

PUBLIC

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

**MINUTES OF THE BOARD MEETING OF**

**23 July 2020**

PUBLIC

**Meeting of the Board of Directors – 23 July 2020  
List of Participants**

**Chair  
Representing  
First Vice Presidency  
Secretary General  
General Counsel**

Jürgen Riegerink  
Alain Pilloux  
  
Enzo Quattrocioche  
Michael Strauss

**Directors**

David Avarello  
György Barcza  
José Brito  
Eva Cassel  
KyooHong Cho  
Peter Curwen  
Gerhard Hütz  
Çağatay İmirgi  
Karina Karaivanova  
José Leandro  
Felipe Martínez  
Shinichi Nakabayashi  
Manuela Nenna  
Douglas Nevison  
Michael Offer  
William Roos  
Per Sanderud

**Alternate Directors**

Milan Martin Cvikl  
Martina Kobilicová  
Anthony Bartzokas  
Märt Kivine  
Philip Lindsay  
Mark Paskins

**Temporary Alternate Directors**

Lucien Isar  
Wioletta Barwicka-Lofthouse  
Peter Basch  
Pablo Gasós  
Masaya Otsuka

Paolo Cappellacci

Leander Treppel  
Jan Willem van den Wall Bake  
Sergey Verkashanskiy  
Patrick Walsh  
Remigi Winzap

Brigitte Schwardorf-Ruckdeschel  
Alain Beauvillard  
Ilkka Räisänen  
Colin Mahoney

Hui Li  
Maria Smirnova  
Jens Lundsgaard  
Artem Shevalev

**Secretariat**

Colm Lincoln  
Tom Edmondston-Low

**Staff**

Soha El-Turky  
Pierre Heilbronn  
Fernando Pons  
Annemarie Straathof  
Jonathan Charles  
Alexia Latortue  
Anne Fossemalle  
Karsten Sinner  
Natalya Zhukova  
Mark Hughes  
Tamara Kakuchay  
Francis Malige  
Henry Russell  
Aida Sitdikova  
Adonai Herrera-Martinez  
Alistair Clark  
Sue Barrett

Marie-Alexandra Veilleux-Laborie  
Ekaterina Miroshnik  
Elisabetta Falcetti

## **1. Adoption of the Agenda**

- The Agenda was approved.

## **2. IT Multi Year Investment Request Report by the Chair of the Budget and Administrative Affairs Committee**

- The Board of Directors approved the proposed approach to modernising the Bank's technology and operational platform with a Multi-Year Investment Plan (MYIP), as set out below:
  - Acknowledges the requirement for an overall IT Multi-Year Investment Plan with its three Phases and approximately GBP 200 million of Capex programme spend for the period 2020 to 2025;
  - Endorses the plan for Phase 1 with an indicative Capex spend of GBP 78.3 million in 2020 to 2022;
  - Takes note of the financial implications of the implementation of Phase 1 on Opex and corresponding depreciation in 2021 and subsequent years;
  - Takes note of the indicative cost estimates for Phases 2 and 3;
  - Agrees that the urgent IT Capex investment requirements for 2020 of GBP 13.4 million can start immediately;
  - Agrees that the budgets for each of the three Phases of this programme will be the subject to a full discussion and agreement during the annual Strategy Implementation Plan (SIP) process, and agrees that during those same discussions, the separation of the Multi-Year Investment Programme budget from the normal IT Administrative Budget will be discussed and confirmed.
- Management confirmed their commitment to an external validation of progress reporting and implementation of the plan's Phases.
- Management recognised that there were investments that had been agreed in previous years, which were already underway, such as the Monarch project.
- The proposed plan was the response to the heightened operational risk inherent in the IT platform that was discussed with the Budget and Administrative Affairs Committee (BAAC) in 2019 and the Committee's request for a remediation approach to be presented early in 2020. This had been delayed to the summer of 2020 as the Bank focussed on responding to the global COVID-19 pandemic.

## **3. Egypt: Lorax Capital Partners Fund II**

- The Board of Directors approved the project.
- Disclosure of project information was delayed in accordance with Section III.2.6 of the Access to Information Policy

**4. Ukraine: Novus Retail and Logistics**

- The Board of Directors approved a loan of up to USD 100 million (EUR 88.5 million) to Novus LLC to be made available in three tranches, including a USD 40 million committed tranche and two USD 35 million and USD 25 million uncommitted tranches. The loan will be used to support the expansion of Novus retail chain and construction of distribution centre.

**5. Regional: Olam Regional WC Financing**

- The Board of Directors approved a loan of USD 200 million (EUR 178 million) to Olam International Ltd and Olam Treasury Pte as co-borrowers. The loan will be used to finance part of working capital needs of Olam International Ltd and Olam Treasury Pte in Turkey, Egypt, Ukraine, Poland and Georgia.

**6. Poland: Project Amber**

- The Board of Directors approved the project.
- Disclosure of project information was delayed in accordance with Section III.2.6 of the Access to Information Policy.

**7. Montenegro: Deposit Protection Fund Montenegro - Senior Line II**

- The Board of Directors approved a stand-by credit facility of EUR 50 million in favour of Deposit Protection Fund of Montenegro (DPFM), an independent public institution incorporated in Montenegro. The stand-by credit line will be guaranteed by Montenegro. The loan will enable DPFM to have adequate emergency funding arrangement and funds from this credit line would be drawdown under certain pre-agreed conditions with the purpose of making funds available to compensate insured depositors in accordance with the legal requirements.

**8. Georgia: GOGC: Essential Infrastructure Support**

- The Board of Directors approved the project.
- Disclosure of project information was delayed in accordance with Section III.2.6 of the Access to Information Policy.

**9. Georgia: Power Grid Enhancement Project**

- The Board of Directors approved this project.
- Disclosure of project information was delayed in accordance with Section III.2.6 of the Access to Information Policy.

**10. Morocco: ONDA Stabilisation Facility (VISP - Vital Infrastructure Support Programme)**

- The Board of Directors approved a sovereign guaranteed loan of up to EUR 150 million in favour of Office National des Aeroports (ONDA). The loan will be used to support ONDA's liquidity needs due to the impact of COVID-19, thereby facilitating the continued delivery of vital infrastructure services provided by ONDA.

**11. Morocco: ADM Stabilisation Facility (VISP - Vital Infrastructure Support Programme)**

- The Board of Directors approved a sovereign guaranteed loan of up to EUR 100 million in favour of Société Nationale des Autoroutes du Maroc (ADM). The loan will be used to support ADM's liquidity needs due to the impact of COVID-19, thereby facilitating the continued delivery of vital infrastructure services provided by ADM.

**12. Morocco: ONEE Water Stabilisation Facility (VISP - Vital Infrastructure Support Programme)**

- The Board of Directors approved a sovereign guaranteed loan of up to EUR 50 million in favour of Office National de l'Électricité et de l'Eau Potable (ONEE). The loan will be used to support liquidity needs of ONEE's water division due to the impact of COVID-19, thereby facilitating the continued delivery of vital water infrastructure services provided by ONEE.

**13. Kyrgyz Republic: Kyrgyz Water Sector Resilience Framework (KWRF)**

- The Board of Directors approved the Kyrgyz Water Resilience Framework, consisting of sovereign debt facilities for an aggregate amount of up to EUR 40 million in favour of the Kyrgyz Republic, to be provided to water utility companies in cities throughout the Kyrgyz Republic, as well as the derogation from the EBRD's Environmental and Social Policy.
- The approval of sub-projects under the Framework is delegated to management for sub-projects of up to EUR 25 million and not categorised as "A" under the Environmental and Social Policy.

14. **Other Business**  
No Decision were taken

**ANNEX 1 (under paragraph 4.2)**  
**Statement by the Director for the Russian Federation**

“Thanks to management for the presentation and for bringing on-board this project. This operation is strongly linked to our private business mandate and it is beneficial to Ukrainian population, so we are ready to support this investment.

We regret to mention, yet again, that the repeated use in Bank documents of notorious language such as “annexation of Crimea” is unacceptable and factually misleading. We have to stress that including political propaganda style pronouncements in the text of the EBRD documents but also in some of the statements of our colleagues is not consistent with the spirit of an international institution based on democratic principles and freedoms, but also on balanced assessments.

We would like to repeat, for colleagues and management, that a declaration of independence of the Republic of Crimea and its subsequent accession to the Russian Federation was a legitimate way for the people of Crimea to implement their right to self-determination in a situation where, with external support, there was an unconstitutional and violent coup d'état in Ukraine.

In Crimea, a referendum was held in accordance with the provision of Article 1 of the Charter of the United Nations on the right of the people to self-determination. As a result of this freely-expressed will, Crimea unified with Russia.

This mode of implementing the right to self-determination was the only possible way to protect the vital interests of the people of Crimea in the face of rampaging hypocritical nationalist elements in Ukraine. That, in turn, led to the interest of the Ukrainian regions and the Russian-speaking population being ignored.

This is a factual statement and it is based on, and fully aligned with, international law: first, the right to self-determination of peoples, along with other fundamental principles of international law, is enshrined in Article 1 of the UN Charter and confirmed by Article 1 of the 1966 International Convention on Civil and Political Rights; and Article 1 of the 1966 International Covenant on Economic, Social and Cultural Rights.

Under the 1970 Declaration on Principles of International Law concerning Friendly Relations and Cooperation among States regarding the Charter of the United Nations: “The establishment of a sovereign and independent State, the free association or integration with an independent State or the emergence into any other political status freely determined by a people, constitute modes of implementing the right of self-determination by that people.”

The right to self-determination has been repeatedly confirmed by the resolutions of the UN General Assembly; by the decision of the International Court of Justice; and in the comments of the Human Rights Committee.”