DECISIONS

COUNCIL DECISION (EU) 2019/654

of 15 April 2019

amending Protocol No 5 on the Statute of the European Investment Bank

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 308 thereof,

Having regard to the request of the European Investment Bank,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Parliament ([1]),

Having regard to the opinion of the European Commission ([2]),

Acting in accordance with a special legislative procedure,

Whereas:

(1) On 29 March 2017, the United Kingdom notified the European Council of its intention to withdraw from the Union pursuant to Article 50 of the Treaty on European Union. The Treaties will cease to apply to the United Kingdom from the date of entry into force of the Withdrawal Agreement, or failing that, two years after that notification, i.e. on 30 March 2019, unless the European Council, in agreement with the United Kingdom unanimously decides to extend that period.

(2) In accordance with Article 308 of the Treaty on the Functioning of the European Union, the members of the European Investment Bank (the 'Bank') are the Member States.

(3) The withdrawal of the United Kingdom from the Union will bring an end to the United Kingdom's membership of the Bank, to its subscribed capital in the Bank, to its right to nominate members and alternate members of the Board of Directors, and to the term of office of the members and alternate members of the Board of Directors nominated by the United Kingdom.

(4) The maintenance of the capital of the Bank requires an increase in the capital subscribed by the remaining Member States.

(5) The increase in the capital subscribed by the remaining Member States should occur in parallel with a further strengthening of the governance of the Bank.

(6) The functions of the Board of Directors should be strengthened by allowing for the nomination of additional alternates, and better use should be made of alternate Board members and non-voting experts to enhance their role in supporting the decision-making process of the Board of Directors, in particular with regard to the analysis of financing proposals.

(7) The use of qualified majority voting by the Board of Directors and the Board of Governors should be extended to crucial areas, namely the decision on the Bank's operational plan, the appointment of members of the Management Committee and the approval of the Rules of Procedure.

(8) In order to enhance the effectiveness of the reforms set out in this Decision, the Bank should take further initiatives to reflect, in line with best banking practice, the principles of the 'three lines of defence' at all relevant levels of the Bank, including in the Management Committee.

([1]) Opinion of 15 January 2019 (not yet published in the Official Journal).
([2]) Opinion of 31 January 2019 (not yet published in the Official Journal).

(9) Furthermore, and in line with Member States' expectations, lending volumes should be kept sustainable and a framework for determining sustainable lending levels should be further developed, while the functions of the Audit Committee should be strengthened by making sure that the Committee includes members with knowledge of supervisory issues. In particular, it should be ensured that the Audit Committee always includes members drawn from a banking supervisory authority from both inside and outside the euro area.

(10) The Statute of the European Investment Bank should therefore be amended accordingly,

HAS ADOPTED THIS DECISION:

Article 1

Protocol No 5 on the Statute of the European Investment Bank, annexed to the Treaty on the Functioning of the European Union, is amended as follows:

(1) the first subparagraph of Article 4(1) is amended as follows:

(a) the introductory part is replaced by the following:

'1. The capital of the Bank shall be EUR 204 089 132 500, subscribed by the Member States as follows:';

(b) the following line in the list is deleted:

'United Kingdom 39 195 022 000';

(2) in Article 7(3), point (h) is replaced by the following:

'(h) approve, acting by a qualified majority, the Rules of Procedure of the Bank.';

(3) in the first subparagraph of Article 9(1), the following sentence is added:

'It shall, acting by a qualified majority, decide on the Bank's operational plan.';

(4) Article 9(2) is amended as follows:

(a) the first subparagraph is replaced by the following:

'2. The Board of Directors shall consist of 28 directors and of 31 alternate directors, nominated in accordance with this paragraph.';

(b) the third subparagraph is replaced by the following:

'The alternate directors shall be appointed by the Board of Governors for five years as shown below:

— two alternates nominated by the Federal Republic of Germany,

— two alternates nominated by the French Republic,

— two alternates nominated by the Italian Republic,

— two alternates nominated by common accord of the Kingdom of Spain and the Portuguese Republic,

— three alternates nominated by common accord of the Kingdom of Belgium, the Grand Duchy of Luxembourg and the Kingdom of the Netherlands,

— four alternates nominated by common accord of the Kingdom of Denmark, the Hellenic Republic, Ireland and Romania,

— six alternates nominated by common accord of the Republic of Estonia, the Republic of Latvia, the Republic of Lithuania, the Republic of Austria, the Republic of Finland and the Kingdom of Sweden,

— nine alternates nominated by common accord of the Republic of Bulgaria, the Czech Republic, the Republic of Croatia, the Republic of Cyprus, Hungary, the Republic of Malta, the Republic of Poland, the Republic of Slovenia and the Slovak Republic,

— one alternate nominated by the Commission.';

(5) the first subparagraph of Article 11(1) is replaced by the following:

'1. The Management Committee shall consist of a President and eight Vice-Presidents appointed for a period of six years by the Board of Governors, acting by a qualified majority, on a proposal from the Board of Directors, acting by a qualified majority.'.

Article 2

1. This Decision shall apply from the day following that on which the Treaties cease to apply to the United Kingdom.

2. Point (1)(a) of Article 1 shall apply from the date referred to in paragraph 1 of this Article unless a decision to increase the capital of the Bank has been adopted with effect from that date or before that date.

Done at Luxembourg, 15 April 2019.

For the Council

The President

P. DAEA