Early Warning System

EBRD-53848

500 Istanbul Fund II

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Quick Facts

Countries	Turkiye
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2022-11-22
Borrower	500 STARTUPS ISTANBUL FUND II COOPERATIEF UA
Sectors	Industry and Trade
Investment Type(s)	Fund, Loan
Investment Amount (USD)	$ 5.27 million
Project Cost (USD)	$ 63.28 million

Project Description

PROJECT DESCRIPTION

An equity investment of up to EUR 5 million in favor of the venture capital fund 500 Startups Istanbul Fund II (the "Fund") targeting early-stage technology-driven companies in Turkiye and in Central and Eastern Europe. The project will form part of the Bank's Early-Stage Innovation Facility ("ESIF"), a EUR 100 million facility through which the EBRD selectively invests in commercially-oriented early-stage venture capital funds.

PROJECT OBJECTIVES

The Fund will make equity and quasi-equity investments in early-stage technology-driven companies in Turkiye and in Central and Eastern Europe ("CEE"), collectively the "Target Region".

TRANSITION IMPACT

ETI score: 100

The project is presented under ESIF. The Fund will contribute to the transition impact objectives of the overall framework, i.e. contributing to the Competitive and Resilient transition qualities through supporting innovative early-stage start-ups and increasing the availability of funding for early-stage innovation. The project is aligned with the Innovation area of intervention outlined in the EBRD Approach to Accelerating the Digital Transition 2021-2025. The digital component of the project is in support of the Competitive Transition Quality, as outlined above.

CLIENT INFORMATION

500 STARTUPS ISTANBUL FUND II COOPERATIEF UA

The Fund is managed by 500 Startups Istanbul II B.V. (the "Fund Manager").

EBRD FINANCE SUMMARY

EUR 5,000,000.00

An equity investment of up to EUR 5 million.

TOTAL PROJECT COST

EUR 5,000,000.00

The target size of the fund is EUR 60 million.

ADDITIONALITY

The Bank's commitment will enable the Fund to achieve a closing at or above EUR 60 million, allowing the Fund Manager to build a diversified portfolio and provide capital to support the expansion of the Fund's early-stage technology portfolio companies.

ENVIRONMENTAL AND SOCIAL SUMMARY

Categorised FI (ESP 2019). The Fund will be required to comply with EBRD's Performance Requirements 2, 4 and 9, implement the EBRD Environmental and Social Risk Management Procedures for Active Equity Funds, and submit Annual Environmental and Social Reports to the Bank.

TECHNICAL COOPERATION AND GRANT FINANCING

N/A

Investment Description

- European Bank for Reconstruction and Development (EBRD)

Contact Information

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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