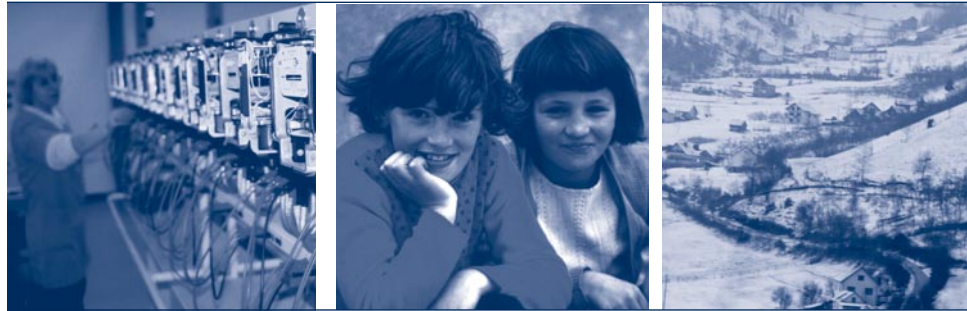


MIGA in EUROPE AND CENTRAL ASIA



The Multilateral Investment Guarantee Agency (MIGA), a member of the World Bank Group, promotes foreign direct investment into developing countries by offering political risk insurance (guarantees) to investors and lenders, and by providing technical assistance to help developing countries attract and retain foreign investment.



MULTILATERAL INVESTMENT
GUARANTEE AGENCY
WORLD BANK GROUP

INSURING INVESTMENTS · ENSURING OPPORTUNITIES

Guarantees Highlights

MIGA's guarantees protect investors against the risks of:

- Currency transfer restriction and inconvertibility
- Expropriation
- War and civil disturbance
- Breach of contract

MIGA provides added value to investors through:

- **Credit enhancement:** Improved access to financing, increased tenors of capital, and often reduced capital and financing costs.
- **Greater confidence:** The World Bank Group "umbrella" has a deterrent effect against government actions that could disrupt investments. MIGA can also influence the resolution of potential disputes between investors and host governments, thereby preventing claims.
- **Extensive knowledge:** Clients are offered unparalleled knowledge of emerging economies through the extensive resources of the entire World Bank Group.

PORTFOLIO AT A GLANCE

Since its inception, MIGA has issued 597 guarantees for projects in 82 countries, totaling more than \$11 billion in coverage. These deals are estimated to have leveraged an additional \$46 billion in foreign direct investment. Guarantees supported by MIGA in Europe and Central Asia (ECA) currently stand at \$1.1 billion, about 20 percent of the Agency's outstanding portfolio. MIGA-insured projects in the region encompass a broad range of sectors, and vary in size from a \$0.7 million project in the banking sector in Bosnia and Herzegovina to \$115.5 million for an infrastructure project in Turkey. Reinsurance and coinsurance arrangements with public and private insurers have enabled MIGA to substantially expand its activities in ECA, through cooperation with Europe's bilateral and multilateral agencies, such as COFACE, SACE, ECGD, CESCE, OEKB, SEC, EIB and EBRD; in the private sector, MIGA works closely with institutions such as the Lloyd's market and Munich Re.

SELECTED PROJECTS

Banking in BOSNIA AND HERZEGOVINA

When Osterreichische Volksbank AG opened for business in Sarajevo, MIGA, as administrator of the European Union Investment Guarantee Trust Fund, underwrote a \$2.7 million reinsurance project through the Österreichische Kontrollbank, Austria's main financial and information service provider. In the aftermath of the civil war, a competitive source of private financing was needed to facilitate the transition to a market-based economy. MIGA's guarantee provides coverage against the risks of transfer restriction, expropriation, and war and civil disturbance

Manufacturing in KAZAKHSTAN

MIGA has provided \$7.2 million in guarantees to Efes Breweries International B.V. (EBI) of the Netherlands for two guarantees for its \$4.5 million equity investment in, and \$3.5 million loan guaranty to, Efes Karaganda Brewery CJSC (EKB) in Kazakhstan. The guarantee period is for up to 10 years for the equity, and up to 3 years for the loan guaranty. Both guarantees are against the risks of transfer restriction, expropriation, and war and civil disturbance.

Power sector in BULGARIA

MIGA has provided AES Horizons, Ltd., of the United Kingdom, with a guarantee for \$20 million to cover part of a \$223 million equity investment in the Maritza East 1 power project in Bulgaria. The coverage is against expropriation and breach of contract risk, and extends for 15 years. The project, MIGA's first in Bulgaria's energy sector, is one of the first under a new national strategy to make electricity supplies more efficient and cost-effective by using inexpensive, indigenous fuel.

Oil and Gas in the RUSSIAN FEDERATION

Victory Oil B.V. received a \$100 million guarantee from MIGA for its equity investment in the joint stock company ZAO Stimul. The guarantee will protect the investment against transfer restriction, expropriation, and war and civil disturbance, and half of the guarantee is covered by facultative reinsurance. The project involves the expansion of an oil field located in the southern Ural Mountains where state-of-the-art drilling and processing equipment will be installed to develop oil and gas reserves with production expected to reach 30,000 barrels of oil a day.

SELECTED MIGA PROJECTS IN EUROPE AND CENTRAL ASIA

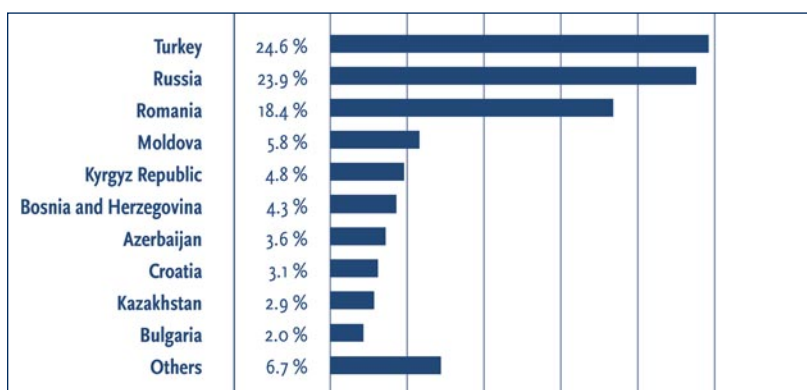
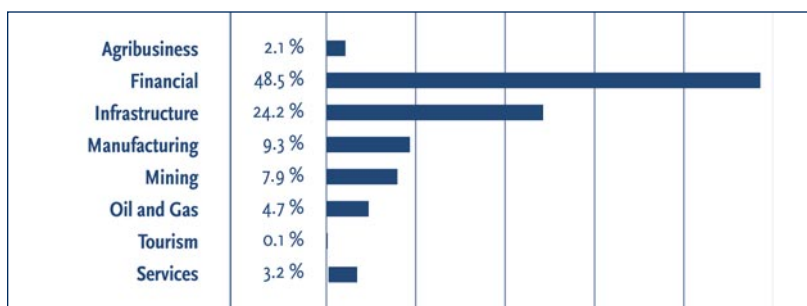
GUARANTEE HOLDER	INVESTOR COUNTRY	HOST COUNTRY	SECTOR	GUARANTEED AMOUNT (US\$ M)
Ciments Francais	France	Czech Republic	Manufacturing	50.0
International Paper Investments	United States	Poland	Manufacturing	50.0
Multiserv Russia, S.A.	Belgium	Russian Federation	Mining	9.9
Saudi American Bank	Saudi Arabia	Turkey	Financial Services	4.5
Zentraquip AG	Switzerland	Bulgaria	Real Estate	0.6
Banque Nationale de Paris (BNP)	France	Bulgaria	Financial Services	14.0
Internationale Nederlanden Bank, N.V.	Netherlands	Slovak Republic	Financial Services	30.2
Newmont Gold Company	United States	Uzbekistan	Mining	10.0
Efes Sinai Yatirim Ve Ticaret A.S.	Turkey	Kazakhstan	Manufacturing	13.3
Cameco Corporation	Canada	Kyrgyz Republic	Mining	45.0
Cadbury Russia Limited	United Kingdom	Russian Federation	Manufacturing	69.3
ING Bank, N.V.	Netherlands	Slovak Republic	Financial Services	19.8
Commercial Bank of Greece, S.A.	Greece	Bulgaria	Financial Services	3.7
Global Menkul Degerler A.S.	Turkey	Kazakhstan	Financial Services	3.2
Commercial Bank of Greece, S.A.	Greece	Romania	Financial Services	15.8

TRUST FUND FOR BOSNIA AND HERZEGOVINA

In 1997, in partnership with the European Commission, MIGA established a special Investment Guarantee Trust Fund for Bosnia and Herzegovina. The 10 million euro fund, which is administered by MIGA, provides long-term insurance to small- and medium-sized investors from EU member countries and a number of East European countries. To date, this work has resulted in 6 guarantees being issued under the trust fund: \$1.3 million for a renal dialysis clinic in Banja Luka; \$5.6 million for investments in the financial sector; and \$22.7 million for the expansion and rehabilitation of a bottling and distribution plant.

OUTSTANDING GUARANTEES PORTFOLIO IN EUROPE AND CENTRAL ASIA

Gross exposure, by sector and country



Note: All figures in this brochure are as of June 30, 2002. All \$ amounts are current US dollars.

Technical Assistance Highlights

MIGA's technical assistance and advisory services:

- Strengthen the capacity of investment promotion intermediaries in developing member countries by equipping them with the tools, techniques, and skills to target and attract foreign direct investment.
- Provide information on investment opportunities, business operating conditions, and business partners through FDI Xchange, a customized free email service, IPAnet, the online investment marketplace, and Privatization Link, a web-based service on privatization opportunities.

www.fdxchange.com
www.privatizationlink.com
www.ipanet.net

ACTIVITIES AT A GLANCE

Since 1988, MIGA has provided technical assistance and advisory services to 24 countries in the region: Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Estonia, Georgia, Hungary, Kazakhstan, Kyrgyz Republic, Macedonia, Moldova, Mongolia, Romania, Russia Federation, Serbia and Montenegro, Slovakia, Tajikistan, Turkey, Turkmenistan, Ukraine and Uzbekistan.

SELECTED ACTIVITIES

ARMENIA

MIGA is supporting the government's efforts to make the country a more attractive investment destination complementing ongoing reforms by creating the Armenian Development Agency (ADA) to address the needs of foreign investors. Working with the World Bank, MIGA has provided leadership in developing a Learning and Innovation Loan, encompassing a multi-year capacity-building program, to enhance the ADA's ability to promote Armenia as a location for foreign investment. MIGA advised the government on the establishing and operating the agency, and has delivered training modules on market research and promotion techniques.

SERBIA

MIGA is assisting the recently established Serbian investment and export promotion agency—SIEPA—in developing its investment marketing and facilitation capacity.

Jointly with the agency, MIGA is implementing a World Bank grant-funded technical assistance program that focuses on strategic and institutional development, staff training and effective outreach and marketing. MIGA is working with staff from, and from the Ministry of International Economic Relations, to ensure the build up and transfer of investment promotion and marketing skills that will help position Serbia as an attractive location in a number of priority sectors.

European and Central Asian countries featured on PrivatizationLink:

Albania, Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Kyrgyz Republic, Latvia, Lithuania, Macedonia, Moldova, Mongolia, Poland, Romania, Russian Federation, Serbia and Montenegro, Slovak Republic, Slovenia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan.

MIGA member countries in Europe and Central Asia

Albania, Armenia, Azerbaijan, Belarus, Bulgaria, Bosnia and Herzegovina, Republic of Croatia, Cyprus, Czech Republic, Estonia, Georgia, Hungary, Kazakhstan, Kyrgyz Republic, Latvia, Lithuania, FYR of Macedonia, Malta, Moldova, Poland, Romania, Russian Federation, Serbia and Montenegro, Slovak Republic, Slovenia, Tajikistan, Turkey, Turkmenistan, Ukraine, Uzbekistan

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