



**An Overview of the EBRD**



## Why finance with the EBRD?

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- Strong, internationally recognised, neutral financial partner with long-term perspective and mission
- Willing to share risks, including political risks
- Catalyst to access additional equity, debt and trade finance
- Extensive knowledge of local economy, business environment and practices
- Good corporate governance including protection of minority interests



# IFI with investment banking skills

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- Specialised project finance skills in CEE and CIS
- Multi-national staff including nationals from our countries of operations
- Local presence
- In-depth legal know-how
- Dedicated project teams tailored to each project



# What is the EBRD?

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- International financial institution established in 1991, owned by 62 national and supranational shareholders
- Promotes market-based economies in 27 countries in central & eastern Europe and the former Soviet Union
- Committed € 20.5 billion for 850 projects to date
- Capital base of € 20 billion



## 32 offices in 27 countries of operations

Albania ♦ Armenia ♦ Azerbaijan ♦ Belarus ♦ Bosnia and Herzegovina ♦ Bulgaria ♦ Croatia ♦ Czech Republic ♦ Estonia ♦ FR Yugoslavia ♦ FYR Macedonia ♦ Georgia ♦ Hungary ♦ Kazakhstan ♦ Kyrgyzstan ♦ Latvia ♦ Lithuania ♦ Moldova ♦ Poland ♦ Romania ♦ Russian Federation ♦ Slovak Republic ♦ Slovenia ♦ Tajikistan ♦ Turkmenistan ♦ Ukraine ♦ Uzbekistan



# EBRD organisation

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Russia and Central Asia    Central Europe    Southern & Eastern Europe

Financial Institutions

Industry and  
Commerce

Infrastructure

Automotive

Chemicals

Pulp & Paper

Non ferrous metals

Steel

Aerospace

*Combining Industry Knowledge with  
Experience and Contacts in the Region  
to deliver tailored solutions to  
financing and political risk*



# The Bank enjoys Preferred Creditor Status

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## *... and offers its benefits to Investors*

- Granted by shareholders - including host countries in establishing EBRD
- No rescheduling of EBRD loans
- PCS loans exempt from country provisioning in many jurisdictions

## *Directly in equity investments*

- Political risk carve-out in exit mechanism

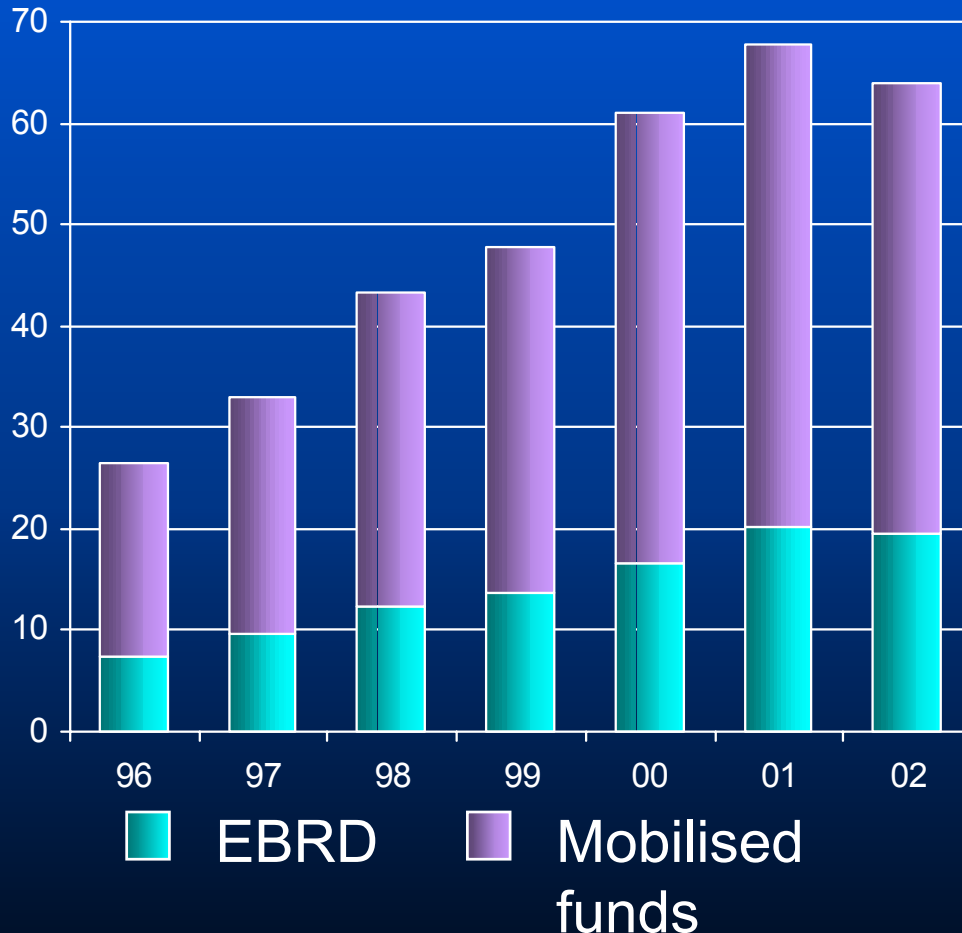
## *And indirectly in debt transactions*

- No restrictions on local currency conversion
- Not included in rescheduling of country's foreign debt
- Exempt from provisioning requirements in many jurisdictions



# Catalyst for change

## Cumulative funds mobilised € 67.7 billion



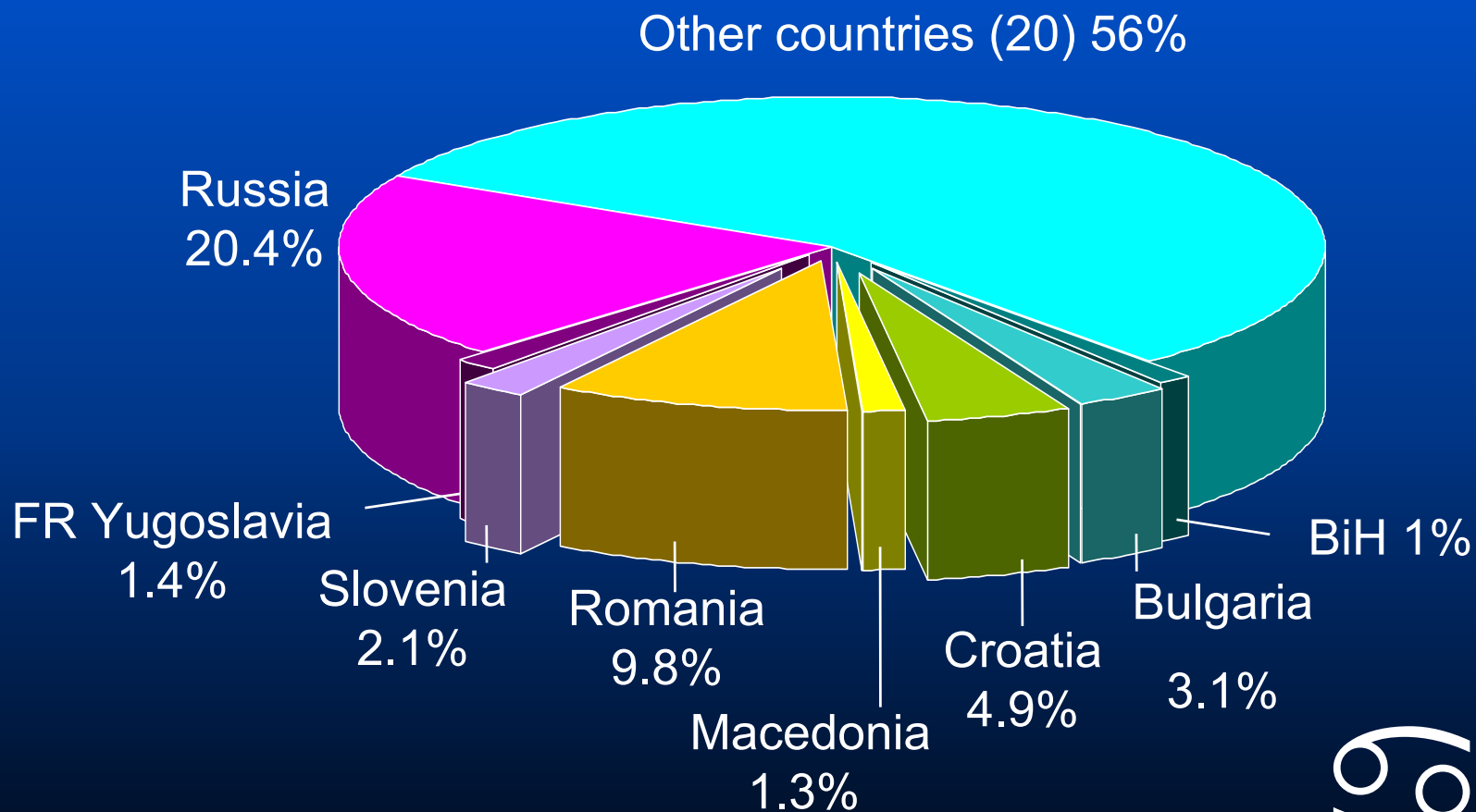
- Stimulates foreign direct investments
- Attracting third party financing triples EBRD's investments
- Mobilises domestic capital
- Promotes environmentally sound and sustainable projects
- Access to TC funds - which assist project preparation





# Portfolio by country

Cumulative commitments € 20.5 billion

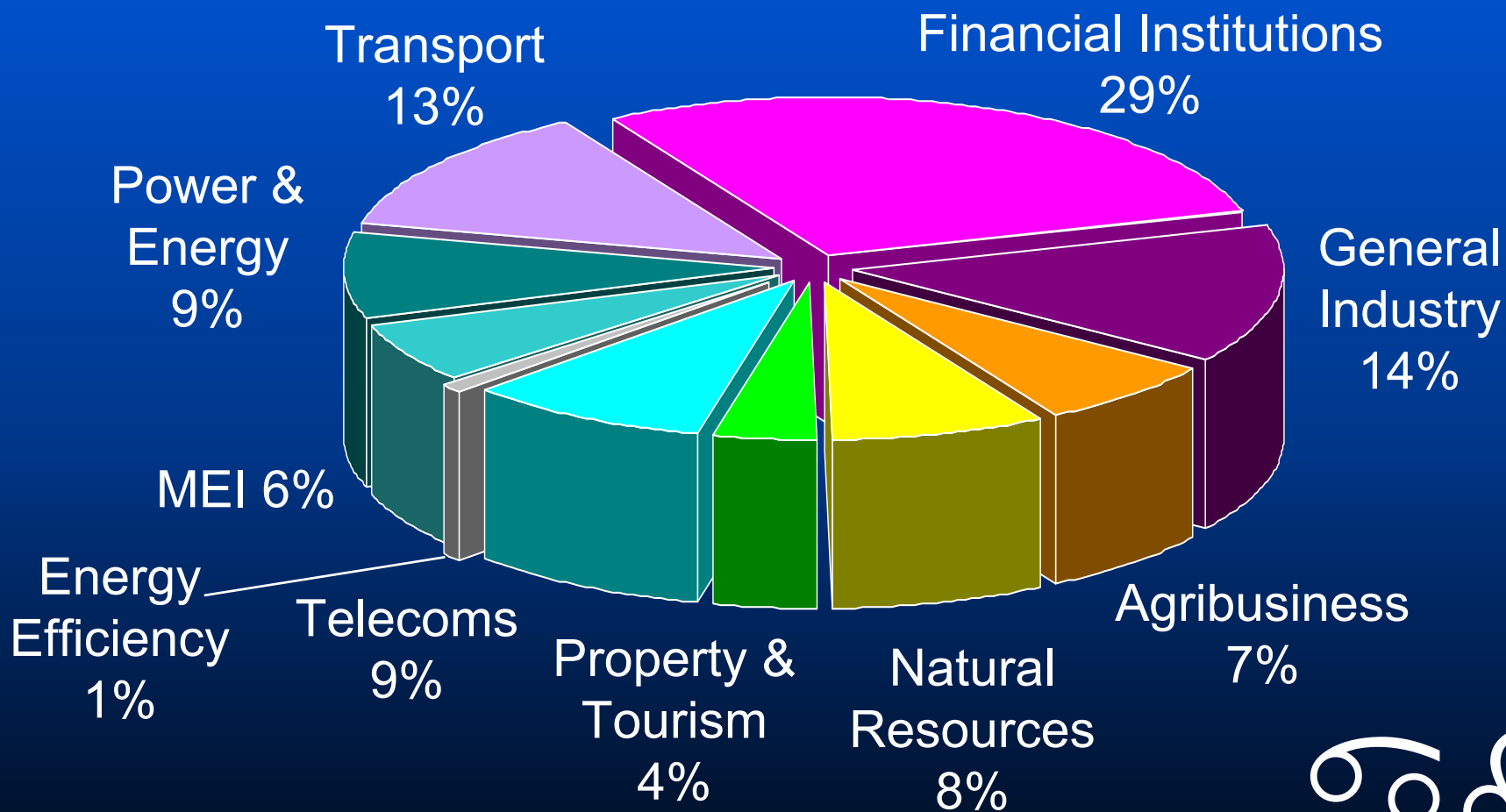


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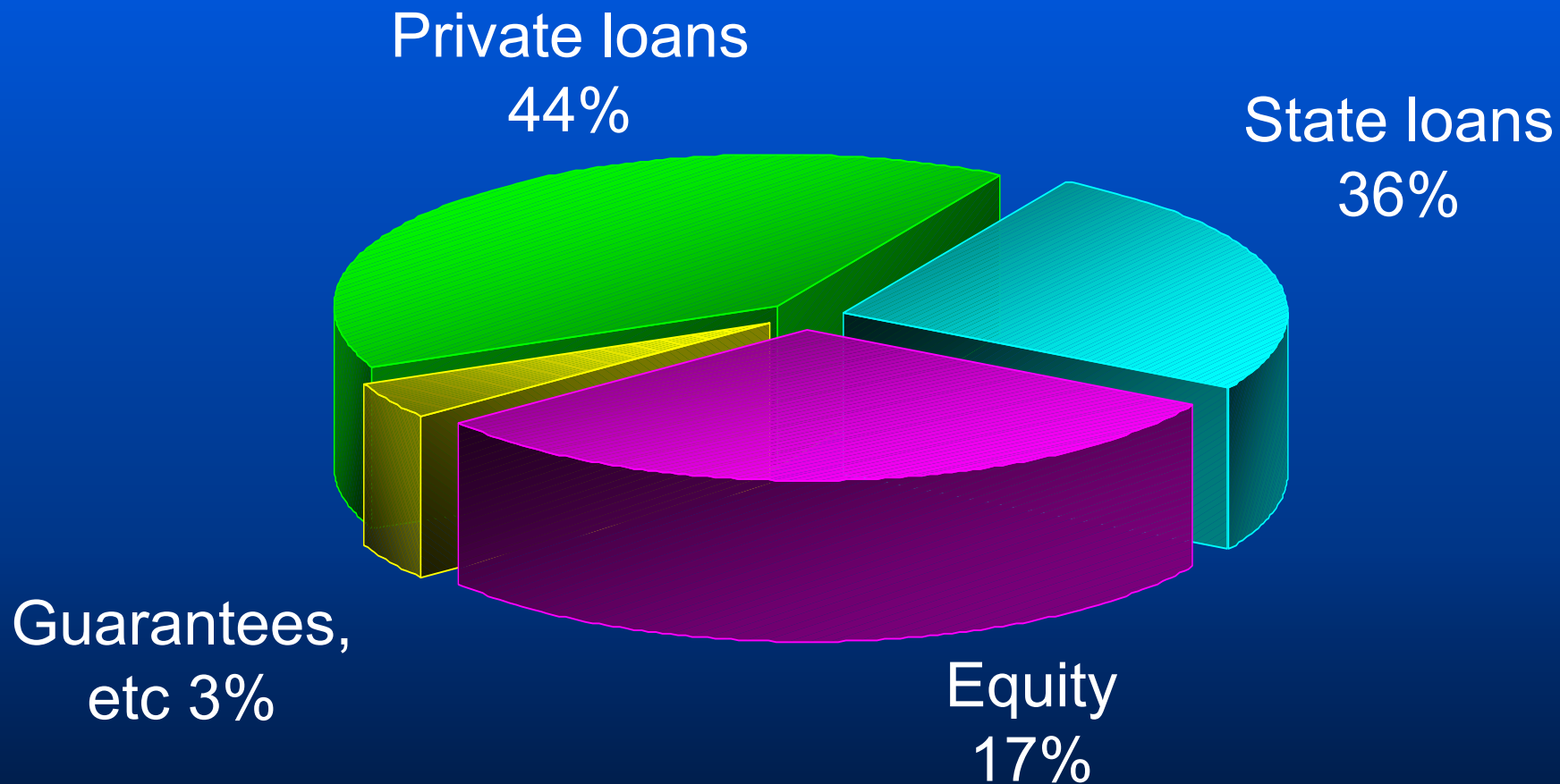
# Portfolio by sector

Cumulative commitments € 20.5 billion



# EBRD commitments by facility type

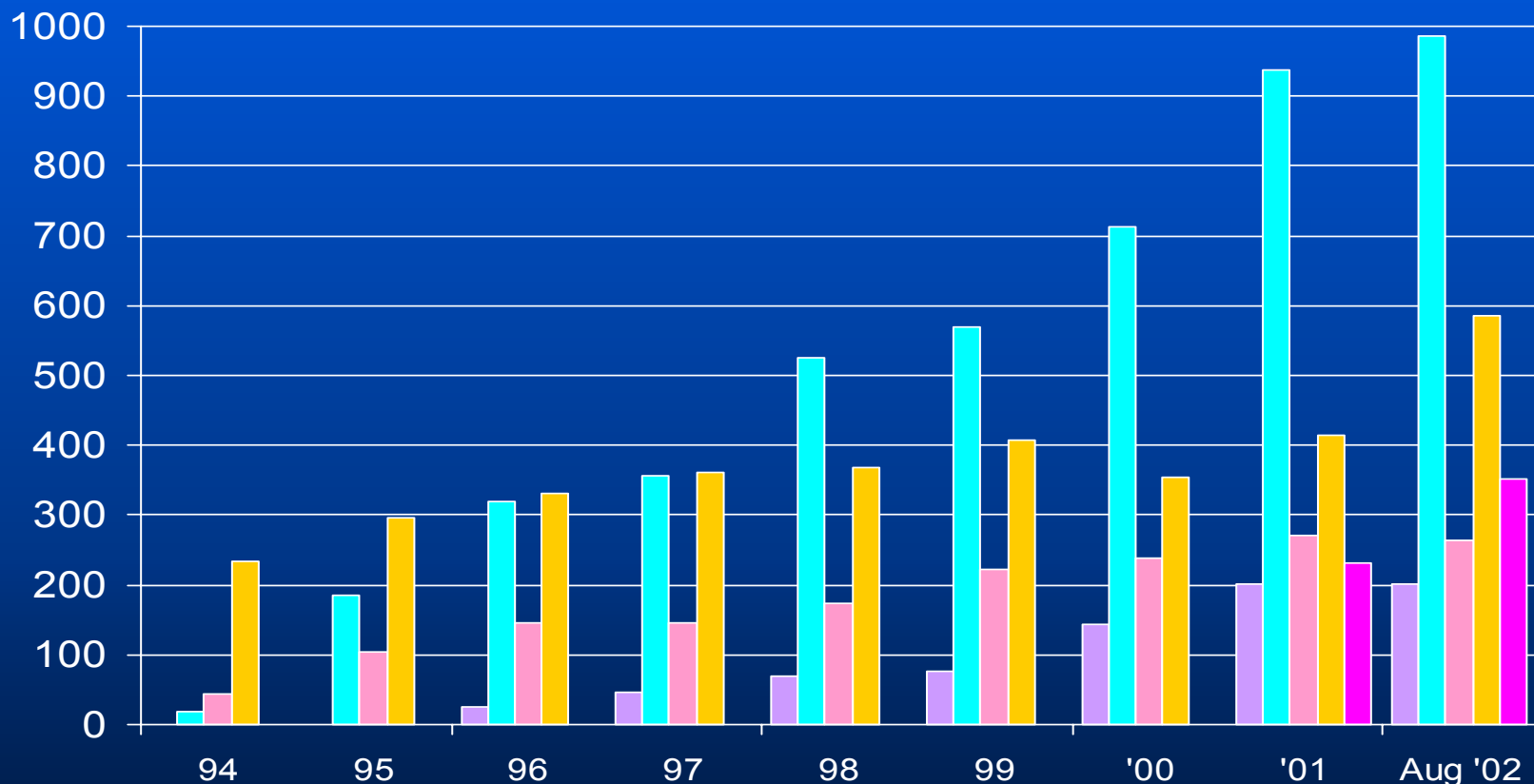
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# Cumulative commitments in the republics of the former Yugoslavia

Euro million

Cumulative commitments € 2.4 billion



■ Bosnia & Hercegovina

■ Slovenia

■ Croatia

■ FRY

■ FYR Macedonia

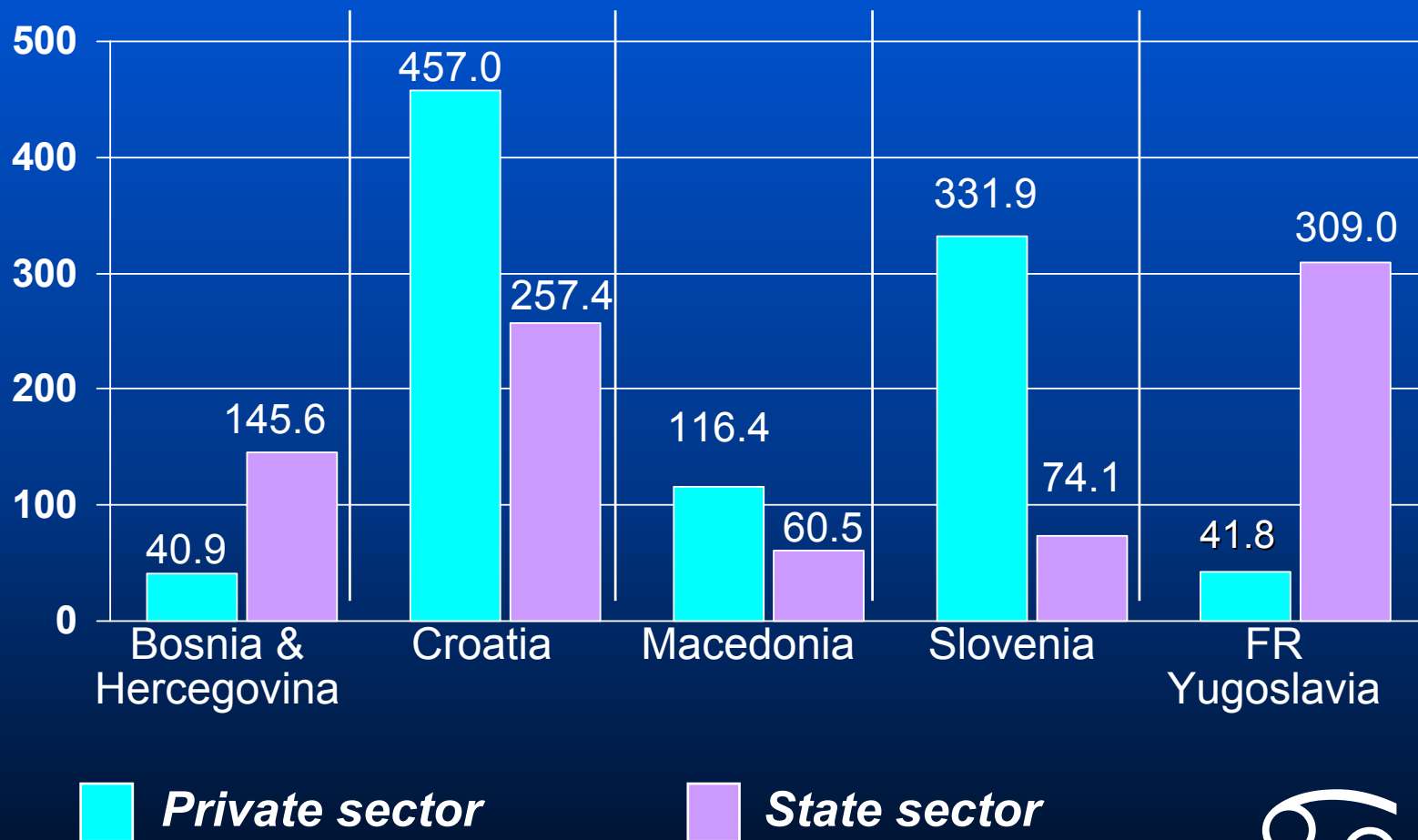


August 2002

# Project portfolio in the republics of the former Yugoslavia

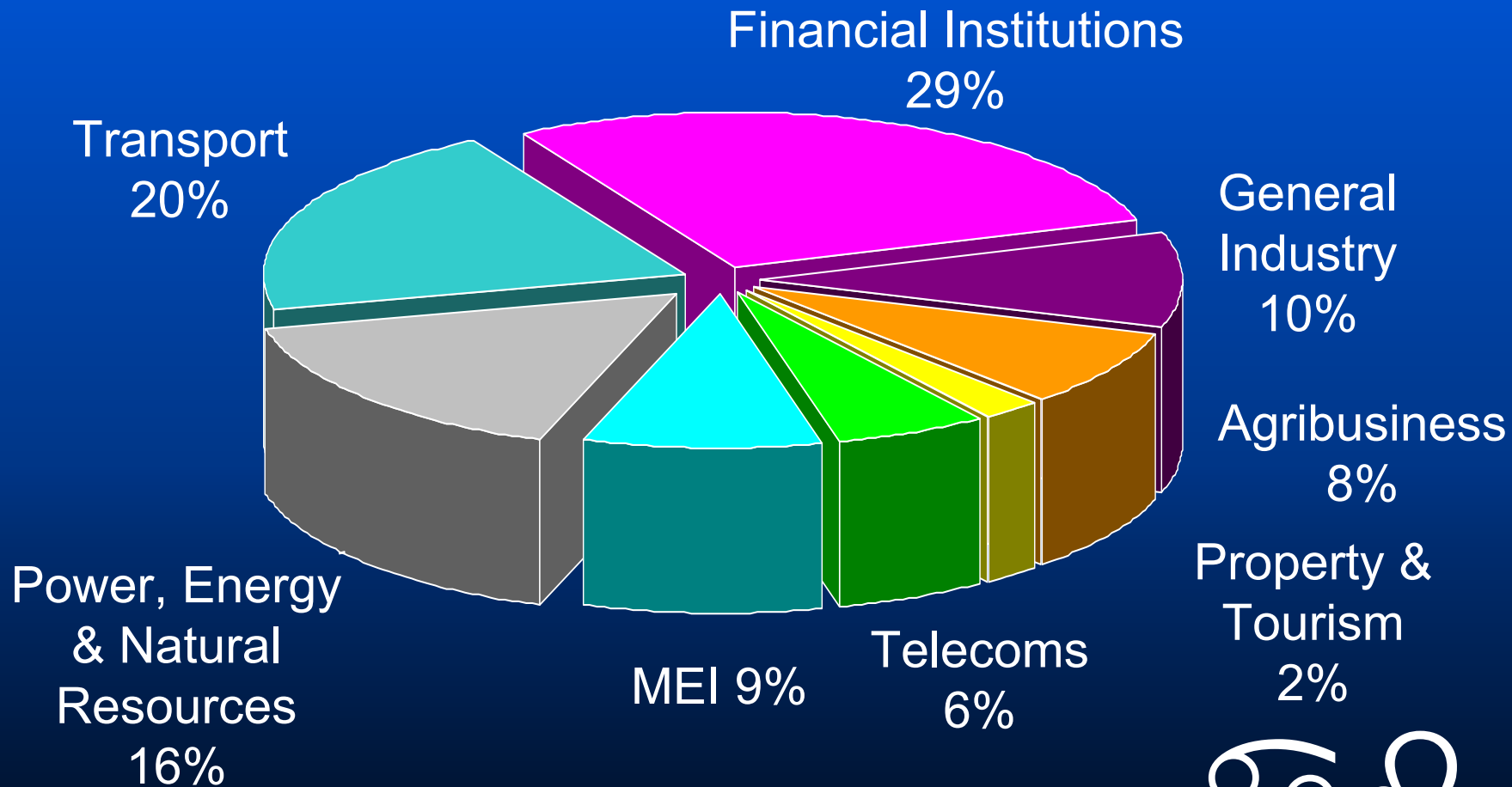
Euro milion

Cumulative commitments € 2.4 billion



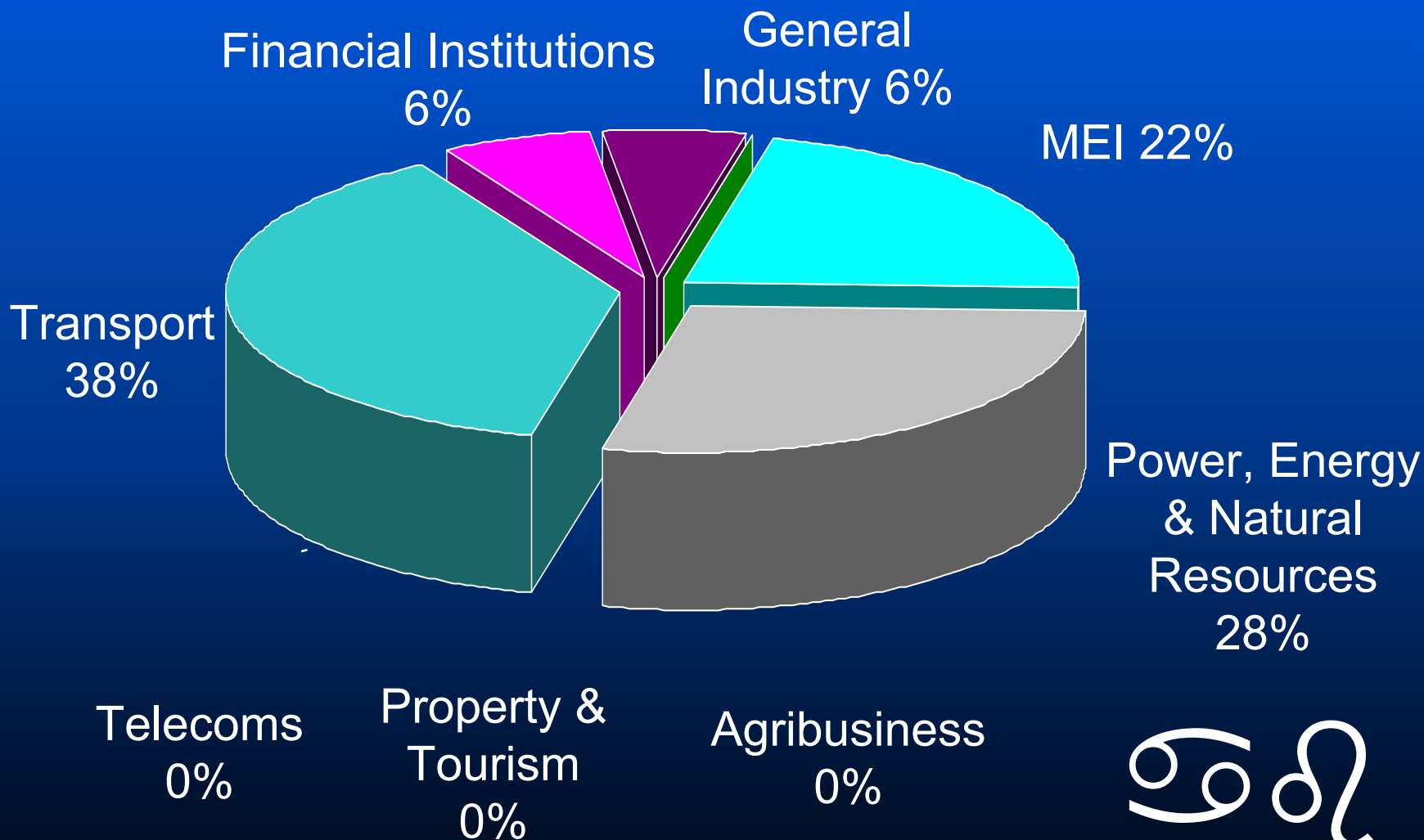
# Portfolio by sector for the republics of the former Yugoslavia

Cumulative commitments € 2.4 billion



# Portfolio by sector for FR Yugoslavia

*Cumulative commitments € 350.8 million*



# Operational priorities in Yugoslavia

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- Implementation and disbursement of 2001 committed funds
- Shift to private sector ( “blue chip” private corporates, privatisation, restructuring, concessions and new FDI)
- Demonstrate ways of restructuring large enterprises
- Banking sector and SME support
- Continued infrastructure investment (together with other IFIs co-financing)
- Promote a sound investment climate, good corporate governance and stronger institutions





# Signed projects in Yugoslavia

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## 1. Private Corporate

- Hemofarm corporate loan (€ 18M)
- Direct Investment Facility - Progas (€ 0.4M)
- Working Capital Facility (€ 65M)
  - incl. Tigar sub-project (€ 4M)

## 2. Financial Sector

- Micro Finance Bank (€ 8M)
- Eksim Banka equity investment (€1.4 M)
- Raiffeisen Subordinated Loan (€ 10 M)

## 3. Infrastructure sector

- Emergency power sector reconstruction (€ 100M)
- Railway reconstruction programme (€ 57M)
- Novi Sad, Nis, Kragujevac Water Supply (€16 M)
- Belgrade Municipal Infrastructure (€ 60M)
- Road Recovery Project (€ 76 M)



# Financial flexibility

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- Financing structured to meet project specific needs including repayment schedules
- Tailored to special situation of the country / region and sector
- Pricing reflects risks with project, borrower and country



# EBRD provides finance across the entire balance sheet

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## *From ... Senior Debt*

- secured and unsecured
- full or limited recourse
- local currency funding available
- varying maturities
- fixed or floating rates

## *Through ... Mezzanine Debt*

- secured and unsecured subordinated debt
- participating and fixed return



# EBRD provides finance across the entire balance sheet

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## *To ... Equity*

- voting and non-voting
- preferred or common

## *... and Off-Balance Sheet Hedging As Well*

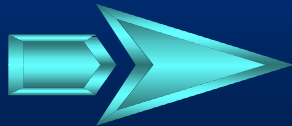
- hedging
- to support projects when appropriate



# Environmental standards for EBRD projects

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- Local, national, EU and World Bank standards and regulations
- Where standards cannot be met initially, project will include programme for achieving compliance



**Environmental Action Plan**



# How to get started

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Free and open dialogue = partnership

- IAS compatible accounts
- Ownership Structure
- Business plan
  - market
  - product
  - competition
  - projected financials



# How to contact us

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