

44775



**OFFICIAL USE ONLY**  
IFC/M2008-0032

July 18, 2008

**For meeting of  
Board: Date to be determined**

FROM: Vice President and Corporate Secretary

**Minutes of Meeting of the Board of Directors of IFC, held in  
the Board Room on Thursday, June 19, 2008, at 10:05 a.m.**

1. There were present:

**CHAIRMAN:**

J. Koskelo, Vice President, CFFVP

**DIRECTORS AND ALTERNATES ACTING AS DIRECTORS:**

S. Aass	M. Ketsela
A. Alkhalifa (Alternate)	D-H. Kim (Alternate)
J. Cachau (Temporary Alternate)	D. Kumar
V. Carpintieri (Temporary Alternate)	I. Lightbourne (Alternate)
E.W. Debevoise	G. Majnoni
S. Dib (Alternate)	M. Mordasini
C. Doltu (Alternate)	Thuy Nguyen (Temporary Alternate)
M. Ehui (Temporary Alternate)	K. Panov (Temporary Alternate)
M. Hasan	V. Pillai (Temporary Alternate)
C. Herrera Ramos (Temporary Alternate)	P. Proano (Temporary Alternate)
M. Hofmann	S. Yesilbas (Temporary Alternate)
T. Kajiwara (Temporary Alternate)	T. Zhang (Temporary Alternate)

**ALTERNATES NOT ACTING AS DIRECTORS**

A. Guevara	Z.A. Khan
------------	-----------

**OFFICERS AND STAFF PARTICIPATING:**

K. Georgieva, Vice President and Corporate Secretary	M. Dutta-Sen, CGFTG
J. Sullivan, General Counsel	T. Krause, CGFP3
V. Gouarne, Director, CSFDR	S. Pimenta, CGMS4
M. Shah, Director, CGFDR	R. Raman, CGFTG
D. Tsitsiragos, Director, CGMDR	R. Sandenburgh, CES12
R. Ahmad, CGMGT	N. Schneider, CGFP4
K.A. Ahmed, CMERC	M. Sorge, CSFDR
S. Berla, CMOSY	M. Uyumazturk, CGMGT
N. Bogomolova, CGFTG	G. Vegarra, CGFJV
S. Devieux, CGFP4	H. Jarik, Corporate Secretariat

**Russian Federation - MDM Bank OJSC**

2. The Board of Directors considered the President's Recommendation and a Report (IFC/R2008-0185, dated June 9, 2008) on a proposed investment in MDM Bank (Open Joint Stock Company) in the Russian Federation and, with Mr. Debevoise opposed, adopted the following resolution:

**RESOLUTION NO. IFC 2008-0041**

**RESOLVED:**

- (A) THAT the Corporation be authorized to conclude the transactions outlined in paragraph 9.1 of the report distributed under transmittal memorandum IFC/R2008-0185 substantially on the terms therein set forth; and
- (B) THAT the President, Executive Vice President, a Vice President, a Department Director, the General Counsel or the Deputy General Counsel, or any staff member of the Corporation authorized by any one of them, enter in the name and on behalf of the Corporation, into an agreement or agreements providing for such transactions and containing such other terms and conditions as he or she, by the execution thereof, shall approve.

**Peru - B.Continental II (Facility)**

3. The Board of Directors considered the President's Recommendation and a Report (IFC/R2008-0187, dated June 9, 2008) on a proposed investment in the B.Continental II (Facility) in Peru, and adopted the following resolution:

**RESOLUTION NO. IFC 2008-0042**

**RESOLVED:**

- (A) THAT the Corporation be authorized to conclude the transactions outlined in paragraphs 6.1 through and including 6.6 of the report distributed under transmittal memorandum IFC/R2008-0187 substantially on the terms therein set forth; and

- (B) THAT the President, Executive Vice President, a Vice President, a Department Director, the General Counsel or the Deputy General Counsel, or any staff member of the Corporation authorized by any one of them, enter in the name and on behalf of the Corporation, into an agreement or agreements providing for such transactions and containing such other terms and conditions as he or she, by the execution thereof, shall approve.

**West Bank and Gaza - Bank of Palestine P.L.C.**

4. The Board of Directors considered the President's Recommendation and a Report (IFC/R2008-0186, dated June 9, 2008) on a proposed investment in Bank of Palestine P.L.C. in the West Bank and Gaza, and adopted the following resolution:

**RESOLUTION NO. IFC 2008-0043**

**RESOLVED:**

- (A) THAT the Corporation be authorized to conclude the transactions outlined in paragraph 7.1 of the report distributed under transmittal memorandum IFC/R2008-0186 substantially on the terms therein set forth; and
- (B) THAT the President, Executive Vice President, a Vice President, a Department Director, the General Counsel or the Deputy General Counsel, or any staff member of the Corporation authorized by any one of them, enter in the name and on behalf of the Corporation, into an agreement or agreements providing for such transactions and containing such other terms and conditions as he or she, by the execution thereof, shall approve.

**India - Polycab Wires Private Limited**

5. The Board of Directors considered the President's Recommendation and a Report (IFC/R2008-0188, dated June 9, 2008) on a proposed investment in Polycab Wires Private Limited in India, and adopted the following resolution:

**RESOLUTION NO. IFC 2008-0044**

**RESOLVED:**

- (A) THAT the Corporation be authorized to conclude the transactions outlined in paragraph 6.1 of the report distributed under transmittal memorandum IFC/R2008-0188 substantially on the terms therein set forth; and
- (B) THAT the President, Executive Vice President, a Vice President, a Department Director, the General Counsel or the Deputy General Counsel, or any staff member of the Corporation authorized by any one of them, enter in the name and on behalf of the Corporation, into an agreement or agreements providing for such transactions and containing such other terms and conditions as he or she, by the execution thereof, shall approve.

## **Record of Investments Proceeding under the Streamlined Procedure**

6. The Board of Directors recorded its authorization for Management to proceed with the following investments under the Streamlined Procedure:

- (a) Colombia - an investment in Tecnoquimicas (IFC/R2008-0153, dated May 28, 2008) in the form of an “A” loan of up to US\$20 million; and an equity investment of up to US\$25 million, authorized on June 6, 2008;
- (b) Indonesia - investments in Wings SAS, Wings TAS II, Wings PAS WC, Wings KAS WC and Fugui WC (IFC/R2008-0154, dated May 29, 2008) in the form of “A” loans of up to US\$45 million equivalent; and “B” loans of up to US\$27 million equivalent, authorized on June 9, 2008;
- (c) Central America Region - a quasi-equity investment in CAMIF (IFC/R2008-0157, dated May 29, 2008) in the form of a “Tranche B” subordinated loan of up to US\$40 million, authorized on June 9, 2008;
- (d) Kenya - an investment in KE Student Loans (IFC/R2008-0159, dated May 30, 2008) in the form of a risk sharing facility of up to 500 million Kenya Shillings (US\$8 million equivalent), authorized on June 10, 2008;
- (e) Belarus - an investment in Strominvest (IFC/R2008-0160, dated May 30, 2008) in the form of a Euro 8 million “C” Loan (approximately US\$12.5 million equivalent), authorized on June 10, 2008;
- (f) Pakistan - an investment in International Steel Limited (ISL) (IFC/R2008-0163, dated June 2, 2008) in the form of an “A” loan of up to US\$12 million; and a “C” loan of up to US\$6.4 million, authorized on June 11, 2008;
- (g) Nicaragua - an investment in Hospital Metropolitano S.A. (IFC/R2008-0167, dated June 3, 2008) of up to US\$11 million in the form of a US\$10 million senior secured “A” loan; and a US\$1 million “C” loan, authorized on June 12, 2008; and
- (h) Egypt - an investment in Nile Suez Spinning and Weaving (IFC/R2008-0169, dated June 3, 2008) in the form of an “A” loan of up to US\$20 million, authorized on June 12, 2008. Mr. Debevoise (by e-mail dated June 12, 2008) wished to be recorded as abstaining.

## **Southern Europe Region - Subscription in the Rights Issue of EFSE RI**

7. The Board of Directors recorded its approval on June 10, 2008 of the recommendation contained in paragraph 3 of the President’s Memorandum entitled “Southern Europe Region - Proposed Subscription in the Rights Issue of EFSE RI” (IFC/R2008-0161, dated May 30, 2008) and, with Mr. Debevoise opposing (by e-mail dated June 9, 2008), adopted the following resolution:

**RESOLUTION NO. IFC 2008-0036**

**RESOLVED:**

- (A) THAT the Corporation be authorized to conclude the transaction outlined in paragraph 2.1 of the report distributed under transmittal memorandum IFC/R2008-0161 substantially on the terms therein set forth; and
- (B) THAT the President, Executive Vice President, a Vice President, a Department Director, or the Deputy General Counsel, or any staff member of the Corporation authorized by any one of them, enter in the name and on behalf of the Corporation, into an agreement or agreements providing for such transactions and containing such other terms and conditions as he or she, by the execution thereof, shall approve.

**World Region - Increase of IFC's Investment in Melrose Resources plc**

8. The Board of Directors recorded its approval on June 11, 2008 of the recommendation contained in paragraph 4 of the President's Memorandum entitled "World Region - Proposed Increase of IFC's Investment in Melrose Resources plc" (IFC/R2008-0162, dated June 2, 2008), and adopted the following resolution:

**RESOLUTION NO. IFC 2008-0037**

**RESOLVED:**

- (A) THAT the Corporation be authorized to conclude the transactions outlined in page 2 of the report distributed under transmittal memorandum IFC/R2008-0162 substantially on the terms therein set forth; and
- (B) THAT the President, Executive Vice President, a Vice President, a Department Director, or the General Counsel or any staff member of the Corporation authorized by any one of them, enter in the name and on behalf of the Corporation, into an agreement or agreements providing for such transactions and containing such other terms and conditions as he or she, by the execution thereof, shall approve.

**Adjournment**

9. The meeting adjourned at 11:56 a.m.

Distribution:

Executive Directors and Alternates  
President  
Bank Group Senior Management  
Vice Presidents, Bank, IFC and MIGA  
Directors and Department Heads, Bank, IFC and MIGA