



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 this mandate by acting as:

- a forum to promote discussion and facilitate decision-making processes 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.

This profile briefly describes the BIS and its work. For more detailed information, see the BIS website.

About the BIS

The head office is in Basel, Switzerland and there are two representative offices: in the Hong Kong Special Administrative Region of the People's Republic of China and in Mexico City.

Malcolm D Knight is General Manager and the Deputy General Manager is André Icard. The heads of the three main departments are Gunter D Baer (General Secretariat), William R White (Monetary and Economic Department) and Robert D Sleeper (Banking Department). Mario Giovanoli is General Counsel. 526 staff from 44 countries work at the BIS.

Established on 17 May 1930, the BIS is the world's oldest international financial organisation.

* * *

The three most important decision-making bodies within the Bank are:

- the General Meeting of member central banks;
- the Board of Directors; and
- the Management Committee, composed of senior Bank officials.

Held within four months of the end of the Bank's financial year, 31 March, the Annual General Meeting (AGM) is the largest BIS gathering of central banks. In 2003, 104 central banks attended, 79 at Governor level. Twenty international institutions also attended.

Member central banks

Fifty-five institutions currently have rights of voting and representation at General Meetings: 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, Singapore, Slovakia, Slovenia, South Africa, Spain, Sweden, Switzerland, Thailand, Turkey, the United Kingdom and the United States, plus the European Central Bank.¹

Board of Directors

The Board of Directors, chaired by Nout Wellink, President of the Netherlands Bank, has 17 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 appoints 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, Japan, the Netherlands, Sweden and Switzerland are currently elected members of the Board.

The BIS at work

Committees and secretariats

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

Those which were set up by, and report to, 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.

¹ Following the constitutional changes in February 2003 which transformed the Federal Republic of Yugoslavia into the State Union of Serbia and Montenegro, with two separate central banks, the legal status of the Yugoslav issue of the capital of the BIS is currently under review.



Three other secretariats operate out of the BIS: the Financial Stability Forum, the International Association of Deposit Insurers, and the International Association of Insurance Supervisors.

Meetings

As well as the AGM, regular bimonthly meetings bring together the Governors of BIS member and other central banks. These meetings facilitate central bank cooperation in areas such as the monitoring of foreign exchange market activities, the surveillance and analysis of financial market developments, and the oversight of payment and settlement systems.

In addition, the BIS regularly organises meetings of experts on specialised subjects, such as information technology, security, internal management procedures and specific legal issues of interest to central banks.

Research and statistics

Economic, monetary, financial and legal research carried out by the BIS, and its related statistical work, identifies and explores issues topical to central banks and other financial and supervisory authorities. Research and statistical data are released through printed and web publications and to central banks via an extranet.

The Bank's primary publications are its *Annual Report* and the *BIS Quarterly Review* of international financial market developments. Academic research is released in the form of working papers, while conference proceedings are published in the *BIS Papers* series.

Financial Stability Institute (FSI)

Through its seminars, workshops and other activities, the Bank's FSI promotes the dissemination and implementation of sound supervisory standards.

Bank for central banks

The BIS offers a range of banking services designed to assist central banks in the management of their foreign exchange and gold reserves. It also acts as a banker to, and manages funds for, international financial institutions. As of 31 March 2003 some 130 central banks held part of their international reserves at the BIS, with total currency deposits amounting to SDR 122.5 billion. This represents about 6.5% of world foreign exchange reserves.

The Bank's main dealing room is located in Basel and a smaller dealing room serving Asian central banks functions within the Bank's Representative Office 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

In recent years the BIS has sought to develop its range of investment services as central banks increasingly focus on improving the return on their foreign assets. Short-term BIS products allow central banks to manage their liquidity more actively. Other instruments with maturities out to 10 years are available for longer-term reserve management.

The BIS offers a range of asset management services tailored for central banks. Central banks may choose between dedicated portfolio mandates and an open-end fund structure allowing groups of customers to invest in common pools of assets.

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

BIS head office

Location:	Centralbahnplatz 2, Basel, Switzerland
Postal address:	CH-4002 Basel
Telephone:	+41 61 280 8080
Fax:	+41 61 280 9100 and +41 61 280 8100
Telex:	962 487 biz ch
SWIFT address:	BISCHBB

Representative Office for Asia and the Pacific

Location:	78th floor, Two International Finance Centre 8 Finance Street, Central Hong Kong Special Administrative Region of the People's Republic of China
Telephone:	+852 2878 7100
Fax:	+852 2878 7123

Representative Office for the Americas

Location:	Torre Chapultepec Rubén Darío 281 - 17th floor Col. Bosque de Chapultepec Del. Miguel Hidalgo 11580 México, D.F. Mexico
Telephone:	+52 55 91380290
Fax:	+52 55 91380299

The BIS's e-mail address is: email@bis.org

BIS website: www.bis.org