

 Early Warning System

EBRD-56778

DFF - BM Kazakhstan 3



## Quick Facts

|                         |   |
|-------------------------|---|
| Countries               | Kazakhstan  |
| Specific Location       | Karaganda   |
| Financial Institutions  | European Bank for Reconstruction and Development (EBRD) |
| Status                  | Approved  |
| Bank Risk Rating        | B   |
| Voting Date             | 2025-11-18  |
| Borrower                | Borusan Makina Kazakhstan LLP                           |
| Sectors                 | Industry and Trade                                      |
| Investment Type(s)      | Loan  |
| Investment Amount (USD) | \$ 20.00 million  |
| Project Cost (USD)      | \$ 20.00 million  |



## Project Description

According to the Bank's website, the project consists of an up to \$20 million senior loan to Borusan Makina Kazakhstan LLP ("BMK"), the Bank's existing client. The Loan is provided in two tranches of \$10 million of committed tranche ("Tranche 1") and \$10 million uncommitted tranche ("Tranche 2").

Financing will be used to fund BMK's further enhancement of its Component Rebuild Centre ("CRC") in Karaganda, Kazakhstan, via capex and working capital investments. The project is considered green as all of the funding focuses on circular economy practices.



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## Early Warning System Project Analysis

Categorised B under the ESP 2024. Any potential adverse environmental and social impacts will be site-specific and manageable through implementation of the targeted mitigation measures. BMK is an existing client and the ESDD from the previous transaction concluded that the Company is largely compliant with the ESRs in key areas such as health and safety, air emissions, waste management, labour and supply chain management.

Given the capex nature of this project, in addition to the risks associated with land acquisition for the physical expansion of the existing facility, supply chain, contractors' management, labour and working conditions in the new operational workshops, occupational health and safety, traffic management and stakeholder engagement assessed as part of the previous transactions, the due diligence included also the assessment of issues specifically related to the company digitalisation component.



## Investment Description

- European Bank for Reconstruction and Development (EBRD)

Senior loan of up to USD 20 million equivalent to BMK. The Loan will have 2 Tranches: committed and uncommitted Tranches of USD 10 million each. Each Tranche will fund (i) up to USD 5 million equivalent of capex provided in KZT for the Borrower's Component Rebuild Centre (CRC) enhancement and new equipment acquisition, including IT systems upgrade; and (ii) up to USD 5 million for working capital financing to be used on inventory dedicated to CRC. The loan will be guaranteed by the parent company BMGS.



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### Private Actors Description

*Borusan Makina Kazakhstan LLP* is involved in the distribution, sales and service of Caterpillar heavy machinery equipment in Kazakhstan. BMK is a 100 per cent owned subsidiary of Borusan Makina ve Guc Sistemleri Sanayi ve Ticaret A.S. ("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 KAZAKHSTAN LLP | Client               | -                      |



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## Contact Information

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## ACCESS TO INFORMATION

You can request information by emailing: [accessinfo@ebrd.com](mailto: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](mailto: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](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>





## Bank Documents

- [PSD Translation \(Kazakh\)](#)
- [PSD Translation \(Russian\)](#)