

PUBLIC

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

**MINUTES OF THE BOARD MEETING OF
27 MAY 2015**

PUBLIC

Meeting of the Board of Directors – 27 May 2015
List of Attendance

Chairman
First Vice President
Secretary General
General Counsel

President
Phil Bennett
Enzo Quattrocioche
Marie-Anne Birken

Directors
Tamsyn Barton
Anthony Bartzokas
Raphaël Bello
Anna Brandt
Sang Goo Byun
Claire Dansereau
Evren Dilekli
Raffaella Di Maro
Toshiyuki Furui
Ole Hovland
Ove Jensen
Heinz Kaufmann
Klára Król

Alternate Directors
Michel Grilli
Abel Mateus
Gustave Gauquelin
Anna Björnermark
Bob McMullan

Dante Brandi
Makoto Honda
Jorma Korhonen
Seán Donlon

Denis Morozov
Jonathan Ockenden
Antonio Oporto
Horst Reichenbach
Joachim Schwarzer
Johannes Seiringer
Jean-Louis Six

Luyen Tran
Zbigniew Hockuba
Sergey Verkashanskiy

Enrique Bal
Peter Basch
Joachim Steffens
Eddy Azoulay
Miguel Marques
Ronald Elkhuisen

Secretariat
Colm Lincoln
Milica Delević

Irena Postlova

Staff
Luise Hölscher
Philippe Le Houerou
Betsy Nelson
András Simor

Olivier Descamps
Alain Pilloux
Josué Tanaka
Hassan El Khatib
Hildegard Gacek
Natasha Khanjenkova

Oleksandr Pavlyuk
Oleg Levitin
Vince Novak
Anne Fossemalle
Michael Bastholt
Claudia Pendred
Gilles Mettetal
Assel Aitkhozhina
Miljan Zdrale
Marko Marjanovic
Dirk Werner
Ekaterina Miroshnik
Aida Sitdikova
Dariusz Prasek
Sylvia Gansser-Potts
Matteo Patrone

1. Adoption of the Agenda

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

On 7 May 2015

- Kyrgyz Republic: Shareholder Special Fund: Bishkek Solid Waste Project – Corporate Development, City Support and Stakeholder Participation Programmes (EUR 600,000)
- Serbia: Sava River Crossing

On 19 May 2015

- Regional: Small Business Initiative - Restructuring and Consolidating EBRD Operational Facilities for SMEs

On 26 May 2015

- Egypt: Shareholder Special Fund: Strategic Environmental and Social Assessment (“SESA”) of Renewable Energy Projects in the East Nile region (EUR 2,285,000)

**2. Institutional Performance Report: First Quarter 2015
Quarterly Risk Report: First Quarter 2015
Report by the Chair of the Audit Committee
Report by the Chair of the Budget and Administrative Affairs Committee**

The Board of Directors approved the Institutional Performance Report: First Quarter 2015, and took note of the Quarterly Risk Report: First Quarter 2015.

**3. Establishment of the Environmental Remediation Account for Central Asia
Report by the Chair of the Budget and Administrative Affairs Committee**

The Board of Directors approved the Establishment of the Environmental Remediation Account for Central Asia. Disclosure delayed in accordance with Section E of the Public Information Policy.

4. Regional: Taxim Capital Partners I

The Board of Directors approved an equity investment of up to EUR 20 million in Taxim Capital Partners I LP, a private equity investment fund focussed on making equity and quasi-equity investments in medium-sized companies in Turkey. The Director for Turkey supported the project.

5. Morocco: Project Anfa

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

6. Ukraine: Vioil

The Board of Directors approved a loan of USD 40 million (EUR 35.4 million) to local subsidiaries of Vioil Group, D&I Evolution LLC and Vector-M PE. The loan will be used to finance working capital for sourcing oilseeds as well as pre-export financing.

7. Bosnia and Herzegovina: Bingo Expansion

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

8. Poland: Project Chopin

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

9. Kazakhstan: Enhanced Partnership – Water & Wastewater Modernisation Framework

The Board of Directors approved:

Enhanced Partnership – Water & Wastewater Modernisation Framework (the Framework) consisting of senior loans in the amount of up to EUR 150 million to finance investments in water and wastewater sector in Kazakhstan;

- (i) delegation to the Operations Committee of the approval of future sub-projects under the Framework, beyond the first sub-project, with total costs of each sub-project of up to EUR 25 million and EBRD financing of up to EUR 10 million, and not categorised as ‘A’ under the Environmental and Social Policy; and
- (ii) derogation from the EBRD’s Environmental and Social Policy for the sub-projects under the Framework.

10. Kazakhstan: Enhanced Partnership – Water & Wastewater Modernisation Framework - Shymkent Water Sub-Project

The Board of Directors approved Shymkent Water, the first sub-project under the Enhanced Partnership – Water & Wastewater Modernisation Framework, consisting of a loan of up to EUR 10 million to TOO VRM, a private water and wastewater utility, to finance its Emergency Investment Programme.

11. Kazakhstan: Burnoye Solar Power Plant

The Board of Directors approved a loan in the amount of up to KZT 14.06 billion (EUR 70.1 million) for the Bank’s account and a loan of up to USD 15 million from the Clean Technology Fund to LLP “Burnoye Solar – 1”. The loan will be used to refinance the shareholder’s bridge loan for the construction of a 50 MW solar power plant in Burnoye, Kazakhstan.

12. Kazakhstan: Astana Airport Rehabilitation

The Board of Directors approved a loan of KZT 8.5 billion (EUR 42.5 million) to joint-stock company “International Airport Astana”. The loan will be used to finance part of the Astana Airport modernisation programme to increase the Airport’s capacity and meet International Civil Aviation Organisation’s safety standards. The Director for Kazakhstan welcomed the project on behalf of his authorities.

13. Turkey: Project Turquoise

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

14. Turkey: Yapi Kredi Bank - Turkey: Mid-Size Sustainable Energy Financing Facility (MIDSEFF II)

The Board of Directors approved a financing facility of up to EUR 146 million to Yapı ve Kredi Bankası A.Ş (Yapi Kredi), a joint stock commercial and retail bank incorporated in Turkey.

Up to EUR 75 million is to be provided under the Mid-size Sustainable Energy Financing Facility (MidSEFF) Framework and up to USD 75 million under the Turkey Residential Energy Efficiency Financing Facility (TuREEFF) Framework consisting of (i) USD 60 million from the Bank’s resources and (ii) USD 15 million from the Clean Technology Fund (CTF).

The financing under both Frameworks will take the form of either investment-grade senior notes issued under Yapi Kredi’s existing Diversified Payment Rights (DPR) programme, or a senior unsecured loan denominated in EUR, USD or Turkish Lira

15. Turkey: Akbank II - Turkey: Mid-Size Sustainable Energy Financing Facility (MIDSEFF II)

The Board of Directors approved a financing of EUR 100 million to Akbank under the Mid-size Sustainable Energy Financing Facility (MidSEFF II) Framework. The financing will take the form of either investment-grade senior notes issued under Akbank’s existing Diversified Payment Rights (DPR) programme, or a senior unsecured loan denominated in EUR, USD or Turkish Lira. The funds will be used by Akbank to on-lend to the private sector for investments in renewable energy, industrial energy efficiency and waste-to-energy projects.

16. Turkey: Odeabank (under Regional: Small Business Initiative Restructuring and Consolidating EBRD Operational Facilities for SMEs – Financial Intermediary Framework and Regional: Trade Facilitation Programme)

The Board of Directors approved a financing of up to EUR 107 million to Odeabank. The financing will consist of (i) a senior unsecured loan of up to EUR 60 million, to be provided in two tranches of EUR 30 million each, and (ii) a TFP limit of USD 50

million (EUR 47 million). The funds will be used by Odeabank to on-lend to eligible private micro, small and medium-sized enterprises (MSME) in Turkey.

17. Egypt: QNB AlAhli SME Loan and QNB AlAhli (under Regional: Small Business Initiative Restructuring and Consolidating EBRD Operational Facilities for SMEs – Financial Intermediary Framework and Regional: Trade Facilitation Programme)

The Board of Directors approved (i) a USD 40 million (EUR 38 million) trade finance limit for guarantees and cash advances under the EBRD's Trade Facilitation Programme; and (ii) a USD 100 million (EUR 94 million) loan under the Financial Intermediaries Framework, to QNB AlAhli. The loan will support lending to private small and medium-sized enterprises in Egypt. The trade finance limit will support QNB AlAhli's trade-related operations and will provide a source of funding for pre-export and post-import financing and local distribution of imported goods.

18. Egypt: Project Sequoia

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

19. Other Business

No decisions were taken under Other business.