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

**MINUTES OF THE BOARD MEETING OF  
18 JULY 2017**

PUBLIC

**Meeting of the Board of Directors – 18/19 July 2017**  
**List of Attendance**

<b>Chairman</b>	President
<b>First Vice President</b>	Phil Bennett
<b>Secretary General</b>	Enzo Quattrocioche
<b>General Counsel</b>	Marie-Anne Birken

**Directors**

David Avarello  
Phillip Barresi  
Wioletta Barwicka-Lofthouse  
Raphaël Bello  
José Brito  
Raffaella Di Maro  
Harold Freeman  
Jörgen Frotzler  
Ove Jensen  
Heinz Kaufmann  
Yosuke Kawakami  
Johannes Koskinen

Douglas Nevison  
Antonio Oporto  
Horst Reichenbach  
Johannes Seiringer  
Klaus Stein  
Taşkın Temiz  
Andris Vilks  
Frans Weekers

**Secretariat**

Colm Lincoln  
Ana Drašković  
Tom Edmondston-Low

**Staff**

Pierre Heilbronn  
Betsy Nelson  
Jonathan Charles  
Sergei Guriev  
Janet Heckman  
Jean Patrick Marquet  
Nandita Parshad  
Nick Tesseyman  
Jonathan Aves  
Oleg Levitin  
Heike Harmgart  
Eric Rasmussen  
Ivana Duarte  
Aida Sitdikova  
Ayten Rustamova  
Harry Boyd-Carpenter  
Mike Taylor  
Lucyna Stanczak-Wuczynska  
Sue Barrett  
Ekaterina Miroshnik

**Alternate Directors**

Brian McCauley  
Miguel Marques  
Soomin Park  
  
Gustave Gauquelin  
Anthony Bartzokas  
  
Robin Tasker  
Arnar Másson  
Aloyzas Vitkauskas  
Artem Shevalev  
Makoto Honda  
Dag Holler  
László Havas  
Sergey Verkashanskiy

Pablo Gasós  
Peter Basch  
Eddy Azoulay  
Johann Ernst  
Dragoş Andrei  
  
Jaap Rooimans

**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 July 2017

- Tajikistan: Tajikistan Bottlers

On 17 July 2017

- Turkey: Turkey Capital Market Framework

**2. Appointment of Chairs, Vice Chairs and Members of Board Committees:**

- The Board of Directors approved the appointment of Chairs, Vice Chairs and Members of Board Committees for 2017-2018.

**3. Lebanon: Country Assessment and Report of the Board of Directors to the Board of Governors and Draft Resolution  
Report by the Chair of the Financial and Operations Policies Committee**

- The Board of Directors approved the Report of the Board of Directors to the Board of Governors and Draft Resolution on Recipient Country Status of Lebanon for transmittal to the Board of Governors.

**4. Azerbaijan: Lukoil Shah Deniz Stage II Extension**

- The Board of Directors approved a loan of up to USD 100 million (EUR 89 million) to Lukoil Overseas Shah Deniz. The loan will be used to finance Lukoil's share in the development of the Stage 2 of the Shah Deniz gas-condensate field in the Azerbaijan sector of the Caspian Sea.

**5. Tajikistan: Qairokkum HPP Climate Resilience Upgrade**

- The Board of Directors approved a sovereign loan of up to USD 38 million (EUR 34 million) to the Republic of Tajikistan. The loan will be used to finance the priority rehabilitation program at the Qairokkum hydropower plant related to rehabilitation and modernisation of the hydro-mechanical and electro-mechanical equipment of four out of six units.

**6. Jordan: Al Safawi Solar Project**

- The Board of Directors approved an A/B loan of up to USD 70 million (EUR 62.3 million), of which up to USD 35 million (EUR 31.2 million) would be for the Bank's account, to Al Safawi for Green Energy PSC. The loan will be used to finance the development, construction and operation of an up to 51 MW solar photovoltaic power plant located in the Safawi Area, 150 km east of Amman.

**7. Mongolia: Khan Bank Financing Package: (1) MSME Senior Loan, (2) Value Chain Financing Senior Loan and (3) Sustainable Energy Senior Loan (under Regional: Financial Intermediary Framework (“FIF”))**

- The Board of Directors approved a financing package to Khan Bank consisting of the following facilities: (i) MSME senior loan in the amount of up to USD 30 million (EUR 27 million); (ii) Value Chain Financing senior loan in the amount of up to USD 15 million (EUR 13.5 million); and (iii) Sustainable Energy senior loan in the amount of up to USD 5 million (EUR 4.5 million).

**8. Egypt: AAIB SME Loan (under Financial Intermediary Framework), AAIB (under EGYPTSEFF) and AAIB (under Regional Trade Facilitation Programme (TFP))**

- The Board of Directors approved (i) an SME loan to Arab African International Bank (AAIB) in the amount of up to USD 30 million (EUR 28 million); (ii) a loan of up to USD 30 million (EUR 28 million) under the Egypt Sustainable Energy Financing Facility Framework; and (iii) a trade finance limit of up to USD 50 million (EUR 47 million) for guarantees and cash advances under the EBRD’s Trade Facilitation Programme.
- The SME loan will enable AAIB to increase availability of funding for small and medium sized enterprises in Egypt. The Energy Efficiency loan will allow AAIB to support on-lending to private beneficiaries for energy efficiency and renewable energy projects. The TFP limit will enable AAIB to obtain confirmation from their letters of credit and other trade finance instruments by confirming banks and to obtain trade related cash advances at commercial terms.

**9. Poland: Project Ragnar**

- The Board of Directors approved an investment in PLN denominated subordinated bonds in an amount up to the lower of (i) 15% of the issue that is planned for up to PLN 1.7 billion (EUR 405 million) or (ii) PLN 255 million (EUR 61 million), to be issued by PKO Bank Polski S.A. (PKO BP), a public company incorporated in Poland and the largest commercial bank in Poland. The project will support the development of the Polish capital market and the Bank's Green Economy Transition approach in Poland through PKO BP allocating 200% of the EBRD Bond proceeds to finance GET-eligible loans for residential real estate refurbishments.

**10. Slovak Republic: Project Hydra (under Slovak Republic: Covered Bond Framework)**

- The Board of Directors approved an investment of up to EUR 75 million in a series of mortgage covered bonds to be issued by Slovenska Sporitelna a.s. over a period of three years in the Slovak Republic. The investment will be used to support the local capital market development, through development of the covered bonds market and diversification in the maturity of the funding structure.

**11. Croatia: HAC Restructuring Project**

- The Board of Directors approved the commitment of Tranche B of the loan extended to Hrvatske Autoceste under the HAC Restructuring Project in the amount of EUR 50 million. The commitment of Tranche B will help support the implementation of the restructuring programme of the company, which has been developed in close co-operation with the company and the World Bank and endorsed by the government of Croatia. The Tranche B loan funds will be used to finance an automated tolling system and labour restructuring.

**12. Mongolia: GrCF Ulaanbaatar Solid Waste Modernisation Project (under Regional: Green Cities Framework (GrCF))**

- The Board of Directors approved a loan of USD 9.7 million (EUR 8.7 million) to the City of Ulaanbaatar. The proceeds of the loan and associated EU grant will finance the construction of a landfill site, construction and demolition waste plant and acquisition of the related machinery.
- The Board of Directors approved SSF funding in the amount of EUR 900,000 in support of the TCs aimed at (i) supporting design, procurement, contract administration and supervision; and (ii) building institutional capacity at the City level as regards solid waste sector management.

**13. Turkey: Bilkent Laboratory PPP (under Turkey: Hospital Facilities Management PPP Framework Extension)**

- The Board of Directors approved a syndicated loan of up to EUR 200 million to CCN Laboratuvar Hizmetleri ve Yönetim A.Ş. The loan will be used to finance an integrated laboratory facilities management PPP in Ankara, Turkey. The loan will comprise of EUR 75 million for the Bank's own account, and up to EUR 125 million mobilised financing to be syndicated to commercial banks.

**14. Regional: Scandagra Baltics**

- The Board of Directors approved a loan of EUR 30 million to Scandagra Group, an agribusiness trader and inputs supplier to farmers operating in the Baltics. The loan will be used to support the company's working capital needs.

**15. Other Business**

- No decisions were taken.