
MINUTES OF THE 14TH MEETING OF THE BOARD OF DIRECTORS OF THE NEW DEVELOPMENT BANK HELD AT SHANGHAI, CHINA ON MAY 28, 2018 AT 10:00 AM

PRESENT:

Board of Directors and Alternate Directors

- i. Mr. Marcello Estevão (Director for Brazil, Chairperson)
- ii. Mr. M. M. Kutty (Director for India)
- iii. Mr. Shixin Chen (Director for China)
- iv. Mr. Dondo Mogajane (Director for South Africa)
- v. Mr. Andrey Bokarev (Alternate Director for Russia)
- vi. Mr. Guoqi Wu (Alternate Director for China)
- vii. Ms. Vuyelwa Vumendlini (Alternate Director for South Africa)
- viii. Mr. K. V. Kamath (President and Board Member)

Advisors and other participants accompanying Directors

- i. Mr. Eivaldo Alfredo Gomes, Deputy Secretary for International Affairs, Ministry of Finance, Brazil
- ii. Mr. Jean Rodolfo Taruhn, Consul, Consulate General of the Federative Republic in Brazil in Shanghai
- iii. Ms. Elena Zamorina, Consultant, Department for International Financial Affairs, Ministry of Finance, Russia
- iv. Ms. Olga Polikarpova, Leading Expert, Department for International Financial Affairs, Ministry of Finance, Russia
- v. Mr. Prashant Lokhande, Counsellor (Economic) of the Embassy of India, Beijing
- vi. Mr. Liu Weijie, Director, Ministry of Finance, China
- vii. Ms. Jin Rui, Staff member, Ministry of Finance, China

- viii. Mr. Andile Kuzwayo, Director, BRICS Global and Emerging Market, International and Regional Economic Policy, National Treasury, South Africa

Vice Presidents

- i. Mr. Sarquis Sarquis, Vice-President and Chief Risk Officer (“CRO”)
- ii. Mr. Vladimir Kazbekov, Vice-President and Chief Administrative Officer (“CAO”)
- iii. Mr. Xian Zhu, Vice-President and Chief Operations Officer (“COO”)
- iv. Mr. Leslie Maasdorp, Vice President and Chief Financial Officer (“CFO”)

New Development Bank Staff

- i. Mr. Naveen Srivastava, Director General, Corporate Secretary
- ii. Mr. Yury Surkov, Director General, Operations
- iii. Mr. Levan Zolotarev, Director General, Treasury and Portfolio Management
- iv. Ms. Yolande Dwarika, Chief, Corporate Secretary
- v. Mr. Srinivas Yanamandra, Chief, Compliance
- vi. Mr. Maxim Choumarov, Chief, Credit Risk
- vii. Mr. Jianshi Yao, Executive Assistant to the COO
- viii. Mr. Henrique Araujo, Senior Professional, Operations
- ix. Mr. Garvit Sah, Senior Professional, Operations
- x. Ms. Victoria Putilina, Senior Professional, Operations
- xi. Mr. Charlie Tian, Young Professional, Operations
- xii. Ms. Raisa Leao, Young Professional, Operations
- xiii. Ms. Miya Liu, Junior Professional, Corporate Secretary

1. Adoption of the Agenda

The Board of Directors (“Board”) adopted the agenda (2018-BD14-DOC-001-REV2).

2. Leave of Absence

The absence of the Director for Russia was recorded. The Director for Russia was represented by the Alternate Director.

3. Approval of the Minutes and Summary of the 13th Board of Directors Meeting held on March 2, 2018

The Board approved the Minutes (2018-BD14-DOC-003) and Summary (2018-BD14-DOC-004) of the 13th Board of Directors meeting held on March 2, 2018.

4. Record of approval of matters agreed to during the inter-sessional period

The Board took note that during the inter-sessional period, the draft Agreement between the Government of the Federative Republic of Brazil and the New Development Bank on the Hosting of the New Development Bank Americas Regional Office in the Federative Republic of Brazil was approved on April 25, 2018.

5. Matters Arising from previous meetings

The Board considered the Note on Matters Arising from the 13th Board of Directors meeting (2018-BD14-DOC-005) and took note thereof.

6. Project Proposals

(a) Loan to the People’s Republic of China for Chongqing Small Cities Sustainable Development Project – USD 300 million

The Board considered the project document (2018-BD14-DOC-007) on the proposed loan of USD 300 million to the People’s Republic of China for Chongqing Small Cities Sustainable Development Project. The Board approved the project proposal.

(b) Loan to the Russian Federation for the Development of Water Supply and Sanitation Systems Project – USD 320 million

The Board considered the project document (2018-BD14-DOC-008) on the proposed loan of USD 320 million to the Russian Federation for the Development of Water Supply and Sanitation Systems Project. The Board approved the project proposal.

(c) Loan to Transnet State Owned Company Limited for the Durban Container Terminal Berth Reconstruction Project – USD 200 million

The Board considered the project document (2018-BD14-DOC-009) on the proposed loan of USD 200 million to Transnet State Owned Company Limited for the Durban Container Terminal Berth Reconstruction Project. The Board approved the project proposal.

(d) Loan to Petroleo Brasileiro S.A. “Petrobras” for the Petrobras Environmental Protection Project at Reduc and Regap Refineries – USD 200 million

The Board considered the project document (2018-BD14-DOC-010) on the proposed loan of USD 200 million to Petroleo Brasileiro S.A. “Petrobras” for the Petrobras

Environmental Protection Project at Reduc and Regap Refineries. The Board approved the project proposal.

(e) Loan to the Russian Federation for Small Historic Cities Development Project – USD 220 million

The Board considered the project document (2018-BD14-DOC-020) on the proposed loan of USD 220 million to the Russian Federation for Small Historic Cities Development Project. The Board approved the project proposal.

(f) Loan to the Government of India for Bihar Rural Roads Project – USD 350 million

The Board considered the project document (2018-BD14-DOC-021) on the proposed loan of USD 350 million to the Government of India for Bihar Rural Roads Project. The Board approved the project proposal.

The Board approved the aforementioned project proposals and Resolution 2018-BD-R021 was adopted.

7. Update on Project Pipeline

The Board took note of the presentation on the project pipeline.

The Board considered the Note on the Vaal River System Development Projects (2018-BD14-DOC-013) and took note thereof.

8. Update on Credit Rating Process

The Board took note of the progress made on the credit rating process.

9. RMB Bond Programme

The Board considered the Note on the Establishment of RMB Bond Issuance Programme (“Programme”) and the First Issuance thereunder (2018-BD14-DOC-014) and approved the RMB Bond Issuance Programme and the first offering of a bonds of up to an aggregate amount of RMB 5 billion, with a tenor up to 10 years, under the Programme. Resolution 2018-BD-R022 was adopted.

10. Expansion of Membership

The Board decided to continue working on the subject.

11. Update on Conclusion of Agreements with other Banks

The Board considered the Note on Conclusion of Agreements with other Banks (2018-BD14-DOC-017) and took note thereof.

12. Report of the Chairperson of the Audit, Risk and Compliance Committee

The Chairperson of the Audit, Risk, Budget and Compliance Committee (“ARC”), provided a report on the 7th meeting of the ARC. The Board took note of the following:

- a. Quarterly Risk Report for the period ended March 31, 2018;
- b. Operational Risk Report for the period ended March 31, 2018;
- c. Compliance Report;
- d. Internal Audit Update; and
- e. Internal Audit Report for the first quarter of 2018.

The Board of Directors approved the following:

- a. Independent Audited Financial Statements for the period ended March 31, 2018;
- b. Unaudited Financial Statement of the Project Preparation Fund for the period ended March 31, 2018;
- c. Amendments to the Capital Management Policy, as amended; and
- d. Credit risk exposure limits for treasury counterparts.

13. Report of the Chairperson of the Budget, Human Resources and Compensation Committee

The Chairperson of the Budget, Human Resources and Compensation Committee (“BHRC”) meeting provided a report to the Board on the 2nd meeting of the BHRC. The Board took note of the following:

- a. Update on diversity and requested a concrete plan on secondments;
- b. Budget Utilisation Report for period ending March 31, 2018;
- c. Recruitment Update Report; and
- d. Ethics Update.

The Board of Directors approved the following:

- a. Amendments to the Recruitment Policy;
- b. Additional headcount for the Americas Regional Office; and

- c. Revisions of Compensation and Benefits Policy to the Children Education Assistance Allowance for pre-nursery/nursery and pre-kindergarten /kindergarten.

14. NDB Information Technology Service Management Policy

The Board considered the Note on the Information Technology Service Management Policy (2018-BD14-DOC-018) and the Information Technology Service Management Policy (2018-BD14-DOC-019) and approved the Information Technology Service Management Policy.

15. Board of Governors 3rd Annual Meeting

The Board took note of preparations for the upcoming 3rd Annual Board of Governors meeting.

16. Date and Venue of Next Meeting

The Board decided that the next Board meeting would take place in late August or early September.

17. Any Other Matters

No other matters were discussed. The meeting ended with thanks from the Chairman of the Board.