

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

**MINUTES OF THE BOARD MEETING OF  
2 OCTOBER 2012**

**Meeting of the Board of Directors – 2 October 2012**  
**List of Attendance**

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

President  
Varel Freeman  
Enzo Quattrocioche  
Emmanuel Maurice

**Directors**

Memduh Akçay  
Kurt Bayer  
  
Toshiyuki Furui  
Michel Grilli  
Werner Gruber  
Zbigniew Hockuba  
Ole Hovland  
James Hudson  
Suzanne Hurtubise  
András Kármán  
Giorgio Leccesi  
Vassili Lelakis  
Abel Mateus  
Pedro Moriyón  
Denis Morozov  
Jonathan Ockenden  
Eoin Ryan  
Joachim Schwarzer  
Jean-Louis Six  
In-chang Song  
Eva Srejber  
Paul Vlaanderen

**Alternate Directors**

Virginia Gheorghiu  
Eran Pollak  
Jérôme Baconin  
Nobuyuki Oyama  
  
Artem Shevalev  
Stefka Slavova  
Jorma Korhonen  
  
Klára Król  
Marco Mancini  
Peter Basch  
Anthony Bartzokas  
Enrique Bal  
Sergey Verkashanskiy  
  
Joachim Steffens  
Irena Sodin  
Bob McMullan  
Kalle Killar  
Jan Maas

**Secretariat**

Colm Lincoln

Nikola Milushev  
Stefano Bertozzi

**Staff**

Manfred Schepers  
Betsy Nelson  
Hans Peter Lankes  
Erik Berglöf  
  
Jonathan Charles  
David Klingensmith  
Enery Quinones

Franklin Steves  
Henry Russell  
Svetlana Oser  
Milos Kotic  
Nandita Parshad  
Roxana Simon  
Julien Mauduit  
Andi Aranitasi  
Jean-Patrick Marquet  
Alexander Rogachevsky  
Claudio Viezzoli  
Jean-Marc Peterschmitt  
Frederic Lucenet  
Hildegard Gacek  
Benedicte Kariger  
Gilles Mettetal  
Anna Lebedynets

**1. Opening of the Meeting and Adoption of the Agenda**

- The agenda was approved.

**2. Selection Process, First Vice President**

- No decisions were taken under this item.

**3. Resumption of the meeting**

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

On 24 September:

- An operation change report for Rustavi Solid Waste Project, Georgia

On 26 September

- EUR 410,000 from the SSF for post-signing TC Support for Burgas Integrated Urban Transport Project, Bulgaria

**4. Minutes of the Board Meeting of 4 September 2012  
Minutes of the Board Meeting of 18 September 2012**

- The Board approved the minutes of the meeting of 4 September 2012. Consideration of the minutes of the meeting of 18 September was postponed pending clarification of a point of procedure.

**5. 2012 Provisioning, Impairment and Loan Loss Reserve Policy  
- Report by the Chair of the Audit Committee**

- The Board approved the 2012 Provisioning, Impairment and Loan Loss Reserve Policy.

**6. Belarus: Belarus Sustainable Energy Financing Facility for Industry and SMEs (“Belseff”)**

- The Board approved a framework of USD 50 million (EUR 40.1 million) to foster sustainable energy investments in the Republic of Belarus. The framework will comprise credit lines to Belarusian banks for on-lending to industrial companies and SMEs undertaking energy efficiency and renewable energy projects.

- The Board also approved a senior loan of USD 4 million (EUR 3.2 million) to Minsk Transit Bank under Belarus Sustainable Energy Financing Facility.

**7. Romania: EDPR Romania Wind Farms (Sarichioi And Vutcani WPPs)**

- The Board approved a loan of up to EUR 58.1 million to VS Wind Farm SA. The loan will be used to finance the commissioning and operation of the 33 MW Sarichioi and the 24 MW Vutcani wind farms in Romania. The loan will comprise an “A Loan” portion not to exceed EUR 29.06 million for the Bank’s own account, and a “B Loan” portion for the remaining amount for the account of participants.

**8. Turkey: Kirikkale CCGT**

- The Board approved a loan of up to USD 200 million (EUR 159.2 million) to Farcan Enerji Uretim A.S. The loan will be used to develop and construct a 805MW CCGT power plant located 50km east of Ankara, near the city of Kirikkale.

**9. Russian Federation: Lomonosov District Heating Project**

- The Board approved a loan of RUB 400 million (EUR 10 million) to the Limited Liability Company LR TEK. The loan will be used to finance essential priority investments in order to upgrade the district heating infrastructure, reduce operating costs, decrease CO<sub>2</sub> emissions and, in general, make the district heating system more energy efficient.

**10. Regional: Western Balkans Enterprise Development and Innovation Facility (formerly Western Balkans SME Platform)**

- The Board approved the change in the legal structure of the Enterprise Expansion Fund, (“ENEF”) and the Enterprise Innovation Fund, (“ENIF”), to be established under the Western Balkans Enterprise Development and Innovation Facility (“EDIF”). Instead of one single umbrella SICAV-SIF structure in Luxembourg, as originally approved by the Board of Directors on 6 December 2011, there will be two separate legal entities thereby giving each of ENEF and ENIF distinct legal personalities.

**11. Regional: EBRD – Local Enterprise Facility (“LEF”) Fourth Capital Increase and Extension to SEMED, Activity Report for 2011-2012**

- The Board approved: (i) the fourth replenishment of the Local Enterprise Facility (“LEF” or the “Facility”), (ii) some changes in LEF’s operational

modalities, and (iii) the extension of the Facility's operational coverage to the Southern and Eastern Mediterranean Region - subject to each new country (i.e. Egypt, Jordan, Morocco and Tunisia) being granted the status of potential recipient country by the Bank. This fourth replenishment of EUR 130 million brings the total commitment under LEF to EUR 400 million.

**12. Regional : Facility for Medium-Sized Projects**

- The Board approved the extension of the Facility's operating area to Egypt, Jordan, Morocco and Tunisia subject, in the case of Egypt, to it being granted potential recipient country status.

**13. Ukraine: IZ**

- The Board approved a loan of USD 25 million (EUR 20 million) to IZ Group. The loan will be used to finance the reconstruction and expansion of the Group's existing production facilities, construction of a premises plant in Ukraine and balance sheet restructuring.

**14. Other business**

- The Board made decisions pursuant to Article 55 of the Agreement Establishing the Bank.