



### Project Summary Information

Date of Document Preparation/Updating: Oct. 26, 2022	
<b>Project Name</b>	TSKB Sustainable Energy and Infrastructure On-lending Facility, Phase 2
<b>Project Number</b>	P000546
<b>AIIB member</b>	Republic of Türkiye
<b>Sector/Subsector</b>	Multi-sector
<b>Alignment with AIIB's thematic priorities</b>	Green infrastructure; Private Capital Mobilization; Technology-enabled Infrastructure
<b>Status of Financing</b>	Under Preparation
<b>Objective</b>	To contribute to the Republic of Türkiye's climate mitigation and adaptation goals in line with the Paris Climate Agreement.
<b>Project Description</b>	<p>A sovereign-backed multi-sector facility (the Phase 2 Facility) in favor of the Borrower to support Türkiye's climate mitigation and adaptation commitments under the recently ratified Paris Climate Agreement (Oct. 2021). Proceeds from the Phase 2 Facility will be on-lent in the form of Sub-loans to eligible private sector entities (the Sub-borrowers) to finance eligible climate mitigation (CM), climate adaptation (CA) and climate industry (CI) projects in Türkiye's energy, infrastructure, and other productive sectors (the Sub-projects).</p> <p>The proposed Phase 2 Facility is a follow-up to the project <a href="#">P000132 TSKB Sustainable Energy and Infrastructure On-lending Facility</a> (the Phase 1 Facility) which reached loan closing on April 1, 2022. The <a href="#">Project Closing Note</a> was submitted to the Board on Sep. 26, 2022.</p> <p>The Bank may co-finance alongside TSKB selected non-sovereign-backed Sub-projects under the Phase 2 Facility on a case-by-case basis.</p>

<b>Expected Results</b>	The project has a multi-sector focus, and its specific contribution to the AIIB's Results Monitoring Framework will only be determined once the subprojects have been approved and funded. The expected results may be measured by the following indicators: total renewable energy generation capacity installed (MW); GHG reduction or avoidance (tons of CO2 equivalent per year); primary energy or electricity consumption saved (GWh); electricity lines financed (Km); amount of AIIB investments in CM, CA and CI; private capital mobilization; non-performing loans; among other indicators.
<b>Environmental and Social Category</b>	Category FI
<b>Environmental and Social Information</b>	<p>AIIB's Environmental and Social Policy (ESP) including the Environmental and Social Exclusion List (ESEL) and Environmental and Social Standards (ESSs) apply to this Project. The Project is placed in Category FI, as the financing structure involves the provision of funds to TSKB pursuant to which AIIB delegates the decision-making related to the use of the AIIB's funds insofar the sub-projects meet the conditions of the Operations Manual. This will include the selection, appraisal, approval, and monitoring of sub-projects in accordance with AIIB's ESP requirements. TSKB's Environmental and Social Management System (ESMS) is materially aligned with AIIB's ESP and will be used as the project's E&amp;S instrument.</p> <p>The preliminary pipeline comprises subprojects across the renewables, energy efficiency, climate adaptation and climate industries. Impacts on communities' health and safety, involuntary resettlement and land acquisition, sensitive habitats, ecosystems and its services, and employment working conditions are potential ES risks associated with such sub-projects. Every subproject will be screened to identify the risks and following the assessment, appropriate mitigation measures will be adopted. TSKB has been advised by AIIB of the need for provisions on labor and working conditions related to renewable energy subprojects which will need to be in line with AIIB requirements. AIIB will conduct prior review and approval for all Category A subprojects which will be capped at three by TSKB. Activities in AIIB's ESEL will not be eligible for financing. Coal mining, coal transportation or coal-fired power plants, as well as infrastructure exclusively dedicated to support any of these activities will also be excluded.</p> <p>TSKB maintains and publishes its <a href="#">ESMS</a> in both Turkish and English. At the facility level, TSKB will continue to disclose the <a href="#">E&amp;S documentation</a> for all higher risk subprojects (category A and selected category B subprojects). At the corporate level, TSKB will continue to disclose its <a href="#">integrated report</a> which includes Principles for Responsible Banking (PRB), Global Reporting Initiative (GRI) and Taskforce on Climate-Related Financial Disclosures (TCFD) requirements.</p>

	<p>TSKB has established an <a href="#">external communications mechanism (ECM)</a>, including contacts and processes to receive and handle complaints related E&amp;S matters, and its information including PPM of AIIB will be disclosed in both Turkish and English, in an appropriate manner. The ECM will be made available to project-affected people (PAPs) and project contracted workers. Under the operational manual, TSKB will require its Sub-borrowers to establish a suitable subproject-level GRM or equivalent and inform people in the subproject's footprint about its availability in an appropriate manner. The GRM will receive and facilitate resolution of the concerns and complaints of people who believe they have been adversely affected by the project's E&amp;S impacts.</p> <p>TSKB will rely on information provided directly by the subprojects to conduct both E&amp;S assessment and ongoing monitoring. TSKB will be required to maintain a comprehensive database comprising all relevant E&amp;S information and report to AIIB semi-annually, a summary of the E&amp;S aspects and overview of the E&amp;S performance of the project's portfolio. AIIB will conduct post-reviews of the selection and implementation of subprojects as part of its regular supervision, comprising engagement with TSKB, potential site visits once conditions allow and detailed review of the E&amp;S documentation of selected subprojects.</p>	
<b>Cost and Financing Plan</b>	Total uses: USD 200 million	
<b>Borrower</b>	Türkiye Sınai Kalkınma Bankası A.Ş. (TSKB)	
<b>Guarantor</b>	Republic of Türkiye	
<b>Estimated date of loan closing (SBF)</b>	Dec. 2025	
<b>Contact Points:</b>	<b>AIIB</b>	<b>Borrower</b>
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<b>Date of Concept Decision</b>	Aug. 27, 2021	

<b>Estimated Date of Appraisal Decision</b>	Oct. 26, 2022
<b>Estimated Date of Financing Approval</b>	Nov. 22, 2022

<b>Independent Accountability Mechanism</b>	<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 Environmental and Social Policy in situations when their concerns cannot be addressed satisfactorily through Project-level Grievance Redress Mechanisms or AIIB Management's processes.</p> <p>For information on how to make submissions to the PPM, please visit: <a href="https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html">https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html</a>.</p>
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