

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

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

Meeting of the Board of Directors – 31 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
Alain de Cointet
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

Alternate Directors
Virginia Gheorghiu

Jérôme Baconin
Nobuyuki Oyama

Artem Shevalev
Stefka Slavova
Jorma Korhonen

Eoin Ryan
Joachim Schwarzer
Jean-Louis Six
In-chang Song
Eva Srejber
Paul Vlaanderen

Klára Król
Marco Mancini
Peter Basch
Anthony Bartzokas
Enrique Bal
Sergey Verkashanskiy
Hannah Robinson
Ole Blöndal

Irena Sodin
Bob McMullan
Kalle Killar
Jan Maas

Secretariat
Stefano Bertozzi

Staff
Manfred Schepers
Betsy Nelson
Hans Peter Lankes
Erik Berglöf

Riccardo Puliti
Josué Tanaka
Nick Tesseyman

Jonathan Charles
Enery Quinones
Alan Rouso

Anne Fossemalle
Marie-Alexandra
Joana Castro
Gabriel de Lastours
Aida Sitdikova
Petr Konstantinov
Sylvia Gansser-Potts
Karina Saroukhanian
Jolanta Gabriel
Gilles Mettetal
Miljan Zdrle
Jelena Erkder
Frederic Lucenet
Magda Kowalska
Lucinda Read
Sheila Bates

1 Opening of the Meeting and Adoption of the Agenda

- The agenda was approved.
- Following the last Board meeting, the following items had been approved on a no-objection basis

On 22 October:

- The appointment of Mr Glen Armstrong as Compliance Review Expert on Paravani Hpp Project

On 23 October:

- An operation change regarding Serbia: Belgrade Highway and Bypass Project – Use of Loan Savings

On 29 October:

- Funding from the Shareholder Special Fund for:
 - EUR 404,110 for the Commercial Law Judicial Training Programme, Tajikistan
 - EUR 950,000 for Consulting services for supervision services and project implementation unit assistance, Railway corridor VIII, FYR Macedonia

2 Minutes of the Board Meeting of 17 October 2012

- Consideration of the minutes was postponed until the next meeting.

3 Egypt: Country Assessment and draft Report of the Board of Directors to the Board of Governors and Resolution - 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 concerning the granting of potential recipient country status to Egypt for transmittal to the Board of Governors, together with the Draft Resolution of the Board of Governors.

4 Regional: Capital North Africa Venture Fund II

- The Board approved an equity investment of up to EUR 20 million in favour of Capital North Africa Venture Fund II. The investment will be used by the Fund to make equity and equity-related investments, primarily in small and medium-sized companies, in the Southern and Eastern Mediterranean region with the objective of achieving long-term capital growth.

5 Kazakhstan: Zhanros Group Expansion

- The Board approved debt transaction of up to USD 22.5 million (EUR 16.3 million equivalent) to Zhanros Drilling LLP and its affiliates, including a restructuring commitment of USD 7.5 million, and a new line of USD 15 million (EUR 10.9 million equivalent) to finance the acquisition of one hydraulic fracturing unit for high-pressure drilling works and two drilling rigs to be used in the western regions of Kazakhstan.

6 Russian Federation: Vladivostok Combined Heat & Power Plant

- The Board approved a loan of RUB 4 billion (EUR 100 million) to OJSC “RAO ES Vostoka”. The loan will be used to finance construction of a gas-fired power plant in Vladivostok and to support optimisation of the client’s balance sheet.

7 Poland: Polish SME Sustainable Energy Financing Facility (“PolSEFF”) – Extension I

- The Board approved a EUR 30 million Extension to the SME Sustainable Energy Financing Facility in Poland.
- The Board also approved a senior loan for up to EUR 15 million to BZ WBK FL, a leasing subsidiary of BZ WBK and a senior loan for up to PLN 60 million (or equivalent of EUR 14.6 million) to Millennium Bank. The PFIs will on-lend the funds to private sector SMEs for investments in energy efficiency and renewable energy.

8 Regional: Atlantic Grupa Regional

- The Board approved a syndicated loan of up to EUR 257 million to selected subsidiaries of Atlantic Grupa in Croatia, Serbia and Slovenia. The loan will enable the Group to introduce energy management systems, sustainability certifications and to restructure its balance sheet through replacement of existing acquisition debt and working capital financing.

9 Ukraine: Laona II

- The Board approved an equity investment of USD 14.5 million (EUR 11.3 million) to Laona. The equity investment will be used to finance the reconstruction and expansion of the company’s warehousing facilities in Ukraine, implementation of an affiliation program for individual pharmacies and reduction of existing debt exposure.

10 Other Business

- The Board approved the following job descriptions: Vice President & Chief Administrative Officer; Vice President Policy, and Vice President & Chief Risk Officer.