

The BIS in profile

The Bank for International Settlements (BIS) is an international organisation which fosters international monetary and financial cooperation and serves as a bank for central banks.

The BIS fulfils its mandate by acting as:

- a forum for discussion and decision-making among central banks and within the international financial and supervisory community;
- a centre for economic and monetary research;
- a prime counterparty for central banks in their financial transactions; and
- agent or trustee in connection with international financial operations.

About the BIS

Established on 17 May 1930, the BIS is the world's oldest international financial organisation. Its head office is in Basel, Switzerland and it has representative offices in Hong Kong SAR and in Mexico City. The BIS currently employs around 550 staff from 50 countries.

The Bank's most important decision-making bodies are:

- the General Meeting of member central banks;
- the Board of Directors; and
- the General Manager, assisted by the Executive Committee.

Annual General Meeting

Held within four months of the end of the Bank's financial year, 31 March, the Annual General Meeting (AGM) gathers BIS member central banks to approve the annual financial statements and to decide on other related business issues.

The Bank's capital is held by central banks only. Fifty-five institutions currently have rights of voting and representation at General Meetings:¹ the central banks or monetary authorities of Algeria, Argentina, Australia, Austria, Belgium, Bosnia and Herzegovina, Brazil, Bulgaria, Canada, Chile, China, Croatia, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hong Kong SAR, Hungary, Iceland, India, Indonesia, Ireland, Israel, Italy, Japan, Korea, Latvia, Lithuania, the Republic of Macedonia, Malaysia, Mexico, the Netherlands, New Zealand, Norway, the Philippines, Poland, Portugal, Romania, Russia, Saudi Arabia,

¹ The legal status of the Yugoslav issue of the capital of the BIS is currently under review.

Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Thailand, Turkey, the United Kingdom and the United States, plus the European Central Bank.

Board of Directors

The Board of Directors, chaired by Jean-Pierre Roth of the Swiss National Bank, has 19 members. Its six ex officio directors are the central bank Governors of Belgium, France, Germany, Italy and the United Kingdom and the Chairman of the Board of Governors of the US Federal Reserve System; each may appoint another member of the same nationality. The BIS Statutes also provide for the election to the Board of a maximum of nine Governors of other member central banks. The central bank Governors of Canada, the People's Republic of China, Japan, Mexico, the Netherlands, Sweden, Switzerland and the President of the European Central Bank are currently elected members of the Board.

General Manager/Executive Committee

The office of General Manager is at present vacant. The Acting General Manager is Hervé Hannoun². Peter Dittus heads the General Secretariat, Stephen Cecchetti the Monetary and Economic Department and Günter Pleines the Banking Department. Daniel Lefort is the General Counsel.

Monetary and financial cooperation

Meetings

As well as the AGM, regular bimonthly meetings bring together the Governors of BIS member central banks, permitting them to monitor global economic and financial developments and to discuss specific policy issues relating to monetary and financial stability. Other meetings of senior central bank officials focus on the conduct of monetary policy, the surveillance of international financial markets and central bank governance issues.

In addition, the BIS organises frequent meetings of experts on more technical issues such as reserve management, legal matters, IT systems and internal audit. Though targeted mostly at central banks, BIS meetings also involve senior officials and experts

² As of 1 October 2008 and until a new General Manager takes up his/her duties, Hervé Hannoun exercises the responsibilities of General Manager under the title Acting General Manager.

from other financial market authorities, the academic community and market participants.

Committees and secretariats

Several committees and organisations focusing on monetary and financial stability and the international financial system have secretariats at the BIS and interact closely with the Bank.

Those which were set up by the Group of Ten central bank Governors are the Basel Committee on Banking Supervision, the Committee on Payment and Settlement Systems, the Committee on the Global Financial System and the Markets Committee.

Other secretariats operating out of the BIS are those of the Financial Stability Forum, the International Association of Deposit Insurers, the International Association of Insurance Supervisors and the Irving Fisher Committee on Central Bank Statistics.

Research and statistics

The economic, monetary, financial and legal research of the BIS supports its meetings and the activities of the Basel-based committees. The BIS is also a hub for sharing statistical information amongst central banks and for publishing statistics on global banking, securities, foreign exchange and derivatives markets.

The Bank's primary publications are its *Annual Report* and its *Quarterly Review* of international financial market developments. The BIS also publishes research papers of an academic nature and disseminates information on specific topics discussed at BIS meetings in its *Working Papers* and *BIS Papers* series.

Financial Stability Institute (FSI)

Through its seminars, conferences, web-based information resource tool (FSI Connect) and other activities, the FSI promotes the dissemination and implementation of sound financial sector supervisory standards.

Bank for central banks

The BIS offers a wide range of financial services specifically designed to assist central banks and other monetary authorities in the management of their foreign exchange reserves. As of 31 March 2008 some 130 such authorities, as well as a number of international institutions, made use of BIS financial services. Total currency deposits amounted to SDR 236 billion, representing around 6% of world foreign exchange reserves.

BIS financial services are provided out of two linked trading rooms: one at its Basel head office and one at its Representative Office for Asia and the Pacific in Hong Kong SAR.

The BIS does not accept deposits from, or provide financial services to, private individuals or corporate entities, nor is it permitted to make advances to governments or open current accounts in their name.

Investment services for central banks

The BIS continually adapts its product range to respond to the evolving needs of central banks. Besides standard services such as sight/notice accounts and fixed-term deposits, the Bank has developed a range of financial products which central banks can actively trade with the BIS to increase the return on their foreign assets.

The BIS offers asset management services in sovereign securities or high-grade assets. These may be either a specific portfolio mandate negotiated between the BIS and a central bank or an open-end fund structure – the BIS Investment Pool (BISIP) – allowing customers to invest in a common pool of assets. The two Asian Bond Funds (ABF1 and ABF2) are administered by the BIS under the BISIP umbrella: ABF1 is managed by the BIS and ABF2 by a group of external fund managers.

Additional services

The BIS sometimes grants short-term credits to central banks, usually on a collateralised basis. It also acts as a trustee for a number of international government loans and performs collateral agent functions.

Contact details

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