



# Activities of AFD in Turkish Municipal Sector

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Bertrand WILLOCQUET  
AFD Turkey Director



Izmir workshop on Sustainable Urban Transport in the Mediterranean region

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# 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 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 their 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

Municipality	Project	Financing
Metropolitan municipality of Kayseri	Urban development and tramway line	22 MEUR <b>loan without guarantee</b>
Metropolitan municipality of Gaziantep	Climate change action plan (CCAP)	110 KEUR <b>grant</b>
Metropolitan municipality of Istanbul	<ol style="list-style-type: none"> <li>1. Taksim-Haciosman metro line</li> <li>2. Taksim-Yenikapi metro line &amp; decentralized cooperation with the City of Paris</li> </ol>	<p>60 MEUR <b>loan without guarantee</b></p> <p>45 MEUR <b>loan without guarantee</b></p>
Metropolitan municipality of Izmir	<ol style="list-style-type: none"> <li>1. Financing of passenger ferries</li> <li>2. Financing of 2 new tramway lines</li> </ol>	<p>En <b>cofinancement</b> avec la SFI, la BERD et ING</p> <p>45 EUR <b>loan without guarantee</b></p> <p>55 MEUR <b>loan without guarantee</b></p>



Izmir



Signature ceremony of the CCAP



Istanbul



Kayseri

# Develop a Credit Line in the Private Sector for Municipalities

80 million € loan to Denizbank in 2008

Financing small and medium municipalities

Municipality technical assistance program (MTAP)



Investment projects

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

TA program

- Sustainable Cities Conference (2011)
- 2 study trips on integrated solid waste management
- 2 trainings on climate change action plan
- Denizbank's personel capacity building



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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 :**



THE WORLD BANK





# Thank you!

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Bertrand WILLOCQUET  
AFD Turkey Istanbul Representative Office  
Büyükdere Caddesi, Yapı Kredi Plaza Block C Kat 12  
34 330 Levent, Istanbul  
willocquetb@afd.fr

*développeur d'avenir durables*