

ARTICLE III

OPERATIONS

Section 1. Operating Procedures

In order to accomplish its purposes, the Corporation is authorized to:

- (a) Identify and promote projects which meet criteria of economic feasibility and efficiency, with preference given to projects that have one or more of the following characteristics:
 - (i) they promote the development and use of material and human resources in the developing countries which are members of the Corporation;
 - (ii) they provide incentives for the creation of jobs;
 - (iii) they encourage savings and the use of capital in productive investments;
 - (iv) they contribute to the generation and/or savings of foreign exchange;
 - (v) they foster management capability and technology transfer; and
 - (vi) they promote broader public ownership of enterprises through the participation of as many investors as possible in the capital stock of such enterprises.
- (b) Make direct investments, through the granting of loans, and preferably through the subscription and purchase of shares or convertible debt instruments, in enterprises located in regional developing member countries, and make indirect investments in such enterprises through other financial institutions, both of which investments require the significant generation of local added value.
- (c) Promote the participation of other sources of financing and/or expertise through appropriate means, including the organization of loan syndicates, the underwriting of securities and participations, joint ventures, and other forms of association such as licensing arrangements, marketing or management contracts;
- (d) Conduct cofinancing operations and assist domestic financial institutions, international institutions and bilateral investment institutions;
- (e) Provide technical cooperation, financial and general management assistance, and act as financial agent of enterprises;