



European Investment Bank Group Fraud Investigations Division Charter

8 December 2017



European Investment Bank Group

Fraud Investigations Division Charter

8 December 2017

1. Introduction

- 1.1 This document sets out in particular the mission, scope of work, authority, and core principles of the Fraud Investigations Division (“IG/IN”) of the European Investment Bank, acting also, insofar as powers are entrusted to it by the European Investment Fund, for the entire European Investment Bank Group (“EIB Group”).
- 1.2 This document collects and summarises in one document the various EIB Group policy statements concerning the work of the IG/IN (such as those in the EIB Anti-Fraud Policy¹, EIF Anti-Fraud Policy², IG/IN Investigation Procedures³, EIB Whistleblowing Policy⁴, EIF Whistleblowing Policy⁵, Uniform Framework for Preventing and Combating Fraud and Corruption⁶). In case of conflict between the Charter and a policy or a question of interpretation of the Charter, the respective EIB and EIF policies shall prevail.
- 1.3 This document does not provide any additional rights, obligations or responsibilities over and above those already existing. Furthermore, this document and its contents do not constitute, directly or indirectly, a waiver of any immunities or privileges. In particular, this document is without prejudice to the right of EIB and EIF’s governing bodies to adopt amendments to their respective aforementioned policies and frameworks.

2. Mission

- 2.1 The mission of IG/IN is to provide the EIB Group with the capacity to professionally and objectively investigate allegations of prohibited conduct⁷ and to provide the EIB Group with relevant facts and recommendations to form the basis of appropriate follow-up action.
- 2.2 The mission of IG/IN also includes conducting proactive integrity reviews in areas of increased risk and providing lessons learned from reviews and investigations in order to improve the effectiveness and efficiency of the EIB Group’s operations and activities.

3. Scope of work

- 3.1 IG/IN shall receive and assess allegations falling within its mandate relating to all EIB and EIF’s operations and activities, and to the following persons and entities: (i) EIB and EIF’s projects related parties; (ii) EIB and EIF’s corporate procurement related parties; (iii) EIB and EIF’s borrowing and treasury related parties, (iv) members of EIB and EIF governing bodies, EIB and EIF staff and consultants⁸. For this purpose, IG/IN

¹ The EIB Anti-Fraud Policy is available at: <http://www.eib.org/infocentre/publications/all/anti-fraud-policy.htm>

² The EIF Anti-Fraud policy is available at: http://www.eif.org/news_centre/publications/anti_fraud_policy.htm

³ The EIB Investigation Procedures are available at: <http://www.eib.org/infocentre/publications/all/anti-fraud-procedures.htm>

⁴ The EIB Whistleblowing Policy is available at: <http://www.eib.org/infocentre/publications/all/eib-s-whistleblowing-policy.htm>

⁵ The EIF Whistleblowing Policy is available at: http://www.eif.org/news_centre/publications/Whistleblowing_Policy.htm

⁶ The documents of the International Financial Institutions Anti-Corruption Task Force are available at: <http://www.eib.org/about/documents/ifi-anti-corruption-task-force-uniform-framework.htm>

⁷ As defined in EIB Anti-Fraud Policy, paragraph 10 and EIF Anti-Fraud Policy, paragraph 13.

⁸ EIB Anti-Fraud Policy, paragraph 9; EIF Anti-Fraud Policy, paragraph 11.

shall maintain reporting facilities (such as email, postal addresses and telephone) to facilitate reporting by staff, management and third parties.

- 3.2 Where allegations are assessed as being credible, IG/IN shall investigate these in accordance with the IG/IN Investigations Procedures⁹. This shall be done in close cooperation with OLAF and other relevant bodies as appropriate¹⁰. IG/IN shall facilitate OLAF investigations where OLAF decides to open a case¹¹.
- 3.3 In addition, IG/IN shall undertake Proactive Integrity Reviews¹² based on the results of a risk assessment of EIB Group operations and/or countries or sectors concerned. These reviews are a proactive tool that examines operations and activities of the EIB or EIF to ensure that funds are used for their intended purpose and, in doing so, to assess susceptibility to prohibited conduct. The selection of projects for a Proactive Integrity Review is done independently by IG/IN on the basis of a detailed risk assessment process (subject always to the scope for IG/IN action referred to in 1.1 above), or at the request of EIB or EIF respectively.
- 3.4 IG/IN, in close cooperation with OLAF, is the sole office mandated within the EIB Group for the conduct of all investigations into alleged violations of the EIB or EIF Anti-Fraud Policy and related matters¹³.
- 3.5 IG/IN may also undertake investigations into other matters in the EIB at the request of the President, the Head of Personnel, or the EIB Group Chief Compliance Officer, or in the EIF at the request of the Chief Executive/Deputy Chief Executive or the Head of EIF Compliance, in either case with the approval of the Inspector General¹⁴.
- 3.6 IG/IN shall maintain an effective electronic system for the recording and management of all its cases.
- 3.7 In terms of prevention and deterrence of Prohibited Conduct¹⁵, IG/IN shall:
- (i) Communicate and facilitate fraud awareness training for EIB and EIF Group staff (both classroom sessions and/or e-learning) to ensure that all staff members and projects adhere to the highest standards to maintain integrity against Prohibited Practices;
 - (ii) Advise other services on lessons learned;
 - (iii) Advise on appropriate contractual terms and/or additional conditions or requirements;
 - (iv) Provide input to briefings for the President, Vice Presidents, the Chief Executive/Deputy Chief Executive, and senior management in both member institutions of EIB Group on integrity and investigation-related topics¹⁶;
 - (v) Engage in settlement discussions with entities found to have engaged in prohibited conduct¹⁷; and
 - (vi) Cooperating with international financial institutions ("IFIs") and other national and international investigation, prosecution and anti-corruption authorities to contribute to a coherent approach on integrity and investigation-related topics¹⁸.

⁹ EIB Anti-Fraud Policy, paragraph 49; EIF Anti-Fraud Policy, paragraph 53.

¹⁰ EIB Anti-Fraud Policy, paragraphs 66-70; EIF Anti-Fraud Policy, paragraphs 70-74.

¹¹ EIB Anti-Fraud Policy, paragraph 45; EIF Anti-Fraud Policy, paragraph 49.

¹² As defined in EIB Anti-Fraud Policy, paragraph 26 and EIF Anti-Fraud Policy, paragraph 33.

¹³ EIB Anti-Fraud Policy, paragraph 45; EIF Anti-Fraud Policy, paragraph 49.

¹⁴ EIB Anti-Fraud Policy, paragraph 17; EIF Anti-Fraud Policy, paragraph 20; Investigation Procedures, paragraph 3.

¹⁵ 2015 Anti-Fraud Activity Report p. 19; Annual Report on Anti-Fraud Activities 2014, Sections 5 and 6.

¹⁶ Investigation Procedures, paragraph 9; EIB Anti-Fraud Policy, paragraph 45; EIF Anti-Fraud Policy, paragraph 49; Audit Committee Annual Reports for the year 2015, paragraph 2.1.2: "*discuss with the Fraud Investigations Division the on-going cases under their remit*".

¹⁷ EIB Anti-Fraud Policy, paragraph 32; EIF Anti-Fraud Policy, paragraph 38.

¹⁸ EIB Anti-Fraud Policy, paragraphs 53, 66-67, 69-70; EIF Anti-Fraud Policy, paragraphs 57, 70-71, 73-74; IFI Anti-Corruption Task Force Uniform Framework

4. Authority

- 4.1 IG/IN is authorized to have full and unrestricted access to (and may have temporary control of) all relevant documents and records (including electronic files) necessary for the accomplishment of its mission¹⁹. Members of EIB and EIF governing bodies and staff are required to cooperate with IG/IN promptly, fully and efficiently²⁰. By virtue of the relevant articles of the Bank's Finance Contracts, IG/IN has the right to visit the project sites and examine and copy all relevant documents of the project-related parties or other EIB counterparts and partners, as appropriate, and to have access to all relevant personnel, information, documents and data within the EIB²¹.
- 4.2 IG/IN may refer suspected criminal conduct to national authorities for further investigation and/or prosecution and may provide assistance to these authorities in respect to investigations with an EIB Group connection²². IG/IN may also await the results of an investigation by national authorities before determining whether additional action is required²³. Similarly, IG/IN may, while respecting the applicable data protection rules, provide assistance to and share its findings and/or relevant information with other IFIs' or other international agencies' investigative functions²⁴.

5. Core Principles applicable to IG/IN investigations

- 5.1 IG/IN shall enjoy complete independence in the exercise of its responsibilities²⁵. Without prejudice to the powers conferred on OLAF, the Head of IG/IN shall have full authority to open, pursue, close and report on any investigation within its remit without notice to, consent of, or interference from any other person or entity²⁶.
- 5.2 Staff of IG/IN shall avoid any actual or perceived conflict of interest in the conduct of their duties. Should any conflict of interest arise, this should be reported without delay to the Inspector General²⁷.
- 5.3 Should an allegation be made against an IG/IN staff member, arrangements will be made, when necessary, by the Inspector General on a case-by-case basis, to investigate the allegation²⁸.
- 5.4 Within the EIB Group's rules on access to information, IG/IN shall protect as strictly confidential any non-public information associated with an investigation, including the identity of the parties involved and the documents and information collected and generated during the investigation, by limiting the circulation of information strictly to those persons or entities authorised to receive them or otherwise on need to know basis²⁹.

¹⁹ EIB Anti-Fraud Policy, paragraphs 51 and 52; EIF Anti-Fraud Policy, paragraphs 55 and 56.

²⁰ EIB Anti-Fraud Policy, paragraph 50; EIF Anti-Fraud Policy, paragraph 54.

²¹ EIB Anti-Fraud Policy, paragraph 52; EIF Anti-Fraud Policy, paragraph 55.

²² EIB Anti-Fraud Policy, paragraphs 66 and 67; EIF Anti-Fraud Policy, paragraphs 70 and 71.

²³ EIB Anti-Fraud Policy, paragraph 68; EIF Anti-Fraud Policy, paragraph 72.

²⁴ EIB Anti-Fraud Policy, paragraphs 66-70; EIF Anti-Fraud Policy, paragraphs 70-74.

²⁵ EIB Anti-Fraud Policy, paragraph 47; EIF Anti-Fraud Policy, paragraph 51.

²⁶ EIB Anti-Fraud Policy, paragraph 47; EIF Anti-Fraud Policy, paragraph 51.

²⁷ International Financial Institutions Principles and Guidelines for Investigations, paragraph 4.

²⁸ Investigation Procedures, paragraph 39.

²⁹ EIB Whistleblowing Policy, paragraph V2; EIF Whistleblowing Policy, paragraphs 1.1 and 1.2; EIB Anti-Fraud Policy, paragraphs 55-57; EIF Anti-Fraud Policy, paragraphs 59-61.

- 5.5 IG/IN shall conduct all investigations with fairness and impartiality, with due regard for the rights of all persons or entities involved, and respecting the presumption of innocence throughout the investigation process³⁰.

6. Follow-up

- 6.1 Where appropriate, IG/IN shall discuss the outcome of an investigation with the operational staff and other services involved, in order to determine and recommend remedial action³¹.

7. Resources

- 7.1 The EIB Audit Committee may be briefed by the Inspector General on the adequacy of staffing and resources within IG/IN to properly fulfil its mandate.

8. Relations with external investigative bodies

- 8.1 IG/IN may provide assistance to and share its findings and/or relevant information with other IFIs investigation functions and may provide assistance to other international organisations and agencies in respect to Prohibited Conduct³².
- 8.2 IG/IN shall have regular meetings with OLAF in order to report on on-going investigations and cooperation³³.
- 8.3 IG/IN shall develop relations with other investigative bodies, including co-financiers, in order to effectively exchange information in respect to on-going investigations and operational policies. This may include signing Memoranda of Understanding or similar cooperation agreements with other investigation, prosecutorial and anti-corruption offices, both national and international³⁴.

9. Reporting

- 9.1 The Head of IG/IN is accountable to and reports to the Inspector General. The Inspector General reports to the President and the Vice-President with oversight of compliance and control and is responsible for consultation with and reporting to the Audit Committee as regards EIB operations and to the Chairman of the EIF Board of Directors, the Chief Executive/Deputy Chief Executive and the EIF Audit Board, as regards EIF operations³⁵.
- 9.2 The Inspectorate General, through IG/IN, reports its findings to the President, EIF Chief Executive, OLAF, the EIB Audit Committee, the EIF Audit Board³⁶ and other persons or entities on a need to know basis³⁷.

³⁰ EIB Anti-Fraud Policy, paragraph 48; EIF Anti-Fraud Policy, paragraph 52.

³¹ Investigation Procedures paragraphs 27-28.

³² EIB Anti-Fraud Policy, paragraphs 69 and 70; EIF Anti-Fraud Policy, paragraphs 70-71 and 73.

³³ EIB Anti-Fraud Policy, paragraphs 8(iii) and 45(b); EIF Anti-Fraud Policy, paragraphs 10(ii) and 49 (b).

³⁴ EIB Anti-Fraud Policy, paragraphs 53 and 70; EIF Anti-Fraud Policy, paragraph 57 and 74.

³⁵ Investigation Procedures, paragraph 9; EIB Anti-Fraud Policy, paragraph 45; EIF Anti-Fraud Policy, paragraph 49; Audit Committee Annual Reports for the year 2015, paragraph 2.1.2: "discuss with the Fraud Investigations Division the on-going cases under their remit".

³⁶ EIB Anti-Fraud Policy, paragraph 45; EIF Anti-Fraud Policy, paragraph 49.

³⁷ EIB Anti-Fraud Policy, paragraph 57; EIF Anti-Fraud Policy, paragraph 61.

- 9.3 IG/IN shall produce each year an annual report on its activities. The annual report shall be published on the Bank's website after being presented to the Board of Directors and the Audit Committee³⁸.
- 9.4 In addition, IG/IN will report on lessons learned from its investigations, including findings on weaknesses and deficiencies found in the design, implementation or control of the operations or activities involved³⁹.

10. Quality assurance

- 10.1 The Inspector General will maintain a quality assurance programme to independently assess the efficiency and effectiveness of IG/IN's activities and will identify opportunities for improvement. Any such review will be consistent with the *General Principles for Reviews of CII Investigation Offices (conducted by External Experts)*⁴⁰.

11. Approval and revision of the Charter

- 11.1 This document was approved by the Management Committee and by the Chief Executive/Deputy Chief Executive following consultation by the Inspector General with the Audit Committee of EIB and the Audit Board of EIF respectively on 8 December 2017.
- 11.2 The Charter will be revised and updated as and when necessary, at the initiative of the Inspector General or upon request of the relevant EIB or EIF governing bodies.
- 11.3 The current version of this document will be posted on the websites of EIB and of EIF respectively.

³⁸ EIB Anti-Fraud Policy, paragraph 71; EIF Anti-Fraud Policy, paragraph 75.

³⁹ EIB Anti-Fraud Policy, paragraph 45; EIF Anti-Fraud Policy, paragraph 49; Investigation Procedures, paragraph 27b.

⁴⁰ See official website of the Conference of International Investigators: http://www.conf-int-investigators.org/?page_id=419



The EIB Group consists of
the European Investment Bank and
the European Investment Fund.

European Investment Bank
98-100, boulevard Konrad Adenauer
L-2950 Luxembourg
☎ +352 4379-1
✉ +352 437704
www.eib.org – ✉ info@eib.org

Fraud Investigations Division
Inspectorate General
☎ +352 4379-87441
✉ +352 4379-64000
✉ investigations@eib.org
www.eib.org/investigations

European Investment Fund
37B, avenue J.F. Kennedy
L-2968 Luxembourg
☎ +352 2485-1
✉ +352 2485-81200
www.eif.org – ✉ info@eif.org