TO: The President, International Bank for Reconstruction and Development

Report of the Committee under Section 4 (iii) of Article III of the Articles of Agreement on the proposed Loan (Innovative Access to Finance Project) to Türkiye Şinai Kalkınma Bankası A.Ş. to be guaranteed by the Republic of Turkey

The undersigned Committee constituted under Section 7 of Article V of the Articles of Agreement of International Bank for Reconstruction and Development (the Bank) hereby submits its report pursuant to Section 4 (iii) of Article III of said Articles in respect of the proposal that the Bank grant to Türkiye Şinai Kalkınma Bankası A.Ş. a loan in the amount of: (a) one hundred ninety million United States Dollars ($190,000,000); and (b) forty-four million one hundred thousand Euro (EUR 44,100,000), which loan is to be guaranteed by Republic of Turkey. The purpose of said loan is to improve access to longer term Islamic finance and to factoring for small and medium enterprises and export oriented enterprises.

1. The Committee has carefully studied the merits of the proposal to grant such a loan, and of the purpose to which the proceeds of the loan are to be applied.

2. The Committee is of the opinion that the project toward the financing of which the proceeds of such loan are to be applied comes within the purposes of the Bank as set forth in Article I of said Articles of Agreement, and that said project is designed to promote the development of the productive facilities and resources of the Republic of Turkey and is in the interest of the Republic of Turkey and of the members of the Bank as a whole.
3. Accordingly, the Committee finds that said project merits financial assistance from the Bank, and hereby recommends said project for such assistance.

COMMITTEE

[Signatures]

Senior Vice President and Group General Counsel

[Signature]

Expert selected by Governor for the Republic of Turkey

[Signature]

Regional Vice President Europe and Central Asia

Dated at Washington, D.C. June 30, 2014