Early Warning System

IFC-34061

Tiryaki II

This project is still under review by the EWS. Project information and/or project analysis may be incomplete.

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Quick Facts

Countries	Turkiye
Financial Institutions	International Finance Corporation (IFC)
Status	Active
Bank Risk Rating	B
Borrower	TIRYAKI AGRO GIDA SANAYI VE TICARET ANONIM SIRKETI

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Project Description

PROJECT DESCRIPTION

The proposed project involves the refinancing of the existing working capital facility of the agricultural commodity trade and supply chain manager Tiryaki Agro Gida Sanayi ve Ticaret A.S. (the "Company" or "Tiryaki") and financing incremental working capital needs required for the Company's growth in operations at an estimated cost of US$300 million (the 'Project'). IFC considers providing an A loan of up to US$40 million from its own account. Tiryaki is a family owned private Company which is engaged in sourcing, processing, storage and trading of conventional and organic grains (wheat, barley and corn), pulses (lentils, chickpeas, peas, beans, rice and bulgur), oil seeds (sunflower, sesame, canola and soybean) and nuts (pistachio, almonds, walnut and peanuts) across Europe, Africa, the Middle East, CIS countries, Indian subcontinent and North America. The Company is headquartered in Istanbul and has a substantial presence in Turkey by operating plants across the country, including processing facilities in the city of Gaziantep, alongside its international trade presence. Tiryaki is an existing IFC client and the project "Tiryaki" (#28467) is at supervision stage. Considering that Tiryaki II is a capital investment and there is no new and/or specific facility or structure to be built up within the scope of this Project, it is considered as integration to the existing project of Tiryaki.Tiryaki Agro's operations is mostly concentrated in Gaziantep, including the sourcing, processing, storage and trading of grains, pulses, oil seed and nuts with the capacities of 240 mt/day pulses, 400 mt/day bulgur, 480 mt/day lentils, 250 mt/day packaging for retail and 1200 mt/day for bulk products, 25 mt/day pistachio and 92,000 mt storage. Mersin plant is established on an area of 170.000 m2 and is composed of processing units, storage facilities and horizontal and vertical silos. The plant is located in 2nd part of Mersin Tarsus Industrial Zone at a distance of 18 km to Mersin Port. Some of the commodities that will be stored in the plant are paddy, lentil, pulses, peas and beans. Total capacity is 380.000-400.000 tonnes with horizontal silos of 100.000 tonnes and vertical silos of around 300.000 tonnes. The processing units will be typically composed of pre-screening, peeling, screening, glazing and calibration. Chemical (protein, gluten etc.) and physical (screen, humidity etc.) analyses of the commodities are conducted in the laboratory facilities after arrival of goods. For logistics of products, railway, motorway and seaway will be used. The nearest railway to Mersin Industrial Zone is at Taskent (3800 m distant), however project for railway construction is underway for the Organized Industrial Zone.

OVERVIEW OF IFC'S SCOPE OF REVIEW

The scope of the appraisal by IFC's environmental and social (E&S) specialist included the following:* Site visits to the Gaziantep facility which is currently in operation and Mersin facility (not yet in full operation, to be commissioned in January 2014.* Meeting with the Tiryaki's Gaziantep and Mersin Plant Managers, Quality Managers, Quality Assurance System Engineers, Health and Safety Specialist, and Environmental Consultant;* Review of key documents provided by Tiryaki, including but not limited to Environment, Health and Safety (EHS) management system procedures and audit reports, Quality Manual, Food Safety Manual, HR Manual, relevant permits, employment data, forms and statistics, examples of the labor contracts, documentation on trainings; information on waste production, air emissions monitoring data, sewage connection permit, contractor agreements, energy and water consumption figures, supply chain risk assessment and management procedures of the Company, Annual Monitoring Report submitted to IFC.IFC's appraisal considered environmental and social management plans for the Project and gaps, if any between these plans and IFC requirements. Where necessary, corrective measures, intended to close these gaps within a reasonable period of time, are summarized in the paragraphs that follow and in the agreed Environmental and Social Action Plan (ESAP) disclosed in this review summary. Through implementation of these management plans and the ESAP, the Project is expected to be designed and operated in accordance with Performance Standards objectives.

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Investment Description

- International Finance Corporation (IFC)

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Contact Information

ACCOUNTABILITY MECHANISM OF IFC

The Compliance Advisor Ombudsman (CAO) is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an IFC or MIGA- financed project. If you submit a complaint to the CAO, they may assist you in resolving a dispute with the company and/or investigate to assess whether the IFC is following its own policies and procedures for preventing harm to people or the environment. If you want to submit a complaint electronically, you can email the CAO at CAO@worldbankgroup.org. You can learn more about the CAO and how to file a complaint at http://www.cao-ombudsman.org/

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Other Related Projects

- EBRD-49742 Tiryaki Agro Trading (Term Facility)
- EBRD-49188 Tiryaki Agro Trading