

 Early Warning System

AIIB-000958

Turkiye: TSKB Sustainable Energy and Infrastructure Facility, Phase 3



Quick Facts

Countries	Turkiye
Financial Institutions	Asian Infrastructure Investment Bank (AIIB)
Status	Proposed
Bank Risk Rating	U
Borrower	Industrial Development Bank of Türkiye (Türkiye Sınai Kalkınma Bankası A.Ş. - TSKB)
Sectors	Communications, Energy, Finance, Industry and Trade, Infrastructure
Investment Type(s)	Loan
Investment Amount (USD)	\$ 200.00 million
Loan Amount (USD)	\$ 200.00 million
Project Cost (USD)	\$ 200.00 million



Project Description

As stated by the AIIB, the project development objective is to contribute to the Republic of Türkiye's climate mitigation and adaptation goals in line with the Paris Climate Agreement and contribute its digital transformation.

A 15-year sovereign-backed multi-sector facility to Türkiye Sinai Kalkınma Bankası A.S. (TSKB) (the Phase 3 Facility) has been proposed to support Türkiye's climate mitigation and adaptation commitments under the Paris Climate Agreement (ratified in October 2021) while advancing the integration of climate and digital agendas as a strategic pathway for sustainable and resilient development. The approach highlights Türkiye's drive to achieve green growth and digital innovation, establishing a model for emerging economies.

Aligned with its updated Nationally Determined Contributions (NDCs), Türkiye has set ambitious goals to reduce greenhouse gas emissions and embrace digital transformation across sectors. The digital transition plays a critical role in enhancing energy supply and demand through smart technology applications in industries, energy systems, and processes while also fostering innovation in green finance and sustainable practices. Investments in advanced technologies, such as artificial intelligence (AI), data acquisition, storage, and analytics, strengthen climate resilience by optimizing resource management and improving demand forecasting. Türkiye's robust digital infrastructure initiatives, such as 5G deployment and smart energy solutions, serve to accelerate decarbonization and bolster the country's global economic competitiveness.

Proceeds from the Phase 3 Facility will be on-lent as sub-loans to continue supporting eligible private sector entities (Sub-borrowers) to finance investments in climate mitigation, adaptation, and climate-related industries. In addition, the Phase 3 Facility also aims to contribute to the initiation of TSKB's lending to digital infrastructure space within Türkiye's energy, infrastructure, and other productive sectors (Sub-projects).

The Facility is thus designed to provide critical support in several key areas:

- 1) Climate Mitigation (CM): Investments will target renewable energy generation, such as wind and solar projects, as well as demand-side solutions that reduce energy consumption or waste in buildings, equipment, systems, and industrial processes. Additional emphasis will be placed on decarbonizing energy-intensive industries and productive sectors potentially affected by the EU's Carbon Border Adjustment Mechanism (CBAM).
- 2) Climate Adaptation (CA): Funding will enhance the resilience of industrial processes, equipment, buildings, and infrastructure to climate impacts. The Facility will also explore nature-based solutions (NBS) like drought management, water storage, and afforestation, where feasible, as well as circular economy solutions.
- 3) Climate-related Industries (CI): Support will extend to manufacturing activities that contribute to CM and CA goals, including renewable energy equipment production, e-mobility solutions, and battery storage technologies.
- 4) Digital Infrastructure (DI): Focus areas include 5G deployment, digitalizing industrial processes, improving internet access, and integrating smart technologies into energy efficiency and renewable energy projects.

Direct and indirect beneficiaries include: (i) Electricity consumers gaining cleaner energy access; (ii) Electricity producers benefiting from long-term capital and liquidity; (iii) Private industrial enterprises improving energy efficiency and competitiveness; (iv) Enterprises enhancing climate resilience and reducing operational risks through adaptation projects; (v) Manufacturers and service providers in the CI sector expanding operations to meet growing demand for climate-related products and services; (vi) Businesses leveraging DI projects to accelerate digital transformation and innovation.

This Facility builds on two previous projects--P000132 TSKB Sustainable Energy and Infrastructure On-lending Facility (Phase 1, closed April 2022) and P000546 TSKB Sustainable Energy and Infrastructure On-lending Facility (Phase 2). Through the first project, AIIB provided USD 200 million of financing in support of 8 sub-projects, representing USD 1.2 billion of total investment



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 Sinai Kalkinma Bankasi A.S. \(TSKB\)](#) (Financial Intermediary)



Private Actors Description

As stated by Bloomberg, Türkiye Sinai Kalkınma Bankası Anonim Şirketi 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. Türkiye Sinai Kalkınma Bankası serves customers in Turkey.



Contact Information

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ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.aiib.org/en/contact/information-request/index.html>

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 Summary \(March 18, 2025\)](#) [\[Original Source\]](#)



Other Related Projects

- AIIB-000132 Turkey: TSKB Sustainable Energy and Infrastructure On-lending Facility
- AIIB-000546 Turkiye: TSKB Sustainable Energy and Infrastructure On-lending Facility, Phase 2