



Corporate Governance Development Framework

A FRAMEWORK FOR INTEGRATING CORPORATE GOVERNANCE INTO INVESTMENT OPERATIONS¹

Preamble

Corporate governance refers to the structures and processes for the direction and control of companies. Corporate governance matters because it improves investee companies' performance and helps develop capital markets. Sound corporate governance reduces risk, adds value to investments, and avoids reputational risks for investors.

Given the strong links between good corporate governance and sustainable economic development, improving corporate governance practices has become an important element of the development mission of financial institutions.

To advance this cause, 31 Financial Institutions signed in 2007 the "Approach Statement on Corporate Governance" and created a Working Group. The Working Group has since developed the Corporate Governance Development Framework ("Framework"), a common methodology for assessing corporate governance in investee companies, which includes a set of tools to help with the assessment¹. Signatories to this initiative are expected to implement the Framework at a pace and depth that suit their own circumstances and subject to their relevant internal approvals.

As signatories to this Framework, we endeavor to work together to advance the cause of good corporate governance and help improve the governance of the companies we work with. We also recommend that the global financial community adopt the Framework in their relevant investments.

Framework

Each signatory of the Framework undertakes to:

1. Integrate Corporate Governance ("CG") in its investment operations

- a. Adopt CG procedures and tools in line with the Framework's methodology;
- b. Where considered appropriate, conduct CG assessments of investee companies and develop CG action plans;
- c. Monitor progress of the implementation of CG action plans.

2. Ensure internal responsibility

Identify and assign an internal function that is responsible for the implementation of the Framework.

3. Provide or procure training

Ensure capacity building and knowledge transfer to staff for the implementation and further development of the Framework.

4. Collaborate with other signatories

- a. Share experience and resources in training and implementation;
- b. Contribute to developing case studies and progress reports on the above.

5. Report on implementation

Report annually to the other signatories on the internal implementation of the Framework.

¹ Investment Operations refer to both lending transactions and equity participations in companies

² The CG common methodology tools are available at: www.cgdevelopmentframework.com.



African Development Bank [AfDB]



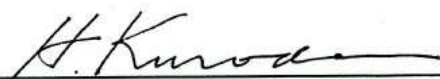
Compañía Española de Financiación del Desarrollo
[COFIDES]



African Export-Import Bank [Afreximbank]



Deutsche Investitions und Entwicklungsgesellschaft
mbH [DEG]



Asian Development Bank [ADB]



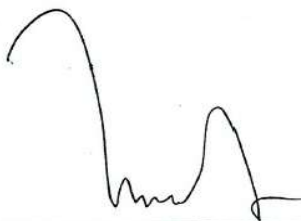
Development Bank of Latin America [CAF]



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[Bancoldex]



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Banco de Inversión y Comercio Exterior S.A. [BICE]



European Bank for Reconstruction and Development
[EBRD]



Belgische Investeringsmaatschappij voor
Ontwikkelingslanden N.V. [BIO]



European Investment Bank [EIB]



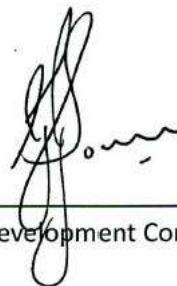
Black Sea Trade & Development Bank [BSTDB]



Finnish Fund for Industrial Cooperation Ltd.
[FINNFUND]



CDC Group Plc. [CDC]



Industrial Development Corporation [IDC]

Inter-American Investment Corporation [IIC]

Société Belge d'Investissement International S.A. [SBI]
Belgische Maatschappij voor Internationale Investeren N.V. [BMI]

International Finance Corporation [IFC]

Société de Promotion et de Participation pour
la Coopération Economique [Proparco]

Islamic Development Bank [IsDB]

Swedfund International AB

Netherlands Development Finance Company
[FMO]

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[SIFEM]

Norwegian Investment Fund for Developing Countries
[NORFUND]

The Industrialization Fund for Developing Countries
[IFU]

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the Development Bank of Austria [OeEB]

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(BNDES)

PTA Bank - Eastern & Southern African
Trade & Development Bank

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(IADB)


Sociedade para o Financiamento do Desenvolvimento
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Vnesheconombank [VEB]


Nacional Financiera [NAFIN]


Corporación Financiera de Desarrollo S.A. [COFIDE]
Jorge Luis Ramos Peláez
Chief Executive Officer


The OPEC Fund for International Development [OFID]