

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

**MINUTES OF THE BOARD MEETING OF
25 MARCH 2009**

Meeting of the Board of Directors – 25 March 2009
List of Attendance

Chairman
First Vice President
Secretary General
General Counsel

President
Varel Freeman
Enzo Quattrocioche
Emmanuel Maurice

Directors

László Andor
Kurt Bayer
Stefania Bazzoni
Terence Brown
Anne Coughlan
Alain de Cointet
Krystyna Gawlikowska-Hueckel
Werner Gruber
Sven Hegelund
Etsuro Honda
Ole Hovland
André Juneau
Tae Hwan Kim
Elena Kotova
Vassili Lelakis
Pedro Moriyón
Kenneth Peel

Alternate Directors

Pavel Štěpánek

Gianluca Grandi
Walter Cernoia
Ib Katznelson
François Lefebvre

Baldur Pétursson
Tatsuhiko Kasai

Peter Reith

Carole Garnier
David Martínez Hornillos

Simon Ray
Joachim Schwarzer
Jean-Louis Six
Jan Willem van den Wall Bake
Stefanos Vavalidis

Virginia Gheorghiu

Rainald Roesch

Hans Sprokkreeff
João Cravinho

Secretariat

Nigel Carter
Colm Lincoln

Nikola Milushev

Staff

Manfred Schepers
Horst Reichenbach
Brigita Schmögnerová
Erik Berglöf

Alain Pilloux
Riccardo Puliti

Fredrik Korfker

Josué Tanaka

Michael Green
Kevin Bortz
Paul Shapiro
Ksenia Manyushis
Andi Aranitasi
Rita Sá Couto
Mike Taylor
Sabina Dziurman
Jean-Marc Peterschmitt
Alexander Tanase
Chikako Kuno
Gilles Mettetal
Lyudmyla Lishchenyuk
Oksana Pak

1. Opening of the Meeting and adoption of the Agenda

- The President advised that a request to postpone item 6, regarding the Integrity Policy and ToR for the Office of the Chief Compliance Officer, had been received. Subject to that change, the agenda was approved.
- The Secretary General reported that the Annual Report 2008 had been approved on 20 March 2009.
- The Secretary General reported that TC funding from the Shareholder Special Fund had been approved on a no-objection basis on 20 March 2009 for the following projects:
 - Tajikistan: South Tajik Water – PIU Support including Engineering, Design and Contract Supervision. EUR 395,853
 - Tajikistan: South Tajik Water – Corporate Development and Stakeholder Participation Programme. EUR 495,895
 - Uzbekistan: Continuation of BAS Programme in Uzbekistan. EUR 374,512
 - Regional: Western Balkans Sustainable Energy Direct Financing Facility (WeBSEDF) – Institutional Capacity Building. EUR 1.5 million
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2. Minutes of the Board Meeting of 10 March 2009

- The Board approved the Minutes of 10 March 2009.

**3. Review of the Gearing Ratio Interpretation
Report by the Chairman of the Financial and Operations Policies
Committee**

- The Board approved the change of the interpretation of the gearing ratio to an operating assets basis.

**4. Shareholder Special Fund: Proposal for Continuation and Work Plan for
Period of July 2009-June 2010
Report by the Chairman of the Budget and Administrative Affairs
Committee**

- The Board approved the continuation of the Shareholder Special Fund work plan for July 2008 – June 2009 and its work plan for the period July 2009 – June 2010. Approval of the 2009 – 2010 work plan is conditional on the Board of Governors approving replenishment of the Fund with an additional allocation of EUR 30 million.

**5. Draft Report of the Board of Directors to the Board of Governors:
Reallocation of Net Income
Report by the Chairman of the Financial and Operations Policies
Committee**

- The Board approved the *Report of the Board of Directors to the Board of Governors on the Reallocation of Net Income* and the attached draft Resolution for adoption by Governors at the 2009 Annual Meeting.

**6. Office of the Chief Compliance Officer (OCCO): The Bank's Integrity
Risks Policy and Terms of Reference for the Office of the Chief Compliance
Officer
Report by the Chairman of the Audit Committee**

- This item was postponed.

7. Annual Meeting Documents 2009

- The Board approved the transmittal to Governors of the formal documentation concerning the 2009 Annual Meeting.

8. Turkey: Rotor Wind Farm

- The Board approved a loan of up to EUR 45 million to Rotor Elektrik Uretim A.S. The loan will be used to support the construction of a 135MW onshore independent wind power project.

9. Albania: Patos Marinza Environmental Remediation and Development

- The Board approved a long term borrowing based loan of up to USD 50 million (EUR 39 million equivalent) and an Environmental Remediation loan of up to USD 5 million (EUR 3.9 million equivalent). The proceeds will support the redevelopment and environmental remediation of the largest Albanian oil field which is one of the largest onshore oil fields in Europe.

10. Romania: Petrom Environmental Loan

- The Board approved a loan of EUR 300 million to Petrom S.A., to be split between an A Loan of up to EUR 150 million and a B Loan of up to EUR 150 million. In the event of a shortfall in the B Loan the Bank will take up to an additional EUR 25 million, provided that the total amount of the loans will not exceed EUR 300 million. The loan will be used to undertake a framework environmental programme intended to remedy past liabilities and improve environmental, energy efficiency and health and safety performance across the Company's divisions in Romania.

11. Kazakhstan: Northern Lights

- The Board approved a subscription by the Bank for new shares issued by Central-Asian Electric Power Corporation (the "Company"), representing up to 24.88% of the Company's capital initially and approximately 18% following the additional equity contribution towards the investment program by Central-Asian Power and Energy Company (the "Sponsor"). The aggregate subscription price will not be in excess of the lesser of: (i) KZT 9,266,921,928 or (ii) KZT equivalent of EUR 46 million at the exchange rate available to the EBRD at the time of investment. The proceeds of the capital increase will finance urgent rehabilitation of the Company's generation and distribution assets to improve energy efficiency and environmental standards.

12. Tajikistan: Agroinvestbank Equity Investment

- The Board approved an equity investment of TJS 50 million (EUR 12 million equivalent) to AIB. The investment will strengthen AIB's capital base and support the growth and development of one of the largest and most successful banks in Tajikistan.

13. Romania: Banca Comerciala Romana (BCR) - SME Credit Line

- The Board approved a senior loan of up to EUR 100 million to Banca Comerciala Romana. The financing under the loan to Banca Comerciala Romana will be used for on-lending to Romanian private SMEs.

14. Russian Federation: VTB-24 Bank MSME Financing

- The Board approved a loan of up to USD 150 million to VTB-24 Bank. The loan will be used to expand lending to MSMEs across the Russian Federation.

15. Ukraine: NCH Farming

- The Board approved a loan of USD 50.0 million (EUR 39.6 million) to Trittico Holdings Ltd to be on-lent to its farming subsidiaries in Ukraine. The loan will be used to finance the pre- and post-harvest working capital needs of Trittico's farms.

16. Other Business

- No decisions were taken under Other Business.