Early Warning System

AIIB-000381

Turkey: COVID-19 Credit Line Project

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Quick Facts

Countries	Turkiye
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Approved
Bank Risk Rating	U
Voting Date	2020-06-30
Borrower	Turkiye Sinai Kalkinma Bankasi (TSKB), Turkiye Kalkinma ve Yatirim Bankasi (TKYB) (Govt. of Turkiye)
Sectors	Education and Health, Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 500.00 million
Loan Amount (USD)	$ 500.00 million

Project Description

According to project documents, this proposed Turkey COVID-19 Credit Line Project would provide sovereign-backed short-term credit lines to two of Turkey's development banks and existing AIIB Clients, Turkiye Sinai Kalkinma Bankasi (TSKB) and Turkiye Kalkinma ve Yatirim Bankasi (TKYB) to alleviate liquidity constraints faced by infrastructure-related companies, mid-caps and Small and Medium Enterprises serving the transport, energy, water, sustainable cities (including healthcare), information and communications technology, and eligible other productive sectors.

This project will be processed under the AIIB's COVID-19 Recovery Facility, a framework designed to assist members in responding to the COVID-19 pandemic. These credit lines will not be used for infrastructure project finance, already covered in existing AIIB Projects TSKB Sustainable Energy and Infrastructure On-lending Facility (2018) and TKYB Renewable Energy and Energy Efficiency On-Lending Facility (2019).

The expected date of board review is May 2020.

Early Warning System Project Analysis

The AIIB categorized the project E&S risk as 'FI'.

Investment Description

- Asian Infrastructure Investment Bank (AIIB)

Financial Intermediary

Financial Intermediary: A commercial bank or financial institution that receives funds from a development bank. A financial intermediary then lends these funds to their clients (private actors) in the form of loans, bonds, guarantees and equity shares. Financial intermediaries include insurance, pension and equity funds. The direct financial relationship is between the development bank and the financial intermediary.

- Turkiye Kalkinma ve Yatirim Bankasi A.S. (TKYB) (Financial Intermediary)
- Turkiye Sinai Kalkinma Bankasi A.S. (TSKB) (Financial Intermediary)

Private Actors Description

As stated by Bloomberg, Turkiye Sinai Kalkinma Bankasi Anonim Sirketi is a private investment and development bank. The Bank offers medium and long term loans, and treasury, securities underwriting, mergers and acquisitions consulting, research, and securities brokerage services. Turkiye Sinai Kalkinma Bankasi serves customers in Turkey.

As stated on the company's website, Turkiye Kalkinma ve Yatirim Bankasi A.S. (TKYB) was founded under the name of Devlet Sanayi ve Isci Yatirim Bankasi (State Industry and Laborer’s Investment Bank Ltd -DESIYAB) A.S.. In 2018, the Bank was restructured and renamed as the Development and Investment Bank of Turkiye (TKYB).

Contact Information

AIIB Team Leaders:

Stefan Shin / Project Team Leader and Principal Investment Officer / stefen.shin@aiib.org

Francisco Fortuny / Project Team Leader and Private Sector Operations Specialist / fj.fortuny@aiib.org

Financial Intermediaries -

Turkiye Sinai Kalkinma Bankasi (TSKB):

Meral Murathan / Executive Vice President, Financial Institutions & Investor Relations and Development Finance Institutions

murathanm@tskb.com.tr

Turkiye Kalkinma ve Yatirim Bankasi (TKYB):

Özlem Cinemre / Executive Vice President, Treasury & Financial Institutions

ozlem.cinemre@kalkinma.com.tr

ACCOUNTABILITY MECHANISM OF AIIB

The AIIB has established the Accountability Mechanism for Project-Affected People (PPM). The PPM provides “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 the ESP in situations when their concerns cannot be addressed satisfactorily through Project level GRMs or AIIB Management processes.” Two or more project-affected people can file a complaint. Under the current AIIB policy, when the bank co-finances a project with another development bank, it may apply the other bank's standards. You can refer to the Project Summary Information document to find out which standards apply. You can learn more about the PPM and how to file a complaint at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/how-we-assist-you/index.html.

The complaint submission form can be accessed in Arabic, Bahasa Indonesia, Bengali, Chinese, English, Tagalog, Hindi, Nepali, Russian, Turkish, or Urdu. The submission form can be found at: https://www.aiib.org/en/about-aiib/who-we-are/project-affected-peoples-mechanism/submission/index.html.

Bank Documents

- Project Document (June 30, 2020)
- Project Implementation Monitoring Report (August 2021)
- Project Implementation Monitoring Report (August 2022)
- Project Implementation Monitoring Report (February 2021)
- Project Implementation Monitoring Report (February 2022)
- Project Implementation Monitoring Report (January 2023)
- Project Implementation Monitoring Report (October 2023)
- Project Summary (April 10, 2020) [Original Source]

Other Related Projects

- AIIB-000141 Türkiye: TKYB Renewable Energy and Energy Efficiency On-Lending Facility
- AIIB-000132 Turkey: TSKB Sustainable Energy and Infrastructure On-lending Facility