

# EBRD Russia Lending Freeze Sinks Plans for Joint Fund With Rusnano

By [The Moscow Times](#)

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Rusnano CEO Anatoly Chubais

The European Bank of Reconstruction and Development, or EBRD, has pulled out of a planned joint investment fund with state-owned technology investment company Rusnano, after the EU clamped down on EBRD lending in Russia over Moscow's actions in Ukraine, Rusnano CEO Anatoly Chubais was quoted as saying by ITAR-Tass on Tuesday.

The EBRD, which has more than 300 active projects in Russia, froze its financing of new projects in the country last month following the downing of Malaysia Airlines Flight MH17, a disaster that sparked fresh rounds of Western sanctions against Moscow that targeted the technology sector, among others.

Rusnano and the EBRD had spent two years on setting up the now-scrapped fund, which would have seen the London-based development bank invest more than \$100 million in Russia, ITAR-Tass quoted Chubais as saying.

"Naturally, these plans cannot be implemented due to the current [diplomatic] situation, which will almost certainly affect the results of [efforts to] attract private investment," he said.

Rusnano is already looking for alternative funding sources, mostly in Asia, and hopes to come up with the goods by the end of 2014, he added.

Chubias also said U.S. aluminum giant Alcoa had backed away from plans to work with Rusnano on the construction of a plant in the Samara region that will make drilling rods using nanotechnology.

To keep the project on the rails Rusnano pulled out, leaving Alcoa as the sole investor, Chubais said, adding that the Russian company could get involved at a later stage.

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[As Crisis Deepens, EBRD Freezes New Investment in Russia](#)

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