishing the International Investment Bank and its Charter [, and declares its approval for the Protocol amending the Agreement Establishing the International Investment Bank and its Charter, which was open for signing at the 101st Meeting of the IIB council on May 8, 2014]³

Herewith I am authorised to declare on behalf of (*name of competent authority and state*)/(*name of executive body of international organisation*) that (*name of state or international organisation*) undertakes to make its first contribution to the Bank's authorised capital within the limits of the agreed quota within (*a timeframe is given for making the first contribution*) from the date, when admission to the IIB

² The Application shall be addressed to the Board of Governors in case, where the Candidate is admitted to the IIB membership after the Protocol amending the Agreement Establishing the International Investment Bank and its Charter, which was open for signing at the 101st Meeting of the IIB Council on May 8, 2014, has taken effect.

³ For the Candidates joining the IIB before the Protocol amending the Agreement Establishing the International Investment Bank and its Charter, which was open for signing at the 101st Meeting of the IIB Council on May 8, 2014, has taken effect.

membership was granted, in the amount of (the amount of first contribution is stated) euro.

(Competent authority / Executive body of
international organisation)
(name of state or international organi-
sation)

Commitment form

COMMITMENT

In accordance with the Agreement Establishing the International Investment Bank (*member of the Bank*) undertakes to contribute (*quota amount*) EUR _____ million towards its quota to the IIB authorised capital, subject to the procedures and the timeline determined by the Council.

Member of the Bank

« » _____ 20__

Contribution Certificate template

CONTRIBUTION CERTIFICATE

Hereby the International Investment Bank (hereinafter referred to as the Bank, IIB) certifies that the amount of contribution of *(name of a member of the Bank)* to the paid-in capital of the International Investment Bank within the limits of their quota equals *(the amount of contribution)* _____ euro.

The date, when the contribution of *(name of a member of the Bank)* in the amount of *(the amount of the contribution)* _____ euro was credited to the IIB's paid-in capital, - _____*(the date)*.

The above contribution has been made towards the quota of *(name of a member of the Bank)* in the Bank's authorised capital, which amounts to *(quota amount)* _____ euro.

The total share of *(name of a member of the Bank)* in the paid-in capital reaches *(the amount)* _____ euro.

« » _____ 20__

Chairman of the Board

Chief Accountant/Chief financial officer