

Working with the European Bank
for Reconstruction and Development
Southern & Eastern Mediterranean Region

Hildegard Gacek, Managing Director, SEMED



EBRD: Introduction to EBRD - Snapshot

EBRD: Operations

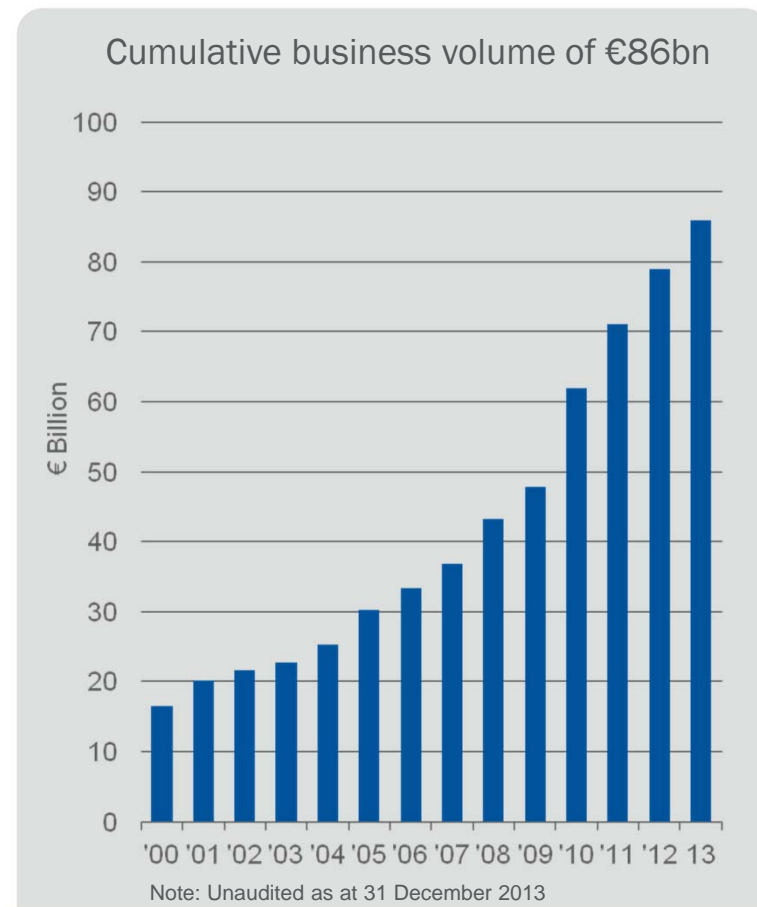
EBRD in the Southern and Eastern Mediterranean region (SEMED)

What is the EBRD?

Introduction to EBRD

Case studies

- An International Financial Institution established in 1991 to support the transition to market economy and democracy in the former communist countries.
- Owned by the governments of 65 countries and two inter-governmental institutions; the EU and EIB.
- Headquartered in London and investing in 35 countries in Eastern Europe and Central Asia, and, since September 2012, in Egypt, Jordan, Morocco and Tunisia.
- Cumulative commitments of €86 billion, of which 73% is private sector.



EBRD's objectives achieved through financing the private sector

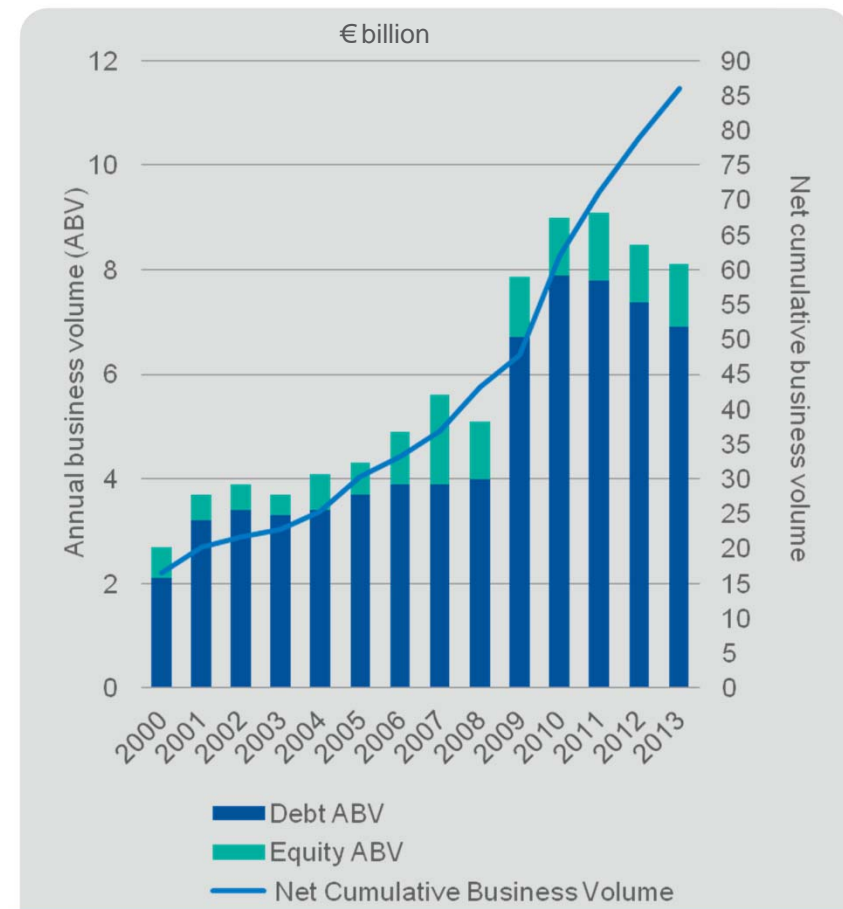
AAA/Aaa rated multilateral development bank

Invested over €86 billion in more than 3,965 projects since 1991

As at end December 2013:

- €8.6 billion invested in 392 projects
- Private sector accounted for 79% share
- Debt 81%, Equity 14% & Guarantee 5%

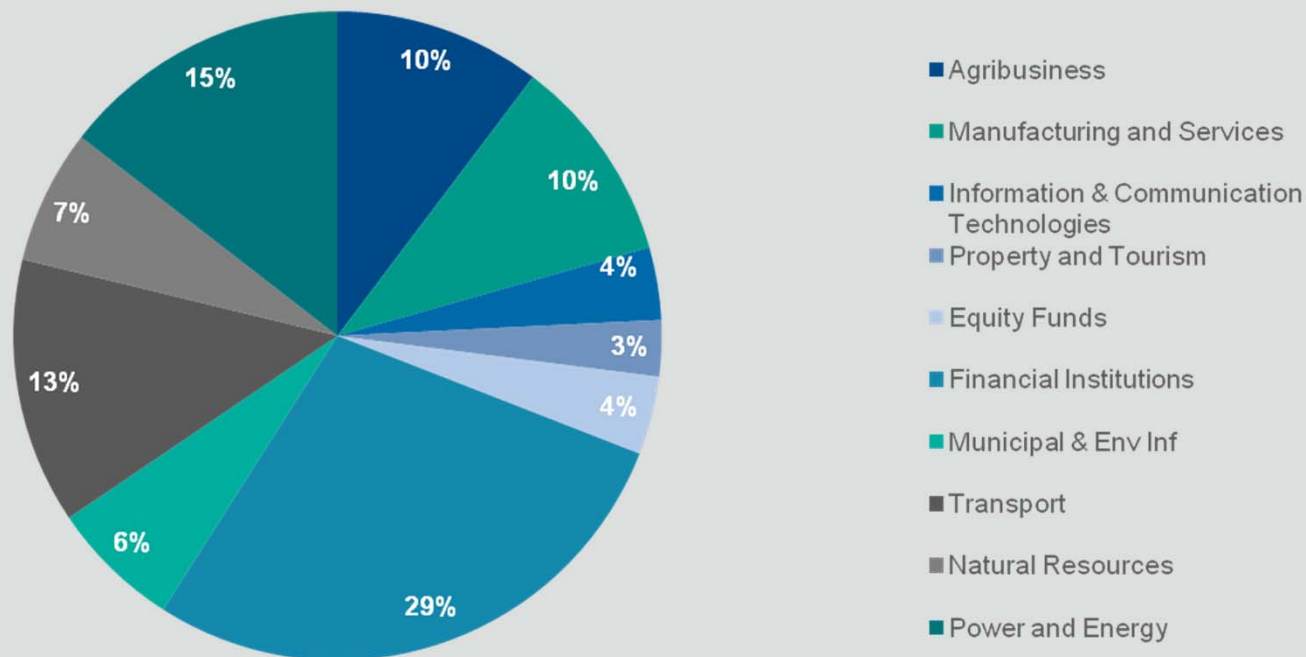
Note: Unaudited as at 31 December 2013



EBRD finances diverse range of enterprises

Introduction to EBRD

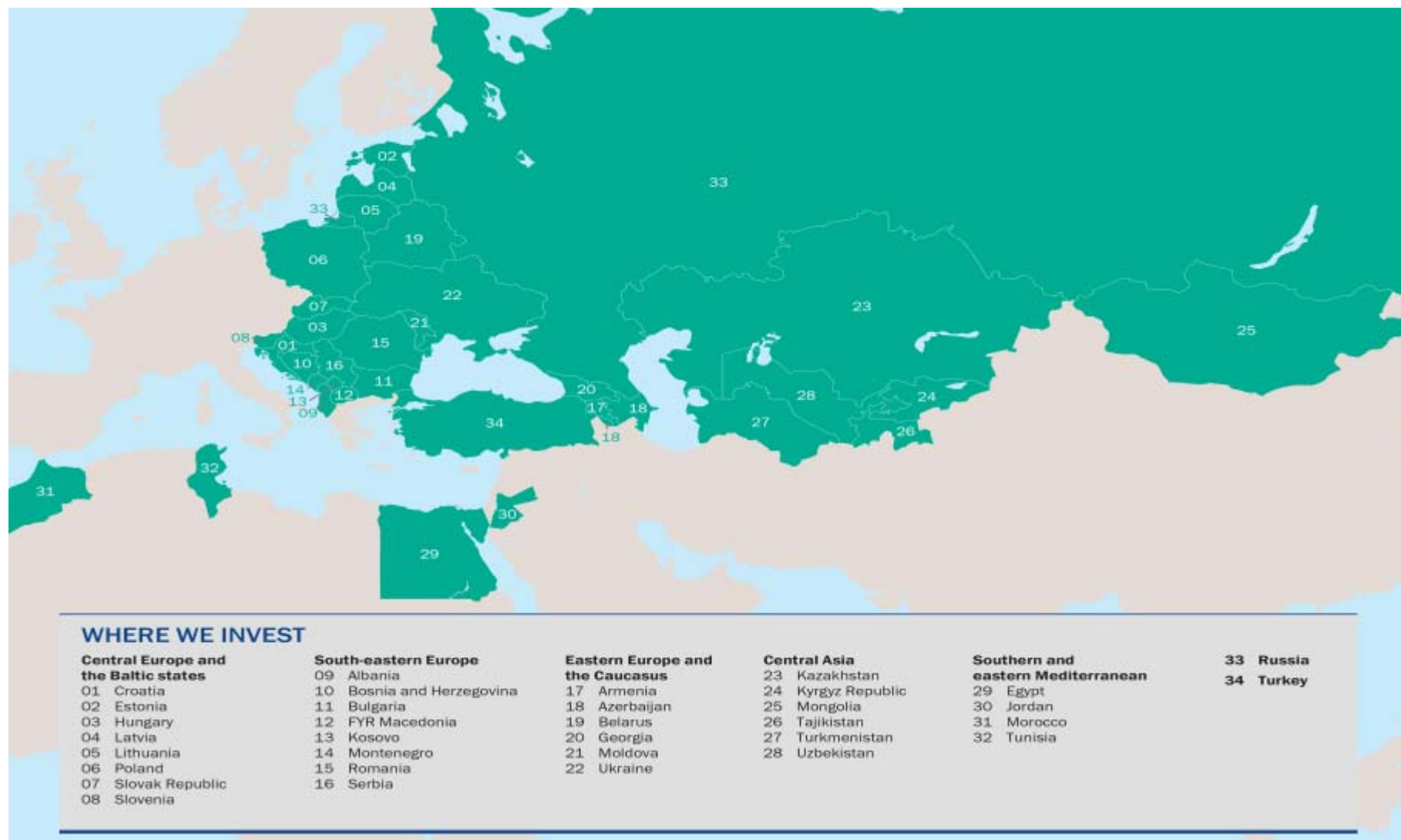
Case studies



Net cumulative business volume €86bn

Note: Unaudited as at 31 December 2013

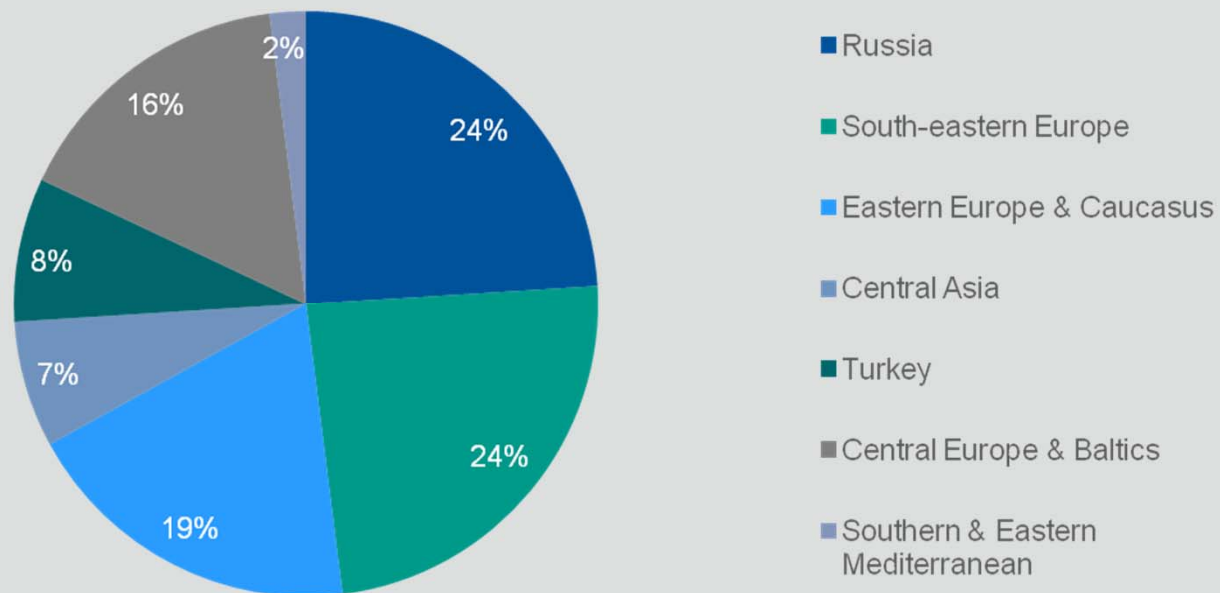
Where we operate



Country group portfolio distribution

Introduction to EBRD

Case studies



Net cumulative business volume €86bn

Note: Unaudited as at 31 December 2013

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EBRD Product Flexibility tailored to project needs

Introduction to EBRD

Case studies

Equity

- Common stock or preferred
- Minority position only (up to 35%)
- Mezzanine
- Other
 - guarantees
 - currency swaps

Loans

- Senior, subordinated, convertible
- LT (up to 10y or more) or ST revolving
- Floating/ Fixed rates
- Choice of currencies (€, US\$, RUB etc.)

Operational Strengths of EBRD

EBRD: Snapshot

EBRD: Operations

EBRD in the Southern and Eastern
Mediterranean region (SEMED)

- High-risk taking capacity: EBRD is willing to share risks, including political risks.
 - Provides finance to both private and public sector clients.
 - EBRD finance can be a catalyst to access additional equity, debt and trade finance, mobilising up to 2.5 times from other sources.
 - Very good knowledge of local economy, business environment and practices, through extensive local presence.
 - Focus on corporate governance including protection of minority interests.
-

Institutional Strengths of EBRD



EBRD: Snapshot

EBRD: Operations

EBRD in the Southern and Eastern
Mediterranean region (SEMED)

- Strong, internationally recognised financial partner with long-term perspective.
 - Close working relationships with governments and shareholders.
 - Political leverage due to EBRD's unique mandate and shareholder structure (all countries of operations are shareholders).
 - Preferred Creditor Status.
 - 1:1 gearing ratio at €26 billion.
-

EBRD is Additional to the Commercial Banking Sector



EBRD: Snapshot

EBRD: Operations

EBRD in the Southern and Eastern
Mediterranean region (SEMED)

- EBRD does not lend or invest when commercial banks or private investors can do it alone.
 - EBRD invites other banks to participate in its operations (syndication, co-financing).
 - EBRD leads the market with innovative products, local currency and longer tenors.
 - EBRD provides technical assistance for project preparation and implementation where such assistance is required.
-

EBRD: a snapshot

EBRD: Operations

EBRD in the Southern and Eastern Mediterranean region (SEMED)

EBRD: Expansion into SEMED

- The May 2011 G8 Summit launched the Deauville Partnership to support democratic transition, transparent government and sustainable growth.
- EBRD shareholders later that year approved an expansion of EBRD's mandate to include 4 SEMED Countries (Egypt, Jordan, Morocco and Tunisia).
- In November 2013, EBRD Board of Governors granted full Country of Operation status to Jordan, Morocco and Tunisia. The review of Egypt's political situation has been scheduled for 2014.
- In 2013 Host Country Agreements were signed with Egypt, Tunisia and Jordan; and signing in spring 2014 is expected for Morocco.



SEMED: Progress to Date

EBRD: Snapshot

EBRD: Operations

EBRD in the Southern and Eastern
Mediterranean region (SEMED)

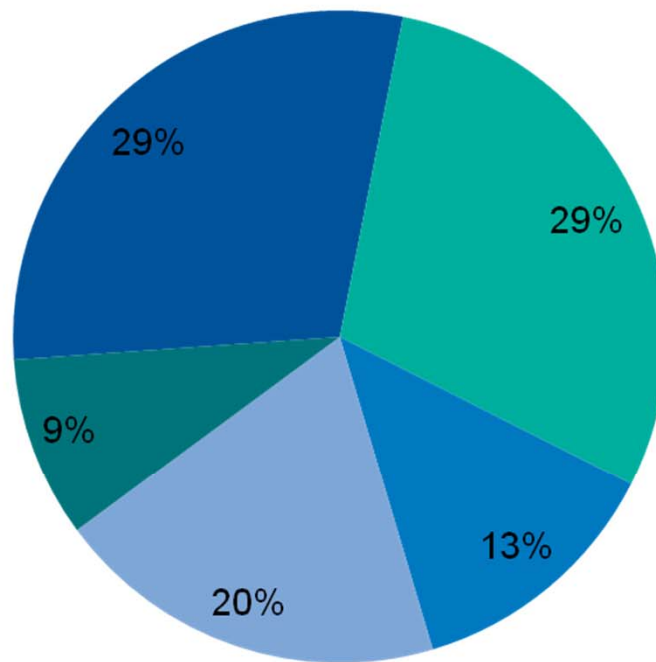
- Permanent offices were opened in Tunis and Amman in 2013. The opening of permanent offices in Egypt and Morocco is planned for 2014.
- Overall the Bank will increase its staff by 107 employees, 97 are hired.
- 30 Projects have been signed to date for a total value of €688 million
- Over €60 million in donor funding has been made available for Technical Assistance. 87 Technical Cooperation projects received funding €46.2 million.
- Local currencies are available in Jordan and Egypt. The bank is negotiating currency swap arrangements in Morocco and Tunisia.

EBRD: SEMED Investment Projects

	2012		2013		2014 (to date)		Total	
	No.	€M	No.	€M	No.	€M	No.	€M
Projects Signed	6	131	21	433	3	124	30	688
TFP Agreements Signed	2	29	3	133	-	-	5	162
Class								
Private	6	131	20	373	2	59	28	563
State	-	-	1	60	1	65	2	125
Instrument								
Debt	4	101	18	392	3	124	25	617
Equity	2	30	3	41	-	-	5	71

EBRD: SEMED Investment Projects

Total Signed Projects by Country



■ Egypt - €201 million

■ Morocco - €202 million

■ Tunisia - €89 million

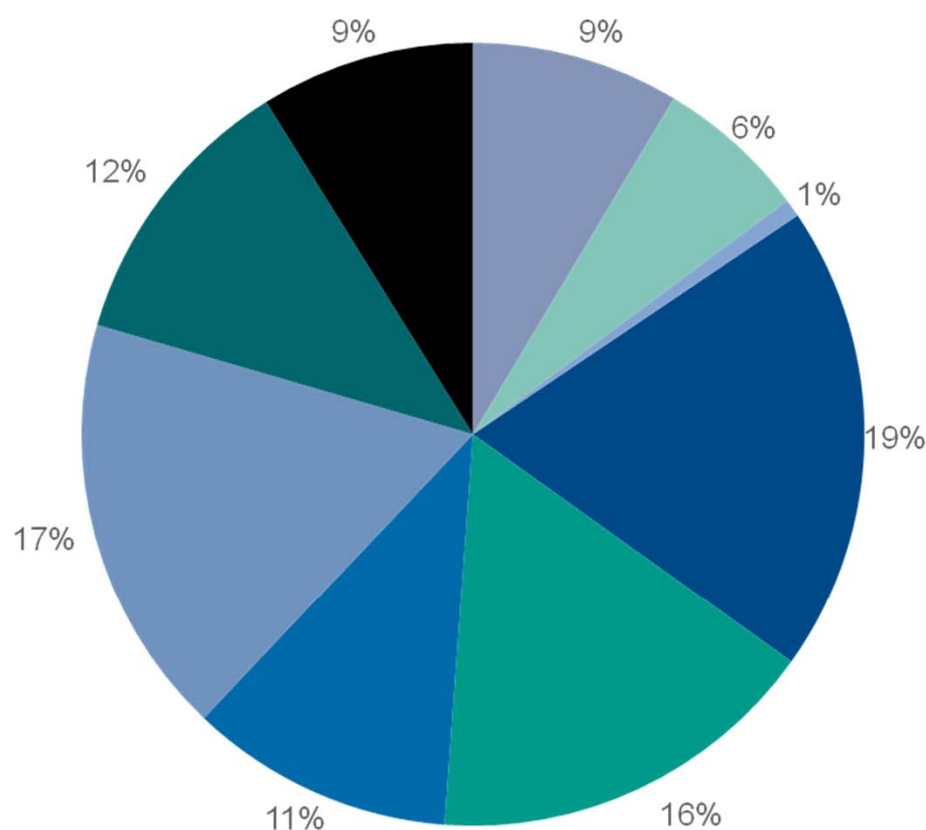
■ Jordan - €134 million

■ Regional - €62 million

Total: €688 million

EBRD: SEMED Investment Projects

Total Signed Projects by Sector



- Power & Energy - €133 million
- Financial Institutions - €112 million
- Municipal & Environmental Infrastructure - €75 million
- Natural Resources - €120 million
- Agribusiness - €80 million
- Equity Funds - €61 million
- Property & Tourism - €59 million
- Manufacturing & Services - €43 million
- Information & Communication Technologies - €5 million

Total: €688 million

SEMED: 2014 Project Pipeline

EBRD: Snapshot

EBRD: Operations

EBRD in the Southern and Eastern
Mediterranean region (SEMED)

There are 36 projects in the pipeline, valued at €1.1 billion:

- Egypt: 12 projects representing €545 million
- Jordan: 5 projects representing €80 million
- Morocco: 9 projects representing €355 million
- Tunisia: 7 projects representing €64 million
- Regional SEMED: 3 projects representing €58 million



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EBRD: Operational priorities in SEMED

EBRD: Snapshot

EBRD: Operations

EBRD in the Southern and Eastern
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- Support for the private sector with particular emphasis on SMEs.
- Developing non sovereign financing solutions for infrastructure including PPP structures.
- Promoting sustainable energy and energy efficiency initiatives.
- Supporting and developing local capital markets.



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EBRD: Priority Sectors in SEMED

EBRD: Snapshot

EBRD: Operations

EBRD in the Southern and Eastern
Mediterranean region (SEMED)

1. Financial Sector

- Working through local banks to finance the SME sector.
- Trade facilitation and other services.
- Support for restructuring and institutional building of selected banks.
- Microfinance and other specialised institutions.

EBRD: Priority Sectors in SEMED (continued)

EBRD: Snapshot

EBRD: Operations

EBRD in the Southern and Eastern
Mediterranean region (SEMED)

2. Infrastructure

- Support reform agenda for state enterprises including corporatisation, subsidy reduction and privatisation.
- Introduction of legal and regulatory framework for PPPs and concessions.
- Direct investment in selected projects (ports, transport, waste management, etc.).

EBRD: Priority Sectors in SEMED (continued)

EBRD: Snapshot

EBRD: Operations

EBRD in the Southern and Eastern
Mediterranean region (SEMED)

3. Financing Private Enterprises

- Manufacturing and Services including large corporates.
- Agribusiness and related industries (food chain).
- Direct support for the SME sector.
- Financial restructuring in selected cases.

EBRD: Priority Sectors in SEMED (continued)

EBRD: Snapshot

EBRD: Operations

EBRD in the Southern and Eastern
Mediterranean region (SEMED)

4. Energy efficiency

- Power sector reform (liberalisation, commercialisation, unbundling).
- Development of renewable energy.
- Natural resources, preferably in less favoured regions.

United States and EBRD joint cooperation

- US is a founding member of the EBRD, with a 10percent capital share (largest individual shareholder).
- Total value of joint US-EBRD investment stood at : **€14 billion** as of 31st December 2013. The majority of these deals were in the private sector.
 - EBRD investment: €6.1 billion
 - US investment: €7.9 billion
- Major beneficiary regions: **Russia, Poland, Azerbaijan**
- Dominant investment sectors:
 - **Energy** : €5.8 billion
 - **Industry, Commerce and Agribusiness**: €5.8 billion
 - **Financial Institutions**: €1.6 billion
 - **Infrastructure**: €0.8 billion

ABDALI URBAN REGENERATION / ABDALI CENTRE

Signed in
2013



Client

United Real Estate Company (Kuwait) is one of the leading and most innovative real estate development firms in the MENA region focusing on large city centre regeneration projects, as well as cutting edge resource sustainable tourism and ecotourism projects.

Abdali Mall Company, a project company incorporated under the laws of Jordan and owned by United Real Estate Company and Abdali Investment & Development Psc.

EBRD Finance

US\$ 80 million loan

Use of proceeds

To support masterplan-driven regeneration of the centre of Amman through providing debt financing for development and operation of an institutional quality retail and entertainment centre with a gross leasable area of 67 thousand square meters located in the heart of the multibillion USD Abdali regeneration project in the centre of Amman, Jordan.

EBRD value added

The Bank is the only IFI with a dedicated approach and established operational tools to promote resource efficiency and sustainability in real estate as a way to support the introduction of best practices and improve market conditions for sustainable and resource efficiency technologies in the built environment.

IPP4 Al-Manakher Power Project

Signed in
2012



Client

AES Levant Holding BV Jordan PSC , owned 60% by AES Corporation (US) and 40% by Mitsui and Co. Ltd (Japan).

EBRD Finance

A secured limited recourse loan of up to US\$ 100 million. The remainder of the required funding is being provided by a mixture of debt financing from the US Overseas Private Investment Corporation and the sponsors.

Use of Proceeds

To fund the development of a 240MW peaking power plant, 15 km east of Amman in Jordan.

EBRD value added

EBRD financing will help to meet Jordan's urgent needs for power in the short-term and in the longer-term support Jordan's transition towards a sustainable, low carbon economy through the provision of the flexible, responsive backup capacity needed for the widespread development of intermittent renewable energy generation such as solar and wind.

John Deere Equipment Risk Sharing/Ukraine

Signed in
2012



Client

Deere & Company

EBRD Finance

Unfunded risk participation of up to US\$ 20 million or the UAH-equivalent for US\$ or UAH loans and leases to be extended by Raiffeisen Bank Aval or its subsidiary Raiffeisen Leasing Ukraine

Use of Proceeds

To finance loans and leases to farmers and agricultural companies in Ukraine for the purchase of John Deere agricultural equipment.

EBRD value added

With this investment the Bank demonstrates a new way of financing agricultural equipment leasing in Ukraine, with the hope that more financial institutions and equipment producers would take this up.

CHS Seasonal Financing: Regional

Signed in
2010



Client

CHS Inc, which will on-lend via CHS Europe to local CHS subsidiaries in the Bank's countries of operations.

EBRD Finance

USD 120m, of which USD 40m immediately and USD 80m from 2011.

Tenor

3 years

Use of Proceeds

The Loan will be used to finance up to 35% of the new working capital needs of Local Subsidiaries in Ukraine, Russia, Serbia, Romania and Bulgaria, associated to the procurement, primary processing and storing of grains and oilseeds for their subsequent export.

EBRD value added

The expansion of CHS enabled by the loan will not only increase the overall volume of money available in the market but also bring to the region a major new player in the agricultural commodity markets, intensifying competition.

Ford Otosan, Turkey

Signed in
2010



Client

Ford Otomotiv Sanayi A.S, a joint venture between Ford Motor Company, USA and Koc Holding, Turkey

EBRD Finance

Up to EUR 150 million long-term loan, of which up to EUR 60 million will be for the account of EBRD and up to EUR 90 million will be syndicated to commercial banks.

Use of Proceeds

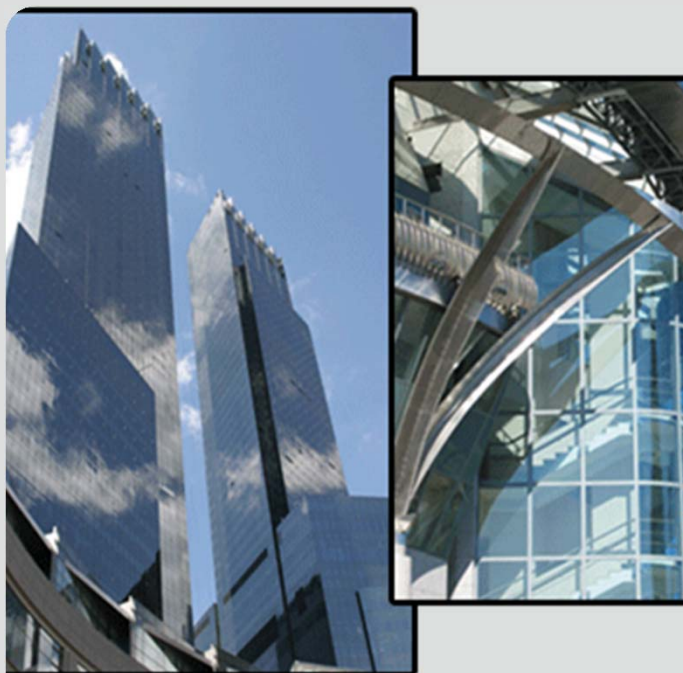
Loan will be used to finance the domestic vendor tooling expenditure in its 3-year capex program.

EBRD value added

Supporting Turkish private companies, in particular Ford as automotive conglomerate and various local suppliers of Ford, by attracting long-term financing to realize their investment commitments.

Guardian Industries: Russia

Signed in
2007 & 2012



Client

Ryazan and Rostov subsidiaries of Guardian Industries Corp., one of the world leaders in float and fabricated glass manufacturing.

EBRD Finance

- In 2007 a long-term senior syndicated loan for RUB 4.3 billion (approx. EUR 122 million)
- In 2011 long-term senior loan of up to RUB 2.1 billion (approx. EUR 54 million)

Use of Proceeds

- In 2007 construction of a float glass plant in Ryazan to produce high quality glass for the construction industry
- In 2012 development of a new float glass manufacturing plant and a glass coating line in the city of Krasny Sulin, Rostov Region

EBRD added value

- i) supporting Guardian Industries expansion strategy;
- ii) providing potential foreign investors with a model for developing similar projects; and
- iii) promoting world class technological and corporate governance standards

Contact us

Hildegard Gacek
Managing Director - SEMED
Tel: +44 (0)20 7338 8128
gacekh@ebrd.com

Egypt: Philip Ter Woort
Director, Egypt
Tel: + 20 (0) 010 2457 7113
terwoor@ebrd.com

Tunisia : Marie-Alexandra Veilleux
Head of Office, Tunisia
Tel: +216 70011500
veilleum@ebrd.com

Jordan: Heike Harmgart
Head of Office, Amman
Tel: +962 65635030
harmgart@ebrd.com

Morocco: Laurent Chabrier
Director, Morocco
Tel: +212 656605180
chabriel@ebrd.com

2014 Annual Meeting of the Board of Governors and Business Forum

We look forward to welcoming you on 14–15 May in Warsaw, Poland

The EBRD Business Forum will bring together prominent investors, senior business executives and policy-makers from around the globe for an extensive programme of:

- Challenging and insightful discussion panels
- Opportunities to exchange views with the people who make things happen across the EBRD region
- Up-to-the minute facts, expertise and forecasts
- Numerous networking occasions



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