



AUDIT, RISK AND
COMPLIANCE COMMITTEE

2024-ARC32-DOC-003

**MINUTES OF THE THIRTY FIRST AUDIT, RISK AND COMPLIANCE COMMITTEE
MEETING OF THE NEW DEVELOPMENT BANK (VIDEOCONFERENCE) HELD ON
JUNE 21, 2024 AT 19:00 (CHINA STANDARD TIME)**

PRESENT:

Committee Members - Directors and Alternate Directors

- i. Ms. Tatiana Rosito (Director for Brazil, Chairperson of the Meeting)
- ii. Mr. Ivan Tiago Machado Oliveira (Alternate Director for Brazil)
- iii. Ms. Daria Teterkina (Temporary Alternate Director for Russia)
- iv. Ms. Manisha Sinha (Director for India)
- v. Dr. Prasanna Salian (Alternate Director for India)
- vi. Mr. Bo Zhang (Alternate Director for China)
- vii. Dr. Duncan Pieterse (Alternate Director for South Africa)
- viii. Mr. Marlon Geswint (Alternate Director for South Africa)
- ix. Ms. Thuraiya Alhashmi (Additional Director for the Constituency of Bangladesh, United Arab Emirates and Egypt)

Advisors and Other Participants Accompanying Directors and Alternate Directors

- i. Ms. Rebeca Gouget Miranda, Coordinator, Ministry of Finance, Brazil
- ii. Ms. Geniana Gazotto Ferreira, Specialist in Public Policy and Government Administration, Ministry of Finance, Brazil
- iii. Mr. Alessandro Barros, Specialist in Public Policies and Government Administration, Ministry of Finance, Brazil
- iv. Ms. Ana Maria Cavalcante, Specialist in Public Policies and Government Administration, Ministry of Finance, Brazil
- v. Mr. Jose Angelo Couto, Foreign Trade Analyst, Ministry of Finance, Brazil
- vi. Ms. Elena Zamorina, Advisor, Department for International Financial Relations, Ministry of Finance, Russia
- vii. Mr. Junjie Su, Director, Division IFI IV, Department of International Economic and Financial Cooperation, Ministry of Finance, China
- viii. Mr. Lei Zhang, Deputy Director, IFI Division IV, Department of International Economic and Financial Cooperation, Ministry of Finance, China

- ix. Mr. Yazhou Yan, Staff, Division IFI IV, Department of International Economic and Financial Cooperation, Ministry of Finance, China
- x. Ms. Masuma Akter, Joint Secretary, Economic Relations Divisions, Ministry of Finance, Bangladesh
- xi. Mr. Victor Luvhengo, Senior Economist, Multilateral Development Banks and Concessional Finance, National Treasury, South Africa
- xii. Ms. Didintle Letsie, Deputy Director, BRICS, Global and Emerging Markets, International and Regional Economic Policy, National Treasury, South Africa
- xiii. Mr. Oratilwe Teisho, Assistant Director, BRICS, Global and Emerging Markets, International and Regional Economic Policy, National Treasury, South Africa
- xiv. Mr. Somelezo Jezile, Intern, National Treasury, South Africa

Senior Management

- i. H.E. Mrs. Dilma Rousseff, President and Committee Member
- ii. Mr. Vladimir Kazbekov, Vice-President and Chief Operating Officer (“COO”)
- iii. Mr. Anil Kishora, Vice-President and Chief Risk Officer (“CRO”)
- iv. Mr. Qiangwu Zhou, Vice-President and Chief Administrative Officer (“CAO”)

Secretary to the Committee

- i. Ms. Yolande Dwarika, Director General and Corporate Secretary

Other New Development Bank Staff and Independent Auditors

(Attachment I)

1. Adoption of the Agenda

The Committee considered and adopted the Draft Agenda of the 31st Meeting of the Committee (2024-ARC31-DOC-001).

2. Opening Remarks by the NDB President

The Committee took note of the Opening Remarks by the President.

3. Leave of Absence

The Director for India was represented by the Alternate Director in part of the meeting. The Director for China was absent and represented by the Alternate Director. The Director for Russia was absent and represented by the Temporary Alternate Director. The meeting had the requisite quorum.

4. Approval of the Minutes and Summaries

a. Minutes and Summaries of the 30th ARC Meeting held on March 20, 2024

The Committee considered and approved the Minutes (2024-ARC31-DOC-003), the Summary (2024-ARC31-DOC-004-a), and the Summary of the Closed Session (2024-ARC31-DOC-004-b) of the 30th ARC Meeting held on March 20, 2024.

b. Minutes and Summary of the 30th ARC Meeting held on May 31, 2024

The Committee considered and approved the Minutes (2024-ARC31-DOC-005) and the Summary (2024-ARC31-DOC-006) of the Special ARC Meeting held on May 31, 2024 virtually in a closed manner.

5. Record of Decisions during the Inter-Sessional Period Since the 30th ARC Meeting

The Committee considered and took note of the Note on Inter-sessional Decisions of the Audit, Risk and Compliance Committee since the 30th Meeting (2024-ARC31-DOC-007).

6. Matters Arising from the Previous Meeting

The Committee considered the Matters Arising from the 30th ARC Meeting (2024-ARC31-DOC-008) and took note of the progress of matters arising.

7. Financial Statements

a. Condensed Financial Statements of the New Development Bank for the three months ended March 31, 2024

The Committee considered the Note on Condensed Financial Statements of the New Development Bank for the three months ended March 31, 2024 (2024-ARC31-DOC-009-a), the Report on Review of Condensed Financial Statements of the New Development Bank for the three months ended March 31, 2024 (2024-ARC31-DOC-009-b), and the Presentation to the Committee on the 2024 Q1 Review of the NDB and NDB PPF (2024-ARC31-DOC-009-c).

The Committee recommended that the Independent Auditor's Report on Review of Condensed Financial Statements and Condensed Financial Statements of the New Development Bank for the three months ended March 31, 2024 be submitted to the Board of Directors ("Board") for approval.

b. Condensed Financial Statements of the Project Preparation Fund of the New Development Bank for the three months ended March 31, 2024

The Committee considered the Note on Condensed Financial Statements of the Project Preparation Fund (“PPF”) for the three months ended March 31, 2024 (2024-ARC31-DOC-010-a), and the Project Preparation Fund Report on Review of Condensed Financial Statements and Condensed Financial Statements for the three months ended March 31, 2024 (2024-ARC31-DOC-010-b).

The Committee recommended that the Independent Auditor’s Report on the Condensed Financial Statements and Condensed Financial Statements of the Project Preparation Fund of the New Development Bank for the three months ended March 31, 2024 be submitted to the Board for approval.

8. Independent Auditor

a. Rotation of Independent Auditors

The Committee considered the Note on Rotation of the Independent Auditors (2024-ARC31-DOC-011) and recommended that the Board approve the proposals therein.

b. Audit and Non-Audit Services Provided by Independent Auditors

The Committee considered the Note on Audit and Non-Audit Services by Independent Auditors (2024-ARC31-DOC-012) and recommended that the Board approve the proposals therein.

9. Risk Management Report for the period ended March 31, 2024

The Committee considered the Risk Management Report Q1_2024 (2024-ARC31-DOC-013) and took note thereof.

10. Treasury Portfolio Diversification

The Committee considered the Response to Audit, Risk and Compliance Committee Queries on Treasury Portfolio Diversification (2024-ARC31-DOC-014) and took note thereof.

11. Note on Risk Transfers

The Committee considered the Note on Risk Transfers(2024-ARC31-DOC-015) and took note thereof.

12. Note for Loss Given Default Adjustment on Outstanding Loan to the International Investment Bank

The Committee considered the Note for Loss Given Default Adjustment on Outstanding Loan to International Investment Bank (2024-ARC31-DOC-016) and recommended that the Board provide its ratification.

13. Compliance

a. Compliance Update

The Committee considered the Note on Compliance Update (2024-ARC31-DOC-017) and took note of the compliance updates therein.

14. Internal Audit

a. Status Update from the Internal Audit Department

The Committee considered the Note from the Internal Audit Department (IAD) to the Committee (2024-ARC31-DOC-018) and took note thereof.

b. Internal Audit Reports

The Committee considered the Internal Audit Report for Fundraising, Capital Market Disclosure and Reporting Process (2024-ARC31-DOC-019-a) and the Internal Audit Report for IT Governance Processes (2024-ARC31-DOC-019-b) and took note thereof.

c. Status of Audit Issues Reported in the Previous ARC Meetings

The Committee considered the Status of Audit Issues Reported in the Previous ARC Meetings (2024-ARC31-DOC-020) and took note thereof.

15. Closed Session

The Committee met with the representatives of the Independent Auditor, the Chief, Internal Audit, as well as the Chief, Ethics and Investigations in a closed session, respectively.

16. Any Other Business

The meeting ended with thanks from the Chairperson of the meeting.

Attachment I

The following staff members and representatives of the Independent Auditor attended the meeting for relevant agenda items with the approval of the Chairperson:

Corporate Secretary Department:

- i. Mr. Weijie Liu, Principal Professional
- ii. Mr. Oreste Pedro Maia Andrade, Principal Professional
- iii. Ms. Miya Liu, Professional
- iv. Mr. Alexander Efimov, Professional
- v. Ms. Angela Gu, Senior Officer
- vi. Ms. Shuang Zhao, Officer
- vii. Mr. Christopher Newby, Intern

Office of the President

- i. Mr. Humberto Santana Junior, Young Professional
- ii. Mr. Marco Tulio De Oliveira Mendonça, Short Term Consultant
- iii. Mr. Aguinaldo Barbieri, Short Term Consultant
- iv. Mr. Henrique Cotrim, Short Term Consultant
- v. Mr. Douglas Simoes, Interpreter

Executive Assistants to Vice-Presidents

- i. Mr. Evgeny Kochkin, Executive Assistant to COO
- ii. Ms. Gayathri Chandra Menon, Executive Assistant to CRO
- iii. Mr. Ningqian Zhang, Executive Assistant to CAO

Other Departments/Divisions

- i. Mr. Sergei Kuznetsov, Director General and Legal Counsel
- ii. Ms. Halima Nazeer, Director General, Finance, Budget and Accounting
- iii. Mr. Kuldeep Goel, Director General, Risk Management
- iv. Mr. Zhongxia Jin, Director General, Treasury and Portfolio Management
- v. Mr. Ashwani Muthoo, Director General, Independent Evaluation Office
- vi. Mr. Daniel Alves Maria, Chief, Treasury
- vii. Mr. Leon Myburgh, Chief, Portfolio Management
- viii. Mr. Paritosh Pandit, Chief, Financial Controller
- ix. Mr. James Zhou, Chief, Integrity and Regulatory Compliance
- x. Mr. Morgan Pillay, Chief, Ethics and Investigations
- xi. Mr. Gustavo Jerez, Chief, Enterprise and Operational Risk
- xii. Mr. Qinghua Gu, Chief, IT
- xiii. Mr. Marcos Thadeu Abicalil, Principal Professional, Americas Regional Office

- xiv. Ms. Anna Aletta Prinsloo, Principal Professional, Ethics and Investigations
- xv. Mr. Shubham Prakash, Senior Professional, Enterprise and Operational Risk
- xvi. Mr. Sidharth Kamani, Senior Professional, Credit Risk
- xvii. Ms. Yixiao Zhang, Officer, Ethics and Investigations

Independent Auditors

- i. Mr. Jason Han, Deloitte