

 Early Warning System

IFC-48978

DCM TEB B3T2



Quick Facts

Countries	Turkiye
Financial Institutions	International Finance Corporation (IFC)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-04-29
Borrower	TURK EKONOMI BANKASI ANONIM SIRKETI
Sectors	Agriculture and Forestry, Energy, Finance, Industry and Trade
Investment Type(s)	Loan
Investment Amount (USD)	\$ 107.14 million
Loan Amount (USD)	\$ 107.14 million
Project Cost (USD)	\$ 107.14 million



Project Description

As stated by the IFC, the proposed project is an investment of up to EUR100 million for IFC's own account in a Basel 3 Tier II (B3T2) Note to be issued by Turk Ekonomi Bankasi, the 7th largest private bank in Türkiye and a subsidiary of BNP Paribas. IFC's investment will provide long-term capital that will enable the bank to continue supporting SMEs in Türkiye for women owned businesses (WSMEs), climate mitigation projects and agricultural sector, including WSMEs and climate SME activities such as energy efficiency, green buildings, renewable energy and clean transportation.



Early Warning System Project Analysis

The IFC categorized the project risk as FI-2.



Investment Description

- International Finance Corporation (IFC)

As stated on the project disclosure page, the proposed project is an investment of up to EUR100 million for IFC's own account. The B3T2 note will have a maturity of 10 years, with a call option at the end of 5th year.

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.

- [Turk Ekonomi Bankasi A.S](#) (Financial Intermediary) **is owned by** [TEB Holding A.S](#) (Parent Company)



Private Actors Description

As stated by the IFC, TEB commenced banking operations in 1927 as a small-scale regional bank in Izmit. As of December 2023, it is the 7th largest private bank in Türkiye in terms of assets. In 1982, Colakoglu Group, active in metal processing, purchased the bank, renaming it TEB. In 2005 a joint venture agreement was forged with BNP Paribas.

The Bank is a subsidiary of BNP Paribas (BNP Paribas with its group members, the “BNP Paribas Group”), which directly or indirectly owns and controls 72.48% of the Bank’s shares and consolidates the Bank into its consolidated financial statements. TEB Holding A.S. (“TEB Holding”) holds a majority (55.00%) stake in the Bank, with members of the Colakoglu Group and the BNP Paribas Group each owning an equal (50.00%) stake in TEB Holding.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
BNP Paribas	Parent Company	Finance	owns	TEB Holding A.S	Parent Company	Finance



Contact 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>