Early Warning System

EBRD-48635

FIF - Vakifbank - Refugee Response Initiative

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Quick Facts

Countries	Turkiye
Financial Institutions	European Bank for Reconstruction and Development (EBRD)
Status	Approved
Bank Risk Rating	FI
Voting Date	2016-07-20
Borrower	TURKIYE VAKIFLAR BANKASI T.A.O.
Sectors	Finance
Investment Amount (USD)	$ 54.00 million

Project Description

The EBRD has approved EUR 50 million (or its USD or TRY equivalent) financing to Turkish lender Vakifbank under the Refugee Crisis Response Facility to finance MSMEs operating in the primary and secondary target regions including those MSMEs owned and/or led by people displaced by the conflict in Syria. The project can be funded through a range of financing instruments, including but not limited to senior notes issued under the company's existing Diversified Payment Rights programme or residential mortgage covered bonds. Vakifbank is the first participating financial institution to receive approval for financing under the Refugee Crisis Response Facility.

Investment Description

- European Bank for Reconstruction and Development (EBRD)

TURKIYE VAKIFLAR BANKASI T.A.O., listed on Borsa Istanbul, is a full-service commercial and retail bank in Turkey with a wide regional network. The company is a quasi-state-owned entity as it is indirectly majority-owned (58.5%) by the General Directorate of Foundations, a governmental institution. 16.1% are owned by the employees' pension fund and another 25.2% are publicly traded on Borsa Istanbul. Vakifbank is the seventh largest commercial bank by assets and the third largest state-controlled bank in Turkey and is currently rated Baa3 by Moody's and BBB- by Fitch.

The Refugee Crisis Response Facility is supported by inter-linked technical cooperation and first loss risk cover to participating financial institutions to increase local availability of MSME finance in impacted regions, including for those owned and/or led by refugees and for those employing refugees. The EBRD's Board of Directors approved EUR 5 million of first loss risk cover under the Shareholder Special Fund Community Resilience sub-account.

Contact Information

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ACCOUNTABILITY MECHANISM OF EBRD

The Project Complaint Mechanism (PCM) is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an European Bank for Reconstruction and Development (EBRD)-financed project. If you submit a complaint to the PCM, it may assess compliance with EBRD's own policies and procedures to prevent harm to the environment or communities or it may assist you in resolving the problem that led to the complaint through a dialogue with those implementing the project. Additionally, the PCM has the authority to recommend a project be suspended in the event that harm is imminent. You can contact the PCM at pcm@ebrd.com or you can submit a complaint online using an online form, http://www.ebrd.com/eform/pcm/complaint_form?language=en. You can learn more about the PCM and how to file a complaint at http://www.ebrd.com/work-with-us/project-finance/project-complaint-mechanism.html.