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

**MINUTES OF THE BOARD MEETING OF
22/23 JULY 2015**

PUBLIC

Meeting of the Board of Directors – 22/23 July 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
Sang Goo Byun
Claire Dansereau
Evren Dilekli
Raffaella Di Maro
Toshiyuki Furui
Ole Hovland
Ove Jensen
Heinz Kaufmann
Klára Król

Alternate Directors

Michel Grilli
Abel Mateus
Gustave Gauquelin
Anna Björnermark
Bob McMullan

Dragoş Andrei

Makoto Honda
Jorma Korhonen
Seán Donlon

Kalin Mitrev
Denis Morozov
Jonathan Ockenden
Antonio Oporto
Horst Reichenbach
Joachim Schwarzer
Johannes Seiringer
Jean-Louis Six
Paul Vlaanderen

Luyen Tran
Zbigniew Hockuba
Sergey Verkashanskiy

Enrique Bal
Peter Basch

Eddy Azoulay
Miguel Marques
Ronald Elkhuizen

Secretariat

Colm Lincoln
Milica Delević

Tom Edmondston-Low
Stefano Bertozzi

Staff

Luise Hölscher
Philippe Le Houerou
András Simor

Jonathan Charles
Hans Peter Lankes
Hildegard Gacek
Natasha Khanjenkova
Jean-Marc Peterschmitt
Riccardo Puliti
Paulo Sousa
Josué Tanaka
Nick Tesseyman

Isabelle Laurent
Mattia Romani
Oleg Levitin
Richard Jones
Jeff Jeter
Neil McKain
Eric Rasmussen
Frederic Lucenet
Andrew Kilpatrick
Gilles Mettetal
Dirk Werner
Ekaterina Miroshnik
Sue Barrett
James Hyslop
Henry Russell
Sylvia Gansser-Potts
Mike Taylor

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 21 July 2015

- Regional: Direct Finance Framework (under Regional: Small Business Initiative – Restructuring and Consolidating EBRD Operational Facilities for SMEs)
- Regional: Project Monet (sub-project under Turkey Capital Market Framework)

2. Minutes of the Board Meeting of 24 June 2015 Minutes of the Board Meeting of 8 July 2015

- The Board of Directors approved the Minutes of 24 June and 8 July 2015.

3. Appointment of Chairs, Vice Chairs and Members of Board Committees: 2015-2016

- The Board of Directors approved the Appointment of Chairs, Vice Chairs and Members of Board Committees 2015-2016.

4. Strategy for Tajikistan and Report on the Invitation to the Public to Comment

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

5. Corporate Procurement Policy – Waiving Competitive Procurement for the Appointment of Independent Valuers Report of the Chair of the Audit Committee

- The Board of Directors approved the Corporate Procurement Policy – Waiving Competitive Procurement for the Appointment of Independent Valuers.

6. Tajikistan: Cross Regional Power Trade Report by the Chair of the Financial and Operations Policies Committee

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

7. Azerbaijan: Lukoil Shah Deniz Stage II

- The Board of Directors approved a syndicated loan facility in the amount of up to USD 470 million (EUR 416 million) to finance the Lukoil Shah Deniz's share in the Shah Deniz Stage 2 capital expenditure programme. The financing will comprise an "A Loan" portion of up to USD 250 million (EUR 221 million) for the Bank's own account, and a "B Loan" portion of up to USD 220 million (EUR 195 million) for the account of participants. The Bank has been working in close co-operation with the Asian Development Bank and the Black Sea Trade & Development Bank in the implementation of the financing.

8. Egypt: Sonker

- The Board of Directors approved a USD 100 million (EUR 91.8 million) financing to Sonker Bunkering Company to finance the construction of hydrocarbon storage infrastructure at Sokhna Port in Egypt. The loan will be used to finance the construction and operation of a bulk liquids terminal, and construction works to accommodate the berthing of two floating storage and regasification units.

9. Poland: Volkswagen Poland

- The Board of Directors approved a loan of up to PLN 1,252 million or the equivalent of up to EUR 300 million to Volkswagen Poland under a corporate guarantee by Volkswagen AG. The loan will be used to support the construction, equipment and placing into operation of a new greenfield plant located near Wrzesnia, Poland, for the production of the "Crafter" light commercial vehicle.

10. Turkey: Near Zero Waste Programme (Nøw)

- The Board of Directors approved the Near Zero Waste (NØW) Programme, aimed supporting innovative and replicable waste minimisation technologies and processes currently hindered by market failures in Turkey. The Programme will blend EBRD funds with USD 20 million concessional finance from the Clean Technology Fund (CTF). NØW will support 10 to 12 EBRD waste minimisation investments for an expected aggregate value of USD 125 million. Financing will be combined with a comprehensive technical assistance programme supported by EU IPA funds.

11. Turkey: Ege Profil (under Turkey: Near Zero Waste Programme (Nøw))

- The Board of Directors approved a loan of EUR 26 million to Ege Profil Ticaret ve Sanayi A.Ş. to finance the new PVC profile plant, resource efficiency investments and working capital in Turkey. This is the first project under the Near Zero Waste Programme. EUR 1 million will be provided by the Clean Technology Fund, while EUR 25 million will be for the EBRD's own account.

12. Turkey: Tofas New Passenger Car

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

13. Egypt: Project Cane

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

14. Turkey: Reka

- The Board of Directors approved a loan of up to EUR 45 million to Reka Bitkisel Yağlar San.ve Tic. A.Ş. The loan will be used to refinance and extend the average tenor of outstanding bank loans initially taken to finance the greenfield plant and finance investments in new equipment, in order to increase capacity in Turkey.

15. Regional: Project MAF

- The Board of Directors approved a loan of up to USD 100 million or equivalent in GEL or KZT to Majid Al Futtaim (MAF) Group's retail operating subsidiaries in Georgia and Kazakhstan (MAF Hypermarkets LLC, a limited liability company incorporated in Georgia and MAF Hypermarkets Kazakhstan LLP, a limited liability partnership incorporated in the Republic of Kazakhstan), which will be used to finance MAF Group's expansion of Carrefour branded new retail stores in Georgia and Kazakhstan as well as refinancing part of the intercompany loans used to finance existing retail stores in these two countries.

16. Jordan: Al Jazeera

- The Board of Directors approved approved a loan of JOD 15 million (EUR 19 million) to Al Jazeera Agricultural Company to finance its working capital needs and investments into the expansion of new grain mill, expansion of retail outlets, and energy efficiency investments in Jordan.

17. Turkey: Doğuş Cay

- The Board of Directors approved a loan of up to EUR 50 million to Doğuş Cay ve Gıda Maddeleri Üretim Sanayi Ticaret A.Ş. The loan will support sustainable growth via financing the company's 2015-2016 investment programme, refinancing of existing short-term hard currency denominated debts and financing of additional working capital needs.

18. Romania: DCS Extension

- The Board of Directors approved a loan of up to EUR10 million to Digital Cable Systems SA (DCS). The loan will be used to support the expansion of the company's existing Cable TV (CATV) and internet networks through either acquisitions or capital expenditure as well as upgrade work for the digitalisation of analogue networks and the introduction of wireless MVNO based services.

19. Kyrgyz Republic: Jalalabad Solid Waste Project

- The Board of Directors approved a sovereign loan of up to EUR 1.5 million to the Kyrgyz Republic to finance solid waste management investments in the city of Jalalabad and neighbouring municipalities, as well as the derogation from the Bank's Environmental and Social Policy.

20. Kazakhstan: Enhanced Partnership – District Heating Modernisation Framework

- (i) The Board of Directors approved the Enhanced Partnership – District Heating Modernisation Framework consisting of senior loans in the amount of up to EUR 200 million to finance projects in the district heating sector in Kazakhstan. In addition, the Board of Directors approved the delegation to the Operations Committee 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.

21. Kazakhstan: Aktobe District Heating Sub-Project (under Kazakhstan: Enhanced Partnership – District Heating Modernisation Framework)

- The Board of Directors approved the first sub-project under the Framework, Aktobe District Heating, consisting of a loan of up to KZT 3.1 billion (EUR 15.5 million) to Joint Stock Company "Transenergo" in the City of Aktobe to support the rehabilitation and upgrade of the DH infrastructure in the City.

22. Kazakhstan: KTZ Balance Sheet Restructuring Project

- The Board of Directors approved a loan to Kazakh Railways (KTZ) in the amount of up to USD 300 million (EUR 280 million), comprised of an A Loan of up to USD 150 million (EUR 140 million) for the Bank's own account, and a B Loan of up to USD 150 million (EUR 140 million) for the account of commercial banks.

- 23. Morocco: Nador West Med Port**
Report by the Chair of the Financial and Operations Policies Committee
- The Board of Directors approved a loan of EUR 200 million to Société Nador West Med. The loan will be used to finance infrastructure works for the development of the new port of Nador West Med, on Morocco's Mediterranean coast.
- 24. Bosnia and Herzegovina: Plava Voda Regional Water Supply Project**
- The Board of Directors approved a EUR 11 million sovereign loan to the state of Bosnia and Herzegovina. The loan will be used to finance construction of regional bulk water pipeline that will provide additional quantity of potable water to the municipalities of Travnik, Novi Travnik, Vitez, Busovaca and Zenica. The loan will be implemented by the public company Plava Voda, an SPV established by the municipalities of Travnik and Zenica.
- 25. Croatia: ViO Zagreb**
- The Board of Directors approved a loan of up to EUR 26.24 million to Vodoopskrba i odvodnja d.o.o. The operation will enable the novation of the existing loan agreement from Zagreb Holding to the newly formed water company as part of the overall Zagreb Holding restructuring, and new legal requirements requiring that all water and wastewater services in Croatia be operated under independent commercial entities.
- 26. Croatia: Split Public Transport Programme**
- The Board of Directors approved a loan of up to EUR 10 million to Promet d.o.o. Split. The operation will finance the purchase of up to 30 new buses including up to 16 low-floor buses and up to 14 hybrid diesel buses.
- 27. Ukraine: Vinnytsia Automated Fare Collection**
- The Board of Directors approved a loan of up to EUR 8 million to the Municipal Enterprise "Vinnytsiacartservis", guaranteed by the City of Vinnytsia. The loan will be used to finance investments to develop and implement a modern automated fare collection system for public transport in the City of Vinnytsia.
- 28. Romania: Brasov Urban Transport Project**
- The Board of Directors approved a loan of up to RON 105 million to RAT Brasov. The loan will be used to finance part of the company's rolling stock renewal programme and to facilitate the company's commercialisation, introduction of an EU compliant PSC, and promotion of an integrated transport in the greater Brasov metropolitan area.

29. Ukraine: Sophia

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

30. Egypt: Bank Audi Egypt SME Loan and Regional TFP: Bank Audi Egypt (under Regional: Small Business Initiative - Restructuring and Consolidating EBRD Operational Facilities for SMEs - Financial Intermediary Framework and the Regional Trade Facilitation Programme)

- The Board of Directors approved (i) a USD 30 million (EUR 27 million) trade finance limit for guarantees and cash advances under the EBRD's Trade Facilitation Programme; and (ii) a USD 30 million (EUR 27 million) loan under the Financial Intermediaries Framework to Bank Audi Egypt. The loan will support lending to private small and medium-sized enterprises in Egypt. The trade finance limit will support Bank Audi Egypt's documentary operations and will provide a source of funding for pre-export and post-import financing and local distribution of imported goods.

31. Armenia: Project Siamanto (under Regional: Small Business Initiative - Restructuring and Consolidating EBRD Operational Facilities for SMEs - Financial Intermediary Framework)

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

32. Croatia: Raiffeisen Factoring Croatia II

- The Board of Directors approved a loan of EUR 40 million to Raiffeisen FACTORING d.o.o., a factoring company incorporated in Croatia. The operation will enable the company to provide financing in the form of factoring to small and medium sized businesses and corporate clients in Croatia, including the less developed regions of the country.

33. Executive Session: Preliminary Discussion of the Outline of the Strategy Implementation Plan (SIP)

- The Board of Directors took note of the preliminary discussion of the outline of the Strategy Implementation Plan.

34. Other Business

No decisions were taken under Other business