

Statutes of the CEE Bankwatch Network

VS/1-1/37 927/98-R

Change of the statutes registered on: 5 September 2008

Chapter I

Name and Registered Office

§ 1

1. The CEE Bankwatch Network has its registered office in Prague, Czech Republic, address: Na rozcestí 1434/6, Prague 9, 190 00.

Chapter II

Description of the Organization

§ 2

1. The CEE Bankwatch Network is an association of legal, non-profit environmental civic organizations.
2. The CEE Bankwatch Network is a legal entity according to the Czech law.

§ 3

1. The CEE Bankwatch Network is a self-governing organization having a legal status.
2. The CEE Bankwatch Network is using a logo and stamp according to the sample approved by the General Meeting of the CEE Bankwatch Network according to the appropriate law.
3. The logo and the name "CEE Bankwatch Network" are protected by law.
4. The CEE Bankwatch Network carries out its work based on the requirements of its members and may employ people to undertake specific tasks.

§ 4

The CEE Bankwatch Network may associate with other legal organizations as a member.

§ 5

The CEE Bankwatch Network is established for an indefinite period of time.

Chapter III

Mission and Goals of the Organization

§ 6

The CEE Bankwatch Network's Mission is to prevent environmentally and socially harmful impacts of international development financing, and to promote alternative solutions and public participation.

§ 7

The aim of the CEE Bankwatch Network is to support improvement of the environment, promote and undertake charitable, expert and educational activities improving the state of environment, and support such activities undertaken by other non-profit organizations and especially to:

- a) Create public awareness about the activities of International Financial Institutions (IFIs) activities in Central and Eastern European countries and their social and environmental impacts;
- b) Promote transparency and public participation in the decision-making process about policies and projects of IFIs, on the local, national and regional levels;
- c) Help environmental NGOs and citizen groups monitor what IFIs are doing in Central and Eastern Europe;
- d) Change or stop environmentally and socially destructive policies and projects of IFIs in Central and Eastern Europe and to promote alternatives;
- e) Cooperate with environmental citizen organizations in stopping destructive activities of Transnational Corporations and to limit their overall impact on the environment in Central and Eastern Europe.

Chapter IV

Methods of work

§ 8

1. The CEE Bankwatch Network pursues its goals through:
 - a) Collecting materials and means for providing support to environmental NGOs and civic organizations;
 - b) Providing financial, organizational and other help to non-profit environmental NGOs and civic organizations;
 - c) Collecting and disseminating information about the IFIs and their social and environmental

impacts;

d) Enhancing the capacity of NGOs to participate in environmental decision-making through training, joint analysis of projects, creation of publication materials about the IFIs and their social and environmental impacts;

e) Developing co-operative working relationships among environmental NGOs;

f) Preparing case studies of IFI-funded projects, critiques of IFI policies, and proposals for more sustainable alternatives.

2. The CEE Bankwatch Network shall not carry on propaganda to influence national legislation, and shall not participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.

Chapter V

Members of the CEE Bankwatch Network, Their Rights and Obligations

§ 9

1. There are three levels of membership:

- a) Full members,
- b) Affiliated members
- c) Associated members

2. The CEE Bankwatch Network has the right to set internal procedures and requirements for membership.

3. Members are represented by individuals who have a delegated right to represent their civic organization within the CEE Bankwatch Network. The CEE Bankwatch Network retains the right to approve individuals who will meet the requirements of the CEE Bankwatch Network.

§ 10

A full member may be any non-profit, legal environmental civic organization which applies for membership in the CEE Bankwatch Network in writing, fulfils the procedures and requirements for membership required by the CEE Bankwatch Network, and is accepted by the General Meeting of the CEE Bankwatch Network.

§ 11

An affiliated member may be any non-profit, legal environmental civic organization which applies for full membership in the CEE Bankwatch Network in writing and is accepted by the General Meeting of the CEE Bankwatch Network for a specified period of time and under certain conditions as affiliated member.

§ 12

An associated member may be any non-profit, legal environmental civic organization, which applies for associated membership in the CEE Bankwatch Network in writing and is accepted by the General Meeting of the CEE Bankwatch Network on a temporary or ad-hoc basis.

§ 13

Each full member has a right to:

- a) Vote, through its approved representative, as a part of any governing body of the CEE Bankwatch Network;
- b) Make suggestions for improvement of the work of the CEE Bankwatch Network;
- c) Make full use of the help and facilities of the CEE Bankwatch Network.

§ 14

Associated and Affiliated members have a right to:

- a) Take part as an advisor in the work of any of the governing bodies of the CEE Bankwatch Network, including the General Meeting;
- b) Make suggestions for improvement of the work of the CEE Bankwatch Network;
- c) make use of help and facilities of the CEE Bankwatch Network to the extent approved by the Executive Committee.

§ 15

Full, Associated and Affiliated members are obliged to:

- a) Comply with the statutes of the CEE Bankwatch Network, its regulations and resolutions of the General Meeting of the CEE Bankwatch Network;
- b) Promote the goals and activities of the CEE Bankwatch Network;
- c) Take part in the work of the CEE Bankwatch Network.

§ 16

1. Civic organizations can resign from the CEE Bankwatch Network through an official notification accepted by the Executive Committee, upon return of all unspent funds and the completion of agreed upon contracts, unless otherwise agreed in writing between the civic organization and the CEE Bankwatch Network.

2. The CEE Bankwatch Network has a right to cancel membership of a member if the member:

- a) Misuses the funds entrusted to it by the CEE Bankwatch Network;

- b) Does not substantially perform its obligations under an agreement with the CEE Bankwatch Network;
 - c) Violates in its activities the Statutes of the CEE Bankwatch Network, its regulations or resolutions of the General Meeting;
 - d) In any other way acts substantially against the CEE Bankwatch Network.
3. The CEE Bankwatch Network has a right to change membership status from full member to associated member if the member:
- a) Does not actively participate on the CEE Bankwatch Network activities;
 - b) Is not able to appoint member group representative.
4. Should the CEE Bankwatch Network have a dispute with a Member of the CEE Bankwatch Network, which cannot be resolved by normal means, the CEE Bankwatch Network and the member will proceed to turn the matter over to the Dispute Mechanism established in these statutes.

Chapter VI

Governing and Management Bodies of the CEE Bankwatch Network

§ 17

1. Governing Bodies of Network are: General Meeting of the CEE Bankwatch Network, Executive Committee, and Review Committee.
2. The Executive Committee and the Review Committee are elected by the General Meeting of the CEE Bankwatch Network in secret voting.
3. The CEE Bankwatch Network is legally represented by the Executive Director and the Executive Committee. In this respect, the Executive Director or any member of the Executive Committee, acting alone, can represent the CEE Bankwatch Network.

General Meeting of the CEE Bankwatch Network

§ 18

1. The highest governing body of the CEE Bankwatch Network is the General Meeting.
2. The regular General Meeting is called at least once a year by the Executive Committee.
3. An Extraordinary General Meeting may be called by the Executive Committee by its

initiative or upon the request of at least 1/3 members of the CEE Bankwatch Network, and in the latter case the Executive Committee must organize the meeting.

4. The members of the CEE Bankwatch Network are informed by the Executive Committee about the place, date, time and agenda of the General meeting in writing no later than 21 days before the meeting.

5. The General meeting is open to the approved representatives of all members of the CEE Bankwatch Network. Special guests may be invited if this is approved by the Executive Committee.

§ 19

1. All of the full members of the CEE Bankwatch Network may take part in the General Meeting through their approved representatives, with a full power to vote and make decisions. Every full member has one vote.

2. All of the Associated and Affiliated members of the CEE Bankwatch Network may take part in the General Meeting as observers.

§ 20

1. The General Meeting is competent for the following matters:

a) Voting on the statutes of the CEE Bankwatch Network and any changes proposed thereto;

b) Setting the priorities and directions of the activities of the CEE Bankwatch Network including adopting Strategic and Annual Workplans;

c) Voting on the regulations for the operation of different governing bodies of the CEE Bankwatch Network;

d) Electing and recalling the members of the Executive Committee;

e) Electing and recalling members of Review Committee;

f) Approving the reports and accounts of the Executive Committee or its members;

g) Approving the budget of the CEE Bankwatch Network;

h) Voting on final resolutions in the case of disputes;

i) Voting on the resolutions regarding closing down of the CEE Bankwatch Network and distribution of the CEE Bankwatch Network's property after closing down;

j) Accepting and cancelling membership in the CEE Bankwatch Network;

k) Accepting and cancelling membership of the CEE Bankwatch Network in other organizations or networks;

l) Other activities specified in this Statute.

2. The General Meeting has the right to request from the Executive Committee and the Management Team any documentation or explanation regarding the activities of the CEE Bankwatch Network.

§ 21

The resolutions of the General Meeting are approved by a simple majority of votes, with a minimum of 50% of the members present. For this purpose proxy votes are permitted if duly signed and the Executive Committee receives the authorised proxy in writing in advance of the meeting.

Executive Committee

§22

1. The Executive Committee consists of three or five members elected from within the representatives of the member groups or other individuals proposed by a member group who at the same time are not members of the Review Committee, the Management Team, or international staff.

2. Executive Committee members can be elected and may be removed by a two-thirds vote of the General Meeting, with a minimum of 50% members present.

3. Executive Committee members are elected by the General Meeting for a term of three years.

4. The Executive Committee governs the CEE Bankwatch Network in between the General Meetings.

5. The Executive Committee competencies include all activities not assigned to any other body of the CEE Bankwatch Network. The Executive Committee can delegate its rights and responsibilities.

§ 23

1. The duties of the Executive Committee include:

a) Governing the CEE Bankwatch Network in between the General Meetings in accordance with the law and the Statutes and resolutions of the General Meeting;

b) Hiring and dismissing the Executive Director;

c) Supervising the Executive Director;

d) Oversight of overall performance of the Management Team and international staff;

e) Leading the Strategic Plan preparation;

- f) Commenting on the draft annual budget prior to its submission to the General Meeting by the Management Team;
- g) Providing the members of the CEE Bankwatch Network with written reports of its decisions and sending out reports at least two weeks prior to any regular General Meeting;
- h) Reporting to the General Meeting on the CEE Bankwatch Network development and on the Executive Committee opinions on performance of the Executive Director, the Management Team and international staff; and
- i) Calling and preparing the General Meetings of the CEE Bankwatch Network, and preparing any Extraordinary Meeting that is duly requested.

Review Committee

§ 24

1. The Review Committee is an internal control body of the CEE Bankwatch Network and consists of three persons appointed by the General Meeting, at least two of whom shall not be representatives of the full members of the CEE Bankwatch Network.
2. They shall be appointed at the first General Meeting for a term of two years.

§ 25

1. The members of the Review Committee have a right to participate as observers in the meetings of the Executive Committee, and to make recommendations.
2. They shall have a right of access to any documents or accounts of the CEE Bankwatch Network.
3. Members of the Review Committee cannot serve as members of the Executive Committee.
4. Members of the Review Committee can be removed by a two-thirds vote of the General Meeting with a minimum of 50% of the members present.

§ 26

The duties of the Review Committee include:

- a) Checking at least once a year that the activities of the Executive Committee are in accordance with the Statutes and resolutions of the General Meeting;
- b) Providing the General Meeting with comments on the budget and annual financial reports of the CEE Bankwatch Network;
- c) Providing General Meeting with comments on the reports of the Executive Committee;

- d) Making recommendations to the General Meeting on any matter involving the activities of CEE Bankwatch Network;
- e) Commenting to the General Meeting on a request for dissolution of the CEE Bankwatch Network.

Executive Director

§ 27

- 1. The Executive Director has the authority to appoint official representatives of the CEE Bankwatch Network to attend international meetings and other events to which the CEE Bankwatch Network is invited.
- 2. The Executive Director can hire and dismiss individuals as international staff based on a Job Description and rules and procedures of the CEE Bankwatch Network.
- 3. The Executive Director can create a Management Team based on Job Descriptions and rules and procedures of the CEE Bankwatch Network.
- 4. Main duties of the Executive Director include managing the CEE Bankwatch Network in accordance with law and the Statute, resolutions of the General Meeting and decisions of Executive Committee; supervision of the Management Team; and reporting regularly to the Executive Committee and General Meeting on the activities undertaken.

Management Team

§ 28

- 1. Main duties of the Management Team include:
 - a) Assisting the Executive Director in managing the CEE Bankwatch Network in accordance with law and the Statute, resolutions of the General Meeting and decisions of the Executive Committee, and in accordance with the Management Team Job Descriptions;
 - b) Ensuring the implementation of the CEE Bankwatch Network Strategic Plan;
 - c) Coordination of preparation and implementation of the Annual Workplan as approved by the General Meeting;
 - d) Preparation and implementation of the annual budget as approved by the General Meeting;
 - e) Supervision of the CEE Bankwatch Network staff;
 - f) Reporting to the General Meeting on its activities and decisions at least two weeks prior to each Meeting;
 - g) Reporting to the Executive Committee on a regular basis;
 - h) Conducting other activities according to the decisions of the General Meeting and Executive Committee.

Chapter VII

Property and Income of the CEE Bankwatch Network

§ 29

1. Property of the CEE Bankwatch Network consists of property received or purchased by the CEE Bankwatch Network in connection with its activities.
2. The CEE Bankwatch Network is responsible for its obligations with its full property.
3. The income of the CEE Bankwatch Network consists of:
 - a) donations from legal bodies;
 - b) private donations, endowments and inheritances;
 - c) donations, inheritances and bank interest income;
 - d) gains from its property.

§ 30

1. The CEE Bankwatch Network's income from donations, endowments, inheritances and other sources may be used for implementing its goals in accordance with the requirements and instructions of the donors and testators.
2. The CEE Bankwatch Network's property may be used only for the goals specified in the Statutes.
3. The CEE Bankwatch Network's income and assets may not be distributed to, or used for the benefit of a private person or non-charitable organization, with the exception of reasonable compensation for services rendered or as a payment representing the fair market value of property purchased by the CEE Bankwatch Network. No member of the CEE Bankwatch Network will have a proprietary interest in the income or assets of the CEE Bankwatch Network.
4. In cases of accepting donations or inheritances, any statements required by law will be made by the members of the Executive Committee of the CEE Bankwatch Network.

Chapter VIII

Changes in the Statutes and Liquidation of the CEE Bankwatch Network

§ 31

Any changes in the Statutes are voted by the General Meeting by a 2/3 majority and at least 50% of the members present. Any full member may propose changes.

§ 32

1. A resolution regarding liquidation of the CEE Bankwatch Network is taken by the General Meeting, based on a 2/3 majority and with a minimum of 50% of its members present, following a written request of the Executive Committee or a minimum of 1/3 of the members, and after the subsequent comments made by the Review Committee.
2. In the case of liquidation, the property of the CEE Bankwatch Network must be used only for charitable purposes in compliance with the Czech Law, and will be provided only to other non-profit organizations carrying out similar environmental protection activities. The General Meeting takes specific decisions about use of the CEE Bankwatch Network property.

Chapter IX

Resolution of Disputes

§ 33

1. In any case of a serious dispute involving various groups or bodies described in this statute, the following procedures shall be followed:
 - a) The General Meeting shall appoint at least 5 individuals who are not employees, officials or otherwise associated with the member organizations or the CEE Bankwatch Network, to be members of a Dispute Resolution Group. Those individuals may serve for an indefinite period of time.
 - b) If a dispute cannot be resolved, each opposing party or group of parties will choose one member of the Dispute Resolution Group to serve as a member of a Panel, and the Review Committee shall choose a third person, who shall not be legally associated with the member organizations or the CEE Bankwatch Network.
 - c) The Panel shall have a full access to all relevant documents that are pertinent to the dispute, shall undertake an inquiry into the matter, and shall specify a resolution. That resolution shall be binding on the parties unless overturned by a majority of 4/5 of the full members voting at a General Meeting.
2. This appointment does not inhibit the members of the CEE Bankwatch Network to claim their rights at the court of law.