Early Warning System

# IFC-45905

## GTLP SMBC Turkey III

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### Quick Facts

| | |
|---|---|
| **Financial Institutions** | International Finance Corporation (IFC) |
| **Status** | Approved |
| **Bank Risk Rating** | B |
| **Voting Date** | 2021-09-09 |
| **Borrower** | SUMITOMO MITSUI BANKING CORPORATION |
| **Sectors** | Finance |
| **Investment Type(s)** | Guarantee |
| **Investment Amount (USD)** | $ 275.00 million |

## Project Description

The Project is a three-year, unfunded risk sharing facility (the “Facility”) whereby Sumitomo Mitsui Banking Corporation and its affiliates (SMBC Group) and IFC would share the risk, on an up to 50-50% basis, in a portfolio of up to US$550 million of senior trade loans that SMBC Group provides to banks in the Europe and Central Asia (ECA) region. The proposed project is a renewal of prior SMBC ECA RSF projects.

This project was rated by IFC as having a risk category of F1-2.

## People Affected By This Project

The proposed project is expected to provide financing to key financial intermediaries in the ECA region, particularly Turkey in the face of economic, trade, and supply chain disruptions caused by COVID-19. Indirectly, this increased capacity will also improve the availability of credit to local importers and exporters along key value chains and in a wide variety of sectors.

### Investment Description

- International Finance Corporation (IFC)

### 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.

- Sumitomo Mitsui Banking Corporation (SMBC) (Financial Intermediary)

## Private Actors Description

SMBC Group was established in April 2001 by the merger of two leading Japanese banks: The Sumitomo Bank and the Sakura Bank. SMBC Group is a wholly owned subsidiary of the holding company, Sumitomo Mitsui Financial Group (SMFG), a financial conglomerate including other financial services such as leasing, securities, credit card, mortgage and venture capital.

SMBC Group is one of the largest commercial banks in Japan with an extensive network and growing international presence and is one of the key partners for IFC. As of March 31, 2021, SMBC Group had over 850 branches/offices in Japan, and 148 overseas branches/offices in the US, Europe, Latin America, Africa, the Middle East and Asia (ex. Japan).

As of March 31, 2021, SMBC (excluding group companies) had total assets of USD 2,191bn, total deposits stood at USD 1,283bn and total equity at USD 86bn. SMBC Group is rated “A” by Fitch, “A-” by Standard & Poor’s, and “A1” by Moody’s.

| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|---|---|---|---|---|---|---|
| - | - | - | - | Sumitomo Mitsui Banking Corporation | Undisclosed | - |

## Contact Information

COMPANY CONTACT

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https://www.smbcgroup.com/

***Project lead information was not provided at the time of disclosure.***

ACCESS TO INFORMATION

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If you believe that your request for information from IFC has been unreasonably denied, or that this Policy has been interpreted incorrectly, you can submit a complaint at the link above to IFC's Access to Information Policy Advisor, who reports directly to IFC's Executive Vice President.

ACCOUNTABILITY MECHANISM OF IFC/MIGA

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