

 Early Warning System

EBRD-55713

Turkiye GEFF II - Project Sing



Quick Facts

Countries	Turkiye
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	U
Voting Date	2024-09-11
Borrower	ING Bank A.S.
Sectors	Energy, Finance, Industry and Trade, Transport
Investment Type(s)	Loan
Investment Amount (USD)	\$ 25.00 million
Loan Amount (USD)	\$ 25.00 million
Project Cost (USD)	\$ 150.00 million



Project Description

PROJECT DESCRIPTION

The Bank has invested USD 25 million under Turkiye GEFF II in a USD 150 million Basel III compliant Tier-2 ("B3T2") bond issued by ING Turkiye ("INGT"), a commercial bank incorporated in Turkiye. The bond is publicly offered and listed on the Irish Stock Exchange.

The project will support INGT in strengthening its already strong capitalisation, via decreasing capital sensitivity to TRY volatility as well as supporting its funding diversification strategy, ultimately contributing to the resilience of the overall Turkish banking sector. Furthermore, INGT will allocate 210% of EBRD's investment amount to projects which meet the GET eligibility criteria, in line with the Turkiye GEFF II Framework. INGT will finance sub-borrowers implementing green economy investments in a gender responsive way, including, among others, energy efficiency, renewable energy and climate resilience measures, and additional green investment areas focusing on nature and biodiversity, blue economy, as well as sustainable transport and tourism.

GEFF II is supported by the TC program to enhance the Facility's implementation including for (a) implementation of the new requirements and processes related to the new categories of eligible green products and enhancing PFIs' green skills, and (b) sub-borrowers' projects assessments. The TC will also aid in expanding financing into new sectors such as sustainable agriculture and tourism by conducting market analyses, identifying bottlenecks, and arranging activities to promote sector transformation towards sustainability and inclusivity.



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.

- **ING Bank A.S. (Turkiye)** (Financial Intermediary) **is owned by** **ING Bank N.V.** (Parent Company)



Private Actors Description

According to the EBRD, as of 1H24, INGT had a market share of 0.6%, having EUR 4.2bn total assets, EUR 2bn loan book, and EUR 518m equity. INGT, rated BB- (stable) by Fitch, has diversified business model serving retail, mid-corporate, SMEs and wholesale banking client segments, through 2,710 staff and 85 branches as of 1H24. ING Turkiye is a member of the Netherlands based ING Group, a globally significant financial group.



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>



Other Related Projects

- EBRD-55052 Turkiye GEFF II