Early Warning System

FMO-62538

Uludag Elektrik Dagitim A.S.

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Quick Facts

Countries	Turkiye
Specific Location	Uludag region
Financial Institutions	Netherlands Development Finance Company (FMO)
Status	Proposed
Bank Risk Rating	A
Voting Date	2023-09-29
Borrower	Uludag Elektrik Dagitim A.S. (UEDAS)
Sectors	Energy
Investment Type(s)	Loan
Investment Amount (USD)	$ 30.00 million
Loan Amount (USD)	$ 30.00 million
Project Cost (USD)	$ 212.00 million

Project Description

As stated by the FMO, the purpose of the financing is to fund the approved CAPEX program expected to exceed USD 200mln for the remainder of the current implementation period (covering 2021-2025) to expand, modernize, the distribution network in the UEDAS concession area. FMO provides a senior long term loan of up to USD 30mln equivalent in Turkish Lira and co-invests with two multilateral development banks. The rest of the funding need will be covered by commercial banks as well as equity contribution.

Financing UEDAS' investments fits well with FMO’s strategy as it contributes to (among others) the expansion and modernization of the distribution network in a key industrial area of Turkey. Proceeds of the financing are earmarked towards investments leading to improvements in the continuity and quality of supply, grid expansion and renewal as well as implementation of smart grid technologies to further limit faults in the network. FMO's Green Label also applies to this transaction.

Early Warning System Project Analysis

The FMO categorized the project as B+.

Investment Description

- Netherlands Development Finance Company (FMO)

The total project value was added to this snapshot on the basis of related project disclosures from other banks, namely the AIIB and EBRD.

Private Actors Description

As stated by the FMO, established in Turkey, Uludag Elektrik Dagitim A.S., one of the twenty-one regional electricity distribution companies in the country, is operating in the Uludag region, which includes four provinces in the southern part of the Marmara Sea. The Company is responsible for undertaking investments and operations & maintenance of the medium and low voltage distribution network in the region. UEDAS is ultimately owned by Actis Long Life Infrastructure Fund through intermediary subsidiaries.

Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
Actis LLP	Parent Company	Infrastructure	owns	Uludag Elektrik Dagitim AS	Client	Energy

Contact Information

Client - Uludag Elektrik Dagitim A.S. (UEDAS):

Address: Cirpan Mah, Stadium Cad n. 40, Osmangazi, Bursa
Phone: +902246000000
Email: halklailiskiler@uedas.com.tr
Website: https://www.uedas.com.tr/

ACCESS TO INFORMATION

As part of FMO's ex-ante disclosure (disclosure of transactions before contracting), you can send requests or questions for additional information to: disclosure@fmo.nl

ACCOUNTABILITY MECHANISM OF FMO

Communities who believe they will be negatively affected by a project funded by the Dutch Development Bank (FMO) may be able to file a complaint with the Independent Complaints Mechanism, which is the joint independent accountability mechanism of the Dutch Development Bank (FMO) and the German Investment Corporation (KfW). A complaint can be filed in writing, by email, post, or online. The complaint can be filed in English or any other language of the complainant. The Independent Complaints Mechanism is comprised of a three-member Independent Expert Panel and it can provide either problem-solving, compliance review or both, in either order. Additional information about this accountability mechanism, including a guide and template for filing a complaint, can be found at: https://www.fmo.nl/independent-complaints-mechanism

Other Related Projects

- EBRD-52708 Project Pita
- AIIB-000678 Turkiye: Uludag Electricity Distribution Network Upgrade and Modernization Project