

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

**MINUTES OF THE BOARD MEETING OF
25 JUNE 2014**

Meeting of the Board of Directors – 25 June 2014
List of Attendance

Chairman
First Vice President
Secretary General
General Counsel

President
Phil Bennett
Enzo Quattrocioche
Emmanuel Maurice

Directors

Tamsyn Barton
Anthony Bartzokas

Claire Dansereau
Alain de Cointet
Evren Dilekli
Seán Donlon
Toshiyuki Furui
Ole Hovland
András Kármán
Heinz Kaufmann

Giorgio Leccesi
Kalin Mitrev
Denis Morozov
Jonathan Ockenden
Antonio Oporto
Joachim Schwarzer
Johannes Seiringer

Eva Srejber

Paul Vlaanderen

Secretariat

Colm Lincoln

Alternate Directors

Abel Mateus
Bob McMullan

Jérôme Baconin

Ove Jensen
Nobuyuki Oyama
Jorma Korhonen
Klára Król
Artem Shevalev
Luyen Tran
Dante Brandi
Zbigniew Hockuba
Sergey Verkashanskiy
Gary Roberts
Enrique Bal
Joachim Steffens
Eran Pollak
Irena Sodin
Anna Björnermark
Peter Basch
Ronald Elkhuisen

Stefano Bertozzi

Staff

Luise Hölscher
Betsy Nelson
Manfred Schepers
András Simor

Olivier Descamps
Nick Tesseyman
Erik Berglöf
Jonathan Charles

Marie-Anne Birken
Gerard Sanders
Norbert Seiler
Hannah Meadley-Roberts

Hildegard Gacek
Tarek Osman
Oksana Antonenko
Natasha Khanjenkova
Oleg Levitin
Andre Kuusvek
Axel van Nederveen
Claudio Viezzoli
Nandita Parshad
Sylvia Gansser-Potts
Ekaterina Miroshnik
Claudia Pendred
Philip ter Woort
Andrew Kilpatrick
Sevki Acuner
Frederic Lucenet
Anna Tokarz
Noel Edison

1. Adoption of the Agenda

- The Agenda was approved.
- The Board noted that, since the previous meeting, the following items had been approved on a no-objection basis:

On 12 June 2014:

- Regional: Shareholder Special Fund – Finance and Technology Transfer Centre for Climate Change (FINTECC) TC Programme
- Croatia: Raiffeisen Factoring – Credit Line

On 18 June 2014:

- Slovenia: Shareholder Special Fund – Assistance to the Bank of Slovenia on selected Corporate Governance Issues

On 23 June 2014:

- Regional: Trade Facilitation Programme – Cash Advances for Small Sub Loans

On 24 June 2014:

- Montenegro: EPCG Metering and Distribution – Proposal to use Direct Contracting Procedure
- Bosnia and Herzegovina: Banja Luka to Dobojski Road – Request to Increase Loan Amount

2. Minutes of the Board Meeting of 11 June 2014

- The Board approved the Minutes of 11 June 2014.

Executive Session:

3. Vice President & Chief Financial Officer Nomination

4. Egypt

5. Russia

6. Dionysos Project

- These items were discussed in Executive Session.

7. Regional: The Frontier Clearing Fund (Frontclear)

Report by the Chair of the Financial and Operations Policies Committee

- The Board approved the proposed derogation required for a Treasury investment in Frontclear based on the terms of the paper presented.

8. Regional - Local Enterprise Facility (“LEF”), Fifth Replenishment Activity Report for 2013 and Extension to Cyprus

- The Board approved:

(i) the fifth replenishment of the Local Enterprise Facility (LEF or the Facility), a

regional operation in favour of local enterprises in Albania, Bosnia & Herzegovina, Bulgaria, Croatia, Egypt, FYR Macedonia, Jordan, Montenegro, Morocco, Romania, Serbia, Tunisia and Turkey, and

(ii) the extension of the Facility's operational coverage to Cyprus. This fifth replenishment will be in the amount of EUR 100 million for the Bank, bringing the total commitment under LEF to EUR 505 million (including the existing allocation of EUR 380 million from the Bank's ordinary funds, EUR 20 million of subordinated funds contributed by Italy, and EUR 5 million of subordinated funds from the EBRD Shareholders Special Fund).

9. Turkey: Alpaslan II Dam Hydro Project

- The Board approved a loan of up to TL 550 million (EUR 190.2 million) to Enerjisa Enerji Uretim A.S. The loan will be used to fund the development, construction and operation of the Alpaslan II hydroelectric power plant on the Murat River in Turkey.

10. Turkey: TSKB – Resource Efficiency Credit Line (BDS14-156)

- The Board approved a EUR 50 million loan to Turkiye Sınai Kalkınma Bankası A.S. (TSKB), a privately owned development and investment bank incorporated in Turkey. TSKB will use the proceeds to on-lend to private sector companies for the financing of resource efficiency (ResE) investments, which will cover water efficiency, waste minimisation and energy efficiency projects.
- The Facility will be supported by a technical cooperation programme, funded from the resources of the EBRD Shareholder's Special Fund, which will cover (i) the transfer of relevant technical expertise to TSKB, (ii) the integration of ResE into TSKB's internal underwriting and marketing activities, (iii) the development and implementation of targeted external marketing activities, and (iv) flexible technical support to TSKB for the development of specific Sub-Projects.

11. Kazakhstan: Semey District Heating Project

- The Board approved a loan of USD 21.3 million to the State Communal Enterprise "TeploKommunEnergo". The loan which consists of EBRD and CTF tranches will be used to finance the modernisation of the district heating infrastructure in the city of Semey, Kazakhstan, resulting in enhanced energy efficiency, reduction in losses and improvements in environmental standards.

12. Egypt: Arabian Centres

- The Board approved a loan of USD 60 million (EUR 44.1 million) to Egyptian Centres for Real Estate Development. The loan will be used to support the completion and operation of a retail and entertainment centre in the 6th of October City, Egypt.

13. Egypt: Savola Egypt

- The Board approved a loan in the amount of up to USD 50 million (EUR 35.9 million) to United Sugar Company S.A.E. The loan will be used to finance working capital needs of the Company.

14. Ukraine: Sisecam Merefafa

- The Board approved a loan of EUR 20 million to Merefafa Glass Company Ltd. The loan will be used to refinance certain existing Borrower loans and for financing working capital needs.

15. Russian Federation: Technicol Regional Expansion and Resource Efficiency

- The Board approved a loan of EUR 30 million to Technicol. The loan will be used to support the expansion of the company's production capacity and improvements in resource efficiency.

16. Russian Federation: Project Strahovka 2

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

17. Other Business

No decisions were taken under Other business