

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

**MINUTES OF THE BOARD MEETING OF  
16 APRIL 2013**

**Meeting of the Board of Directors – 16 April 2013**  
**List of Attendance**

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

President  
Phil Bennett  
Enzo Quattrocioche  
Emmanuel Maurice

**Directors**  
Memduh Akçay  
Claire Dansereau  
Alain de Cointet  
Toshiyuki Furui  
Michel Grilli  
Werner Gruber  
Zbigniew Hockuba  
Ole Hovland  
James Hudson

**Alternate Directors**  
Virginia Gheorghiu  
Autumn Longley (TAD)  
Jérôme Baconin  
Nobuyuki Oyama  
Heinz Olbers  
Artem Shevlev  
Stefka Slavova  
Jorma Korhonen

Giorgio Leccesi  
Vassili Lelakis  
Abel Mateus  
Pedro Moriyón

Klára Król  
  
Peter Basch  
Anthony Bartzokas  
Enrique Bal  
Sergey Verkashanskiy

Jonathan Ockenden  
Eoin Ryan  
Joachim Schwarzer  
Johannes Seiringer  
Jean-Louis Six  
In-chang Song  
Eva Srejber  
Paul Vlaanderen

Ole Blöndal  
Joachim Steffens  
Eran Pollak  
Irena Sodin  
Bob McMullan  
Kalle Killar  
Jan Maas

**Secretariat**  
Colm Lincoln

Stefano Bertozzi

**Staff**

Betsy Nelson  
Hans Peter Lankes  
Erik Berglöf

Olivier Descamps  
Riccardo Puliti  
Josué Tanaka

Jonathan Charles  
Alistair Clark  
Joe Eichenberger  
Enery Quinones  
Alan Rousso

Michaela Bergman  
Frederic Lucenet  
Ptryk Borzecki  
Masaru Honma  
Catarina Bjorlin Hansen  
Libor Krkoska  
Damir Cengic  
Petr Konstantinov  
Aida Sitdikova  
Ian Brown  
Benedicte Kariger  
Hande Islak  
Michael Davey

Vedrana Jelusic  
Gilles Mettetal  
Rijad Hasic  
Miljan Zdrale  
Natalya Zhukova  
Konstantin Kostikov  
Henry Russell  
Alexander Tanase  
Dzhakhongir Shamsiev  
Noel Edison  
Dobrin Staikov  
Dariga Sambayeva

## **1 Adoption of the Agenda**

- The Agenda was approved, subject to item 19 being considered together with item 9 and Kazakhstan: Shareholder Special Fund – Improving Environmental standards in the power sector of Kazakhstan.
- Following the last Board meeting, the following items were approved on a no-objection basis:

On 27 March:

- Regional: Western Balkans Sustainable Energy Direct Financing Facility – Update on the utilisation and performance in 2012 – Extension of the list of eligible projects

On 28 March:

- Salary of the President: 2013 Adjustment

On 8 April:

- Special Fund Financial Statements
- Report by the Chairman of the Audit Committee on the Special Funds Financial Statements

On 9 April:

- Health, Safety and Security Policy

On 11 April:

- Russian Federation: Shareholder Special Fund – Development and Implementation of a Crop Receipts Legal System in Russia

### **Minutes of the Board Meeting of 12 March 2013**

### **Minutes of the Board Meeting of 26 March 2013**

- The Board approved the minutes of the meetings of 12 and 26 March 2013.

## **2 The relationship between Inclusion and Gender and other new Policies, Strategies and Initiatives on the project-based business model of the Bank**

- No decisions were taken under this item.

## **3 Sustainable Resource Initiative**

### **- Report by the Chair of the Financial and Operations Policies Committee**

- The Board approved the Sustainable Resource Initiative.

**4 Strategic Gender Initiative  
- Report by the Chair of the Financial and Operations Policies Committee**

- The Board approved the Strategic Gender Initiative which shall initiate a structured approach to gender considerations in the Bank's operations.

**5 Poland: Project Wisla**

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

**6 Kyrgyz Republic: Bishkek Solid Waste Project**

- The Board approved a sovereign loan of EUR 11 million in two tranches to the Kyrgyz Republic, to be on-lent to Bishkek City. The Board also approved a grant of EUR 3 million from the Shareholder Special Fund to co-finance the investment. The proceeds of the loan and the grant will be used to improve municipal solid waste management in Bishkek City.

**7 Bosnia and Herzegovina: Corridor Vc  
Request to Increase Loan Amount and Exception to 'Open' Tendering  
Procedures**

- The Board approved an increase of EUR 25 million to a sovereign loan to the state of Bosnia and Herzegovina for the Corridor Vc Project in Bosnia and Herzegovina. The funds will be on-lent to the Federation of Bosnia and Herzegovina and further on to the Public Company Motorways of the Federation of Bosnia and Herzegovina. The loan will be used to cover part of the shortfalls on the Bank-financed sections of Corridor Vc, a top priority transport corridor for the country.
- The Board also approved an exception to the Bank's "Open" tendering procedures.

**8 Kazakhstan: CAEPCO Energy Efficiency Project  
Kazakhstan: Shareholder Special Fund – Improving Environmental standards  
in the power sector of Kazakhstan  
Kazakhstan: Shareholder Special Fund – Almaty Light Rail Transit PPP  
Project – Legal and Technical Advisory Services for PPP Tender Preparation**

- The Board approved a loan facility of up to USD 140 million equivalent (EUR 107 million) to JSC CAEPCO and its subsidiaries JSC PavlodarEnergO and JSC SevkazEnergO. The loan facility will be used to finance the investment program of the companies aimed at modernisation of their existing assets.

**Kazakhstan: Shareholder Special Fund – Improving Environmental standards in the power sector of Kazakhstan**

**Kazakhstan: Shareholder Special Fund – Almaty Light Rail Transit PPP Project – Legal and Technical Advisory Services for PPP Tender Preparation**

- The Board approved funding from the Shareholder Special Fund of EUR 400,000 for Improving Environmental standards in the power sector of Kazakhstan and EUR 1 million for the Almaty Light Rail Transit PPP Project – Legal and Technical Advisory Services for PPP Tender Preparation.

**9 Montenegro: Lastva - Pljevlja Transmission Line**

- The Board approved a loan of EUR 60 million to Crnogorski Elektroprenosni Sistem AD. The loan will be used to finance part of the construction of a high voltage electricity transmission line and associated infrastructure in Montenegro.

**10 Regional : Facility for Medium-Sized Projects – Extension**

- The Board approved a five-year extension and EUR 80 million increase of the Facility for Medium-Sized Projects, together with the extension of the Facility to Turkey and Egypt and some other operational changes. The Facility was intended to provide financing in amounts of EUR 1 to 10 million to medium-sized projects in Ukraine, Kazakhstan, Russia, the new EU member states, Jordan, Morocco, Tunisia, Egypt and Turkey.

**11 Turkey: Eti Aluminium Modernisation Project**

- The Board approved a loan of USD 50 million (EUR 37.5 million) to Eti Aluminyum A.S. The loan will be used for the modernization of the plant located in Konya, southern Turkey, by the conversion of the existing electrolysis technology to a proven, energy efficient pre-baked anode technology.

**12 Bosnia and Herzegovina: Bingo II**

- The Board approved a loan of EUR 17 million to Bingo d.o.o. The loan will be used to support the expansion of the company's retail network in Bosnia and Herzegovina, in particular with the use of energy efficient technology, and to construct cooling chambers to build up a local fruit and vegetable supply chain.

### **13 Serbia: MK equity**

- The Board approved an equity investment of up to EUR 50 million to Agri Europe, a company consolidating the existing operations of MK Group, Sunoko and Agroinvest in Serbia and Ukraine. The Bank's financing will be used to finance working capital needs and investments in agriculture equipment, including irrigation system and silo infrastructure in Serbia.

### **14 Russian Federation: Oasis Russia**

- The Board approved a loan of up to EUR 50 million to Echelon Systems Limited. The facility will be used to finance the construction of the first stage of the state-of-the-art modern distribution centre; capex related to CO<sup>2</sup> recovery and an anaerobic waste water treatment plant; other distribution capex; and consolidation and extension of maturity of short-term debt.

### **15 Moldova: Moldova - Financial Sector Framework II Sub-project: Mobias Bank - MSME Credit Line**

- The Board approved the Financial Sector Framework II of EUR 80 million in favour of Participating Financial Institutions from Moldova and the first project under the Framework II in favour of Mobias Bank of EUR 5.0 million. The approved loan and the future ones will be used to support the expansion of the micro and SME sector in Moldova.

### **16 Regional: Vostok Finance Senior Debt**

- The Board approved a loan of up to USD 10 million (EUR 7.7 million) to Swizza Holding Limited. The loan will be used to fund the purchase of unsecured retail non-performing loan portfolios from banks in the Russian Federation, Ukraine and Kazakhstan.

### **17 Turkey: Private Sector Sustainable Energy Financing Facility (TurSEFF) – Extension I: DenizBank SME Asset-Guaranteed Bond**

- The Board approved financing for DenizBank of up to EUR 30 million equivalent in Turkish Lira (approx. TRY 75 million) under the Private Sector Sustainable Energy Financing Facility in Turkey (TurSEFF) - Extension I. The funding will be in two tranches of i) up to EUR 20 million equivalent in local currency SME Asset Guaranteed Bonds (approx. TRY 50 million) and ii) up to EUR 10 million (TRY 25 million equivalent), uncommitted line, either in

the form of an investment in a subsequent tranche of local currency bonds or senior unsecured loan to DenizBank. DenizBank will on-lend the funds to private sector SMEs to finance investments in energy efficiency and small-scale renewable energy projects.

## **18 Other Business**

No decisions were taken under Other business.