

**MINUTES OF THE SECOND AUDIT, RISK AND BUDGET COMPLIANCE MEETING OF  
THE NEW DEVELOPMENT BANK HELD AT THE NEW DEVELOPMENT BANK,  
SHANGHAI, CHINA ON 22 FEBRUARY 2017 AT 09:00 AM**

PRESENT:

**Members of the Audit, Risk and Budget Compliance Committee**

- i. Mr. Tito Mboweni (Director for South Africa, Chairperon of the Committee)
- ii. Mr. Marcello Estevão (Director for Brazil)
- iii. Mr. Andrey Bokarev (Alternate Director for Russia)
- iv. Mr. Dinesh Sharma (Director for India)
- v. Mr. Guoqi Wu (Alternate Director for China)
- vi. Mr. K. V. Kamath (President)

**Advisors accompanying Committee Members**

- i. Ms. Elena Zamorina, Consultant, Department for International Financial Affairs, Ministry of Finance, Russia
- ii. Mr. Weijie Liu, Director, Department of International Financial and Economic Cooperation, Ministry of Finance, China
- iii. Ms. Yue Ding, Senior Staff, Department of International Financial and Economic Cooperation, Ministry of Finance, China

**Vice Presidents**

- i. Mr. Leslie Maasdorp
- ii. Mr. Vladimir Kazbekov
- iii. Mr. Xian Zhu
- iv. Mr. Paulo Nogueira Batista

**New Development Bank**

- i. Mr. Kamal Ahuja, Chief, Internal Audit
- ii. Mr. Sergio Suchodolski, Director General, Strategy and Partnerships

- iii. Mr. Simba Mabhena, Chief, Market Risk
- iv. Mr. Shu Zhan, Seconded
- v. Ms. Rong Zhang, Seconded
- vi. Mr. Debakanta Nayak, Consultant
- vii. Mr. Couto Silva, Consultant
- viii. Mr. Fabio Batista, Consultant
- ix. Ms. Miya Liu, Consultant
- x. Ms. Yolande Dwarika, Seconded

## **1. Adoption of the Agenda**

The agenda (attached as Annexure I) was considered and adopted by the Audit, Risk and Budget Compliance Committee (“**the Committee**”).

## **2. Leave of absence**

No leave of absence was recorded.

## **3. Adoption of the Minutes and Summary of the 1<sup>st</sup> ARBC**

The Minutes (2017-ARBC02-DOC-003) and Summary (2017-ARBC02-DOC-004) of the First Meeting of the Audit, Risk and Budget Compliance Committee of the New Development Bank (“**NDB**” or “**the Bank**”) held on 22 November 2016 were approved without amendment.

## **4. Matters Arising**

The document Matters Arising from the First Audit, Risk and Budget Compliance Meeting (2017-ARBC02-DOC-005-REV1) was noted and it was agreed that all the matters arising would be carried over to the next ARBC Meeting scheduled for 31 March 2017, for consideration.

## **5. Audit**

### **a. Internal Audit Charter**

The newly appointed Chief, Internal Audit presented the internal audit charter (2017-ARBC02-DOC-007). The Committee reviewed and approved the internal audit charter, subject to the incorporation of the comments made by the Committee members.

### **b. Internal Audit Plan**

The Chief, Internal Audit presented the internal audit plan for CY2017 (2017-ARBC02-DOC-008). The Committee reviewed and approved the internal audit plan for CY 2017.

**c. Internal Audit Policy Review**

The Chief, Internal Audit presented revisions to the Internal Audit Policy (2017-ARBC02-DOC-009). The Committee reviewed the Internal Audit Policy and recommended that the Board of Directors approve amendments to the Internal Audit Policy, as revised by the Committee, subject to the incorporation of the comments made by the Committee members.

**6. Risk**

**Quarterly Risk Report**

The Chief Risk Officer (“CRO”) presented the quarterly risk report to ARBC as of 31 December 2016 (2017-ARBC02-DOC-010).

The Management proposed to harmonise any discrepancies in the policies and present these amendments to the next Board of Directors meeting scheduled on 31 March 2017.

**7. Closed Session (Referred to as Executive Session in Terms of Reference)**

The Committee met with the Chief, Internal Audit in a closed session.

**8. Any other matter**

The Committee agreed to meet on 31 March 2017 in New Delhi, India. The meeting ended with the Chairperson’s thanks to Members of Committee and Management.