

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

**MINUTES OF THE BOARD MEETING OF
17 APRIL 2012**

Meeting of the Board of Directors – 17 April 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

Alternate Directors
Virginia Gheorghiu
Eran Pollak
Eoin Ryan
Jérôme Baconin

Stefka Slavova

Vassili Lelakis
Abel Mateus
Bob McMullan
Pedro Moriyón
Denis Morozov
Jonathan Ockenden
Joachim Schwarzer
Jean-Louis Six
Eva Srejber

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

Irena Sodin
Kalle Killar
Jan Maas

Secretariat
Nigel Carter
Colm Lincoln

Stefano Bertozzi

Staff
Manfred Schepers
Betsy Nelson
Erik Berglöf

Olivier Descamps

Hans Peter Lankes
Alan Rousso
Josué Tanaka

Olivier Descamps
Mike Davey
Michèle Small
Marilena Vuiu
Frederic Lucenet
Tajana Mrkic
Eric Rasmussen
Natasha Khanjenkova
Dmitry Loginov
Jean-Patrick Marquet
Grigory Savva
Sue Barrett
Josip Polic
Itziar Perkins
Henry Russell
Naum Ribaroski
Mike Taylor
Andrew Ostaszewski

1. Opening of the Meeting and Adoption of the Agenda

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

On 29 March:

- An operation change to Bosnia and Herzegovina: Mahovljani Interchange

On 30 March:

- A special premium to be paid to the Vice President, Finance & Chief Financial Officer

On 3 April:

- The Documents for the 2012 Annual Meeting

On 10 April:

- The Business Continuity Management Policy - Annual Update

On 16 April:

- An operation change to Russian Federation: RusHydro Bond Issue: Use of Proceeds Change

- The Secretary General reported that funding from the Shareholder Special Fund had been approved on a no-objection basis for the following items:

On 29 March:

- EUR 250,000 for the Sustainable Transport Technical Assistance Programme

On 5 April:

- EUR 328,000 for the EBRD UNCITRAL Initiative on Enhancing Public Procurement Regulation in selected CIS Countries and Mongolia

On 11 April:

- EUR 850,000 for the Western Balkans Sustainable Energy Direct Financing Facility (WeBSEDF) - Project Consultant: Extension

2. Minutes of the Board Meeting of 27 March 2012

- Consideration of this item was postponed to the next meeting.

3. Strategy for Turkey and Report on the invitation to the public to comment

- The Board approved the Strategy for Turkey.

4. Regional: Hines Property Fund

- The Board approved an increase in the Bank's equity investment by EUR 25 million to the lower of EUR 100 million or 30% of the total capital commitments at Final Closing, in favour of Hines Russia & Poland Fund. The additional capital will allow the fund manager to continue to invest in development opportunities, expand its activities into the regional cities in the targeted countries and invest in distressed opportunities as they arise on the market.

5. Regional: AD Plastik Rouble Loan

- The Board approved a loan of up to EUR 9.8 million equivalent in Russian Roubles, to ZAO PHR and ZAO ADP Kaluga, subsidiaries of AD Plastik, a well established automotive components producer. The operation will enable ZAO ADP Kaluga to finance the purchase of equipment to be installed at its newly established facility near Moscow. The loan will also refinance shareholder loans advanced by AD Plastik to ZAO PHR, and to complete the investment in its recently incorporated Serbian subsidiary, ADP Mladenovac.

6. Russian Federation: Air Liquide Balakovo

- The Board approved a loan of RUB 800 million (EUR 20 million) to OOO Air Liquide Balakovo. The loan will be used to finance the construction and operation of a new air separation plant on the premises of the new steel mini mill of OAO Severstal in Balakovo, Russian Federation.

7. Russian Federation: Severtar

- The Board approved a loan of USD 12.75 million (EUR 10 million) to OOO Rütgers Severtar solely for the Bank's own account. The loan will be used to construct and operate a new coal tar distillation facility on the premises of OAO Severstal's steel mill, in Cherepovets, the Russian Federation.

8. Russian Federation: Rosvodokanal

- The Board approved a restructuring of the loan facility to Rosvodokanal Group signed on 28 April 2008. The loan borrowed by LLC Kaluga Regional Vodokanal in the outstanding amount of RUB 355.5 million (EUR 8.9 million equivalent) will be moved under a separate, standalone loan agreement between EBRD and Kaluga Regional Vodokanal.

9. Bosnia and Herzegovina: Banja Luka to Doboj Road

- The Board approved a two tranche facility to the Repulika Sprska Motorways company of up to EUR 150 million, with the second tranche subject to separate Board approval. The loan funds will be used to finance the construction of the eastern section of a new motorway between Banja Luka and Doboj. The project will support the tendering of a section of Corridor Vc in Republika Srpska, Bosnia and Herzegovina's main north-south link, as a Public Private Partnership and will also assist the Repulika Sprska Motorways to ensure that an efficient toll system is put in place.

10. FYR Macedonia: Ohridska Banka Societe Generale – SME CL 2011/2012 Funded Co-Financing Facility

- The Board approved:
 - An SME Credit Line of up to EUR 10 million (in two tranches of EUR 5 million, the second tranche is uncommitted), to be used for on-lending to private SME clients in FYR Macedonia for investments, working capital and export and pre-export financing; and
 - A Funded Co-Financing Facility of up to EUR 5 million to enable Ohridska to accommodate existing and upcoming clients' needs for larger loans and longer maturities.

11. Mongolia: Khan Bank

- The Board approved a loan of USD 25 million (EUR 18.8 million) to Khan Bank. The loan will be used by the client to extend long term USD loans to its Mongolian borrowers which have an adequate source of USD income to service these loans.

12. Other business

There were no decisions taken under Other business