

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

**MINUTES OF THE BOARD MEETING OF  
25 JUNE 2013**

**Meeting of the Board of Directors – 25 June 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  
András Kármán  
Giorgio Leccesi  
Vassili Lelakis  
Abel Mateus  
Pedro Moriyón  
Denis Morozov  
Jonathan Ockenden  
Eoin Ryan  
Joachim Schwarzer  
Johannes Seiringer  
Jean-Louis Six  
In-chang Song  
Eva Srejber  
Paul Vlaanderen

**Alternate Directors**

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

**Secretariat**

Colm Lincoln

Nikola Milushev

**Staff**

Manfred Schepers  
Betsy Nelson  
Hans Peter Lankes  
  
Olivier Descamps  
Thomas Maier  
Nick Tesseyman  
  
David Klingensmith  
Enery Quinones  
Alan Rousso

Paulo Sousa  
Vedrana Jelusic  
Masaru Honma  
Sue Barrett  
Ivana Duarte  
George Orlov  
Nikolas Drude  
Sylvia Gansser Potts  
Francis Malige  
Melis Ekmen Tabojer  
Oksana Pak  
Thomas Girod  
Izzet Guney  
Ho-Shik Lim  
Tobiasz Kwiatkowski  
Bakhrom Ibragimov  
Sergey Arsenov

Vedrana Jelusic  
Miljan Zdrale  
Jelena Erker  
Nino Marshania  
Radoslav Ralevic  
Michael Kogelschatz  
Libor Krkoska  
Josip Polic  
Mirjana Milovanovic  
Michael Kogelschatz  
Lin O'Grady  
Witek Szpak  
Vedran Panjkovic  
Venera Vlad

## **1 Adoption of the Agenda**

### *Minutes*

- The Agenda was approved.
- Subsequent to the last Board meeting, the following items were approved on a no-objection basis:

On 14 June:

- Third-Party Cost-Sharing Agreement between the EBRD and the UNDP - (UNDP Project Document School No. 25, Astana)

On 24 June:

- Serbia: Belgrade Public Transport and Traffic Infrastructure Project Loan Increase
- Regional: Europolis 1, Europolis 2, Europolis 3 Restructuring – Operational Change Report

## **2 Minutes of the Board Meeting of 29 May 2013**

### *Minutes*

- The Board approved the minutes of 29 May 2013.

## **3 Banking Credit Process Report by the Chair of the Audit Committee**

### *Minutes*

- The Board approved the Banking Credit Process paper and agreed that the process and procedures in place continue to serve the Bank well.
- The Credit Process will continue to be updated and reviewed annually by the Audit Committee and the Board.

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

### *Minutes*

- The Board approved the *Overview of Financial Policies*.

## **5 Strategy for Croatia**

### *Minutes*

- The Board approved the *Strategy for Croatia* which will cover the period 2013 – 2015. The Strategy will provide strategic, operational and policy guidelines for the Bank’s activities in Croatia during the next strategy period.

## **6 Strategy for Mongolia Report on the invitation to the public to comment**

### *Minutes*

- The Board approved the Strategy for Mongolia, which will cover the next three-year period.

## **7 Turkey: Project Jasmine SC**

### *Minutes*

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

## **8 Russian Federation: SME Guarantee Framework**

### *Minutes*

- The Board approved a framework of Russian Roubles 20.5 billion (EUR 478 million) for senior loans to existing EBRD partner banks. Loans under the framework will be guaranteed by Vnesheconombank, a State Corporation of the Russian Federation. Loans under the framework will be used to support the expansion of the partner banks’ lending to micro, small and medium-sized enterprises in line with EBRD eligibility criteria.
- The Board approved the first two transactions under this framework, a loan of RUB 1.3 billion (EUR 30.3 million) to Center-invest Bank, the largest private-sector bank headquartered in the South of Russia, and a loan of RUB 108.5 million (EUR 2.5 million) to NBD Bank, the second largest private-sector bank in the important industrial region of Nizhny Novgorod.

## **9 Croatia: Zagrebacka Banka Croatia Senior Loans: SME credit line and Energy Efficiency line**

### *Minutes*

- The Board approved two loans to Zagrebacka Banka: an SME Credit line of EUR 40 million and an Energy Efficiency Credit line of EUR 20 million under the Western Balkans Sustainable Energy Efficiency Facility II (“WeBSEFF II”). The SME Credit line of EUR 40 million will be on-lent to private small and medium-sized enterprises to help improve their competitiveness. The Energy Efficiency Credit line of EUR 20 million will be for on-lending to private sector industrial enterprises and municipalities for energy efficiency and renewable energy investments in accordance with the WEBSEFF II framework and the Board approved Policy Statement.

## **10 Turkey: Subordinated Debt to Fibabank**

### *Minutes*

- The Board approved a 10-year bullet, BRSA (Basel II) compliant subordinated debt facility of EUR 30 million (EUR 20 million committed and EUR 10 million uncommitted) to Fibabank. The subordinated debt will be used to fund SMEs outside the developed cities of Turkey.

## **11 Turkey: SekerBank – MSME Financing Facility**

### *Minutes*

- The Board approved a financing facility of up to EUR 60 million equivalent available to SekerBank T.A.Ş. over the period of 3 years on the basis of subordinated debt in EUR or USD, senior unsecured loans disbursed in EUR, USD or TRY and/or investments in rated senior TRY-denominated SME asset-guaranteed notes. The facility will be used for on-lending to SMEs active in the agricultural sector in certain priority regions and female-owned or managed SMEs.

## **12 Morocco: Project Blue SC**

### *Minutes*

- The Board approved the project.

## **13 Russian Federation: Maykor**

### *Minutes*

- The Board approved an equity investment in Maykor Outsourcing Services Limited, a special purpose vehicle holding a 100% share in Service Holding Company. The investment will represent an indirect share up to 11.93% of the company's capital and voting rights. The aggregate subscription price will not exceed USD 31 million (EUR 24 million equivalent).
- The investment will enable Maykor to (i) realise its acquisition strategy, leading to increased scale of operations and (ii) maintain the pace of organic growth in the regions of the Russian Federation.

## **14 Russian Federation: Dataline / (ITG Group)**

### *Minutes*

- The Board approved a Senior Loan of up to USD 20 million (EUR 15.5 million) to Dataline (ITG Group), a datacentre operator and a subsidiary of Inline Technologies Group LLC, a leading IT services company in Russia
- Proceeds from the senior loan will be used by the borrower for (i) expansion of physical data centre infrastructure and installation of equipment and (ii) addition of the data centre virtualisation layer.

## **15 Slovenia: Spar Retail and Logistics Sustainability Project**

### *Minutes*

- The Board approved a loan of EUR 40 million to Spar Slovenija d.o.o. The loan will be used to finance portion of the company's capex plan, including the expansion of the company's retail network, refurbishment of existing stores, logistic centre and bakery in Slovenia, as well as associated energy efficiency investments.

## **16 Montenegro: Local Roads Reconstruction and Upgrade Project**

### *Minutes*

- The Board approved a loan programme in the amount of up to EUR 25 million to Montenegro. The loan proceeds will be used to finance reconstruction of the selected priority sections of the local road network of Montenegro. The Project will also support road maintenance contracting reform and systemic capacity building on road safety in Montenegro.

## **17 FYR Macedonia: M-NAV Modernisation**

### *Minutes*

- The Board approved a loan of EUR 11.15 million to M-NAV, Macedonian Air Navigation Service Provider, PCL to finance part of the company's modernisation and upgrade programme. The operation includes institutional strengthening steps to support the harmonisation process under the European Common Aviation Area.

## **18 Bosnia and Herzegovina: Banja Luka to Doboje Road - Request to commit Tranche 2**

### *Minutes*

- The Board approved commitment of the second tranche of the loan to Republika Srpska Motorways.
- The second tranche of up to EUR 75 million will enable the continuation of the construction activities on the eastern section of the Banja Luka to Doboje motorway that will link Banja Luka to the Pan-European Corridor Vc.

## **19 Serbia: Road Rehabilitation and Safety Project**

### *Minutes*

- The Board approved a loan of EUR 100 million to the Republic of Serbia. The loan funds will be used to finance rehabilitation and safety improvement works on the national road network in Serbia. The Project will also support systematic institutional reforms in key focus areas, including the introduction of Performance Based Maintenance Contracts based on sustainable road sector financing and capacity building on road safety.

## **20 Ukraine: Zaporizhzhia Energy Efficiency Project**

### *Minutes*

- The Board approved a loan of up to EUR 7 million to a municipal utility "Miski Teplovi Merezhi", guaranteed by the City of Zaporizhzhia. The loan will enhance energy efficiency of the district heating system in the City of Zaporizhzhia.

## **21 Croatia: Rijeka Water and Wastewater Investment Project**

### *Minutes*

- The Board approved a loan of up to EUR 13 million to Vodovod i kanalizacija d.o.o. Rijeka. The operation will finance the reconstruction of the water supply network and extension of the wastewater collection network in the City of Rijeka area on the Adriatic coast.

## **22 Bosnia and Herzegovina: Pale District Heating Project**

### *Minutes*

- The Board approved a EUR 4.5 million sovereign guaranteed loan to Gradske Toplane Pale, a public utility company wholly owned by the Pale Municipality.
- The Board also approved the exceptional use of non-TC in the Western Balkans from SSF (WP5) resources for this project and the SSF grant of EUR 0.5 million.
- The loan and grant proceeds will be used to finance construction of a new biomass boiler, reconstruction and expansion of the heat distribution network including individual heating sub-stations and the metering of heat consumption for each consumer in the Municipality.

## **23 Romania: Regional EU Cohesion Funds Water Co-Financing Framework (R2CF) Extension –Sub-Project: Maramures**

### *Minutes*

- The Board approved a loan of up to RON 46 million (EUR 10.8 million equivalent) to SC Vital SA in Romania in order to co-finance water and wastewater investments under the Company's EU Cohesion Fund investment programme, as well as an exception under paragraph 2.4 of the Bank Procurement Policies and Rules for the project to follow national procurement law and the consequential derogation from the Bank's Operations Policy for Retroactive Financing.

## **24 Other Business**