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**DOCUMENT OF THE EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT**

**MINUTES OF THE BOARD MEETING OF
16 DECEMBER 2015**

PUBLIC

Meeting of the Board of Directors – 16 December 2015
List of Attendance

Chairman
First Vice President
Secretary General
General Counsel

President
Phil Bennett
Enzo Quattrocioche
Marie-Anne Birken

Directors
Scott Allen
Tamsyn Barton
Anthony Bartzokas
Raphaël Bello
Anna Brandt
Claire Dansereau
Evren Dilekli
Raffaella Di Maro
Harold Freeman
Ove Jensen
Heinz Kaufmann
Yosuke Kawakami
Johannes Koskinen
Klára Król
Bob McMullan
Kalin Mitrev
Denis Morozov
Antonio Oporto
Horst Reichenbach
Johannes Seiringer
Jean-Louis Six
Klaus Stein
Paul Vlaanderen

Alternate Directors
Luyen Tran
Michel Grilli
Abel Mateus

Anna Björnermark

Dante Brandi

Seán Donlon

Makoto Honda
Ove Hovland
Antal Nikoletti
Soomin Park
Zbigniew Hockuba
Sergey Verkashanskiy
Enrique Bal
Peter Basch
Eddy Azoulay
Miguel Marques
Johann Ernst
Ronald Elkhuisen

Secretariat
Colm Lincoln
Milica Delević

Tom Edmondston-Low
Stefano Bertozzi
Irena Postlova
Jessica Withers
Sara Caputo

Staff
Luise Hölscher
Betsy Nelson
András Simor
Hans Peter Lankes
Jean-Marc Peterschmitt
Josué Tanaka
Nick Tesseyman

Mattia Romani
Henry Russell
George Orlov
Noel Edison
David Coleman
Sue Barrett
Susan Goeransson
Lin O'Grady
Ekaterina Miroshnik
Frederic Lucenet
Aida Sitdikova
Andrew Kilpatrick
Louis Borgo
Sevki Acuner

1. Adoption of the Agenda

- The Agenda was approved.
- The Board of Directors noted that, since the previous meeting, the following items had been approved on a no-objection basis:

On 14 December 2015

- Kazakhstan: Shareholder Special Fund: Development and Implementation of Subsoil Use Standards, Kazakhstan (EUR 868,200)
- Croatia: Shareholder Special Fund: Croatia Residential Sustainable Energy Financing Facility (“Croatia Residential SEFF” or the “Facility”)

On 15 December 2015

- Report on the Execution of the 2015 Borrowing Programme and the Proposed 2016 Borrowing Programme
- Report of the Chair of the Financial and Operations Policies Committee on the Report on the Execution of the 2015 Borrowing Programme and the Proposed 2016 Borrowing Programme
- Request for authorisation by a Board Official under Rule 14(c) of the Code of Conduct for Officials of the Board of Directors of the EBRD
- Bosnia and Herzegovina: Corridor Vc - Request to Increase Loan Amount
- Kazakhstan: Semey District Heating Project
- Changes of Rules of Nuclear Safety Funds

2. Minutes of the Board Meeting of 11 November 2015 Minutes of the Board Meeting of 25 November 2015

- The Board of Directors approved the Minutes and Addendum of 11 November 2015 and the Minutes of 25 November 2015.

3. Strategy Implementation Plan: 2016-2018 Report by the Chair of the Budget and Administrative Affairs Committee

- The Board of Directors approved the Strategy Implementation Plan: 2016-2018. Disclosure delayed in accordance with Section E of the Public Information Policy.

4. Staff Compensation and Benefits Proposals for 2016 Report by the Chair of the Budget and Administrative Affairs Committee

- The Board of Directors approved the Staff Compensation and Benefits Proposals for 2016. Disclosure delayed in accordance with Section E of the Public Information Policy.

**5. Enhanced Reserve to Strengthen Existing Instruments in Support of Workforce Flexibility
Report by the Chair of the Budget and Administrative Affairs Committee**

- The Board of Directors approved the Enhanced Reserve to Strengthen Existing Instruments in Support of Workforce Flexibility. Disclosure delayed in accordance with Section E of the Public Information Policy.

6. Albania: Albania Agribusiness Support Facility

- The Board of Directors approved the Albania Agribusiness Support Facility of up to EUR 100 million. Through the provision of risk sharing facilities and credit lines, the Facility will promote and enhance access to finance for agribusinesses in Albania by addressing the financing gap as one of the main challenges for the sector's development.

7. Russian Federation: Russia Small Business Fund (“RSBF”) Extension

- The Board of Directors approved the project. Disclosure delayed in accordance with Section E.2 of the Public Information Policy.

8. Turkey: Project Felicity

- The Board of Directors approved the project. Disclosure delayed in accordance with Section E.2 of the Public Information Policy.

9. Poland: Moravia

- The Board of Directors approved the project of up to EUR 100 million equivalent senior, multicurrency, unsecured loan to PKP Cargo S.A. to refinance the acquisition of Advanced World Transportation (“AWT”), the second-largest rail freight operator in the Czech Republic.

10. Croatia: HAC Restructuring Project

- The Board of Directors approved a sovereign guaranteed loan in the amount of up to EUR 250 million to HAC, Croatia. The EBRD's financing will support reform in the motorways sector in Croatia.

11. Turkey: Konya Hospital PPP Project (under Turkey: Hospital Facilities Management PPP Framework)

- The Board of Directors approved an “A Loan” of up to EUR 75 million for the Bank’s own account and a “B Loan” of EUR 80 million to be lent to ATM Saglik Konya Yatirim ve Isletme A.S. The loan will be used to finance a hospital facilities management PPP in the city of Konya, Turkey.

12. Belarus: Belarus Water Sector Framework

- The Board of Directors approved the Belarus Water Sector Framework consisting of senior loans in the amount of up to EUR 40 million to finance projects in the water and wastewater sector in Belarus.
- The Board of Directors also approved delegation to management of the approval of future sub-projects under the Framework, beyond the first sub-project, with total costs of each sub-project of up to EUR 25 million and EBRD financing of up to EUR 10 million, and not categorised as ‘A’ under the Environmental and Social Policy.

13. Belarus: Lida Wastewater

- The Board of Directors approved the Lida Wastewater, the first sub-project under the Framework, consisting of a loan of up to EUR 6 million to Unitary Enterprise Lida GUP JKH in the city of Lida, to support the rehabilitation and upgrade of the water and wastewater infrastructure in the city.

14. Ukraine: Lviv Wastewater Biogas

- The Board of Directors approved a loan of up to EUR 15 million to the Lviv City Communal Enterprise “Lvivvodokanal”, guaranteed by the City of Lviv. The loan will be used to finance installation of wastewater biogas production and cogeneration facilities and rehabilitation and modernisation of the wastewater treatment infrastructure operated by the company.

15. Serbia: Kragujevac Infrastructure Upgrade Project

- The Board of Directors approved a loan of EUR 15 million in two tranches to the City of Kragujevac to finance key investments in waste collection equipment, street construction and rehabilitation and a new city bus terminal.

16. Tajikistan: Khujand Public Transport Project

- The Board of Directors approved a sovereign guaranteed loan of up to USD 17.5 million to Communal State Unitary Enterprise Trolleybus of Khujand under two Tranches: Tranche I (committed) amounts up to USD 6.5 million; and Tranche II (uncommitted) amounts up to USD 11 million. The proceeds of the loan will be used to improve municipal public transport services in Khujand City.
- The Board of Directors also approved a grant in the amount of USD 3.5 million (EUR 3.1 million) from the SSF as grant co-financing of Tranche I of the project.

17. Kazakhstan: Astana Parking Project

- The Board of Directors approved a loan of EUR 22.9 million to the municipal public transport company Astana LRT. The loan will be used to improve traffic management and introduce the system of paid on-street parking in Astana.

18. Ukraine: Kronospan UA Modernisation

- The Board of Directors approved (i) a new loan in the amount of up to EUR 40 million for the account of EBRD and (ii) a restructuring of the A-portion of the existing EBRD A/B loan in the amount of EUR 20.6 million to Kronospan UA. The operation will support the company's efforts to complete an upgrade of existing manufacturing facilities, with the aim to expand capacity, improve quality of the output and cost efficiency of the operations.

19. Kazakhstan: Atyrau Energy Project

- The Board of Directors approved a KZT denominated five-year loan in the amount equivalent up to USD 5.9 million (EUR 5.5 million) to Sagat Energy LLP to finance new capital expenditure required to complete the project and to partially refinance the existing USD denominated debt of the borrower with a longer tenor local currency loan.

20. Georgia: Georgian Low Carbon Framework (“GLCF”)

- The Board of Directors approved the Georgian Low Carbon Framework consisting of up to USD 120 million (EUR 112.45 million) in debt financing on the Bank’s own account with mobilization of additional USD 120 million (EUR 112.45 million) through B-Loans or parallel financing with other development financing institutions or commercial banks benefiting private and public investors in the low carbon power sub-projects in Georgia. Approval of sub-projects not exceeding EUR 10 million will be delegated to management.

21. Georgia: Gori Wind (under Georgia: Georgian Low Carbon Framework (“GLCF”))

- The Board of Directors approved a loan of up to USD 24 million (EUR 22.42 million) with subsequent mobilization of up to USD 12 million (EUR 11.21 million) under the Bank’s A/B loan structure for the account of participants to Qartli Windfarm LLC. The loan will be used to fund the development, construction and operation of the Gori wind power plant in Gori municipality in Georgia.

22. Ukraine: Karpatskyi Wind Farm

- The Board of Directors approved a loan of EUR 7.6 million to Karpatskyi Wind LLC. The loan will be used to finance development, construction and operation of a 9.9MW wind park located in Lviv region of Ukraine, near the border with Poland.

23. Other Business

No decisions were taken under Other business.