

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT:
MAY 2004 PROJECT PIPELINE UPDATE

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This report was last updated on **3 May 2005**. The information contained on this report will reflect the status of each project and new project entries.

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I. INTRODUCTION AND GUIDE TO EBRD'S PROJECT PIPELINE:

Project finance is the EBRD's core business. The EBRD has committed more than €22.7 billion (about \$29billion) to both private and state sector projects. All projects provide a number of procurement opportunities. U.S. companies can access information about EBRD's projects through the EBRD's website www.ebrd.com/oppor/procure/opps/index.htm.

The interval between identification of a project and its approval varies in every case. Each entry in the Project Pipeline identifies the status of a particular project in the project cycle.

After loans are approved, entries are dropped from the Project Pipeline and appear on the Projects Approved page of the EBRD's website.

We would like to draw U.S. companies' attention to state sector projects. In that they are followed with international tendering processes, whereas procurement under private sector projects are completed by the EBRD's client. In which case it would be important to contact the EBRD's client directly.

Inclusion of a project in the Bank's Project Pipeline does not imply any commitment on the part of the Bank to finance the project.

New projects, which appear in the Project Pipeline for the first time, are indicated by the abbreviation (N) before the project name. For additional information on any of these projects, interested parties are requested to contact the executing agencies directly and NOT the European Bank.

II. PROJECTS SCHEDULED FOR BOARD CONSIDERATION:

	Project name	Country	Date disclosed
A	ETC Non-bank MFI Framework	Regional	28 Apr 2005
B	Toyota Russia	Russia	26 Apr 2005
C	Raiffeisen Ukraine Mortgage Credit Line	Ukraine	19 Apr 2005
D	News CIS	Russia	15 Apr 2005
E	Credit Bank of Moscow SME Credit Line	Russia	13 Apr 2005
F	Global Property Fund	Regional	13 Apr 2005
G	Ufa Glass Packaging Plant	Russia	11 Apr 2005
H	Oufa District Heating Loan	Russia	11 Apr 2005
I	Residential Energy Efficiency Credit Line (Bulgaria)	Bulgaria	4 Apr 2005
J	Tulpar-II	Kazakhstan	1 Apr 2005
K	M6 Motorway	Hungary	1 Apr 2005

A

Project name: ETC Non-bank MFI Framework
Country: Regional
Project number: 35922
Business sector: Financial institutions: Non-bank FIs
State/Private: Private sector
Environmental category:
Board date: 1 June 2005
Status: Passed concept review, Pending final review
Date PSD disclosed:
Date PSD updated: 28 April 2005

Project description and objectives:

The proposed project will assist leading non-bank Microfinance Institutions (MFIs) to expand and improve their lending technology so as to increase access to finance for the smallest of borrowers across the Early Transition Countries (ETCs) of Armenia, Azerbaijan, Georgia, Kyrgyz Republic, Moldova, Tajikistan and Uzbekistan. The bank will extend loans directly to regulated MFIs which will on-lend funds to entrepreneurs and other sub-borrowers. The overall objective of this Framework is to assist the non-bank MFIs in their commercialisation process which will ensure their long term sustainability.

Sub-projects:

View a list of sub-projects for this and other framework projects.

Transition impact:

The transition impact is expected to be high to excellent. The project will have two main forms of transition impact. It will:

- contribute to the strengthening and commercialisation of financially viable non-bank MFIs
- increase the availability of finance to those micro-enterprises that would not normally be target borrowers for commercial banks.

The client:

Regulated, well-established non-bank MFIs, legally incorporated in the ETCs will be eligible for financing under this Framework.

EBRD finance:

The Framework is for USD 10 million in the form of senior loans to non-bank MFIs. Individual loan sizes will be from USD 0.3 million to USD 2 million. It is anticipated that up to USD 3 million may be provided in co-financing funds.

Total project cost:

USD 11,113,600 including possible co-financing and funds for technical assistance.

Environmental impact:

Screened FI.

The non-bank micro-finance institutions (MFIs) will be required to comply with the EBRD's Environmental Procedures for Small and Micro Loans which require adherence to the EBRD's Environmental Exclusion and Referral List. The MFIs must ensure that borrowers are compliant with relevant national regulations and standards for environment, health and safety and submit Annual Environmental Reports to the EBRD.

Technical cooperation:

None.

For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

Company contact:

Sabina Dziurman, e-mail: dziurmans@ebrd.com

Business opportunities:

For business opportunities or procurement, contact the client company.

General enquiries:

EBRD project enquiries not related to procurement:

Tel: +44 20 7338 7168; Fax: +44 20 7338 7380

Email: projectenquiries@ebrd.com

B

Project name: Toyota Russia
Country: Russia
Project number: 35981
Business sector: General manufacturing
State/Private: Private sector
Environmental category: B
Board date: 19 April 2005
Status: Board approved, Pending signing
Date PSD disclosed:
Date PSD updated: 26 April 2005

Project description and objectives:

The proposed project consists of the construction and operation of a passenger car assembly plant near St. Petersburg. Annual production will target 20,000 “Camry” sedan passenger cars.

Transition impact:

The transition impact potential derives from the demonstration effects associated with transfer of modern technologies and know-how as well as managerial, organisational, marketing, financial, environmental protection and other skills into the Russian automotive sector.

The proposed project will also provide a modern and environmentally clean and lean auto production of vehicles and related components from suppliers in Russia. This will increase the competitiveness and quality of domestically manufactured Russian motor vehicles and set new standards for domestically manufactured vehicles and help the Russian automotive industry to comply with environmental legislation.

The client:

Toyota Russia, a greenfield assembly plant and a limited liability company incorporated in Russia.

EBRD finance:

Up to \$15 million equity investment for up to 20% common voting shares in the company.

Total project cost:

Market exposure could reach up to \$160 million (€123 million).

Environmental impact:

The proposed project is unlikely to be associated with any significant environmental issues. It does not pose any serious accident or health risk. It is not located in an environmentally sensitive location. Environmental impacts associated with the development can be readily identified, assessed and mitigated. For these reasons the project has been screened as B/0, requiring an environmental analysis of the proposed development.

The environmental analysis to satisfy the Bank's and Russian requirements for this project will be developed once detailed design is completed. Toyota has undertaken to comply with all environmental requirements, and operate in accordance with the relevant EU and Russian standards and requirements.

Technical cooperation:

None.

For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

Company contact:

Website: <http://www.toyota.co.jp>

Business opportunities:

For business opportunities or procurement, contact the client company.

General enquiries:

EBRD project enquiries not related to procurement:

Tel: +44 20 7338 7168; Fax: +44 20 7338 7380

Email: projectenquiries@ebrd.com

C

Project name:	Raiffeisen Ukraine Mortgage Credit Line
Country:	Ukraine
Project number:	34883
Business sector:	Financial Institutions: Bank equity/Bank lending
State/Private:	Private sector
Environmental category:	FI
Board date:	17 May 2005
Status:	Passed concept review, Pending final review

Date PSD disclosed:

Date PSD updated: 19 April 2005

Project description and objectives:

The proposed project is medium and long term financing to Raiffeisenbank Ukraine (RBU) to expand its lending activities to new segments such as SME and mortgage. The project consists of a USD 10 million SME credit line for on-lending to local SMEs and a USD 10 million Mortgage credit line to provide long-term financing for individual sub-borrowers for the purposes of purchase or renovation of their residences.

The proposed financing will:

- support growth and development of SME sector.
- support growth and development of residential mortgage sector.

Transition impact:

Successful implementation of these two projects will support the development of the local SMEs which usually have limited access to long-term finance and increase RBU's mortgage lending operations in the market where this type of lending is only developing and is restrained by lack of long-term funding.

Working with the RBU EBRD will be able to access and provide the necessary funding to a wide range of SME clients as well as provide long-term financing for residential mortgages. The latter will support the growth of mortgage lending which is relatively new in Ukraine. Ensuring development of standardised mortgage loan portfolio will help the client to securitize its mortgage loan portfolio in the future.

The client:

Raiffeisenbank Ukraine is the universal commercial bank operating in Ukraine since 1998 with total assets of USD 851 million and equity of USD 85 million at the end of 2004.

RBU is a 100% subsidiary of Raiffeisen International Bank Holding AG.

EBRD finance:

EBRD financing includes:

- up to USD 10 million SME credit line for on-lending to private SME sub-borrowers under Ukraine MSE/SME Lending Framework
- up to USD 10 million Mortgage credit line for long-term mortgages of individual sub-borrowers under Ukraine Mortgage Lending Framework

Total project cost:

USD 20 million.

Environmental impact:

Screened FI.

RBU will be required to comply with EBRD's Environmental Procedures for Banks which require adherence to the Bank's Environmental Exclusion and Referral List, compliance with the applicable national environmental, health and safety requirements and submission of an annual environmental report to the Bank.

Technical cooperation:

None.

For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

Company contact:

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Fax: +380-44-490-0501
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Business opportunities:

For business opportunities or procurement, contact the client company.

General enquiries:

EBRD project enquiries not related to procurement:
Tel: +44 20 7338 7168; Fax: +44 20 7338 7380
Email: projectenquiries@ebrd.com

D

Project name: News CIS
Country: Regional
Project number: 35910
Business sector: Telecommunications & Media and Informatics
State/Private: Private sector
Environmental category: C
Board date: 17 May 2005
Status: Passed concept review, Pending final review
Date PSD disclosed:
Date PSD updated: 15 April 2005

Project description and objectives:

The proposed project is a USD 130 million senior secured loan to OOO News Outdoor Rus (the company), the largest "out-of-home" advertising media operator in the Commonwealth of Independent States. The loan will be used to facilitate creation of a pan-regional outdoor advertising network spanning several former Soviet republics by the company through acquisition of several local outdoor operators, integrating them into

one unified pan-regional outdoor advertising network and making follow-on investments to fund capital expenditure across the region.

Transition impact:

The proposed project will build on the original Bank financings of the company and will facilitate the restructuring of the nascent CIS outdoor advertising industry, which is excessively fragmented and dominated by inefficient small stand-alone local companies. As advertising promotes competition, access to information, and is a key element of any modern market economy, the project will support further development of an essential and efficient outdoor advertising infrastructure across the CIS necessary for development of a wide range of industries in each country and inter- and intra-country commerce. This financing will also strengthen the position of outdoor in the region as a viable and cost-effective advertising media.

The project will have a high demonstration effect. As the EBRD provides debt financing to facilitate the entry of the region's leading outdoor operator into smaller CIS markets, it will send a signal of the Bank's confidence in the viability of these advertising markets and help open the whole CIS outdoor advertising industry to external financing. The proposed financing will reinforce the connection between good practices of the company and access to external financing. The company's expansion is spearheading high standards of transparency in the sector across the whole region and, as such it will have an overall positive impact on the whole CIS outdoor advertising industry.

The client:

OOO News Outdoor Rus, a limited liability company organised in the Russian Federation, is the largest "out-of-home" advertising media operator in Russia offering billboards, street furniture, transit and point-of-sale advertising. The company is majority-owned by a joint venture company created by tThe News Corporation Limited and a private equity fund managed by Capital International Inc.

EBRD finance:

The proposed financing consists of an A Loan for the Bank's own account in the amount of up to USD 40 million with the participating banks providing the balance.

Total project cost:

Total project costs are estimated as USD 173 million. The balance will be financed by the internally generated cash and existing cash balances of the Company.

Environmental impact:

This Project was screened C/1.

There are unlikely to be any significant environmental issues associated with this project. Main issues associated with outdoor advertisement business are visual effects and compliance with statutory and other outdoor advertising requirements.

Environmental due diligence conducted for the previous News Outdoor projects in 2003 and 2004 confirmed that, apart from standard land use planning requirements, permits

and the planning and installation of advertising units, there are no environmental issues associated with this business.

The company also confirmed that News Outdoors' operations are in full compliance with the Advertising Committee and relevant municipal bodies' specifications and standards associated with the Russian outdoor advertising industry. The company is required to continue to comply with Russian and EU environmental, health and safety standards and requirements and local and national public consultation requirements as well as to submit the Bank an annual environmental report.

Technical cooperation:

None.

For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

Company contact:

Mr. Russell Hoare, Chief Financial Officer
News Outdoor Rus
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Website: <http://www.newsoutdoor.ru/>

Business opportunities:

For business opportunities or procurement, contact the client company.

General enquiries:

EBRD project enquiries not related to procurement:
Tel: +44 20 7338 7168; Fax: +44 20 7338 7380
Email: projectenquiries@ebrd.com

E

Project name: Credit Bank of Moscow SME Credit Line
Country: Russia
Project number: 35738
Business sector: Financial Institutions: Bank equity/Bank lending
State/Private: Private sector
Environmental category: FI
Board date: 17 May 2005
Status: Passed concept review, Pending final review
Date PSD disclosed:
Date PSD updated: 13 April 2005

Project description and objectives:

The proposed project is a senior loan of USD 10 million to Credit Bank of Moscow, a medium-sized commercial bank operating in Moscow and the Moscow region of Russia, for on-lending to local private sector Small and Medium-sized Enterprises (SMEs).

Transition impact:

Significant transition impact is expected in the following areas:

1. By supporting private sector SMEs by providing medium and long term funds, the project will raise the level of financial intermediation in Moscow and Moscow region and allow EBRD funds to reach sub-borrowers requiring longer-term investment funding, which is currently not available to them.
2. The project will support the institutional and financial strengthening of Credit Bank of Moscow. It will allow the bank to provide a wide range of services and products to its SME clients, and to compete in this market segment with state-owned and larger privately owned banks.
3. The project will further contribute to the adoption by the bank of high integrity and corporate governance standards. This will contribute to help Credit Bank of Moscow to secure additional funding opportunities from other creditors and investors going forward.

The client:

Credit Bank of Moscow, a commercial bank headquartered in Moscow with total assets of USD 400 million and providing a full range of retail and corporate banking services.

EBRD finance:

Up to 5-year senior loan of USD 10 million.

Total project cost:

USD 10 million.

Environmental impact:

Credit Bank of Moscow will be required to comply with EBRD's Environmental Procedures for Intermediated Finance through local banks, including ensuring compliance with the applicable national environmental, health and safety legislation, adherence with EBRD's Environmental Exclusion List and submission of annual environmental reports to the Bank.

Technical cooperation:

None.

For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

Company contact:

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Business opportunities:

For business opportunities or procurement, contact the client company.

General enquiries:

EBRD project enquiries not related to procurement:
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Email: projectenquiries@ebrd.com

F

Project name:	Global Property Fund
Country:	Regional
Project number:	35767
Business sector:	Property
State/Private:	Private sector
Environmental category:	FI
Board date:	17 May 2005
Status:	Passed final review, Pending board approval
Date PSD disclosed:	
Date PSD updated:	13 April 2005

Project description and objectives:

Global Property Fund (the Fund) will be a real estate private equity investment vehicle pursuing long-term gains through investing in development and completed real estate primarily in Romania, Bulgaria, and Serbia and Montenegro, with aggregate capital of EUR 70-100 million and a possible second closing of up to EUR 150 million.

Transition impact:

The strategic input of the Bank is essential in various aspects:

- The key objective of the Bank's involvement lies in the support of a real estate fund which will concentrate its activity on real estate markets in Romania, Bulgaria and Serbia and Montenegro (the Region) focusing on development projects rather than acquisitions.
- The Fund will foster the development of the primary and secondary real estate markets by developing institutional quality properties which still only fragmentally exists in the Region. This will provide much needed liquidity and encourage equity investors to expand their participation in the real estate sector in the Region.

- The participation of the EBRD will encourage other investors to consider expanding volume and tenor of their investments and to start to venture their capital outside of the capitals of the most advanced EU Accession countries. In addition, the EBRD's participation will attract new investors in the real estate sector of the Region.

The client:

A special purpose vehicle, organised under the laws of Jersey, managed by Global Finance, a reputable Greek private equity and venture capital management firm with over EUR 400 million under management and offices in Greece, Bulgaria, and Romania.

EBRD finance:

Equity investment of up to the smaller of EUR 30 million or 30% of the total Fund commitments.

Total project cost:

Up to EUR 150 million.

Environmental impact:

Screened FI.

Due diligence has confirmed that the Fund Manager has the necessary commitment and experience to implement the Bank's environmental requirements. The Fund will be required to implement the Bank's Environmental Procedures for Property Fund across all its operations to conduct environmental due diligence and monitoring of each sub-project, to ensure that each sub-project complies with relevant national and EU environmental, health and safety standards and requirements and to submit annual reports on environmental, health and safety issues to the Bank.

Technical cooperation:

None.

For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

Company contact:

Mr Theodore Kiakidis, Investment Director
Global Finance S.A.
14, Filikis Eterias Square
106 73 Athens
Greece
Tel: ++30 210 812 4500

Business opportunities:

For business opportunities or procurement, contact the client company.

General enquiries:

EBRD project enquiries not related to procurement:

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Email: projectenquiries@ebrd.com

G

Project name: Ufa Glass Packaging Plant
Country: Russia
Project number: 35824
Business sector: Agribusiness
State/Private: Private sector
Environmental category: B
Board date: 17 May 2005
Status: Passed concept review, Pending final review
Date PSD disclosed:
Date PSD updated: 11 April 2005

Project description and objectives:

Financing the SiseCam group's further expansion in the Russian glass beverage container sector via the construction of a greenfield plant near the town of Ufa in Central Russia in the Volga region.

Transition impact:

Introducing greater competition and innovation

The proposed project will introduce lightweight technology to central and eastern regions in Russia and is expected to be a catalyst for similar investment and innovation by other large glass producers in the Central and Eastern Russia area.

Contribution to market expansion

The proposed project will enable the Company to provide the Russian market greater choice and better quality food and beverage packaging on a consistent and stable basis and will increase the access of brewers in Central and Eastern Russia to modern standards of packaging.

The client:

OAO Ufa PSZ, a greenfield company, majority-owned subsidiary of Anadolu Cam, the largest producer of food and beverage containers in Turkey and a member of the Turkish SiseCam group.

EBRD finance:

The financing will be provided in two phases:

- Phase I, for an amount of USD 19.35 million (EURO 14.88 million equivalent)
- Phase II for an amount of USD 13.15 million (EURO 10.12 million).

Financing will be provided as combination of an 'A' loan for the Bank's own account of USD 22.75 million (EURO 17.5 million) and 'B' loan portion of USD 9.75 million (EURO 7.5 million) for the account of participant(s).

Total project cost:

USD 65 million.

Environmental impact:

The project has been classified B/0, requiring an environmental analysis.

The project will need to be structured to meet applicable EU standards or other good international practice. If necessary, an environmental action plan will be agreed between the Company and the Bank. In accordance with Bank requirements, a summary of the relevant environmental issues associated with the project and mitigation measures, action plans and other initiatives agreed will be disclosed locally and in the local language. The Company will provide the Bank with annual environmental reports.

This section will be updated and amended as soon as the environmental due diligence has been completed

Technical cooperation:

None.

For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

Company contact:

Aytac Mutluguller, Manager, International Finance & Investments
Turkiye Sise ve Cam Fabrikalari A.S.
Is Kuleleri
Kule 3
34330 4
Levent, Istanbul
Turkey

Business opportunities:

For business opportunities or procurement, contact the client company.

General enquiries:

EBRD project enquiries not related to procurement:
Tel: +44 20 7338 7168; Fax: +44 20 7338 7380
Email: projectenquiries@ebrd.com

H

Project name: Oufa District Heating Loan
Country: Russia
Project number: 35733
Business sector: Energy efficiency
State/Private: State sector
Environmental category: B
Board date: 20 September 2005
Status: Passed concept review, Pending final review
Date PSD disclosed:
Date PSD updated: 11 April 2005

Project description and objectives:

The proposed project involves a loan to the Ufa Municipal Company for Housing Management and Engineering Support (the "Company" or the "Borrower"), a municipal unitary enterprise, wholly owned by the City of Ufa (the "City" or the "Guarantor") in the Republic of Bashkortostan in Russia. The business purpose is to finance the rehabilitation and modernisation of existing Central Heating Sub-stations and the introduction of new, compact Individual Heating Sub-stations in residential apartment buildings in the City.

Transition impact:

The proposed project will have an impact on the transition process through tariff reform including:

- (i) bringing tariffs to cost recovery levels
- (ii) billing according to actual consumption (installation of meters); as well as transfer of skills during the implementation phase including the procurement, design, installation and contracts supervision in accordance to the best available international engineering practice.

The client:

The borrower is the Ufa Municipal Company for Housing Management and Engineering Support. The City of Ufa acts as guarantor.

EBRD finance:

Senior loan of €10 million in RUR to the company.

Total project cost:

Equivalent to €15 million.

Environmental impact:

Screened B/1.

The potential project has significant environmental objectives. An Environmental Analysis will be carried out by international consultants as part of the feasibility study. This section will be updated and amended as soon as the environmental due diligence has been completed.

Technical cooperation:

Technical Feasibility Study financed by the Finnish Ministry of Trade and Industry (€130,000).

Project Engineer (€300,000). Funding to be sourced.

IFRS Audit (€50,000). Funding to be sourced.

For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

Procurement or tendering opportunities:

Visit [EBRD Procurement](#)

Enquiries: Tel: +44 20 7338 6534; Fax: +44 20 7338 7472, Email:

procurement@ebrd.com

General enquiries:

EBRD project enquiries not related to procurement:

Tel: +44 20 7338 7168; Fax: +44 20 7338 7380

Email: projectenquiries@ebrd.com

I

Project name: Residential Energy Efficiency Credit Line (Bulgaria)

Country: Bulgaria

Project number: 35703

Business sector: Financial Institutions: Bank equity/Bank lending

State/Private: Private sector

Environmental category:

Board date: 17 May 2005

Status: Passed concept review, Pending final review

Date PSD disclosed:

Date PSD updated: 4 April 2005

Project description and objectives:

The proposed project is to establish a framework facility whereby the EBRD would extend credit lines to Participating Banks (PB) for on-lending to the retail sector for residential energy efficiency projects.

EBRD funds of up to EUR 50 million would be complemented by the Kozloduy International Decommissioning and Support Fund (KIDSF) grant funding (the Grant). The Contributors to the KIDSF are the European Commission, Austria, Belgium, Denmark, France, Greece, Ireland, Netherlands, Spain, Switzerland, UK and the Project is being prepared in co-operation with the Ministry of Energy and Energy Resources of Bulgaria.

The Grant amounting to EUR 10 million is provided to overcome barriers faced by sub-borrowers in developing/financing and implementing such investments. The Grant will be used to provide:

- (i) completion fees to sub-borrowers
 - (ii) administration fees to be paid to PBs, on behalf of the borrowers. The Grant is provided on the basis that individual sub-loans meet the objectives of the KIDSF.
 - (iii) technical cooperation aimed at preparation, administration and verification of the sub-projects (see below “technical cooperation”).
- Discussions are currently taking place with potential PBs.

Sub-projects:

View a list of [sub-projects](#) for this and other framework projects.

Transition impact:

The transition impact of the project derives from the demonstration effects of (i) implementing one of the first residential energy efficiency programmes in the region and (ii) providing long-term commercial financing for energy efficiency in the residential sector.

This transaction will provide know-how and financial assistance required for the emergence of a residential energy conservation market, as energy efficiency is often hindered by market imperfections and high start-up costs. In the past residential energy efficiency has only been addressed on a grant-funded and experimental basis. The credit line will be the first commercial scheme of its type, tackling household energy waste using the retail lending market.

The proposed project will have positive demonstration effect, particularly with respect to utilising financial intermediaries for investments resulting in rational energy use. Specifically the Project will demonstrate the benefits of rational energy use, provide assistance in energy efficiency related capacity building (among banks and households) and increase financial intermediation.

The client:

The clients will be Bulgarian PBs which will on-lend the funds to individuals/households planning to undertake energy efficiency investments in the residential sector.

EBRD finance:

Senior loans of up to an aggregate of EUR 50 million to be allocated to PBs in Bulgaria.

Total project cost:

EUR 50 million from EBRD and EUR 10 million from KIDSF.

Environmental impact:

Screened FI. The aim of this project is, in essence, environmental. Eligible projects will be required to utilise energy efficient equipments and materials compliant with local, EU and internationally accepted norms and standards. Reporting on sub-projects and annual monitoring reports will be provided by PBs.

Increased efficiency in energy consumption, reduction of heat transmission losses will lead to a reduction of air pollutants (e.g., SO₂; NO_x; CO₂; particulates) resulting from heat and electricity generation. This is a clear and quantifiable environmental benefit on which the Consultant and the PBs will provide details in an annual environmental report to the Bank.

Technical cooperation:

A Consultant, funded on British fund (Department for International Development), was contracted by the EBRD in October 2004 (final report was provided in January 2005) to identify needs and priorities for energy efficiency in Bulgarian dwellings and potential sub-borrowers.

A selection process is now ongoing to allow the EBRD to contract with a consultant for the time of the project (2 years), utilising the KIDSF grant resources. The key objective of this assignment is to ensure that the Project is a success by providing technical, administration and marketing services that will:

- ensure there are clearly defined technical criteria under which PBs make loans and these are consistently applied and updated;
- market the Facility so that potential sub-borrowers are appraised of the benefits of energy efficiency and are aware of the financing/incentives available under the "REECL";
- establish an efficient tracking, monitoring and reporting system to ensure accurate data and standard forms are utilised by the PBs, sub-borrowers and the EBRD; and
- ensure that grant funding is applied consistently in line with the eligibility criteria and that this is supported with an appropriate level of validation, to avoid mis-use of the loan proceeds and grant.

For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

Company contact:

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E-mail: gass@EBRD.com

Business opportunities:

For business opportunities or procurement, contact the client company.

General enquiries:

EBRD project enquiries not related to procurement:
Tel: +44 20 7338 7168; Fax: +44 20 7338 7380
Email: projectenquiries@ebrd.com

J

Project name: Tulpar-II
Country: Kazakhstan
Project number: 35258
Business sector: Property
State/Private: Private sector
Environmental category: B
Board date:
Status: Passed concept review, Pending final review
Date PSD disclosed:
Date PSD updated: 1 April 2005

Project description and objectives:

The proposed project involves an expansion of a residential compound in Shimkent, Southern Kazakhstan, which was successfully completed this year. The Project includes construction of 134 houses (Tulpar-2) to be co-financed by Kazakh Kazkommertsbank (KKB), which provides a USD 6 million loan to the Company. The potential buyers of the houses can use mortgage financing available from the major Kazakh banks operating in Shimkent.

Transition impact:

- a) The proposed project will contribute to competition in the sector due to the provision of superior quality housing and would develop a market for the suppliers and clients.
- b) Provision of local goods and services by suppliers and sub-contractors to the company will support the local SME sector.
- c) Skills transfer by the Kyrgyz sponsor including training of local construction workforce in Shimkent in new construction technologies and materials, imposing best practice of environment, health and safety standards of construction. The Kyrgyz management would also introduce efficient management, sound procurement along with new suppliers.

The client:

Eristyle-Kazakhstan Limited Liability Company, registered in the Kazakhstan.

EBRD finance:

USD 6 million senior loan with a 5-year tenor, including up to 2 years of grace period.

Total project cost:

USD 6 million senior loan with a 5-year tenor, including up to 2 years of grace period.

Environmental impact:

USD 6 million senior loan with a 5-year tenor, including up to 2 years of grace period.

Technical cooperation:

None.

For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

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K

Project name: M6 Motorway
Country: Hungary
Project number: 35264
Business sector: Transport
State/Private: Private sector
Environmental category: A
Board date: 17 May 2005
Status: Passed structure review, Pending final review
Date PSD disclosed:
Date PSD updated: 1 April 2005

Project description and objectives:

The proposed project consists of the financing of the M6 Motorway on a design-build-finance-operate basis (DBFO) under a Public-Private Partnership scheme (PPP). The motorway will be constructed between “érdi teto” and the future intersection of the M6 and M8 Motorway which includes 4.55 km of the M8 close to Dunaújváros. The total of motorway constructed will be 58.6 km. The M6 Motorway will be based on Availability Payments under which the Hungarian Government will pay the concessionaire for providing it with an operational motorway according to pre-set performance criteria.

Transition impact:

The proposed project will strengthen Hungary's attractiveness to foreign investors in the infrastructure sector and have powerful demonstration effect by promoting private sector involvement in the road sector through a PPP structure based on Availability Payments. The M6 Motorway will clearly show that the Hungarian Government is fully committed to private sector provision of infrastructure and is supporting the forthcoming PPP programme.

The client:

The Client is M6 Duna Autópálya Koncessziós Részvénytársaság, a single purpose company organised in Hungary to undertake the finance, construction and operation of the M6 Motorway after a successful tender for the concession by the Consortium led by Bilfinger Berger BOT GmbH (Germany), Porr Infrastruktur GmbH (Austria) and Swietelsky International Bau GmbH (Austria).

EBRD finance:

A senior loan of up to EUR 50 million as part of a Term Loan Facility of EUR 410,850,881 to finance the construction of M6 Motorway. The remaining of the Term Loan Facility will be provided by commercial lenders.

Total project cost:

Approximately EUR 482 million.

Environmental impact:

The project has been categorised A/0.

A Preliminary Environmental Impact Assessment (EIA) was carried out in 2000 in order to compare various alignments. On the basis of this, two alignments were further studied in a Detailed Environmental Impact Study in 2001, which identified a range of potential impacts and has set out a range of mitigation measures to lessen any negative impacts of the operation. The Construction Company, on behalf of the concessionaire M6 Duna will incorporate the recommendations outlined in the EIA.

According to the EIA, the only significant environmental impact of the proposed project that can be identified is the positive effect of accident reduction on the community. Traffic levels are now very high for a single carriageway road. This has led to a high level of accidents. In addition to this, the road surface itself is in poor condition and in urgent need of repair. Based on local and international experiences, the implementation of the M6 project will probably lead to lower accident rates in the relevant section of the existing road No. 6 by as much as 20-30% of light injuries, 45-55% of serious injuries, and 45-65% of fatal accidents.

The main area of ecological interest is the Livia Fish Ponds. Otherwise there are no areas of significant ecological importance. Works to be constructed in the vicinity of the fish ponds comprise a noise barrier. Much of the construction work could be sited away from the marsh but some limited additional areas for temporary construction plant and equipment may be required.

The principal issues during construction works are piling and vibration operations in connection with new bridges. The type of noise associated with piling works depends on the method of piling used. Any negative impacts were reduced to a minimum by scheduling as much as possible of the piling works for the winter months.

Archaeological finds include two historical earth fortresses named Bolondvár at Beloiannis and Bolondvár at Adony in the vicinity of the impact area of the alignment. Both fortresses are covered by 'ex lege' protection. In addition, 5 archaeological sites were found in the Érd section of the alignment. Preliminary archaeological exploration works were conducted on the whole length of the M6 motorway. The archaeological exploration works on the construction site are finished, the monitoring is ongoing.

The designated area was heavily bombarded during WWII and occurrence of unexploded ordnance is highly probable. According to the provisions of the Concession Agreement of the M6 Motorway the Construction Company hired a specialist company, Tornado Kft., to complete unexploded ordinance works in own competence, and the works have been nearly completed.

Access Roads: the 58,6 km long motorway will pass three towns and eleven villages. Nine multilevel interchanges connected to thirteen roundabouts will serve the local traffic. On total 24 underpasses, 37 overpasses and more than 30 km of new dirt road on either side of the new motorway section will be constructed to facilitate the local traffic and the movement of farm equipment.

The implementation of the EIA recommendations and requirements will ensure conformity with the relevant European standards and with the applicable local laws and regulations.

The Construction Company prepared an Environmental Monitoring Plan, a Health and Safety Plan, an Unexploded Ordnance Management Plan, an Environmental Management Plan and has retained a local consultancy firm to monitor the implementation of these plans.

In accordance with the Bank's Environmental Policy and Public Information Policy, the Detailed Environmental Impact Study (with an Executive Summary in English) and the Public Consultation and Disclosure Plan have now been made available for public review and comments at accessible locations near the project site in Budapest and Dunaújváros for a 60 day period. The consultation period will end on the 4th of May. The English Executive Summary is available on the [Bank's website](#) .

Technical cooperation:

None.

For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

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III. ADDITIONAL INFORMATION AND ASSISTANCE:

- A. US Commercial Service EBRD Liaison Office (CS-EBRD):** CS-EBRD is an integral part of U.S. representation at the EBRD with a mandate to increase the effectiveness of U.S. participation in the Bank's projects. For more information about project opportunities at the European Bank for Reconstruction and Development (EBRD) please contact:

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Note: CS-EBRD can offer its services only to US companies. EBRD procurement opportunities can be viewed at www.ebrd.com/oppor/procure/opps/index.htm. An updated list of EBRD publications can also be found on the main website www.ebrd.com

- B. BISNIS:** The Business Information Service for the Newly Independent States (BISNIS). Countries covered: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Turkmenistan, Russia, Ukraine, Uzbekistan. Web: www.bisnis.doc.gov Tel: +(202) 482-4655, Fax + (202) 482-2293.
- C. CEEBIC:** Central and Eastern Europe Business Information Center (CEEbic). Countries of covered: Albania, Bosnia & Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, FYR Macedonia, Hungary, Latvia, Lithuania, Poland, Romania, Serbia & Montenegro, Slovak Republic, Slovenia. Web: <http://www.mac.doc.gov/ceebic> Tel: +(202) 482 2645, Fax: +(202) 482 4473