DOCUMENT OF THE EUROPEAN BANK
FOR RECONSTRUCTION AND DEVELOPMENT

MINUTES OF THE BOARD MEETING OF
15 OCTOBER 2014
Meeting of the Board of Directors – 15 October 2014
List of Attendance

**Chairman**
President

**First Vice President**
Phil Bennett

**Secretary General**
Enzo Quattricocche

**General Counsel**
Marie-Anne Birken

**Directors**
Tamsyn Barton
Michel Grilli
Anthony Bartzokas
Abel Mateus
Raphaël Bello
Gustave Gauquelin
Anna Brandt
Anna Björnermark
Sang Goo Byun
Bob McMullan
Claire Dansereau

**Alternate Directors**
Evren Dilekli
Virginia Gheorghiu
Raffaella Di Maro
Dante Brandi
Seán Donlon
Ove Jensen
Toshiyuki Furui
Makoto Honda
Ole Hövland
Jorma Korhonen
Heinz Kaufmann
Mário Virčik (TAD)

**Directors Alternate Directors**

Denis Morozov
Enrique Bal
Jonathan Ockenden
Joachim Schwarz
Johannes Seiringer
Eddy Azoulay
Antonio Oporto
Miguel Marques
Jean-Louis Six
Peter Basch
Paul Vlaanderen
Ronald Elkhuizen

**Secretariat**
Colm Lincoln
Tom Edmondston-Low
Irena Postlova

**Staff**
Luis Hölscher
Oleg Levitin
András Simor
Franklin Steves
Erik Berglöf
Grzegorz Zielinski
Jonathan Charles
Patrick O’Neill
Hans Peter Lankes
Nadia Petkova
Thomas Maier
Alexandra Antsburg
Alain Pilloux
Ekaterina Miroshnik
Riccardo Puliti
Jean-Patrick Marquet

Sue Barrett
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 1 October 2014
  - Kazakhstan: Shardara HPP Modernization Project
  - Serbia: Victoria Group Equity

  On 3 October 2014
  - Shareholder Special Fund: Egypt: National Bank of Egypt (NBE): Energy Efficiency Credit Line (EUR 1,500,000)
  - Shareholder Special Fund: Croatia: Sisak Urban Transport - Project Implementation Support and Financial and Operational Performance Improvement Programme

  On 7 October 2014
  - Shareholder Special Fund: Small Business Support activities in the Western Balkans (Continuation of Business Advisory Services)
  - Shareholder Special Fund: Advice for Agribusiness (jointly managed by Small Business Support – SBS – and Agribusiness)

  On 8 October 2014
  - Regional: Shareholder Special Fund – Life in Transition Survey III -Request for an increased TC Allocation from Shareholders Special Fund
  - Armenia: Armenia International Airports – Passenger Terminal / Phase II

  On 14 October 2014
  - Shareholder Special Fund: Romania: CET Govora Biomass Project – Technical, Financial and Environmental Advisory Services for PPP Tender Preparation (EUR 290,000)
  - Shareholder Special Fund: Romania: Buzau Urban Road Management - Tender Design and Support for Performance-Based Urban Road PPP for Rehabilitation and Maintenance - Extension (EUR 64,786)
  - Shareholder Special Fund: Romania: Galati Urban Transport Rehabilitation Project - Sustainable Urban Mobility Plan (EUR 200,000)

2. **Minutes of the Board Meeting of 17 September 2014**

- Minutes of the Board Meeting of 1 October 2014

- The Board approved the Minutes of 17 September 2014 and 1 October 2014.
3. **Arrangements for Cost Sharing between Donors and Clients – Policy Review**
   
   Report by the Chair of the Budget and Administrative Affairs Committee
   
   - The Board approved the proposals for the revised arrangements as set out in the Arrangements for Cost Sharing between Donors and Clients - Policy Review.

4. **Poland: Financial Institutions Debt Capital Market Framework - Project Octopus**
   
   - The Board approved the project. Disclosure delayed in accordance with Section E.2 of the Public Information Policy.

5. **Poland: Integrated Approach to Polish Renewables**
   
   - The Board approved a set of policy dialogue initiatives, technical assistance engagements and targeted outcome-driven associated investments into private sector renewable energy projects and the Polish electricity grid investments aimed at supporting, unlocking and intensifying efforts for the construction of additional renewable energy generation capacity in Poland.

6. **Poland: Darlowo Wind Farm**
   
   - The Board approved a long-term senior loan in the amount of up to PLN 214 million (EUR 52 million) to Pekanino Wind Invest Sp z o.o. and Gorzyca Wind Invest Sp z o.o. and an additional commitment of up to PLN 42 million (EUR 10 million) for an associated interest rate hedging facility. The loan will enable the borrowers to construct and operate a portfolio of two wind farms with the total capacity of 74 MW located in northern Poland.

7. **Morocco: Project Fes**
   
   - The Board approved the project. Disclosure delayed in accordance with Section E.2 of the Public Information Policy.

8. **Regional: Trans Oil Regional**
   
   - The Board approved a loan of USD 25 million (EUR 19.6 million) to Trans-Oil Group. The loan will enable the group to further expand grain handling, soft commodity trading and edible oil production in Moldova and Ukraine.

9. **Turkey: Project Viva**
   
   - The Board approved the project. Disclosure delayed in accordance with Section E.2 of the Public Information Policy.
10. **Belarus: Kronospan Particleboard Expansion**

   - The Board approved a loan of EUR 50 million to Kronospan FLLC, a manufacturer of wood-based panels. The loan would be used to finance the expansion of the existing capacity for particleboard and melamine-faced particleboard at the borrower’s plant in Smorgon, Belarus.

11. **Turkey: Pasabahce Glassware**

   - The Board approved an equity investment in Paşabahçe Cam Sanayii ve Ticaret A.Ş for an amount of up to EUR 125 million. The investment will support establishing high standards of corporate governance ahead of a public listing, and strengthening gender inclusion and equal opportunities.

12. **Kyrgyz Republic: Osh Public Transport Project**

   - The Board approved a loan of up to EUR 5.7 million and Shareholder Special Fund capital grant of up to EUR 3.1 million to the Kyrgyz Republic, as well as the derogation from the Bank’s Environmental and Social Policy.

13. **Romania: Galati Urban Infrastructure Rehabilitation Project**

   - The Board approved a loan of RON 100 million (EUR 22.6 million) to the City of Galati. The loan will finance key investments in the City’s urban transport infrastructure including rehabilitation of street infrastructure, renewal of trolley-bus rolling stock and acquisition of an automated fare collection system.

14. **Moldova: Balti District Heating Project**

   - The Board approved a sovereign loan of up to EUR 7 million to the Republic of Moldova, to be on-lent to CET-Nord JSC. The proceeds of the loan will be used to improve energy efficiency and reduce gas consumption and CO2 emissions in the district heating system of the city of Balti.

15. **Poland: DCT Gdansk Expansion**

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

   - The Board approved a loan of up to EUR 75 million and up to EUR 15 million for the related hedging facilities, to DCT Gdansk S.A. The Bank’s loan will be used to finance the expansion of DCT’s infrastructure and capacity from its existing 1.35 million TEUs to approximately 2.55 million TEUs by 2016 on completion of the Terminal 2.
16. FYR Macedonia: Railways Corridor VIII – Phase 1

- The Board approved a change to the operation “Railways Corridor VIII – Phase 1” allowing an on-lending agreement to be introduced between the borrower and PERI and a Project Agreement between PERI and the Bank.

17. Other Business

- For information:
  Activity Plan of the Board of Directors