

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

**MINUTES OF THE BOARD MEETING OF  
23/24 JULY 2012**

**Meeting of the Board of Directors – 23/24 July 2012**  
**List of Attendance**

**Chairman**  
**First Vice President**  
**Secretary General**  
**General Counsel**

President  
Varel Freeman  
Enzo Quattrocioche  
Emmanuel Maurice

**Directors**

Memduh Akçay  
Kurt Bayer  
Alain de Cointet  
Toshiyuki Furui  
Werner Gruber  
Thomas Hackett  
Zbigniew Hockuba  
Ole Hovland

**Alternate Directors**

Eran Pollak  
Jérôme Baconin  
Nobuyuki Oyama  
Artem Shevlev  
  
Stefka Slavova  
Jorma Korhonen  
Christina Knowles (TAD)

Suzanne Hurtubise  
András Kármán  
Giorgio Leccesi  
Vassili Lelakis  
Abel Mateus  
Bob McMullan  
Pedro Moriyón  
Denis Morozov  
Jonathan Ockenden  
Eoin Ryan  
Joachim Schwarzer  
Jean-Louis Six  
Eva Srejber  
Paul Vlaanderen

Klára Król  
Gianluca Grandi  
Peter Basch  
Anthony Bartzokas

Enrique Bal

Hannah Robinson  
Ole Blöndal  
Herbert Junk  
Irena Sodin  
Kalle Killar  
Jan Maas

**Secretariat**

Nigel Carter  
Colm Lincoln

Nikola Milushev

**Staff**

Betsy Nelson  
Jan Fischer  
Erik Berglöf  
  
Natasha Khanjenkova  
Alain Pilloux  
Nick Tesseyman  
  
Jonathan Charles  
Alistair Clark  
Joe Eichenberger  
Chris Holyoak  
David Klingensmith  
Hans Peter Lankes  
Alan Rousso  
Josué Tanaka

Axel van Nederveen  
Paulo Sousa  
David Brooks  
Frederic Lucenet  
Ovidiu Morariu  
Irina Marchenko  
Peter Bryde  
Alejandro Trenor  
Assel Aitkozhina  
Lesya Kuzmenko  
Anna Tokarz  
Evgenia Galanina  
Bakhrom Ibragimov  
Katia Grigorieva  
Sylvia Gansser-Potts  
Andreea Moraru

Denisa Greslikova  
Henry Russell  
Anelia Kasterlieva  
Kristina Zagar  
Oksana Pak  
Sue Barrett  
Agnieszka Lukasik  
Elena Urumovska  
Manish Vasistha  
Jean-Patrick Marquet

## **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 10 July:

- The Guidance Note on Rule 8 of the Code of Conduct for EBRD Personnel

On 12 July:

- EUR 375,000 from the Shareholder Special Fund for the Development and Set-Up of the Municipal Infrastructure Development Fund

On 16 July:

- EUR 257,301 from the Shareholder Special Fund for Benchmarking and FOPIP Extension under the EU Cohesion Fund Co-Financing (R2CF) Water Framework Extension, Romania

On 23 July:

- The Extension of the Term of the Nuclear Safety Account
- Application of new benefit arrangements to Vice Presidents
- EUR 515,000 from the Shareholder Special Fund for Capacity building for Mongolian Ministry of Nature, Environment and Tourism (MNET): biodiversity and conservation, Mongolia

## **2. Minutes of the Board Meeting of 26 June 2012 Minutes of the Board Meeting of 10 July 2012**

- The Board approved the minutes of the meeting of 26 June 2012.
- Consideration of the minutes of the meeting of 10 July was postponed.

## **3. Treasury and Treasury Risk Management Authority - Report by the Chair of the Financial and Operations Policies Committee**

- The Board approved the Treasury and Treasury Risk Management Authority.

**4. SEMED Investment Special Fund: Implementation Procedures and Proposal for Initial Draw-Down of Allocated Net Income - Report by the Chair of the Financial and Operations Policies Committee**

- The Board approved the SEMED Investment Fund: Implementation Procedures together with an initial draw-down of EUR 20 million of allocated net income, subject to the amendment of Article 18 of the Agreement Establishing the Bank becoming effective and the approval of at least one Potential Recipient Country by Governors.

**5. Romania: Universal Alloy Corporation Europe (BDS12-151)**

- The Board approved a loan of EUR 25 million to Universal Alloy Corporation Europe. The funds would be used to support the development of the machined parts business, surface treatment and assembly operations for the aircraft industry in Romania.

**6. Ukraine: Darnitsa (BDS12-142)**

- The Board approved a loan of EUR 25 million to Darnitsa. The funds will be used to finance creation of new manufacturing facilities for production of infusion solutions in accordance with GMP standards.

**7. Russian Federation: Can-Pack II (BDS12-174)**

- The Board approved a senior term loan of up to USD 55 million (EUR 44 million equivalent) to OOO Ken-Pack Zavod Upakovki, a wholly-owned subsidiary of Can-Pack S.A. The loan will be applied to finance the construction and equipping of OOO Ken-Pack Zavod Upakovki's brownfield can production facility in Novochoerkassk, the Russian Federation.

**8. Ukraine: Toepfer (BDS12-169)**

- The Board approved a committed working capital loan of up to USD 50 million and an uncommitted senior secured long-term loan of up to USD 10 million to Toepfer Group. The working capital loan will allow the Group to expand its origination, handling, storage, and sale of grain and oilseeds in Ukraine and for export. The long-term loan will be used to support Toepfer Group in its investments in the development of grain infrastructure in Ukraine.

**9. Ukraine: Nibulon Short-Term Syndicated Facility**

- The Board approved a syndicated A/B loan facility of USD 130 million to Nibulon Group. The facility will be used to finance seasonal working capital needs of the Group.

**10. Russian Federation: Continental Tyres**

- The Board approved a loan of EUR 90 million equivalent in roubles to OOO Continental Kaluga. The loan will be used to support the construction and putting into operation of a tyre manufacturing plant with an annual capacity of 4 million tyres in Kaluga, Central Russia.

**11. Russian Federation: Prognoz Loan**

- The Board approved a convertible loan of up to USD 30 million (equivalent of EUR 24 million) in two tranches to Prognoz Systems SPRL, a holding company of Prognoz group, a software outsourcing company for Business Intelligence applications in the Russian market. The loan will be used to finance the Group's long-term growth strategy, namely the Group's software product enhancement and operations' expansion in Russia, Ukraine, Belarus and Kazakhstan.

**12. Russian Federation: Banca Intesa Russia SME Loan**

- The Board approved a loan of RUB 1.8 billion (EUR 44.7 million equivalent) Banca Intesa, Russia. The loan will be used for loans to small- and medium-sized enterprises in the Russian regions.

**13. Regional: Poland: PKO BP**

- The Board approved a cross-currency basis swap facility to PKO BP SA in Poland for an aggregated exposure measured by a loan equivalent amount expected not to be larger than EUR 50 million or the notional amount of CHF 650 million or the notional amount of EUR 700 million.
- The project will support PKO's foreign currency management in a period of disrupted and limited access to medium to long term FX swaps and increased regulatory demand on banks to improve the management of foreign currency and maturity balance sheet mismatches.

**14. Croatia: Société Générale Splitska Banka d.d.**

- The Board approved a Partnership for Growth Senior Loan of up to EUR 75 million in three equal tranches to Société Générale Splitska Banka d.d.

**15. Turkey: Yapi Kredi Bank – SME Asset-Guaranteed Bond**

- The Board approved an investment of up to EUR 50 million equivalent in USD swapped into TRY, in a TRY denominated SME Asset-Guaranteed Bond programme of Yapi Kredi Bank. The proceeds from the bond will be used to finance SMEs managed and owned by women under the Women in Business initiative and SMEs operating in agribusiness in the priority regions.
- The investment will be part of an issuance programme for a total expected amount of EUR 300 million in TRY equivalent and tranches with expected maturities of 1, 3 and 5 years. The bonds are expected to be rated A3 by Moody's (on international scale).

**16. Turkey: Akbank – SME Credit Line (Agribusiness & SEFF)**

- The Board approved a loan of up to EUR 50 million to Akbank. The loan will be used to support small and medium enterprises operating in the agribusiness sector as well as energy efficient and renewable investments.

**17. FYR Macedonia: Railways Corridor VIII – Phase 1**

- The Board approved a loan of up to EUR 46.4 million for the benefit of the Public Enterprise for Railway Infrastructure to finance the renewal of track along a key section of the Pan-European East-West Corridor VIII. The operation will also assist with the on-going programme of restructuring within the railway sector and the further development of this corridor, ultimately linking the Black Sea in Bulgaria with the Adriatic in Albania.

**18. Tajikistan: Dushanbe - Uzbekistan Border Road Improvement Project**

- The Board approved a loan of up to USD 35 million to the Republic of Tajikistan. The loan will be used to finance the upgrading of a section of the road linking Dushanbe with the Uzbek border and will also provide further assistance to the reforms of the road sector of Tajikistan.

**19. Ukraine: Dnipropetrovsk Metro Construction Completion Project**

- The Board approved a loan of EUR 152 million to Ukraine to complete the construction of the existing Metro Line in the City of Dnipropetrovsk.

**20. Armenia: Yerevan Metro Rehabilitation Project Phase II**

- The Board has approved a loan of up to EUR 5.0 million to Armenia, to be on-lent to the Yerevan Metro Company. The proceeds of the loan will be used to finance priority capital investments to modernise the metro system.

**21. Other Business**

**Appointment of Chairs, Vice Chairs and Members of Board Committees:  
2012 – 2013**

- The Board approved the appointment of Chairs, Vice Chairs and Members of Board Committees for a term of one year starting in September 2012.