

EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT:
FEBRUARY 2006 PROJECT PIPELINE UPDATE

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This report was last updated on **02 February 2006**. 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 Natron Hayat	Bosnia and Herzegovina	27 Jan 2006
B Dolna Odra	Poland	25 Jan 2006
C RSB term securitisation	Russia	20 Jan 2006
D Norum Helios Fund L.P.	Russia	19 Jan 2006
E VF Komerc	Bosnia and Herzegovina	18 Jan 2006
F Armenian Renewable Energy Programme	Armenia	18 Jan 2006
G United Bakers	Russia	6 Jan 2006

A.

Project name:	Natron Hayat
Country:	Bosnia and Herzegovina
Project number:	36268
Business sector:	General manufacturing
State/Private:	Private
Environmental category:	B
Board date:	7 March 2006
Status:	Passed structure review, Pending final review
Date PSD disclosed:	27 January 2006
Date PSD updated:	

Project description and objectives: The proposed project consists of the restart of pulp production line and overall renovation of facilities of an integrated pulp and paper mill located in Maglaj, owned by Kastamonu Entegre Agac Sanayi ve Ticaret (the "Sponsor"), a Turkish producer of particleboard, MDF, laminated flooring, veneer, timber, plywood and door skin/panels. The investment programme will focus on the rehabilitation of existing equipment, rebuilding and restarting of the pulp plant and sack paper machine, substantial improvements to the corrugated cardboard facilities and substantial improvements and upgrading of the energy, water and waste water treatment facilities. Approximately EUR 19 million of these investments (53% of total amount excluding the contingency) are planned either for outright environmental improvements or for environmentally beneficial process improvements.

Transition impact: The main transition impact of the project will derive from the demonstration effect of a successful turnaround and the setting of standards of corporate governance and business conduct. In

addition, the project will increase regional competition and will facilitate the development of the forestry sector in Bosnia and Herzegovina, including Implementation of principles of sustainable wood procurement.

The client: Natron Hayat d.o.o., a subsidiary of the Sponsor.

EBRD finance: EUR 11 million senior debt.

Total project cost: EUR 54 million.

Environmental impact: An Initial Environmental Examination conducted by the Bank's environmental specialist showed that the project will improve the Company's environmental performance and that any adverse environmental impacts can be readily identified, assessed and mitigated. The introduction of modern technology will improve the mill's environmental standards and energy and resource efficiency as well as reduce the air emissions and wastewater discharges compared with the historic levels despite an increase in production. The operation involves existing facilities and operations, which may be associated with significant environmental, health and safety issues. For the above mentioned reasons, the EBRD has classified the project B/1, requiring an Environmental Analysis and an Environmental Audit. The environmental investigations are being undertaken by international environmental consultant in accordance with EBRD's requirements. The investigations include an environmental site assessment, a survey of the project area and its surroundings, a Best Available Technology assessment and an assessment of the environmental impacts of the project. An Environmental Action Plan will be prepared for the Company to address corrective measures needed at the existing facilities ensuring these are brought into compliance with national and EU environmental and health and safety standards. To mitigate the adverse impact of the wood procurement and to ensure the wood supplied to the mill is of legal and sustainable origin, the Company will adopt and implement wood procurement procedures that are based on principles of sustainable forest management, ensuring that:

- the wood does not originate from statutory protected forests, forest areas included in nature conservation programmes or sites which have been notified by the authorities to be excluded from felling;
- the origin of the wood is monitored;
- suppliers operate according to the principles of sustainable development, in compliance with the legislation currently in force and under the supervision of state authorities; and
- the biodiversity and the functions of the forest ecosystem are maintained in accordance with internationally and nationally approved principles.

In accordance with Bank requirements, a summary of the relevant environmental issues associated with the project will be disclosed in the local language at or near the project site.

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

Technical cooperation: EUR 25,800 for performing an energy efficiency audit. The amount was financed under an existing framework contract, financed by the CEI, Central European Initiative (Italy).
For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.

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Business opportunities: For business opportunities or procurement, contact the client company.

B.

Project name: Dolna Odra
Country: Poland
Project number: 36705
Business sector: Power and Energy
State/Private: Private
Environmental category: C
Board date: 7 March 2006
Status: Passed concept review, Pending final review
Date PSD disclosed: 25 January 2006
Date PSD updated:

Project description and objectives: Up to EUR 70 million of equity investment in Dolna Odra, alongside Endesa Europa S.L. (the Sponsor). The Bank is expected to hold minority equity investment in Dolna Odra shares.
Following competitive international tender for privatisation of 85% stake in Dolna Odra, Endesa of Spain was granted negotiation exclusivity, and has subsequently agreed and initialled the Sale and Purchase Agreement. It is expected that the sale of shares to Endesa will be finalised in the near future and that, subsequent to the completion of privatisation, the Bank will purchase from Endesa a minority shareholding in Dolna Odra.

Transition impact: The proposed project will bring increased private ownership to the sector and is expected to strengthen market-oriented behaviour. This would be the fourth privatisation of a large power plant in Poland (following privatisations of power plants in Rybnik to EdF, PAK to Elektrim, and Polaniec to Elctrabel) and the first one in the north-western region of the country that lacks generation capacity.
The sponsor has ambitious plans to rationalise operations of the

power plant. In particular, the Sponsor is likely to revise the arrangements for purchase of coal which is currently transported from Upper Silesia in the south of the country. The sponsor intends to spend EUR 200 million between 2006 and 2010 on desulphurisation equipment and other investments that would allow bringing the plant in line with the EU environmental standards. Furthermore, the proposed project is expected to allow for the transfer of skills and will implement trading know-how and expertise coming from the Sponsor, thus creating better market environment in line with EU standards.

The client: Dolna Odra is the fifth largest power plant in Poland, consisting of three coal-fired power and heat plants of total generation capacity of 1,960MW. Dolna Odra is the only large power plant in the north-west of Poland and as such has a particular importance for the security of Polish power grid and serves as a back-up for transmission system operator.

The Company is a joint stock company wholly owned by the Polish Treasury, and is currently in a process of being privatised to Endesa of Spain.

EBRD finance: The EBRD is expected to invest up to EUR 70 million in Dolna Odra equity.

Total project cost: Confidential.

Environmental impact: The project has been screened as C/1, requiring an Environmental Audit of the existing power plant and two combined heat and power plants (CHPs). The project involves provision of finance for the planned modernization programme at existing power plants as part of planned investment programme aimed at meeting EU and Polish Environmental standards. All three power plants are currently in compliance with Polish standards although significant investments will be required to ensure compliance with future more stringent emission standards. As part of his due diligence the Sponsor has undertaken an Environmental Audit and the Bank plans further environmental due diligence. The PSD will be updated once the due diligence process is completed and an Environmental Action Plan is agreed with the Sponsor.

Technical cooperation: None. For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

Company contact: Endesa Europa S.L.
Jon Gandarias Laucirica,
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Business opportunities: For business opportunities or procurement, contact the client company.

C.

Project name: RSB term securitisation

Country:	Russia
Project number:	36802
Business sector:	Non-bank financial institutions
State/Private:	Private
Environmental category:	FI
Board date:	21 February 2006
Status:	Passed concept review, Pending final review
Date PSD disclosed:	20 January 2006
Date PSD updated:	
Project description and objectives:	The proposed securitisation project would refinance consumer loans originated by Russian Standard Bank (“Originator”), thereby freeing up capital and providing new funding to make new consumer loans in Russia. The EBRD would subscribe to bonds issued against a securitised portfolio of Russian Standard Bank’s consumer loans.
Transition impact:	Securitisation is an important source of refinancing. The proposed project would be one of the first securitisations in countries of the Bank’s operation and would accelerate the development of the Russian capital markets by introducing a new asset class. It would also make consumer financing more readily available, particularly in the Russian Federation regions, thereby enabling Russian consumers to acquire consumer goods more easily and contributing to increased demand and economic growth.
The client:	JSC Russian Standard Bank, the leading consumer finance bank in Russia.
EBRD finance:	As part of the securitisation proposed project, EBRD will invest in senior and/or mezzanine bonds denominated in Euro and securitised by a portfolio of consumer loans originated by Russian Standard Bank. The transaction structure envisages the issuance of approximately EUR 270 million of senior and mezzanine bonds (excluding the Originator provided finance) with EBRD subscribing to up to approximately EUR 40 million of these bonds, and international investors subscribing to the difference.
Total project cost:	EUR 300 million, including the Originator provided finance.
Environmental impact:	The environmental issues associated with consumer financing are extremely limited and hence Russian Standard Bank will not be required to implement the Bank’s financial intermediary environmental procedures for this operation.
Technical cooperation:	None. For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants.
Company contact:	Andre Spark, SparkA@ebrd.com Dobrin Staikov, StaikovD@ebrd.com
Business opportunities:	For business opportunities or procurement, contact the client company.

D.

Project name:	Norum Helios Fund L.P.
Country:	Russia
Project number:	35018
Business sector:	Equity funds
State/Private:	Private
Environmental category:	FI
Board date:	21 February 2006
Status:	Passed concept review, Pending final review
Date PSD disclosed:	19 January 2006
Date PSD updated:	

Project description and objectives:

The proposed project envisages commitment of up to one third of the total aggregate capital commitments of the Norum Helios Fund L.P. but not to exceed EUR 50 million. Norum Helios Fund L.P. is the successor fund to North West and West Russia Regional Venture Fund (NW&W RVF), managed by Norum.

The fund will seek to realise superior investment returns by investing in private equity situations in Russia and selected opportunities in other CIS Countries. It intends to acquire interest in unquoted, predominantly medium-sized industrial or service-oriented companies based or operating primarily in Russia, with a view to realising capital gains on exit, and in some cases, generating dividends.

Transition impact:

Norum Helios Fund L.P. is well-positioned to meet the transition criteria of EBRD by having an experienced and dedicated private equity team in Russia.

By investing in the fund, the EBRD will:

1. support a management group evolved from the RVF programme with a good track record
2. support a private equity fund that will provide much needed capital funding in Russia, and
3. support the development of local private enterprises engaged in different economic sectors.

The active, hands-on involvement of fund managers in their portfolio companies is well suited to investments in this high risk environment.

The client:

In 1995 following a competitive selection process, Norum Ltd became the fund manager to the NW&W RVF. Norum Ltd. Is a company incorporated in Finland and jointly owned by Sitra, Sitra Management Ltd, DnB NOR Bank ASA, CES Nordic and FINNFUND. Total capital committed to the NW&W RVF was USD 87.5 million.

Norum Helios General Partner Limited, a company incorporated in Cayman Islands, is responsible for managing the Norum Helios Fund. The managers are eight individuals - of which five from Norum have been managing the NW&W RVF. The three additional partners from Helios also have extensive experience in private equity in Russia.

The Sponsors are the principal sponsors behind the RVF's management company:

- DnB NOR Bank ASA (Norway)
- Sitra (The Finnish National Investment Fund for Research and Development)
- Sitra Management Ltd.

as well as one new sponsor:

- DTB GmbH (Germany)

EBRD finance: Up to one third of total aggregate capital commitments of but not to exceed EUR 50 million. The target size of the Fund is EUR 150 million.

Total project cost: Up to EUR 50 million.

Environmental impact: The fund will continue to comply with the EBRD's environmental requirements for Private Equity Funds which include, inter alia, complying with the Bank's environmental exclusion and referral list, implementing environmental due diligence procedures, requiring that investee companies comply at a minimum with national health, safety, environment and labour standards and annual reporting on environmental, health and safety matters.

Technical cooperation: No new Technical Co-operation funding will be provided. Previous Technical Co-operation funding provided by the Norwegian, Finnish and Swedish governments to the North West and West Russian Regional Venture Fund was used to support both original and the follow-on fund.
For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

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Business opportunities: For business opportunities or procurement, contact the client company.

E.

Project name:	VF Komerc
Country:	Bosnia and Herzegovina
Project number:	36511
Business sector:	Agribusiness
State/Private:	Private
Environmental category:	C
Board date:	7 March 2006
Status:	Passed structure review, Pending final review
Date PSD disclosed:	18 January 2006
Date PSD updated:	

Project description and objectives: The proposed financing will help VF Komerc, a leading food retailer in Bosnia and Herzegovina to upgrade its existing stores and to expand its operations throughout the country,

Transition impact: The project's transition impact will result in improving standards of corporate governance, increased competition and greater efficiency in the food distribution sector. The Bank will seek to increase VF Komerc's transparency in external reporting, and to enhance its corporate structure and organisation. Also, the project should facilitate further market development throughout the value chain by contributing to Company's continuing efforts to expand its retail network in BiH's medium sized towns. This development should help to reduce regional and structural disparities.

The client: VF Komerc is a limited liability company organised under the laws of Bosnia and Herzegovina. The Company is the leading supermarkets operator in the country.

EBRD finance: The total financing package is for up to EUR 25 million and would consist of:
(i) up to EUR 16 million long-term secured debt
(ii) up to EUR 9 million equity.

Total project cost: Up to EUR 74 million.

Environmental impact: **Screening categories and rationale for classification**
A retail development such as this project has some environmental impacts which can be readily identified and prevented through adequate mitigation measures. For the above reasons, the EBRD has classified the project C/1 and as such it required an environmental audit. The audit took the form of a corporate environmental review.

Environmental impacts and mitigation measures

Potential environmental issues associated with expansion of the Company's supermarket operations are as follows:

- environmental, employment, hygiene and safety issues associated with the operation of the supermarkets

- environmental due diligence procedures for site selection
- safety of construction materials
- environmental, health and safety issues associated with construction
- formulation of corporate environmental, health and safety, human resources and supply chain policies to reflect best international practice

Upon completion of due diligence the Bank will agree with the Company an environmental action plan to ensure that the Company addresses the above issues and that each store will meet the relevant national standards and requirements and best international practice in terms of environmental, health and safety. They will be required to submit an annual environmental, health and safety report to the Bank which will detail progress on implementation of the action plan and other relevant issues.

Labour issues

As well as complying with national laws and standards on employment, the company will have to comply with the requirements of the Conventions of the International Labour Organisation relating to the employment of children and young people, discrimination at work, and forced labour.

Monitoring

The Bank will continue to evaluate the project’s compliance with the applicable environmental, health, safety and labour requirements during the lifetime of the project. This will be undertaken by reviewing annual environmental reports and any relevant information prepared for the project covering the status of implementation of environmental action plans and may incorporate visits to the project.

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.

F.

Project name: Armenian Renewable Energy Programme
Country: Armenia
Project number: 34841
Business sector: Power and Energy
State/Private: Private
Environmental category: FI

Board date:	7 March 2006
Status:	Passed structure review, Pending final review
Date PSD disclosed:	18 January 2006
Date PSD updated:	
Project description and objectives:	<p>The proposed project consists of a long-term loan to Cascade Credit to help capitalise a USD 15 million programme to provide long-term debt to competitive and viable renewable energy projects (primarily mini-hydro).</p> <p>The program is expected to</p> <ul style="list-style-type: none"> (i) finance alternative generation capacity in support of the timely closure of Medzamor NPP (ii) reduce Armenian dependence on imported fuel used for power generation and increase energy security.
Transition impact:	<p>The proposed project will encourage private sector investment and demonstrate the viability of renewable energy generation projects in Armenia given the government's new regulatory framework for renewable energy investments. The presence of Cascade Credit as a strategic investor will give a strong signal to private investors who are still hesitating to enter the Armenian energy market.</p>
The client:	<p>Cascade Credit CJSC (or "Cascade Credit") is a universal credit organization registered and licensed with the Central Bank of Armenia.</p> <p>Cascade Credit is a finance company subsidiary of Cascade Capital Holdings ("CCH"). CCH is a 99.9% owned Armenian registered company set up by the Cafesjian Family Foundation ("CFF" or the "Sponsor") to hold investments in the Armenian financial services sector. The CFF is a US non-profit tax-exempt organisation (501(c)3 designation) set up to promote the well-being of Armenians and to foster economic development and western orientated values in Armenia.</p>
EBRD finance:	<p>EBRD will provide USD 7 million to the program. World Bank will provide USD 5 million and Cascade Credit will provide USD 3 million of equity.</p>
Total project cost:	<p>Total project cost is USD 15 million.</p>
Environmental impact:	<p>Screened FI. Sub-projects financed through this program will be required to meet, at a minimum, national environmental, health and safety regulations and standards and public disclosure and consultation requirements. In addition, EBRD and World Bank have agreed with Cascade Credit an Environmental Management Plan which includes recommended procedures for project appraisal, design measures, construction supervision methods, monitoring actions and public disclosure requirements which will help to minimize and avoid potential short and long-term environmental impacts associated with any sub-projects. In developing sub-projects, Cascade Credit will therefore also draw on international good practice referencing, where appropriate, relevant World Bank guidelines, European guidance and EBRD criteria developed specifically for small-hydro projects.</p>
Technical	<p>The project will benefit from grant funding available for due diligence</p>

cooperation: and other up-front costs which represent barriers to project development.
For consultant opportunities for projects financed by technical cooperation funds, visit [procurement of consultants](#).

Company contact: Garegin Gevorgyan, Executive Director, Cascade Credit
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375033 Republic of Armenia
Tel: +37410 27 87 76

G.

Project name: United Bakers
Country: Russia
Project number: 36412
Business sector: Agribusiness
State/Private: Private
Environmental category: C
Board date: 7 February 2006
Status: Passed final review, Pending board approval
Date PSD disclosed: 6 January 2006
Date PSD updated:

Project description and objectives: The proposed project will provide a secured loan to the Russian company United Bakers producing biscuits, crackers and breakfast cereals in 5 production units, 4 located in Central Russia and one in Tyumen, Siberia. The loan will be used to provide the company with long-term funds to finance working capital, the acquisition, turnaround of existing biscuit manufacturers, restructure its current debts and purchase of modern biscuit manufacturing equipment.

Transition impact: The project aims to support the successful transition of a local Russian food company primarily focused on commodity products to a branded products group.
The project's expected transition impact derives from (i) increased geographical coverage via the investment in the acquired plants and in sales and distribution infrastructure and (ii) a broadening of the market that United Bakers serves as it expands from the bulk segment into the packaged economy and medium segments. This greater geographic coverage and broader products range will particularly benefit lower income groups that cannot afford or do not have access to the products produced and marketed by the market leaders in the premium market segment, mainly western companies or their subsidiaries.

The client: United Bakers, a privately owned group, is one of the largest Russian producers of crackers, cookies and breakfast cereals tracing back its history to 1928 and was privatised in 1992.

EBRD finance:	A senior loan of \$ 30 million in 2 tranches: Tranche 1: \$ 20 million senior secured loan, of which at least \$ 12 million to be syndicated. Tranche 2: \$ 10 million secured loan for the account of EBRD.
Total project cost:	The total project cost is USD 35 million.
Environmental impact:	This project, which is not associated with significant environmental issues, was screened C/1 and involves debt restructuring, working capital, purchase of modern biscuit manufacturing equipment and the acquisition of a cereal factory with no foreseen infrastructure changes. The potential environmental, health and safety (EHS) risks and liabilities associated with the Group's facilities, the Group's management of environment, health, safety and labour (EHSL) issues, and compliance status with domestic and applicable EU legislation have been addressed within the scope of Phase I environmental audits of the Group's five facilities. The preliminary findings have identified a few areas of non compliance with EU standards and Russian Federation (RF) regulations. Actions to address these have been formulated into time bound environmental action plans (EAP) to be implemented by the Group. The Group is required to submit annual reports detailing progress on the implementation of the EAPs and its compliance status. The Bank may also perform monitoring visits, where necessary.
Technical cooperation:	None. For consultant opportunities for projects financed by technical cooperation funds, visit procurement of consultants .
Company contact:	United Bakers: Mr. Evgeny Okulich-Kasarin Tel: +7 (095) 788 50 23 e-mail: president@unitedbakers.ru
Business opportunities:	For business opportunities or procurement, contact the client company.

H.

Project name:	Kaunas Trolleybus Modernisation Project
Country:	Lithuania
Project number:	35803
Business sector:	Municipal and environmental infrastructure
State/Private:	State
Environmental category:	
Board date:	16 May 2006
Status:	Passed concept review, Pending final review
Date PSD disclosed:	6 January 2006
Date PSD updated:	

Project description and objectives:

The objectives of the proposed project will be to:

- (i) finance 50 new trolley buses, spare parts and workshop equipment,
- (ii) upgrade associated trolley bus infrastructure, and
- (iii) provide continued support on the restructuring of the institutional and regulatory framework for public transport in Kaunas.

Transition impact:

- Commercialisation: The Bank will assist the City and the Company to draft and implement a new Public Service Contract (“PSC”). The revised PSC for Autrolis will differ from the existing one between Autrolis and the City: (a) shifting the Company from an annual negotiated subsidy to a transparent, multi-year ‘payment-for-service’; (b) utilising targets and incentives to increase efficiency; (c) making the Company responsible for investment planning and financing. The PSC will provide for a performance-related service fee to be paid by the City to the Company, adjusted annually through a structured, transparent process, which will incentivise the Company to manage and reduce operating costs. Service quality will be monitored and payments linked to performance (e.g. punctuality, driving quality, conduct, information and cleanliness).
- Strengthening of the City’s central public transport unit: To achieve sufficient authority and monitoring capacity to procure and monitor the services from the various public transport providers.
- Support for outsourcing of services: The City and the Company plan to outsource the services for ticket control and enforcement to a private company.
- Mobilisation of commercial funding: The sell down of up to € 5 million will constitute one of the first transactions on the commercial financial markets for long-term public debt in Lithuania, without recourse to a sovereign or full municipal financial guarantee. The operation will demonstrate that municipal utility companies in Lithuania can be financed on their own merits with the support of Municipal Support Agreements. The willingness of the Bank to provide instruments suited to such credit risk would encourage other similar operations.
- Standards: The Bank’s procurement standards and assistance will enhance clarity and transparency. In addition, the PSC will improve corporate governance since it clearly defines and allocates responsibilities for service delivery, finances, safety, tariff setting, passenger control, traffic control, marketing, ticketing, fare evasion and handling customer complaints;
- Regulatory framework: The project would also continue to support the ongoing Public Transport Regulation and Restructuring Advice Programme (the “PTRAP”) for which the Bank arranged funding as part of the previous project. The PTRAP seeks to address a number of issues associated with the weak regulation of minibuses: (i) safety: many minibuses are relatively old and are not in a good state of repair; (ii) lawlessness: minibuses are seen to compete unfairly with the public companies within the transport sector

by “creaming” passengers (the practice of running just before a scheduled Company service) and because microbus owners are thought not to declare their full revenues and thereby do not pay full taxes; (iii) pollution: the current microbus fleet does not meet the City’s requirements concerning the use of ecologically-friendly vehicles in and around the city centre. The PTRAP would provide the basis for a regulatory framework of the microbuses.

The client:	The Kaunas Trolley Bus Company (AB Autrolis).
EBRD finance:	Up to €15.0 million senior loan to the AB Autrolis of which €10 million will be for the account of the EBRD and €5.0 million for the account of participants.
Total project cost:	€ 18.0 million
Environmental impact:	Trolleybuses reduce air emissions and noise in the city centre. The modernisation of the trolley bus fleet will help develop public transport alternatives as well as improve the air quality in the city centre of Kaunas.
Technical cooperation:	<ul style="list-style-type: none">• The ongoing Public Transport Regulation and Restructuring Advice Programme (the “PTRAP”) to the City under the Kaunas Public Transport Project I (i.e. previous project). The PTRAP comprises (i) definition of the respective roles of large buses operated by the Company, trolley-buses and microbuses, (ii) advice on the corporate structure of the Kaunas public transport sector, including microbuses, and (iii) establishing an on-going route-tendering regime that encourages competition while enabling the City to achieve acceptable safety and environmental standards. The PTRAP is fully funded by the Swedish Trust Fund.• Business and Technical Advice Programme (the “BTAP”), comprising business and technical advice to evaluate the investment programme of the Company and compile a comprehensive business plan. The BTAP is fully funded from the Swedish Trust Fund.• The procurement of the buses will be supported by an experienced consultant financed by the loan and include prequalification of suppliers.
	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:	Brasov Regional Road Project
Country:	Romania
Project number:	36642
Business sector:	Municipal and environmental infrastructure
State/Private:	Private
Environmental category:	B
Board date:	16 May 2006
Status:	Passed concept review, Pending final review
Date PSD disclosed:	3 January 2006
Date PSD updated:	

Project description and objectives:

The proposed project will support funding for one of the county's most important infrastructure responsibilities: road transport. The Bank will provide funding for the upgrade and rehabilitation of county roads. As part of the Project, the Bank would provide TC funds to the county for the institutional strengthening and compilation of an EU structural fund application, for which the Bank could potentially provide co-financing. The proposed project would involve the implementation of a pilot programme to involve private sector contractors/operators in the maintenance of county roads through the tendering of performance-based contracts developed in conjunction of the implementation of the road investments.

Transition impact:

The project will provide a demonstration impact to administrations in the 40 Romanian counties of more efficient methods for meeting their road transport needs. The possibilities for creating a dedicated road fund on a county level will be investigated.

The client:

The County of Brasov.

EBRD finance:

Up to €24.0 million loan (or RON equivalent) to the County (the "County Road Loan") for the reconstruction and refurbishment of county roads. Part of the loan to the county will be syndicated to one or several commercial banks.

Total project cost:

€30.0 million

Environmental impact:

Environmental issues associated with the reconstruction and rehabilitation of regional roads are not expected to have significant environmental impacts and will bring about some safety benefits. An environmental analysis will be carried out to assess environmental benefits and impacts of the project and make recommendations for mitigation measures.

Technical cooperation:

Pre-Signing:

- Creditworthiness up-date of three counties (including Iasi), to be completed in December 2005.
- Project prioritisation and identification for two counties

(including Iasi), and scoping for implementation of Regional Transport Department.

Post Loan Signing:

- Road Management Assistance Programme (“Road MAP”): Institutional capacity development of the County including support for the preparation of an EU structural fund application and establishment of a Regional Transport Department within the County Administration which will advise on pre-accession issues, establish standard methodologies and assist with project structuring and implementation.

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:
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III. ADDITIONAL INFORMATION AND ASSISTANCE:

- A. US Advocacy Center-EBRD Liaison Office (AC-EBRD):** AC-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: AC-EBRD can offer its services only to US companies. EBRD procurement opportunities can be viewed at www.ebrd.com/oppo/procure/oppo/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.