

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

**MINUTES OF THE BOARD MEETING OF
27 MARCH 2012**

Meeting of the Board of Directors – 27 March 2012
List of Attendance

Chairman
First Vice President
Secretary General
General Counsel

President
Varel Freeman
Enzo Quattrocioche
Emmanuel Maurice

Directors

Memduh Akçay
Kurt Bayer
Ole Blöndal
Alain de Cointet
Toshiyuki Furui
Werner Gruber
Thomas Hackett
Zbigniew Hockuba
James Hudson
Suzanne Hurtubise
Tapani Kaskeala
Klára Król
Giorgio Leccesi
Vassili Lelakis
Abel Mateus
Bob McMullan
Pedro Moriyón
Denis Morozov
Jonathan Ockenden
Joachim Schwarzer
Jean-Louis Six
Eva Srejber
Paul Vlaanderen

Alternate Directors

Virginia Gheorghiu
Eran Pollak
Eoin Ryan
Jérôme Baconin
Nobuyuki Oyama
Artem Shevlev

Stefka Slavova

Ole Hovland
András Kármán
Gianluca Grandi
Peter Basch
Anthony Bartzokas
In-chang Song
Enrique Bal
Sergey Verkashanskiy

Herbert Junk
Irena Sodin
Kalle Killar
Jan Maas

Secretariat

Nigel Carter
Colm Lincoln

Nikola Milushev
Stefano Bertozzi

Staff

Manfred Schepers
Betsy Nelson

Alain Pilloux
Jean-Marc Peterschmitt
Nick Tesseyman

Jonathan Charles
David Klingensmith
Hans Peter Lankes
Alan Rousso
Josué Tanaka

Paulo Sousa
David Brooks
Gerard Sanders
Jeromin Zettelmeyer
Helena Schweiger
Carly Petracco
Sylvia Gansser-Potts
Dobrin Staikov
Susan Goeransson
Dana Craciunescu
Josip Polic
Jean-Patrick Marquet
Paul-Henri Forestier
Aida Sitdikova
Petr Konstantinov
Hrvoje Crnogorac
Constantinos Shiatis
Gilles Mettetal
Natalya Zhukova
Assel Aitkozhdina

1. Opening of the Meeting and Adoption of the Agenda

- The agenda was approved.
- The Secretary General reported that the following item had been approved by the Board on a no-objection basis:

On 19 March:

- EUR 400,000 from the Shareholder Special Fund for Team Coordinator framework contracts - Enterprise Growth Programme (EGP; formerly TAM)

- 1.1 The President bade farewell to Mihails Kozlovs, Adviser to the Director for Finland/Norway/Latvia.
- 1.2 The President announced that, with effect from 26 March 2012, Jordan would be joining the Canada/Morocco constituency.
- 1.3 The President reported on his meetings with the authorities and with businesses in Warsaw and in Frankfurt, where he also met with the ECB. He also reported on his meeting with the EIB President in London.

2. Minutes of the Board Meeting of 13 March 2012

- The Board approved the minutes of 13 March 2012.

3. Draft Report of the Board of Directors to the Board of Governors on the 2011 Strategy Implementation Review - Report by the Chair of the Financial and Operations Policies Committee

- The Board approved the Draft Report of the Board of Directors to the Board of Governors on the 2011 Strategy Implementation Review for transmittal to the Board of Governors, together with the Draft Resolution of the Board of Governors.

4. Draft Report of the Board of Directors to the Board of Governors: 2012 Annual Meeting Net Income Allocation - Report by the Chair of the Financial and Operations Policies Committee

- The Board approved the Draft Report of the Board of Directors to the Board of Governors on the 2012 Annual Meeting Net Income Allocation for transmittal to the Board of Governors, together with the Draft Resolution of the Board of Governors.

5. Approach to the Structuring of a Special Fund for the Southern and Eastern Mediterranean Region
- Report by the Chair of the Financial and Operations Policies Committee

- The Board approved the Approach to the Structuring of a Special Fund for the Southern and Eastern Mediterranean Region.

6. Establishment and Rules of the EBRD Southern and Eastern Mediterranean Investment Special Fund
- Report by the Chair of the Financial and Operations Policies Committee

- The Board approved the Establishment and Rules of the EBRD Southern and Eastern Mediterranean Investment Special Fund.

7. Request for Southern and Eastern Mediterranean cooperation funds account Funding of the EBRD-EIB-WBG Enterprise Survey in SEMED and its Neighbourhood and Request for Application of World Bank Group Procurement Procedures to Transfer Funding to the World Bank Group for this Survey
- Report by the Chair of the Financial and Operations Policies Committee

- The Board approved the Request for Southern and Eastern Mediterranean Cooperation funds account funding of the EBRD-EIB-WBG Enterprise Survey in SEMED and its Neighbourhood and Request for Application of World Bank Group Procurement Procedures to Transfer Funding to the World Bank Group for this Survey.

8. Regional: Project Shell

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

9. Romania: EU Cohesion Funds Water Co-Financing Framework R2CF Galati Sub-project

- The Board approved a loan of up to RON 55.5 million (EUR 12.8 million) to SC APA Canal SA Galati, in Romania, to co-finance water and wastewater investments under the company's Cohesion Fund investment programme. The Board also approved an exception under paragraph 2.4 of the Bank Procurement Policies and Rules for the project to follow national procurement law and the consequential derogation from the Bank's Operations Policy for Retroactive Financing.

10. Bosnia and Herzegovina, Capljina Water Supply Project

- The Board approved a sovereign loan of EUR 5 million to the state of Bosnia and Herzegovina, to be on-lent to the Municipality of Capljina and further to the municipal utility company “Capljina”. The loan will be used to support the expansion of the company’s consumer base and to improve the quality of services that the company provides to its customers.

11. Belarus: Environmental Infrastructure Facility Phase One

- The Board approved a loan of EUR 18.255 million to the Republic of Belarus as borrower of record for the benefit of the municipal water utilities in the cities of Vitebsk, Baranovichi and Slonim. The proceeds will be disbursed directly to contractors and suppliers for the construction and improvement of environmental infrastructure operated by these utilities.

12. Kazakhstan: Shardara HPP Modernization Project

- The Board approved a loan in the amount of up to EUR 50 million equivalent in KZT to JSC “Shardarinskaya GES”. The loan will be used to finance rehabilitation of the existing Shardara HPP.

13. Regional: GTS Central Europe

- The Board approved a loan of EUR 50 million to GTS Poland Sp. z.o.o., GTS Slovakia a.s. and GTS Telecom S.R.L., part of GTS Central Europe. The loan will enable GTS to expand its national and regional telecoms network coverage and capacity and increase the quality, reliability and range of its telecoms and data centre services.

14. Russian Federation: Russia Rendering Plant

- The Board approved a loan of up to EUR 19 million, in favour of LLC SARIA Bio-Industries Volga. The loan will be used to part-finance the construction and commissioning of a rendering plant in the Russian Federation.

15. Ukraine: Agrotrade (BDS12-053)

- The Board approved a loan facility consisting of a working capital loan of up to USD 15 million and a senior secured long-term loan of up to USD 8 million to Agrotrade Group. The loan will be used to support Agrotrade in its investments in the development of seed production and grain infrastructure in Ukraine.

**16. Other Business
Vice Presidents’ Salary Adjustment for April 2011**

- The Board approved the Vice Presidents’ Salary Adjustment for April 2011.