EBRD-48655

Vakifbank II - TurSEFF II

Quick Facts

Countries	Turkiye
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Completed
Bank Risk Rating	U
Voting Date	2016-07-20
Borrower	TURKIYE VAKIFLAR BANKASI T.A.O.
Sectors	Energy, Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 54.00 million
Loan Amount (USD)	$ 54.00 million
Project Cost (USD)	$ 54.00 million

Project Description

The EBRD has approved EUR 50 million (or its USD or TRY equivalent) financing to Turkish lender Vakifbank under the Turkey Sustainable Energy Financing Facility Framework Ext I (TurSEFF II). This is a follow-up transaction with Vakifbank under TurSEFF II and builds on the company's successful track record in on-lending funds to private sector borrowers for energy efficiency and small-scale renewable energy investments. The project can be funded through a range of financing instruments, including but not limited to senior notes issued under the company's existing Diversified Payment Rights programme or residential mortgage covered bonds.

TurSEFF II is supported by a comprehensive technical cooperation programme of EUR 5.4 million to provide implementation support to participating financial institutions and sub-borrowers. Funding is provided by the EU, initially from the EU/EBRD SME Finance Facility (2006 sub-account) and since July 2015, from the Instrument for Pre-Accession Assistance (IPA) agreement "Enhancement of Turkish Energy Sector in line with EU Energy Strategies".

Early Warning System Project Analysis

The EBRD categorized the project risk as 'FI'.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

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 Vakiflar Bankasi TAO (Financial Intermediary)

Private Actors Description

As stated by the EBRD, TURKIYE VAKIFLAR BANKASI T.A.O., listed on Borsa Istanbul, is a full-service commercial and retail bank in Turkey with a wide regional network. The company is a quasi-state-owned entity as it is indirectly majority owned (58.5%) by the General Directorate of Foundations, a governmental institution. 16.1% are owned by the employees' pension fund and another 25.2% are publicly traded on Borsa Istanbul. Vakifbank is the seventh largest commercial bank by assets and the third largest state-controlled bank in Turkey and is currently rated Baa3 by Moody's and BBB- by Fitch.

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ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent. You can contact the PCM at pcm@ebrd.com or you can submit a complaint online using an online form, http://www.ebrd.com/eform/pcm/complaint_form?language=en. You can learn more about the PCM and how to file a complaint at http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html.