



Project Summary Information

Date of Document Preparation: June 5, 2026

Project Name	Türkiye Climate Action Acceleration Program
Project Number	P001131
AIIB member	Türkiye
Sector/Subsector	Multi-sector
Alignment with AIIB's thematic priorities	Green infrastructure
Status of Financing	Under Preparation
Objective	The objective of the Türkiye Climate Action Acceleration Program (TCAAP) is to support the implementation of Türkiye's updated Nationally Determined Contribution (NDC 3.0) and Climate Law, through policy and institutional reforms in sustainable finance, sectoral decarbonization, and climate resilience.
Project Description	<p>Türkiye has delivered one of the most sustained economic transformations among emerging economies, yet its growth model remains structurally dependent on fossil fuel imports, making energy the single largest driver of its current account deficit and a source of growing external vulnerability. As the world's 17th largest greenhouse gas (GHG) emitter, Türkiye simultaneously faces mounting external pressures—the European Union (EU) Carbon Border Adjustment Mechanism (CBAM) is directly threatening its most carbon-intensive export sectors—and acute physical climate risks across water, ecosystems, and health. Türkiye has responded with its most substantive climate legislative framework to date, anchored in Climate Law No. 7552 and NDC 3.0.</p> <p>A critical gap nonetheless persists: the regulatory, fiscal, and institutional architecture needed to operationalize the Climate Law and channel capital toward NDC targets remains incomplete. The TCAAP addresses this gap directly, financing the policy and institutional reforms, coordinated through MOTF and designed in deliberate complementarity with ongoing partner programs, that translate Türkiye's legislative commitments into measurable climate outcomes.</p> <p>The TCAAP comprises 12 prior actions across three mutually reinforcing pillars:</p>

	<ul style="list-style-type: none"> • Pillar 1 — Operationalizing the Carbon Market and Green Finance Regulatory Measures: Operationalize Türkiye's emissions trading system, establish a green finance regulatory architecture, and mobilize public and private capital toward low-carbon and climate-resilient activities. • Pillar 2 — Accelerating Sectoral Decarbonization Pathways: Accelerate implementation of mitigation policies across energy, industry, transport, and monitoring frameworks, translating NDC commitments into binding sector-specific regulatory and institutional action. • Pillar 3 — Institutionalizing Adaptation Across Water, Nature and Health: Institutionalize subnational climate governance, strengthen water and agricultural resilience, expand carbon sink coverage, and embed climate risk into national health systems across all 81 provinces.
Expected Results	Result indicators and associated targets are being finalized in consultation with the Government of Türkiye and will be disclosed as part of the Appraisal stage.
Environmental and Social Category	Not applicable
Environmental and Social Information	<p>Applicable Policy and Categorization. AIIB's Environmental and Social Policy (ESP), including the Environmental and Social Exclusion List (ESEL) and provisions related to CPBF set forth in Section 16 of the ESP, are applicable to this Program. Therefore, the provisions on Environmental and Social (ES) categorization in the ESP do not apply to this Program. The program is expected to have predominantly positive ES effects with low-to-moderate residual risks, primarily related to transition management, implementation capacity and distributional effects, rather than the absence of regulatory safeguards. All these risks are manageable through existing Turkish systems complemented by targeted capacity strengthening and monitoring under the program.</p> <p>Environmental and Social Aspects. The program is expected to generate strong positive environmental outcomes by strengthening existing national climate governance systems rather than introducing entirely new environmental control frameworks. The environmental risk is assessed as low to moderate, with strong net positive environmental outcomes due to robust existing regulatory safeguards and climate policy integration. The program is expected to deliver significant positive social outcomes through improved resilience, expanded green employment opportunities, enhanced public health protection and strengthened access to climate-related financial and social services. The social risk is assessed as moderate, with strong positive development outcomes expected if existing systems are effectively coordinated and complemented by targeted transition support. An ES assessment matrix that will be prepared, as ES instruments to the Program, covering the Program's policy actions based on an ES assessment (ESA). This matrix will outline the potential direct and indirect impacts</p>

	<p>of each prior action, along with corresponding mitigation measures. The gender risks associated with these prior actions will also be analyzed and incorporated into the ES assessment matrix as part of the social aspects.</p> <p>Information Disclosure and the Program Grievance Redress Mechanism (GRM). In accordance with Bank's ESP, ES assessment matrix will be timely disclosed on the Bank's website. Türkiye has an established national grievance system through the Presidential Communication Center (CIMER), which enables citizens to submit complaints and requests electronically and receive formal responses from relevant public institutions. The information of the GRMs to be used and AIIB's Project-affected People's Mechanism (PPM) will be timely disclosed in the appropriate manner.</p> <p>Monitoring and Reporting Arrangement. The MOTF, as the Program Executing Agency, will report to AIIB on the implementation progress of the Policy and Results Matrix, working in coordination with other entities. AIIB will conduct periodic monitoring to ensure that the policy actions will continue to be put in place without reversal. At the program's closure, the AIIB team will verify the achievement of outcome indicators as a medium-term policy impact. More details will be determined during program appraisal.</p>		
Cost and Financing Plan	Proposed amount of AIIB financing (USD m): USD800 (The Ministry of Treasury and Finance of Türkiye has indicated USD1,000 million for the CPBF Program. ¹)		
Borrower	Republic of Türkiye		
Implementing Entity	Ministry of Energy and Natural Resources, Türkiye; Ministry of Treasury and Finance, Türkiye; Ministry of Environment, Urbanization and Climate Change, Türkiye		
Estimated date of loan closing (SBF)	Dec. 31, 2028		
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¹ The Program Team is exploring potential access to the new Facility as a top up to the CPBF with the MOTF.

Date of Concept Decision	June 5, 2026
Estimated Date of Appraisal Decision	Q3, 2026
Estimated Date of Financing Approval	Q4 2026

Independent Accountability Mechanism	<p>The Project-affected People's Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from Project-affected people who believe they have been or are likely to be adversely affected by AIIB's failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms or AIIB Management's processes. For information on how to make submissions to the PPM, please visit https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html to the PPM web page.</p>
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