Early Warning System

EBRD-52047

RF - BM Kazakhstan

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Quick Facts

Countries	Kazakhstan
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	B
Voting Date	2020-05-12
Borrower	BORUSAN MAKINA KAZAKHSTAN LLP
Sectors	Finance
Investment Type(s)	Loan
Investment Amount (USD)	$ 25.00 million
Project Cost (USD)	$ 25.00 million

Project Description

EBRD is going to provide a senior loan of up to US$ 25.0 million (EUR 23 million) in favour of Borusan Makina Kazakhstan LLP (BMK), a limited liability company incorporated in Kazakhstan, to finance its working capital needs.

The proposed transaction will provide short-term liquidity to BMK for working capital financing and help maintain its financial stability. The project willl preserve and help achieve transition gains set forth under the project and ensure the availability of short-term working capital financing to BMK, supporting them in overcoming the implications of the COVID-19 pandemic.

EBRD FINANCE SUMMARY

USD 25,000,000.00

A senior loan of up to US$ 25.0 million (EUR23 million) in favour of Borusan Makina Kazakhstan LLP.

TOTAL PROJECT COST

USD 25,000,000.00

ADDITIONALITY

COVID-19 crisis response: The impact of the COVID-19 crisis is being seen in liquidity stress for corporate clients as it imposed constraints on commercial banks' lending and renewal of financing facilities. The Bank provides a liquidity facility for short-term liquidity needs of the Borrower, which is not readily available to raise in the capital markets due to the COVID-19 outbreak.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

Private Actors Description

Borusan Makina Kazakhstan LLP ("BMK") is involved in the distribution, sales and service of Caterpillar heavy machinery equipment (excavators, loaders, asphalt pavers, off-highway trucks, and etc.) in Kazakhstan. BMK is a 100 per cent owned subsidiary of Borusan Makina ve Guc Sistemleri Sanayi ve Ticaret A.S. (the "Sponsor" or "BMGS"), which is engaged in the distribution and sales of Caterpillar heavy machinery equipment, power systems, spare parts and provision of related services for these products.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Borusan Makina ve Guc Sistemleri Sanayi ve Ticaret A.S.	Parent Company	Industry and Trade	owns	BORUSAN MAKINA KAZAKHSTAN LLP	Client	Industry and Trade

Contact Information

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.

COMPANY CONTACT INFORMATION

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Bank Documents

- Project Description