Activities of AFD in Turkish Municipal Sector

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Izmir workshop on Sustainable Urban Transport in the Mediterranean region
12 November 2014
A brief presentation of AFD activities in Turkey

Present in Turkey since 2004 (total portfolio > 1 billion €), opening of bureau in Ankara (September 2014)

**Intervention axis in Turkey**
- Encourage low carbon growth
- Contribution to the reduction of territorial inequalities
- Conserve regional public goods

**Partners:**
- Public sector: State, public firms / banks and municipalities
- Private sector: Banks and firms (with PROPARCO)

**Tools:**
- Lending long maturity credits with conditions below local market cost
- Supporting technical assistance

*Many projects in several sustainable sectors for promoting in Turkey:*
A sustainable urban development of cities, a proactive forestry policy for the country, the development of E&S Responsibility and sustainable investments in banking sector, the energy efficiency of SMEs, modernization in agriculture, etc. ...
Support inclusive, productive, and resilient cities

One of AFD intervention strategy in Turkey is to promote sustainable cities and support sustainable development of Turkish Municipalities by financing theirs many infrastructures investments programs (transportation, water, sanitation, energy, ...).

Transversal Objective : Finance and assist territorial development strategies of local urban actors

3 Strategic Objectives :
> Promote environment friendly and low carbon cities
> Encourage social cohesion and accessible cities to all inhabitants
> Reinforce local economic dynamics and job creation
## Municipal Projects Financed in Turkey for supporting sustainable transport strategy

<table>
<thead>
<tr>
<th>Municipality</th>
<th>Project</th>
<th>Financing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metropolitan municipality of Kayseri</td>
<td>Urban development and tramway line</td>
<td>22 MEUR loan without guarantee</td>
</tr>
<tr>
<td>Metropolitan municipality of Gaziantep</td>
<td>Climate change action plan (CCAP)</td>
<td>110 KEUR grant</td>
</tr>
<tr>
<td>Metropolitan municipality of Istanbul</td>
<td>1. Taksim-Haciosman metro line&lt;br&gt;2. Taksim-Yenikapi metro line &amp; decentralized cooperation with the City of Paris</td>
<td>60 MEUR loan without guarantee&lt;br&gt;45 MEUR loan without guarantee</td>
</tr>
<tr>
<td>Metropolitan municipality of Izmir</td>
<td>1. Financing of passenger ferries&lt;br&gt;2. Financing of 2 new tramway lines</td>
<td>En cofinancement avec la SFI, la BERD et ING&lt;br&gt;45 EUR loan without guarantee&lt;br&gt;55 MEUR loan without guarantee</td>
</tr>
</tbody>
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**Izmir**<br>Signature ceremony of the CCAP<br>**Istanbul**<br>**Kayseri**

développeur d’avenirs durables
Develop a Credit Line in the Private Sector for Municipalities

80 million € loan to Denizbank in 2008

<table>
<thead>
<tr>
<th>Project</th>
<th>Municipality</th>
<th>City</th>
<th>Investment</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Municipal building rehabilitation</td>
<td>Bagcilar</td>
<td>Istanbul</td>
<td>5,9 MTL</td>
<td>3,1 MTL</td>
</tr>
<tr>
<td>Waste water treatment and solid waste facility</td>
<td>Metropolitan</td>
<td>Eskişehir</td>
<td>43 MTL</td>
<td>9 MTL</td>
</tr>
<tr>
<td>Waste water treatment</td>
<td>ASAT</td>
<td>Antalya</td>
<td>18,7 MTL</td>
<td>3,9 MTL</td>
</tr>
<tr>
<td>Urbain rail</td>
<td>Metropolitan</td>
<td>Antalya</td>
<td>228 MTL</td>
<td>10,7 MTL</td>
</tr>
<tr>
<td>Coach station</td>
<td>Metropolitan</td>
<td>Kütahya</td>
<td>7,6 MTL</td>
<td>2 MTL</td>
</tr>
</tbody>
</table>

Financing small and medium municipalities

Municipality technical assistance program (MTAP)

Investment projects

Sustainable Cities Conference (2011)

2 study trips on integrated solid waste management

2 trainings on climate change action plan

Denizbank’s personnel capacity building

ta program

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« Sustainable Cities » Program in Turkey

- Context: Metropolitan municipalities increased from 16 to 30 in 2014
  - Larger competences
  - Larger scale
- New needs in investment and capacity building in project management
- Studies undergoing between AFD and the World Bank with national authorities for a global program for these municipalities covering:

<table>
<thead>
<tr>
<th>Supporting planification</th>
<th>Infrastructure financing</th>
<th>Specific sector technical assistance</th>
</tr>
</thead>
</table>

Integrated approach to meet with sustainable cities challenge

THE WORLD BANK

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développeur d’avenirs durables
Thank you!

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