



BOARD OF GOVERNORS
INTER-AMERICAN INVESTMENT CORPORATION

CII/AB-7-4
4 March 2024
Original: English
French
Portuguese
Spanish
Public

To: The Board of Governors of the Corporation
From: The Secretary
Subject: By-laws of the Inter-American Investment Corporation

Attached for your information are the By-laws of the Inter-American Investment Corporation. They were approved on 15 February 2024 pursuant to the terms of Resolution CII/AG-1/24, which was adopted by the procedure for taking a vote without calling a meeting established in Section 4 of the By-laws of the Corporation.

Supersedes: CII/AB-7-3(6/17)
Reference: CII/AB-1678(1/24), CII/AG-1/24

BY-LAWS OF THE INTER-AMERICAN INVESTMENT CORPORATION

These by-laws of the Inter-American Investment Corporation (hereinafter referred to as the "Corporation") are adopted under the authority of the Agreement Establishing the Inter-American Investment Corporation (hereinafter referred to as the "Agreement"), for the purpose of implementing the provisions of said Agreement.

In the event of a conflict between any provision in these By-laws and the provisions of the Agreement, the provisions of the latter shall prevail. In the event of conflict between these By-laws and any regulations adopted pursuant to the Agreement, the By-laws shall prevail.

Section 1. Report to the Board of Executive Directors

At each regular meeting of the Board of Governors, the Board of Executive Directors shall submit a general report on the operations carried out by the Corporation. In the general report, recommendations may be made to the Board of Governors on matters relating to the activities of the Corporation.

Section 2. Conditions of Service

(a) The Governors and their Alternates shall perform their duties without remuneration from the Corporation. Their expenses incurred in attending meetings of the Board of Governors shall be paid by their respective countries.

(b) The Executive Directors and their Alternates may receive salaries and associated benefits from the Corporation in accordance with the terms and conditions determined by the Board of Governors.

(c) When an Executive Director or his Alternate is unable to attend a meeting of the Board of Executive Directors, the Executive Director may appoint a Temporary Alternate to take his place. When the office of the Executive Director is vacant, the Alternate may appoint a Temporary Alternate. The Temporary Alternate shall receive no salary or compensation for expenses. No staff member of the Corporation or of the Inter-American Development Bank (hereinafter referred to as the "Bank") may be appointed a Temporary Alternate.

(d) In accordance with regulations to be established by the Board of Executive Directors, the Bank may provide secretarial services. The office space and other facilities as may be necessary for the performance of the duties of the Executive Directors and Alternates of the Corporation shall be the same furnished to them by the Bank. The Executive Directors of the Corporation and their Alternates who are not at the same time Executive Directors or Alternates of the Bank shall be provided office space for their use during meetings of the Board of Executive Directors and of the Executive Committee of the Board.

Section 3. Delegation of Powers

The Board of Executive Directors is authorized by the Board of Governors to exercise all the powers of the Corporation with the exception of those reserved to the Board of Governors in Article IV, Section 2(c) and other provisions of the Agreement. The Board of Executive Directors

shall adopt no measure by virtue of the powers delegated to them by the Board of Governors, that is inconsistent with any measure adopted by the Board of Governors.

Section 4. Taking a Vote without Calling a Meeting

When the Board of Executive Directors considers that an action, on which the Board of Governors must pronounce itself, cannot be postponed until the next regular meeting of the Board of Governors and does not justify calling an extraordinary meeting, the Board of Executive Directors shall transmit to each member, by any rapid means of communication, a proposal embodying the suggested action and shall request the vote of its Governors on the matter. The votes shall be submitted within a period to be established by the Board of Executive Directors. The proposal shall be considered adopted on the date on which the replies received at the Corporation's Headquarters constitute a quorum pursuant to Article IV, Section 2 (e) of the Agreement and the favorable votes cast represent the required majority pursuant to the Agreement. At the expiration of the period prescribed for voting, the Chairman shall notify all the members of the results of the voting.

Section 5. Vacancies on the Board of Executive Directors

When a new Executive Director must be elected because of a vacancy requiring an election, the procedure established in the Regulations for the Election of Executive Directors shall be followed.

Section 6. Rules and Regulations

The Board of Executive Directors is authorized by the Board of Governors to adopt such rules and regulations as are necessary or appropriate to the direction of the business of the Corporation.

Section 7. Fiscal Year

The fiscal year of the Corporation shall begin on January 1 and end on December 31 of each year.

Section 8. Budget and Auditing of Accounts

The accounts of the Corporation shall be audited at least once a year by external auditors designated by the Board of Governors. On the basis of the audit, the Board of Executive Directors shall submit to the Board of Governors for approval at its regular meetings a financial statement of the organization, including the balance sheet and a statement of profit and loss.

The annual audit shall be comprehensive with respect to the examination of the financial records of the Corporation; it shall include such proof as the auditors deem appropriate that the financial transactions carried out during the period under review have been duly authorized and it shall determine that the assets of the Corporation have been adequately and faithfully accounted for. For this purpose, the external auditor shall have access to all the accounts and records of the Corporation and to all other supporting evidence of its financial transactions. The management of the Corporation shall furnish to the external auditors such additional information as they may require and the external auditors shall respect the confidential nature of their service and of the information made available to them for purposes of the audit.

The General Manager of the Corporation shall prepare an annual administrative budget, which he shall submit to the Board of Executive Directors for approval. The budget, when approved, shall be incorporated in the annual general report that shall be submitted to the Board of Governors at its regular meeting.

Section 9. Applications for Membership in the Corporation

Any member country of the Bank may apply for membership in the Corporation by submitting a formal request in accordance with such terms as the Corporation may determine.

In submitting an application for membership to the Board of Governors, the Board of Executive Directors, after consulting with the applying country, shall make the recommendation to the Board of Governors concerning the number of shares of capital stock the country should subscribe, and any other conditions which, in the opinion of the Board of Executive Directors, the Board of Governors should establish. In considering the application, the Board of Directors shall give due consideration to the effects the admission of a new member will have on the distribution of voting rights and on maintaining the relative majorities between regional developing and other member countries.

Section 10. Suspension of a Member Country

Before any member country is suspended from membership in the Corporation, the matter shall be considered by the Board of Executive Directors, which shall inform the member country of the complaint against it, and shall give the member country not less than 90 days nor more than 180 days, except in special cases which are justified in the judgment of the Board of Executive Directors, to explain its case orally and in writing. The Board of Executive Directors shall recommend to the Board of Governors whatever action it considers appropriate. The member country shall be notified of the recommendation and of the date on which the matter is to be considered by the Board of Governors, and it shall be given not less than 90 days nor more than 180 days, except in special cases which are justified in the judgment of the Board of Governors, in which to present its case orally and in writing before the Board of Governors. Any member country may waive this right.

Section 11. Amendments to the By-Laws

The Board of Governors may amend these By-Laws at any of its sessions or by taking a vote without a meeting, in accordance with the provisions of Section 4 of these By-Laws.