

PUBLIC

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

**MINUTES OF THE BOARD MEETING OF
25 NOVEMBER 2015**

PUBLIC

Meeting of the Board of Directors – 25 November 2015
List of Attendance

Chairman	President
First Vice President	Phil Bennett
Deputy Secretary General	Colm Lincoln
General Counsel	Marie-Anne Birken
Directors	Alternate Directors
Tamsyn Barton	Luyen Tran
Anthony Bartzokas	Michel Grilli
Raphaël Bello	Abel Mateus
Anna Brandt	Gustave Gauquelin
Claire Dansereau	Anna Björnermark
Evren Dilekli	
Raffaella Di Maro	Dante Brandi
Harold Freeman	
Ove Jensen	Seán Donlon
Heinz Kaufmann	
Yosuke Kawakami	
Johannes Koskinen	Ove Hovland
	Antal Nikoletti
Bob McMullan	Soomin Park
Kalin Mitrev	Zbigniew Hockuba
	Sergey Verkashanskiy
Antonio Oporto	Enrique Bal
Horst Reichenbach	Peter Basch
Johannes Seiringer	Eddy Azoulay
	Miguel Marques
Klaus Stein	Johann Ernst
Paul Vlaanderen	Ronald Elkhuisen
Secretariat	
Colm Lincoln	Stefano Bertozzi
Milica Delević	
Staff	
Betsy Nelson	
András Simor	
Jonathan Charles	
Hans Peter Lankes	
Hassan El Khatib	
Hildegard Gacek	
Natasha Khanjenkova	
Tarek Osman	
Oleksandr Pavlyuk	
Mandeep Bains	
Mark Davis	
Oksana Antonenko	
Bojan Markovic	
Jean-Patrick Marquet	
Manfred Schepers	
Sue Goeransson	
Anne Fossemalle	

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 11 November 2015

- Ukraine: Lviv Public Transport and Road Rehabilitation Projects

On 12 November 2015

- Kyrgyz Republic: Osh Water and Wastewater Rehabilitation Project, Phase II (EUR 1,015,000)

2. Minutes of the Board Meeting of 30 September 2015
Minutes of the Board Meeting of 14 October 2015
Minutes of the Board Meeting of 28 October 2015
Minutes of the Board Meeting of 29 October 2015

- The Board of Directors approved the Minutes and Addenda of 30 September, 14 October, 28 October and 29 October 2015.

3. Strategy for Armenia and Report on the Invitation to the Public to Comment

- The Board of Directors approved the four-year Country Strategy for Armenia.

4. Turkey – Update on EBRD Engagement

- The Board of Directors took note of the update regarding the EBRD's engagement in Turkey.

Publishing details of the project are delayed due to confidentiality reasons as set out in section E of the Bank's Public Information Policy

**5. Quarterly Performance Report for the Third Quarter 2015
Report by the Chair of the Budget and Administrative Affairs Committee
Report by the Chair of the Audit Committee**

- The Board of Directors took note of the Quarterly Performance Report for the Third Quarter 2015, and approved the Interim Financial Statements for EBRD and for the EBRD Shareholder Special Fund for the Third Quarter 2015.

**6. Institutional Investor Partnership: Equity Participation Fund
Report by the Chair of the Financial and Operations Policies Committee**

- The Board of Directors approved the establishment of the Equity Participation Fund with a first close of EUR 250 million, and targeting a final close of up to EUR 750 million with the addition of a number of success measures as agreed by the Board of Directors.

7. Egypt: Cairo Urban Transport Integrated Approach

- The Board of Directors approved an Integrated Approach comprising a series of investments in Cairo's Urban Transport Sector for the period 2015-2020. The Integrated Approach targets to improve functionality, quality, and efficiency of high-capacity public transport services through investments that prioritise low-carbon modes of urban public transport, accompanied by a strong institutional reform agenda. Each transaction under the Integrated Approach will be presented to the Board of Directors for approval

8. Egypt: Cairo Metro

- The Board of Directors approved a sovereign loan of up to EUR 175 million to the Government of Egypt consisting of a committed tranche of EUR 100 million and an uncommitted tranche of EUR 75 million, to be committed at the sole and absolute discretion of the Bank. The loan would be used to part-finance (i) the purchase of a total of 13 train sets to be operated on Cairo Metro's Line II; and (ii) spare parts and maintenance equipment. The loan is the first sub-project under the Cairo Urban Transport Integrated Approach

9. Jordan: East Zarqa Wastewater Project

- The Board of Directors approved a sovereign loan of up to USD 14.5 million to Jordan from the EBRD's own resources, to be co-financed by a USD 5.5 million investment grant from the EBRD Shareholder Special Fund. This is the EBRD's first investment in the wastewater sector, and is part of the Bank's response to the Syrian refugee crisis which has placed the wastewater system under unprecedented strain.

10. Poland: HTL Medical Devices

- The Board of Directors approved the project. Publishing details of the project are delayed due to confidentiality reasons as set out in section E.2 of the Bank's Public Information Policy

11. Poland: Millennium (under PolSEFF Leasing)

- The Board of Directors approved a five-year senior loan of up to EUR 50 million, under the Polish Sustainable Energy Financing Facility for Leasing, in favour of Bank Millennium for on-lending to its fully-owned leasing subsidiary, Millennium Leasing. At least 70% of the proceeds will be used for financing sustainable energy projects conducted by Polish SMEs based on the pre-approved List of Eligible Materials and Equipment, while the remaining 30% will be used for the financing of equipment, light commercial vehicles and trucks and trailers by the SMEs. The Facility will demonstrate the viability of unsubsidised financing of sustainable energy projects and promote access to Best Available Technologies among Polish SMEs.

12. Belarus: Zubr Capital Fund I

- The Board of Directors approved an equity investment of up to USD 25 million in Zubr Capital Fund I. The investment will enable the Fund to make equity and equity-related investments in privately owned companies in Belarus.

13. Greece: Diorama Hellenic Growth Fund

- The Board of Directors approved an equity investment of up to EUR 20 million in favour of Diorama Hellenic Growth Fund, a private equity fund to be established in Luxembourg. The EBRD's participation will enable the Fund to make equity investments in Greece, providing growth and expansion resources primarily to small and medium-sized enterprises with the objective of achieving long term capital growth. This is the first Greece-focused private equity fund considered by the EBRD.

14. Croatia: Croatia Residential Sustainable Energy Financing Facility ("Croatia Residential SEFF")

- The Board of Directors approved a framework of up to an aggregate of EUR 60 million under which the EBRD will provide senior loans to Participating Financial Institutions (PFIs). The PFIs will on-lend EBRD funds for eligible sub-projects to individuals or vendors (individuals or legal entities) for energy efficiency projects in the residential sector.

15. Croatia: MSME & Residential Sustainable Energy Financing Lines (under Regional: Small Business Initiative - Restructuring and Consolidating EBRD Operational Facilities for SMEs – Financial Intermediary Framework and Croatia: Residential Sustainable Energy Financing Facility ("Croatia Residential SEFF"))

- The Board of Directors approved two medium-term senior loans to Erste&Steiermärkische Bank d.d. The first loan is up to EUR 20 million. Its proceeds will be used to finance sub-loans to eligible Croatian micro, small and medium enterprises developed under the Small Business Initiative and the Financial Intermediary Framework. The second loan is up to EUR 10 million to finance sub-loans to eligible sub-borrowers under the Croatian Residential Sustainable Energy Financing Facility to support energy efficiency investments in the residential sector.

16. Romania: Framework for Sustainable Mobility and Access to Road Transport (“SMART”)

- The Board of Directors approved the SMART Framework, comprising of up to EUR 120 million to be lent to local authorities or local transport operators seeking financing for their urban infrastructure priorities.
- The Board of Directors also approved the delegation to management for approval of sub-projects that neither exceed EUR 10 million nor are categorised ‘A’ under the Bank’s Environmental and Social Policy.

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17. Romania: Sibiu Streets Rehabilitation (under Framework for Sustainable Mobility and Access to Road Transport (“SMART”))

- The Board of Directors approved a loan of up to RON 67.5 million to the City of Sibiu. The loan will be used to finance the City’s street rehabilitation programme which is expected to increase mobility in the region.

18. Kyrgyz Republic: Kyrgyz Republic Water and Wastewater Framework

- The Board of Directors approved the Kyrgyz Republic Water and Wastewater Framework Extension of up to EUR 20 million to finance water and wastewater sub-projects in the Kyrgyz Republic. Approval of loans up to EUR 7 million under the Framework, with a total project size (loan and capex grant co-financing) up to EUR 10 million, and not categorised as ‘A’ under the Bank’s Environmental and Social Policy is delegated to the Bank’s management. The sub-projects under the Framework will finance critical water and wastewater infrastructure improvements and will have important environmental benefits and economic impact.

19. FYR Macedonia: MEPSO: FYR Macedonia – Albania Transmission Phase I

- The Board of Directors approved a corporate loan of up to EUR 40 million to Macedonian Transmission System Operator AD MEPSO. The loan will be used to construct the Macedonian portion of the planned 400 kV cross-border electricity interconnection between FYR Macedonia and Albania, which is part of the broader East-West electricity transmission corridor between Bulgaria, FYR Macedonia, Albania, Montenegro and Italy, and to finance the introduction of grid efficiency improvements to MEPSO's infrastructure.

20. Other Business

No decisions were taken under Other business