

Appendix to Minutes 163 of
the Meeting of the Council of
the Eurasian Development Bank
dated 24 June 2022

APPROVED BY
Resolution of the Council of
the Eurasian Development Bank
(Minutes 163 dated 24 June 2022)

APPROVED BY
the Management Board of
the Eurasian Development Bank
(Minutes 955 dated 6 May 2022)

**REGULATIONS FOR THE ADMISSION OF NEW MEMBERS
TO THE EURASIAN DEVELOPMENT BANK**

Article 1. General Provisions

1.1. These Regulations set forth the procedure for the admission of states and international organisations as new members of the Eurasian Development Bank ("Bank" or "EDB") in accordance with the Agreement Establishing the Bank and the Bank's Charter, which forms its integral part, and the Rules of Procedure of the Bank's Council approved by the Bank's Council.

1.2. In accordance with the Agreement Establishing the Bank, membership in the Bank is open to interested states and international organisations that share the Bank's objectives.

The states and international organisations that are admitted to the Bank become its members pursuant to a resolution of the Bank's Council adopted in accordance with the Charter, after having acceded to the Agreement Establishing the Bank and paid for shares in the Bank as set forth by the Bank's Council.

1.3. These Regulations supersede the previously effective Regulations for the Admission of New Members to the Bank approved by resolution of the Bank's Council on 17 March 2017 (Minutes 82 dated 17 March 2017).

1.4. These Regulations shall be amended and supplemented as necessary, but at least once every five years.

Article 2. Terms Used in These Regulations

The following terms are used in these Regulations:

"Shares on Call" means additional shares issued by the Bank that are payable on call pursuant to a resolution of the Bank's Council;

"Bank" or "EDB" means the Eurasian Development Bank;

"Depositary" means the Ministry of Foreign Affairs of the Russian Federation, authorised under the Agreement Establishing the Bank to act as a depositary of the Agreement Establishing the Bank;

"Directives" means instructions approved by a resolution of the Bank's Council for conducting the Bank's Preliminary Consultations, containing indicative terms and conditions of the Applicant's membership in the EDB;

"Application" means the Applicant's official written application for admission to the Bank, submitted to the Chairman of the Bank's Council in response to the Invitation, the model form of which is provided in Appendix 2 to these Regulations;

"Applicants" means states and international organisations that have expressed their interest in being admitted to the Bank;

"Materials" means the materials prepared by the Bank in accordance with Clause 3.3 of these Regulations and submitted to the Bank's Council to consider the Preliminary Consultations;

"Request" means the Applicant's written request confirming its interest in becoming a member of the Bank, submitted to the Chairman of the Bank's Council, the model form of which is provided in Appendix 1 to these Regulations;

"Paid-in Shares" means the Bank's shares that are paid by the Applicant to be admitted to the Bank in accordance with the procedure, and on the terms and conditions,

approved by a resolution of the Bank's Council pursuant to Clause 4.5 of these Regulations;

"Rules of Procedure of the Council" means the Rules of Procedure of the Council of the Eurasian Development Bank, approved by a resolution of the Bank's Council;

"Management Board" means the Bank's permanent collective executive body acting under the Charter;

"Preliminary Consultations" means the Bank's preliminary consultations with the Applicant to define the possible terms and conditions of its membership in the EDB;

"Invitation" means a written invitation to submit an Application, sent by the Chairman of the Bank's Management Board to the Applicant in accordance with Clause 3.7 of these Regulations;

"Register of Bank Members" means a document that contains information on the issued shares of the Bank, Bank members, Bank shares held by such members, and other information;

"Bank's Council" means the Bank's supreme governance body, exercising overall management of the Bank's activities in accordance with the Charter;

"Agreement Establishing the Bank" means the Agreement Establishing the Eurasian Development Bank, dated 12 January 2006;

"Charter" means the Bank's Charter, annexed to, and forming an integral part of, the Agreement Establishing the Bank;

"Members of the Bank's Council" means authorised representatives of the Bank's member states in the Bank's Council and their deputies.

Article 3. Preliminary Consultations

3.1. If interested in becoming a member of the Bank, the Applicant shall submit a Request to the Chairman of the Bank's Council, the model form of which is provided in Appendix 1 to these Regulations.

The Bank shall inform Members of the Bank's Council of the received Request.

3.2. When considering the Request, the Bank shall be governed by the applicable provisions of the Agreement Establishing the Bank, the Bank's strategic and other internal documents, and resolutions of the Bank's Council pertaining to the Bank's international and project activities.

3.3. If the Request is found to be in compliance with the above documents, the Bank shall prepare and submit for the Bank's Council consideration a note on conducting the Preliminary Consultations with the Applicant to define the possible terms and conditions of its membership in the EDB.

The Materials submitted to the Bank's Council in respect of the Preliminary Consultations with the Applicant shall include:

3.3.1. the Request;

3.3.2. an analytical report prepared by the Bank and containing:

- an assessment of the Request/Applicant's compliance with the applicable provisions of the Agreement Establishing the Bank, strategic and other documents, resolutions of the Bank's Council pertaining to the Bank's international and project activities, and these Regulations;

- an assessment of the estimated effects/prospects/benefits of the Applicant's admission to the EDB for the Bank and its member states;
 - the Applicant's objectives and interests associated with its membership in the Bank; and
 - indicative values in respect of the amount of the Applicant's contribution to the Bank's charter capital and the structure of such contribution (in terms of Paid-in Shares and Shares on Call);
 - the tentative method and timeline for the Applicant's payment for the Bank's Paid-in Shares; and
 - the Applicant's expected portfolio of projects to be financed by the Bank that are in line with the Bank's mandate.
- 3.3.3. Draft Directives for the Bank's Preliminary Consultations, defining:
- the amount and structure of the Applicant's contribution to the Bank's charter capital;
 - the timeline for conducting the Preliminary Consultations; and
 - other material terms and conditions.

The Bank may request that the Applicant provide information necessary to prepare the Materials.

3.4. The Bank's Council shall adopt a resolution to conduct the Preliminary Consultations and approve the Directives by a majority of three-fourths of the votes of the Bank's members, subject to Article 15.4 of its Charter.

If the Bank's Council resolves that the Preliminary Consultations are unfeasible, the Directives shall not be approved. The Bank may initiate re-consideration by the Bank's Council of the feasibility of the Preliminary Consultations in accordance with Clause 3.3 of these Regulations not earlier than upon expiry of six (6) months, provided that additional material information relating to the Applicant's membership in the Bank has been submitted.

3.5. The Preliminary Consultations shall determine the following:

- the indicative values of the Applicant's contribution to the Bank's charter capital, including the number of the Bank's shares to be purchased (including Paid-in Shares and Shares on Call), with a face value of one thousand (1,000) US dollars per share as set forth in the Charter;
- the method and timeline for the Applicant's payment for the Paid-in Shares;
- the necessity of, and tentative timeline for, the Applicant's completion of its internal procedures in respect of its admission to the EDB (submission of the Application, accession to the Agreement Establishing the Bank, and subscription to the Bank's shares);
- the Applicant's objectives and interests associated with its membership in the Bank; and
- proposals in respect of the portfolio of projects compliant with the Bank's mandate, to be financed by the Bank in the Applicant state (sectors and amounts of finance), and in respect of other aspects of cooperation that were discussed during the consultations.

Proposals in respect of the project portfolio developed during the Preliminary Consultations shall not obligate the Bank to provide financing and shall be considered by the Bank in accordance with its internal regulations and procedures after the Applicant becomes a member of the Bank.

3.6. Upon completion of the Preliminary Consultations, the Chairman of the Management Board shall report the results of the Preliminary Consultations to the Members of the Bank's Council, including the following information:

- the indicative values of the terms and conditions for the Applicant's membership in the Bank, determined as a result of the Preliminary Consultations in accordance with Clause 3.5 of these Regulations; and

- an updated assessment of the estimated effects/prospects/benefits of the Applicant's admission to the EDB for the Bank and its member states.

3.7. If the indicative values of the terms and conditions of the Applicant's membership in the Bank, determined as a result of the Preliminary Consultations in accordance with Clause 3.5 of these Regulations, conform with the Directives, the Chairman of the Bank's Management Board shall, within his or her authority as defined by Article 17.4 of the Charter, send the Applicant an invitation to submit an Application to join the Bank.

If the Applicant is a state, the Bank shall also prepare and submit to it for further discussion a draft agreement between the Bank and the Applicant state's Government on the Bank's presence in the Applicant state, which shall be entered into after the Applicant state accedes to the Agreement Establishing the Bank and shall be one of the foundations for the Bank's operation in the member states.

3.8. If the Preliminary Consultations result in no agreement on the terms and conditions of the Applicant's membership in the Bank in accordance with the approved Directives, the Preliminary Consultations may be resumed to clarify the terms and conditions of such membership and arrange re-approvals in accordance with Clauses 3.3–3.7 of these Regulations in any of the following instances:

- the Applicant's disagreement with the terms and conditions of its membership as approved by the Directives;
- if, as a result of the Applicant's failure to respond to the Invitation for over six (6) months, the position of the member states in respect of the terms and conditions of the Applicant's membership needs to be clarified; or
- in other substantiated instances.

Article 4. EDB Admission Procedure

4.1. In response to the Invitation, the Applicant shall submit an Application to the Chairman of the Bank's Council, stating that it shares the Bank's objectives and operating principles and commits to be bound by the Agreement Establishing the Bank, and indicating the size of its share in the Bank's charter capital and the proposed payment procedure.

The model Application is provided in Appendix 2 to these Regulations.

The Application shall be signed by a person authorised by the Applicant to do so in accordance with its internal regulations (laws) and sent with a cover letter to the Chairman of the Bank's Management Board.

4.2. Upon receiving the Application, the Chairman of the Bank's Management Board shall inform the Members of the Bank's Council about the forthcoming inclusion on the agenda of the Bank's Council of the issue of the Applicant's admission to the Bank (with a copy of the Application and a memo to be attached as set forth by Clauses 3.5 and 3.6 of these Regulations) and shall invite them to issue or confirm their credentials as required by Article 14.3 of the Charter in order to vote on that issue and on the increase in the Bank's charter capital or its redistribution, by transferring a portion of the shares to the new member for subsequent registration of the Applicant's title to the corresponding share in the Bank's charter capital.

4.3. Based on the information received from the Chairman of the Bank's Management Board in accordance with Clause 4.2 of these Regulations, the Members of the Bank's Council shall initiate, in accordance with the Charter, their internal procedures (as required by their respective laws) necessary to have their authority confirmed in order to vote at the meeting of the Bank's Council deciding on the Applicant's admission to the EDB and the respective increase in the Bank's charter capital or its redistribution by transferring a portion of the shares to the new member.

4.4. The issue of the Applicant's admission to the EDB shall be included on the agenda of the Bank's Council in accordance with the Rules of Procedure of the Bank's Council.

4.5. The Bank's Council shall make a decision on the Applicant's admission to the EDB after having considered its Application. In accordance with the Charter, a resolution on the Applicant's admission to the Bank shall be deemed adopted if it is voted for by a majority of three-fourths of the votes of the Bank's members.

If the Applicant's admission as a new member is approved, the Bank's Council shall also approve the terms and conditions of the Applicant's contribution to the Bank's charter capital and pass a resolution on the Applicant's purchase of the Bank's shares (including Paid-in Shares and Shares on Call), including an increase in the Bank's charter capital and the respective additional issuance of the Bank's shares, or redistribution of the charter capital by transferring a portion of the shares to the new member, as may be necessary to effect the Applicant's title to the relevant share in the Bank's charter capital.

The model resolution of the Bank's Council on the admission of a new member to the Bank and the relevant increase in, or redistribution of, the Bank's charter capital is provided in Appendix 3 to these Regulations.

If the Bank's Council does not approve the Applicant's admission to the EDB, the Bank shall notify the Applicant accordingly. The Bank may initiate re-consideration by the Bank's Council of the feasibility of the Preliminary Consultations in accordance with Clause 3.3 of these Regulations, subject to its resolution on the Applicant's admission to the EDB.

4.6. After the minutes of the meeting of the Bank's Council are signed, the Bank shall submit:

- to the Applicant a certified copy of the resolution of the Bank's Council on its admission to the Bank and the corresponding increase in the charter capital so that the Applicant can complete its internal procedures necessary to accede to the Agreement Establishing the Bank and to subscribe to the Bank's shares in accordance with the decision of the Bank's Council; and
- to the Depositary a copy of the resolution of the Bank's Council on the Applicant's admission to the Bank, such copy to be certified with the Bank's seal.

4.7. After the Applicant completes its internal procedures necessary to accede to the Agreement Establishing the Bank, it shall notify the Bank to that effect and submit to the Depositary a deed of accession to the Agreement Establishing the Bank using diplomatic channels.

The Agreement Establishing the Bank shall take effect for the admitted Applicant on the date it has lodged with the Depositary its deed of accession to the Agreement Establishing the Bank.

4.8. The Depositary shall notify the Bank and the Bank's members of the date of receipt of the Applicant's deed of accession to the Agreement Establishing the Bank and shall submit a certified copy of such deed to the Bank.

4.9. Based on a resolution of the Bank's Council, the Applicant shall, in accordance with its internal regulations (laws), subscribe to, or commit to pay for, the Bank's shares in accordance with the terms and conditions set forth by the Bank's Council and shall notify the Bank accordingly.

4.10. The Applicant shall become a member of the Bank and acquire all rights and obligations of a member of the Bank arising from the Agreement Establishing the Bank after having acceded to the Agreement Establishing the Bank as set forth in Clause 4.7 of these Regulations and after payment for the Bank's Paid-in Shares has been received and a commitment to pay for the Shares on Call in accordance with the terms and conditions set forth by the Bank's Council has been submitted to the Bank.

4.11. After the Bank receives the documents confirming compliance with Clause 4.10 of these Regulations, the Bank shall record in the Register of Bank Members all the necessary changes associated with the admission of the new member to the Bank.

The Bank shall, within 30 days of registering the new member in the Register of Bank Members, submit to its members, including the new member, excerpts from the Register of Bank Members, stating changes in their respective shares in the EDB and the redistributed shares of the Bank's members in the EDB's charter capital.

4.12. The new member of the Bank shall appoint one representative plenipotentiary and one deputy as Members of the Bank's Council and shall officially notify the Bank to that effect. These persons shall become Members of the Bank's Council on the day the Bank receives an official written notice to that effect from its member.

4.13. The Bank shall operate in a member state provided that it has entered into an agreement on the Bank's presence in the member state with the Government of that member state, on the terms and conditions similar to those set forth in the agreements on the Bank's presence in other member states, and that such an agreement has taken effect in accordance with the established procedure.

Appendix 1
to the Regulations for
the Admission of New Members
to the Eurasian Development
Bank

Model Request

*[ON THE LETTERHEAD OF AN AUTHORISED AGENCY OF THE RELEVANT
STATE/INTERNATIONAL ORGANISATION]*

Attn.: Chairman of the Management Board
of the Eurasian Development Bank

[Document number and date]

Re.: Preliminary consultations regarding
the admission of a new member to the Eurasian Development Bank

Dear _____,

[The Applicant¹] hereby notifies of its intention and readiness to conduct preliminary consultations on *[the Applicant's]* admission to the Eurasian Development Bank ("EDB" or "Bank").

[The Applicant] shares the Bank's objectives as set forth in the Agreement Establishing the Eurasian Development Bank and supports the provisions of the current Bank Strategy.

[The Applicant] expects that its admission to the Bank will contribute to: *[goals and interests related to the Applicant's membership in the Bank]*.

[The Applicant] has the financial resources to pay for the Bank's shares if admitted to the EDB.

For further interaction regarding preliminary consultations with the EDB on *[the Applicant's]* admission to the Bank, please contact *[name, position, and contact details]*.

[Name, position, and signature of the authorised representative of the relevant state/international organisation].

¹ Full official name of the Applicant state/international organisation.

Model Application

*[ON THE LETTERHEAD OF AN AUTHORISED AGENCY OF THE ACCEDING
STATE/INTERNATIONAL ORGANISATION]*

[Document number and date]

Attn. Chairman of the Council
of the Eurasian Development Bank

Re.: *[Applicant's²]* admission
to the Eurasian Development Bank

Dear _____,

[The Applicant] hereby expresses its intention to accede to the Agreement Establishing the Eurasian Development Bank dated 12 January 2006, with the Charter of the Bank as its integral part ("Agreement Establishing the Bank"), and become a member of the Bank.

[The Applicant] fully shares the Bank's objectives and its operating principles as set forth in the Agreement Establishing the Bank and agrees to be fully bound by the Agreement Establishing the Bank.

In consideration of the foregoing, we request the Bank's Council to consider the admission of *[the Applicant]* as a member of the Bank, with its share in the Bank's charter capital to total *[the size of the share in figures and words]* US dollars, comprising *[quantity in figures and words]* paid-in shares and *[quantity in figures and words]* shares on call, with a face value of one thousand (1,000) US dollars per share. *[The Applicant]* is expected to pay for the above share in accordance with the resolution of the Bank's Council to admit *[the Applicant]* as a member of the Bank after *[the Applicant's]* accession to the Agreement Establishing the Bank: in respect of the paid-in shares *[as a lump sum/as scheduled]* by *[date]*, or, in respect of the shares on call *[according to the payment terms as provided in the invitation]*.

*[Name, position, and signature of the Applicant's authorised representative;
number and date of the authorising document].*

² Full official name of the Applicant state/international organisation.

Model Resolutions of the Bank's Council

Admitting [the Applicant] as a Member of the Bank and Admission Terms and Conditions

Having considered [the Applicant's] application for accession to the Agreement Establishing the Eurasian Development Bank and in pursuance of Article 14.1(b) of the Bank's Charter and the Rules of Procedure of the Bank's Council,

the Council RESOLVES to:

1) admit [the Applicant] as a member of the Bank, with a share in the charter capital of [the size of the share in figures and words] US dollars, divided into [quantity in figures and words] paid-in shares for a total of [amount in figures and words] US dollars, and [quantity in figures and words] shares on call for a total of [amount in figures and words], with payment for the shares purchased to be made in accordance with the terms and conditions set forth by the Bank's Council;

2) request the Bank's Management Board to contact [the Applicant's] authorised agencies to complete intrastate (internal) procedures necessary for [the Applicant's] accession to the Agreement Establishing the Bank, subscription for additional shares of the Bank, and payment for the Bank's shares in accordance with the terms and conditions set forth by the Bank's Council; and

3) authorise the Bank's Management Board to take all necessary measures to ensure [the Applicant's] admission as a member of the Bank.

Increasing the Bank's Charter Capital as a Result of [the Applicant's] Admission as a Member of the Bank

In pursuance of Articles 14.1(b) and 14.1(d) of the Bank's Charter and the Rules of Procedure of the Bank's Council,

the Council RESOLVES to:

1) increase the Bank's charter capital by [the size of the share in figures and words] US dollars by issuing additional [quantity in figures and words] shares with a face value of one thousand (1,000) US dollars each, including [quantity in figures and words] paid-in shares for a total of [amount in figures and words] US dollars, and [quantity in figures and words] shares on call for a total of [amount in figures and words] US dollars;

2) distribute the additional shares through additional subscription to [the Applicant];

3) provide that [the Applicant] pays for the additionally issued shares as follows:

- the paid-in shares to be paid [as a lump sum/as scheduled] after [the Applicant] subscribes for the additional shares; and

- the shares on call to be paid [according to the payment terms]; and

4) ensure that the Bank's Management Board take all measures necessary to effect the additional issue of the Bank's shares, including making records to the Bank's register of members reflecting such subscription to additional shares.

**Redistributing the Bank's Charter Capital
as a Result of *[the Applicant's]* Admission as a Member of the Bank**

In pursuance of Articles 14.1(b), 14.1(c) and 14.1(e) of the Bank's Charter and the Rules of Procedure of the Bank's Council,

the Council RESOLVES to:

- 1) redistribute the Bank's charter capital to *[the Applicant]* as follows:
 - *number and types of shares (including paid-in shares and shares on call) to be acquired by [the Applicant], and the transferor(s);*
 - *procedure for the transfer of shares/title to the acquired shares to [the Applicant];*
 - *repurchase price of the shares (per share and total) for [the Applicant];*
 - *procedure, terms, and conditions for the payment of paid-in shares/subscription to shares on call by [the Applicant]; and*
 - *[other material terms and conditions]; and*

2) ensure that the Bank's Management Board take all measures necessary to further effect *[the Applicant's]* membership in the Bank, including making records to the Bank's register of members reflecting the redistribution of its charter capital resulting from the transfer of the title to shares as set forth in Clause 1 of this resolution.