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

**MINUTES OF THE BOARD MEETING OF
28 OCTOBER 2015**

PUBLIC

Meeting of the Board of Directors – 28 October 2015
List of Attendance

Chairman
First Vice President
Secretary General
General Counsel

President
Phil Bennett
Enzo Quattrocioche
Marie-Anne Birken

Directors
Tamsyn Barton
Anthony Bartzokas
Raphaël Bello
Anna Brandt
Claire Dansereau
Evren Dilekli
Raffaella Di Maro

Ove Jensen
Heinz Kaufmann
Yosuke Kawakami
Johannes Koskinen

Alternate Directors
Michel Grilli
Abel Mateus
Gustave Gauquelin
Anna Björnermark

Dante Brandi
Vanessa MacDougall
Seán Donlon

Bob McMullan
Kalin Mitrev
Denis Morozov
Antonio Oporto
Horst Reichenbach
Johannes Seiringer

Ole Hovland
Antal Nikoletti
Luyen Tran
Soomin Park
Zbigniew Hockuba
Sergey Verkashanskiy
Enrique Bal
Peter Basch
Eddy Azoulay
Miguel Marques

Klaus Stein
Paul Vlaanderen

Ronald Elkhuzen

Secretariat
Tom Edmondston-Low
Sara Caputo

Staff
Luise Hölscher
Philippe Le Houerou
Betsy Nelson

Jonathan Charles
Hans Peter Lankes
Hildegard Gacek
Natasha Khanjenkova
Jean-Marc Peterschmitt
Claudio Viezzoli

Oleksandr Pavlyuk
Tarek Osman
Heike Harmgart
Jean-Patrick Marquet
David Coleman
Nandita Parshad
Ekaterina Miroshnik
Lin O'Grady
Sue Barrett
Gilles Mettetal
Charlotte Ruhe
Nodira Mansurova
Alexander Saveliev
Alistair Clark
Dan Berg
Catarina Bjorlin Hansen
Mark Davis
Ivana Duarte
Mark Hughes
Lyudmyla Lishchenyuk

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 October 2015

- Shareholder Special Fund (SSF) - TC Project fiche – Morocco: Nador West Med Port (EUR 600,000)
- Poland: Bank Zachodni WBK S.A. Equity Investment

On 15 October 2015

- Shareholder Special Fund: Regional - Support to SME Development under the Small Business Initiative (SBI) (EUR 4,000,000)

On 20 October 2015

- Reappointment of Vice President & Chief Risk Officer
- Shareholder Special Fund (SSF) - Non TC: Finance and Technology Transfer Centre for Climate Change (FINTECC)
- Shareholder Special Fund (SSF): Non-TC project fiche - Georgia: RSF TBC Bank Leonidze 2 Business Centre

On 21 October 2015

- Regional: Green for Growth Fund, Southeast Europe

On 22 October 2015

- Amendments to the Guidance Notes on Rules 2 and 5 of the Code of Conduct for EBRD Personnel
- Travel and Expenses Policy

On 26 October 2015

- Revised Management Action Plan regarding Complaints received by the Project Complaint Mechanism related to the EPS Emergency Power Sector Reconstruction Loan, EPS Power II and EPS Kolubara Environmental Improvement Projects

2. Refugee Crisis: First considerations for an EBRD response (SGS 15-258)

- The Board of Directors noted the first considerations for an EBRD response with regard to the refugee crisis.

**3. Banking Credit Process: Key Principles
Report by the Chair of the Audit Committee**

- The Board of Directors approved the Banking Credit Process: Key Principles, and agreed that the process and principles in place should continue to serve the Bank well.
- The Credit Process will be reviewed annually by management and referred to the Audit Committee and the Board of Directors if changes are recommended.

**4. Regional: Small Business Initiative - Restructuring and Consolidating
EBRD Operational Facilities for SMEs: Second increase in headroom for
the Direct Finance Framework and Change in the approach to financial
covenants in sub-operations for the Financial Intermediaries Framework**

- The Board of Directors approved the proposals to increase the headroom of the Direct Finance Framework to EUR 500 million and to clarify the approach to employing financial covenants for sub-operations of the Financial Intermediaries Framework.

5. Serbia: EPS Restructuring

- The Board of Directors approved a loan of EUR 200 million to Public Enterprise Elektroprivreda Srbije (EPS). The operation will enable the Company and its owner, the Republic of Serbia, to pursue a comprehensive program of reforms which will have a significant impact on the development, management and operational efficiency of the power sector in Serbia. The loan will be used to restructure and refinance short to medium-term financial debt which EPS has entered into on an emergency basis following the floods in 2014.

- 5.1 While recognising the quality of the operation, in particular in transition impact terms, the Directors for the United Kingdom and Sweden/Iceland/Estonia asked to be recorded as abstaining due to concerns on the financing of additional coal capacity.

6. Morocco: ONEE Hydro Rehabilitation

- The Board of Directors approved a sovereign loan of EUR 35 million to the Office National de l'Electricite et de l'Eau potable. The loan will be used to finance the rehabilitation programme of 12 hydro power plants and 3 dams in Morocco and the provision of an owner engineer to ensure the timely implementation of the project. This operation will also help the company to build resilience to risks associated with climate change in Morocco.

7. Kazakhstan: Astana Bus Project

- The Board of Directors approved a loan of EUR 65 million to the municipal public transport company Astana LRT. The loan will be used to address the bus fleet renewal needs through the procurement of up to 200 modern city buses for the city of Astana.

8. Kazakhstan: Air Astana – Technical Centre

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

9. Armenia: Yerevan Solid Waste Project

- The Board of Directors approved a loan in the amount of EUR 8 million to the Republic of Armenia to finance the construction of an EU compliant sanitary landfill in Yerevan. The operation will improve the solid waste management in the city and provide major environmental and social benefits for the 1.1 million inhabitants.

10. Hungary: Project Turul

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

11. Bosnia and Herzegovina: Corridor Vc

- The Board of Directors approved a sovereign loan of up to EUR 70 million to BiH, of which EUR 10 million will be made available only if an EU investment grant of EUR 10 million will not be available. The loan will be used to finance the construction of two key motorway sections of Trans European Corridor Vc in the FBiH, namely the Pocitelj – Buna section and the Donja Gracanica – Zenica North section. The Project will support BiH's national economic development and contribute to the regional and European integration of BiH by connecting its national road network to the Trans-European Transport Networks (TEN-T). The EBRD has been asked to consider increasing its loan amount by EUR 20 million to co-finance another section of the Corridor with the Kuwait Fund. The EBRD is currently considering this request.

12. Ukraine: MHP Corporate Support Loan

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

13. Other Business

In Executive Session:

14. Limited Waiver of Immunity

- The Board of Directors approved the limited waiver of immunity.

In Restricted Session:

15. Rules of the Election of the President

- The Board of Directors took note of the presentation.