



## Innovative Access to Finance (P147183)

EUROPE AND CENTRAL ASIA | Turkey | Finance, Competitiveness and Innovation Global Practice | IBRD/IDA | Investment Project Financing | FY 2015 | Seq No: 8 | ARCHIVED on 13-Nov-2018 | ISR34429 |

Implementing Agencies: Türkiye Sınai Kalkınma Bankası A.Ş. (TSKB), Türkiye Sınai Kalkınma Bankası A.Ş. (TSKB)

### Key Dates

#### Key Project Dates

Bank Approval Date: 22-Jul-2014

Effectiveness Date: 04-Dec-2014

Planned Mid Term Review Date: 15-Mar-2017

Actual Mid-Term Review Date: 15-Dec-2016

Original Closing Date: 31-Dec-2018

Revised Closing Date: 31-Dec-2018

### Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective (PDO) is to improve access to longer term Islamic finance and to factoring for small and medium enterprises and export oriented enterprises.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

### Components

Name

A credit line to TSKB to on-lend/finance intermediation through participation bank and factoring company PFIs to SMEs and EOE.:.(Cost \$250.00 M)

### Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	● Satisfactory	● Satisfactory
Overall Implementation Progress (IP)	● Satisfactory	● Satisfactory
Overall Risk Rating	● Low	● Low

### Implementation Status and Key Decisions

TSKB disbursement continued to perform strongly in 2018. TSKB has withdrawn the remaining US \$ 17.8 million in 2018 and successfully completed the disbursements to Participating Financial Institutions (PFIs). Both TSKB commitments and disbursements and World Bank's disbursements to TSKB have reached 100 percent of the Loan amount (US \$ 250 million). Latecomer Ziraat Katılım have completed its disbursements within 2018, bringing the overall disbursements to final beneficiary Small and Medium Size Enterprises (SMEs) and Export Oriented Enterprises (EOEs) to 100 percent.

According to latest available data project continues to perform well in terms of achieving project development objectives. According to the indicators of the maturity performance of Islamic sub-financing and export factoring of factoring sub-financing, the project continues to exceed the targets.

Weighted average maturity of Islamic sub-financing under the project is 3.3 times higher than the average maturity under PFIs own portfolio. Share



of export factoring is 7.1 times higher compared to the share of export factoring in PFI's own portfolio. In total 330 SMEs and EOE's have been financed under the project. Priority region disbursement ratio has reached to 29 percent which is almost double of the target amount 15 percent.

## Risks

### Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	● Moderate	● Moderate
Macroeconomic	--	● Moderate	● Substantial
Sector Strategies and Policies	--	● Moderate	● Moderate
Technical Design of Project or Program	--	● Low	● Low
Institutional Capacity for Implementation and Sustainability	--	● Low	● Low
Fiduciary	--	● Low	● Low
Environment and Social	--	● Low	● Low
Stakeholders	--	● Low	● Low
Other	--	● Low	● Low
Overall	--	● Low	● Low

## Results

### PDO Indicators by Objectives / Outcomes

Improve access to longer term Islamic finance and to factoring for small and medium enterprises				
▶Ratio of the average maturity of Islamic sub-financing under the project, over the average maturity of the Islamic finance PFIs' portfolio not financed under the project. (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	3.80	3.30	>1
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018
▶Number of SME beneficiaries financed by PFIs under the project (cumulative). (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	120.00	121.00	300.00
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018



Improve access to longer term Islamic finance and to factoring for export oriented enterprises				
▶Ratio of export factoring sub-financing in the fact. portfolio financed under the project, over the fact. comp. PFIs' export factoring finance in the factoring portfolio not financed under the project (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	1.00	22.50	7.10	>1
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018
▶Number of EOE beneficiaries financed by PFIs under the project (cumulative). (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	204.00	209.00	30.00
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018

### Intermediate Results Indicators by Components

A credit line to TSKB to on-lend/finance intermediation through participation bank and factoring company PFIs to SMEs and EOE.				
▶Number of PFIs under the project (cumulative). (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	7.00	7.00	6.00
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018
▶Volume of Bank support (cumulative, US\$ million). (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	247.00	249.50	250.00
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018
▶Based on Core Indicator: Volume of Bank Support: Lines of Credit - SME (cumulative, US\$ million). (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	71.40	71.40	150.00
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018
▶Outstanding export finance portfolio (US\$ million). (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	n/a	540.00	710.00	n/a

Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018
<b>►Based on Core Indicator: Outstanding SME finance portfolio (US\$ million). (Text, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	n/a	6,981	3,072	n/a
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018
<b>►Number of active export finance accounts (not cumulative). (Text, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	n/a	1,683.00	639.00	n/a
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018
<b>►Based on Core Indicator: Portfolio Quality: Portfolio at risk (%). (Text, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.40	0.30	0.20	n/a
Date	31-Dec-2013	15-Feb-2018	30-Jun-2018	31-Jul-2018
<b>►Based on Core Indicator: Number of active SME finance accounts (not cumulative). (Text, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	n/a	94,158	47,876	n/a
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018
<b>►Based on Core Indicator: Financial Sustainability: Return on Assets (%) (Text, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	2.80	2.30	2.30	n/a
Date	31-Dec-2013	15-Feb-2018	30-Jun-2018	31-Jul-2018
<b>►Based on Core Indicator: Financial Sustainability: Return on Equity (%) (Text, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	17.90	19.10	18.40	n/a
Date	31-Dec-2013	15-Feb-2018	30-Jun-2018	31-Jul-2018
<b>►Compliance with prudential regulation. (Yes/No, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	Yes	Yes	Yes	Yes
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018
<b>►Percent of SME sub-finance financing SME Sub-projects in priority regions. (Percentage, Custom)</b>				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	29.00	29.00	15.00
Date	01-Aug-2014	15-Feb-2018	30-Jun-2018	31-Jul-2018

## Data on Financial Performance

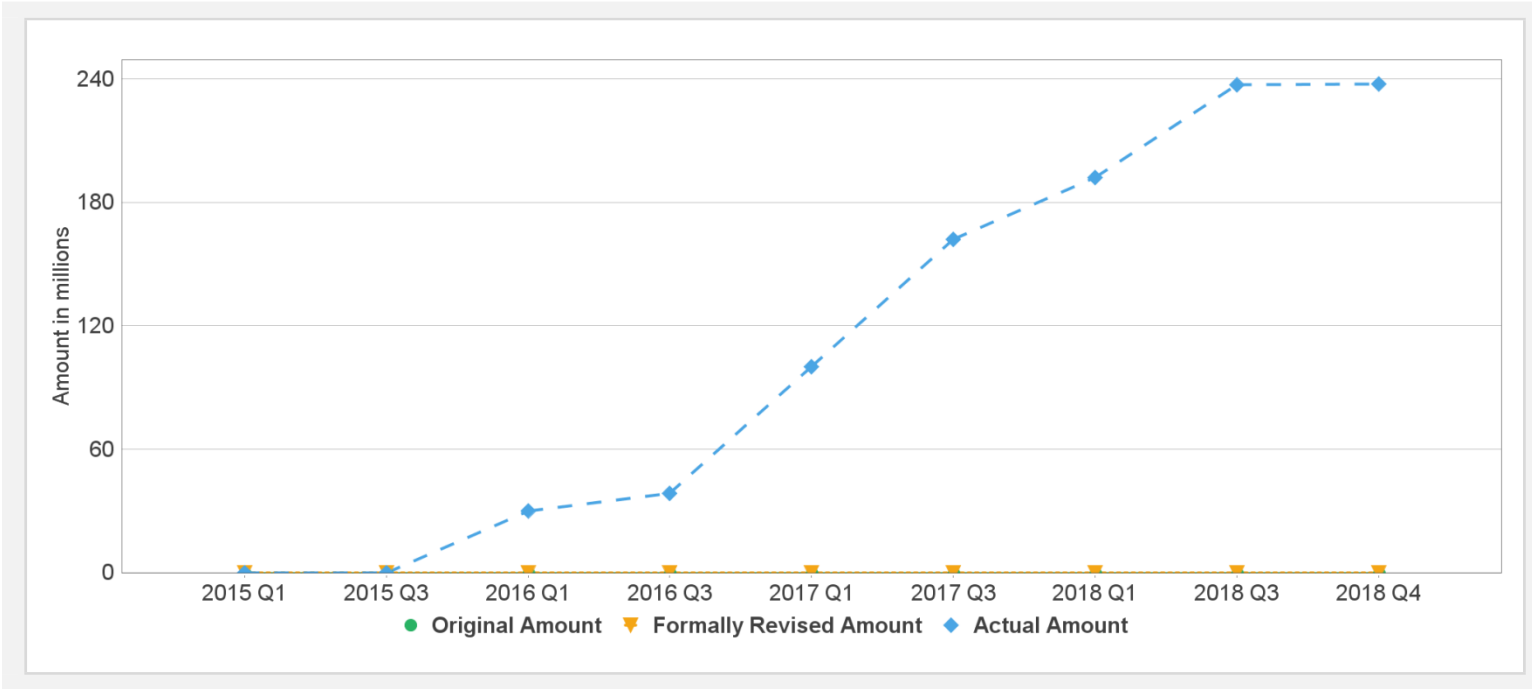
### Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P147183	IBRD-84090	Effective	USD	250.00	250.00	0.00	238.19	0.00	100%

### Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P147183	IBRD-84090	Effective	22-Jul-2014	22-Aug-2014	04-Dec-2014	31-Dec-2018	31-Dec-2018

### Cumulative Disbursements



### Restructuring History

There has been no restructuring to date.

### Related Project(s)

There are no related projects.