Early Warning System

EBRD-53753

Galata Wind

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Quick Facts

Countries	Turkiye
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Active
Bank Risk Rating	B
Voting Date	2022-09-06
Borrower	GALATA WIND ENERJI AS
Sectors	Law and Government
Investment Amount (USD)	$ 45.00 million
Project Cost (USD)	$ 54.50 million

Project Description

PROJECT DESCRIPTION

USD 45 million loan with 7-year tenor (the "Loan") in favour of Galata Wind Enerji A.S. (the "Company" or "Galata Wind"), a listed renewable energy company incorporated in Turkiye.

PROJECT OBJECTIVES

The proceeds of the Loan are planned to be used to finance the renewable energy investments of up to 50 MW of extension projects for Mersin WPP and Sah WPP (the "Project").

TRANSITION IMPACT

ETI score: 60

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The Transition Impact arises from the Green quality: The Loan will finance the planned renewable energy investments in the next 2 years. The Project supports climate mitigation activities by displacing c. 51,000 tonnes of CO2 emission per annum from Turkish power system by producing 144 GWh of renewable electricity.

CLIENT INFORMATION

GALATA WIND ENERJI AS

Galata Wind Enerji A.S.

Galata Wind Enerji A.S. is a renewable energy company with a total installed capacity of 269 MW (235 MW Wind, 34 MW Solar). 73% shares of the Company owned by Dogan Sirketler Grubu Holding A.S. ("Dogan Holding") and the remaining shares are publicly traded.

ADDITIONALITY

The Bank's additionality stems from supporting a renewables market player through bridging a financing gap and providing a financing package to support diversification of the financiers in these adverse macro-economic environment.

ENVIRONMENTAL AND SOCIAL SUMMARY

Category B (2019 ESP). Independent environmental and social due diligence (ESDD) has shown that while the Project may be associated with some E&S impacts and risks these are expected to be readily addressed through mitigation measures. The Company has in place the necessary E&S management capacity. The Project is structured to meet the Bank's E&S requirements through an ESAP which has agreed with the Company.

The Mersin WPP and extension are distant to residential areas but is located just inside a Key Biodiversity Area (for flora). The Sah WPP is distant to residential areas, located in a forestry area but is located adjacent to an existing Important Bird Area (IBA) and wildlife protection area. The planned expansion will be located outside the IBA. The area of key sensitivity is ~10km east of the WPP in the Kocacay Delta.

The Company has in place various policies and ISO standard management systems and the resources for their implementation. For the extensions it will need to conduct the necessary ESIAs satisfactory to the EBRD and implement management plans. Worker provisions are generally in line with PR2 but a formal grievance mechanism will need to be implemented. Provisions will also be required for contractor workers.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

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ACCESS TO INFORMATION

You can request information by emailing: accessinfo@ebrd.com or by using this electronic form: https://www.ebrd.com/eform/information-request

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 at: 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