

May 25, 2011

**Update on decision of the EBRD Ukraine project entitled,
Renewables Direct Lending Facility**

Dear CTF Trust Fund Committee members:

We are writing with regard to the CTF funding for the EBRD Ukraine project entitled, *Renewables Direct Lending Facility*, which was approved by mail on October 13, 2010 (the "Project"). The CTF Trust Fund Committee approved the following decision:

"The CTF Trust Fund Committee approves a CTF allocation of US\$27,602,800 for the Ukraine project entitled, *Renewables Direct Lending Facility*, submitted by EBRD and circulated for approval on May 20, 2010".

We would like to notify the CTF Trust Fund Committee members that the CTF Trustee has committed and transferred to the EBRD the CTF funding for the Project in January 2011 in the amount of: (i) Euro 20,000,000 for investment, which is the approximate equivalent amount of US\$27,000,000, as specified in the funding proposal for the Project; and (ii) US\$602,800 for administrative cost and knowledge management relating to the CIFs.

As indicated in the funding proposal, the EBRD preferred to receive the CTF funding for the investment of the Project in the approximate amount of Euro 20,000,000, which the EBRD's Board has also subsequently approved the Project in the same amount. The Euro funding for this Project was made from the proceeds under loan contribution from France, which is held in the CTF trust fund in Euros, so there is no exchange risk for the funding. The Euro funding is also in line with Paragraph 32 (b) of the *Financing Products, Terms, and Review Procedures for Public Sector Operations* that allow allocations by the Trust Fund Committee to be denominated in United States Dollars or Euros.

We would therefore like to notify you that the CTF Trust Fund Committee's decision to approve the EBRD Ukraine project entitled, *Renewables Direct Lending Facility*, has been modified to reflect this technical correction. The decision now reads:

"The CTF Trust Fund Committee approves CTF allocation of (i) Euro 20,000,000 for investment and (ii) US\$ 602,800 for administrative cost and knowledge management relating to the CIFs, for the Ukraine project entitled, *Renewables Direct Lending Facility*, submitted by EBRD and circulated for approval on May 20, 2010".

Should Trust Fund Committee members have any questions, please communicate them to the CIF Administrative Unit by June 7, 2011.

Sincerely,

CIF Administrative Unit
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