Early Warning System

WB-P181436

Turkiye Green Export Project

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Quick Facts

Countries	Turkiye
Financial Institutions	World Bank (WB)
Status	Approved
Bank Risk Rating	B
Voting Date	2024-02-22
Borrower	Turkiye Ihracat Kredi Bankasi (Turk Eximbank) A.S.
Sectors	Construction, Energy, Finance, Industry and Trade, Infrastructure, Transport, Water and Sanitation
Investment Type(s)	Guarantee
Investment Amount (USD)	$ 654.90 million
Project Cost (USD)	$ 1,091.50 million

Project Description

As stated by the World Bank, the development objective of the Green Export Project for Türkiye is to support Turkish exporters in their green transition and to expand green exports through longer-term financing. The project includes one component which will utilize the commercial financing raised by Eximbank with the support of the International Bank for Reconstruction and Development (IBRD) guarantee to directly extend sub-loans to eligible exporters exclusively for greening purposes.

It is estimated that the following sectors will be eligible for financing, with details to be agreed during Project preparation:

(i) EOSMEs and EOMCEs operating in the six initial CBAM sectors: cement, iron and steel, aluminum, fertilizers, electricity, and hydrogen;
(ii) EOSMEs and EOMCEs operating in the sectors considered for the second and later stages of CBAM includes the following: manufacture of food products, textile products, chemicals and chemical products, rubber and plastic products, computers, electronic and optical products, electrical equipment manufacturing, construction, water transportation, and airways transportation.

The loan proceeds are expected to be used to finance energy and water efficient machinery and equipment. Beneficiary exporters will use the financing from Eximbank to replace machinery with more energy-efficient products or purchase machinery to produce
solar energy to become greener, among others, with the aim to reduce direct and indirect GHG emissions resulting from their operations. No new construction or production expansion will be financed.

Early Warning System Project Analysis

The World Bank categorized the project E&S risks as 'FI-2'.

Investment Description

- World Bank (WB)

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.

- Turkiye Ihracat Kredi Bankasi Anonim Sirketi (Türk Exim Bank) (Financial Intermediary)

Private Actors Description

As stated o the company's website, in the early 1980s, traditional import substitution policies began being replaced by foreign oriented policies and thereafter exportation gained a high degree of importance to the Turkish economy. The task of supporting exports within this reorganization process was undertaken by Turk Eximbank, established in 1987 as Turkey's official export credit agency.

As a means of aiding export development, Turk Eximbank offers specialized financial services to exporters, export-oriented manufacturers, and overseas investors and contractors through a variety of short, medium, and long-term cash and non-cash credit, insurance, and guarantee programs.

Contact Information

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ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: https://www.worldbank.org/en/access-to-information/request-submission

ACCOUNTABILITY MECHANISM OF THE WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. Information on how to file a complaint and a complaint request form are available at: https://www.inspectionpanel.org/how-to-file-complaint

Bank Documents

- Integrated Safeguards Data Sheet - Appraisal Stage : Turkiye - Green Export Project (P181436) [Original Source]
- Turkiye - Green Export Project [Original Source]
- Turkiye - Green Export Project [Original Source]
- Turkiye Green Export Project [Original Source]
- Turkiye Green Export Project [Original Source]

Other Related Projects

- MIGA-15266 Turk Eximbank, MIGA Trade Finance Guarantee