

(ii) (a) by investment in the equity capital of private sector enterprises ;

(b) by investment in the equity capital of any state-owned enterprise operating competitively and moving to participation in the market oriented economy, and investment in the equity capital of any state-owned enterprise to facilitate its transition to private ownership and control ; in particular to facilitate or enhance the participation of private and/or foreign capital in such enterprises ; and

(c) by underwriting, where other means of financing are not appropriate, the equity issue of securities by both private sector enterprises and such state-owned enterprises referred to in (b) above for the ends mentioned in that subparagraph ;

(iii) by facilitating access to domestic and international capital markets by private sector enterprises or by other enterprises referred to in subparagraph (i) of this paragraph for the ends mentioned in that subparagraph, through the provision of guarantees, where other means of financing are not appropriate, and through financial advice and other forms of assistance ;

(iv) by deploying Special Funds resources in accordance with the agreements determining their use ; and

(v) by making or participating in loans and providing technical assistance for the reconstruction or development of infrastructure, including environmental programmes, necessary for private sector development and the transition to a market-oriented economy.

For the purposes of this paragraph, a state-owned enterprise shall not be regarded as operating competitively unless it operates autonomously in a competitive market environment and unless it is subject to bankruptcy laws.

2. (i) The Board of Directors shall review at least annually the Bank's operations and lending strategy in each recipient country to ensure that the purpose and the functions of the Bank, as set out in Articles 1 and 2 of this Agreement, are fully served. Any decision pursuant to such a review shall be taken by a majority of not less than two-thirds of the Directors, representing not less than three-fourths of the total voting power of the members.

(ii) The said review shall involve the consideration of, *inter alia*, each recipient country's progress made on decentralization, demonopolization and privatization and the relative shares of the Bank's lending to private enterprises, to state-owned enterprises in the process of transition to participation in the market-oriented economy or privatization, for infrastructure, for technical assistance, and for other purposes.