



# **Sources of financing for Turkish partners engaged into SECAP-related activities**

June 16, 2023



# SECAP in Türkiye: an ambition and a challenge

- An ambition: to be among leaders of green transformation
- Tripple challenge:
  - To improve environment, energy, awareness and quality of life
  - To get funding for that
  - To engage local stakeholders



- Where to get funding from?
- How to connect the funding available with particular needs: how to make your idea bankable / fundable?



# Major sources of public investment

- Grants
  - IPA: European Union Instrument for Pre-Accession Partnership
  - EU Cross-border cooperation programmes
  - Horizon Europe – European Union Research and innovation funding programme
  - Twinning
  - Development cooperation
  - Dedicated climate action programmes/projects
- Loans
  - European Bank for Reconstruction and Development (EBRD)
  - European Investment Bank (EIB)
  - World Bank (WB)
- International vs. Domestic sources



# Challenges of funding

- No single source for all SECAP
- Breaking down into small and smaller sub-projects and activities
- Combining sources
- Partnership (where relevant)



... and the most important:

- Selling the idea to the donor: making your goal their interest
- Meeting donor's expectations (reading the first page of the call)



# The priority of the EU



Becoming the world's first climate-neutral continent by 2050

Supported by investments in green technologies, sustainable solutions and new businesses

## A European Green Deal

Striving to be the first climate-neutral continent

Involvement and commitment of the public and of all stakeholders

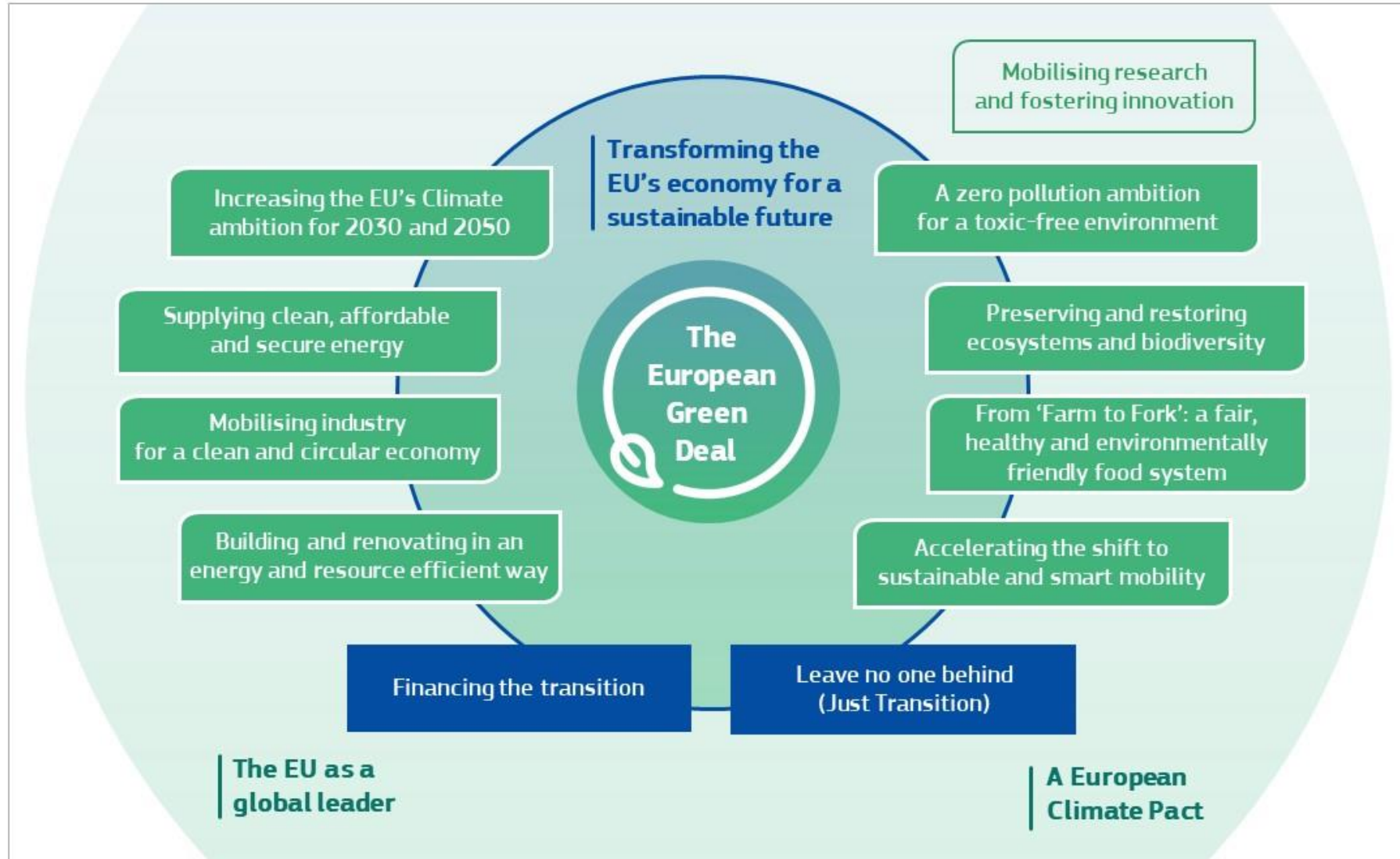
Measures accompanied with an initial roadmap of key policies range from ambitiously cutting emissions, to investing in cutting-edge research and innovation

*All wealth comes from Nature. Without it, there wouldn't be any economics.*

*Margaret Atwood*



# Common goals: European Green Deal





# Grants

- IPA: European Union Instrument for Pre-Accession Partnership
- EU Cross-border cooperation programmes
- Horizon Europe: European Union Research and innovation funding programme
- Twinning
- Development cooperation
- Dedicated climate action programmes/projects



# IPA: European Union Instrument for Pre-Accession Partnership



# IPA: European Union Instrument for Pre-Accession Partnership

- National programme, in cooperation with the European Union
- Preparation for EU membership
- *“to make a perfect new Member State”*
- Indicative EU allocations for IPA 2014-2020: €3,533 million (not including the allocation for Cross-border Cooperation)
- Grants and tenders



# IPA for Türkiye: priority sectors

- Democracy & governance
- Civil society
- Rule of law & fundamental rights
- Home affairs
- **Environment & climate action:** Protecting the environment, tackling climate change, ensuring greater alignment with EU environment and climate acquis.
- **Transport:** Connecting to the TEN-T rail network; developing sustainable, low-carbon, intelligent and safe transport in line with EU standards.
- **Energy:** Improving Türkiye's interconnectivity and integration with European electricity and gas markets; promoting energy efficiency and renewable energies in line with the EU resource efficiency and climate targets; aligning nuclear regulations with EU standards.
- Competitiveness & innovation
- Education, employment and social policies
- Agriculture & rural development
- Regional and territorial cooperation

**Geographical Zone**  **Published after**

**Type**  Grants  Twinning  Supplies  Services  Works

**Status**  Closed  Open  Forecast

Your selection returns more than 500 record(s) !!! Display 10 - 15 - 25 - 50 calls per page.

Ref. # - Title

Published 
  Updated 
  Status 
  Type 
  Geographical Zone 
  Programme

<b>176511 - Civil Society Action towards European Green Deal</b>	03/02/2023  12/06/2023  Closed « 18/04/2023	Action Grants	Türkiye	Instrument for Pre-accession Assistance for Rural Development
<b>168241 - Labour Market Support Programme for Young People Not in Employment Education or Training (NEETs) (NEET PRO)</b>	13/02/2020  05/06/2023  Closed « 29/06/2020	Action Grants	Türkiye	Instrument for Pre-accession Assistance for Rural Development
<b>176663 - Thematic Programme on Human Rights and Democracy - Türkiye</b>	10/02/2023  12/05/2023  Closed « 28/03/2023	Action Grants	Türkiye	Neighbourhood
<b>176287 - Support to rights-based CSOs working on social inclusion and youth</b>	02/12/2022  11/05/2023  Closed « 20/02/2023	Action Grants	Türkiye	Instrument for Pre-accession Assistance for Rural Development
<b>173891 - European Union Scholarships (BEUrS)</b>	20/04/2022  01/02/2023  Closed « 06/06/2022	Action Grants	Türkiye	Neighbourhood
<b>173574 - Thematic Programme on Human Rights and Democracy - Turkey</b>	25/01/2022  20/01/2023  Closed « 15/03/2022	Action Grants	Türkiye	Neighbourhood
<b>173144 - Town Twinning between Turkey and EU-II (Twinning for a Green Future) Grant Scheme (TTGS-II)</b>	10/12/2021  25/10/2022  Closed « 01/03/2022	Action Grants	Türkiye	Instrument for Pre-accession Assistance for Rural Development
<b>175704 - Strengthening the Audit Capacity of the Audit Authority</b>	16/09/2022  12/09/2022  Closed « 11/11/2022	Twinning action grant	Türkiye	Instrument for Pre-accession Assistance for Rural Development
<b>140284 - Technical Assistance for <input type="checkbox"/> A Smart Network for Technology Transfer and Commercialisation with Funnel Model (SMARTNET) <input type="checkbox"/></b>	20/05/2019  03/05/2022  Closed « 05/06/2020	Services	Türkiye	PreAccession Countries / New Member States, Instrument for Pre-accession Assistance for Rural Development
<b>170484 - Climate Change Adaptation Grant Programme (CCAGP)</b>	14/10/2020  19/04/2022  Closed « 28/12/2020	Action Grants	Türkiye	Instrument for Pre-accession Assistance for Rural Development
<b>140562 - Technical Assistance for Assessment of Turkey's Potential on Transition to Circular Economy</b>	15/11/2019  04/03/2022  Closed « 16/06/2021	Services	Türkiye	PreAccession Countries / New Member States, Instrument for Pre-accession Assistance for Rural Development

# Funding, Tenders

Find calls for funding proposals, get information on funding processes and programmes, and apply online. Learn about the tendering process and opportunities for doing business with the European Commission.

## Funding opportunities

---

### Find funding

[EU funding programmes](#)

[Find calls for funding - by topic](#)

[Funding by management mode](#)

[Financial instruments: equity, guarantees, and loans](#)

[Prizes](#)

### How to apply

[Before you apply: EU funding for beginners](#)

[Eligibility: who can get funding?](#)

[The application process](#)

[Award procedure and contract signature](#)

### Managing your project

[What to expect once you are awarded a contract: reporting, deliverables, audits and communication](#)



# Actual project under IPA

- Actual projects:
  - (IPA) 2018 Term Program, Renewable Energy Equipment Supply for Municipalities – Phase I: construction of three solar power plants in Adiyaman, Sivas and Isparta (3.42 MW). (2022)



LIFE



## The LIFE programme



- EU's funding instrument for the environment and climate action created in 1992.
- Current funding period 2014-2020
- Budget of €3.4 billion



## Four objectives:



1. Help to move towards a resource-efficient, low carbon and climate resilient economy, improve the quality of the environment and halt and reverse biodiversity loss;
2. Improve the development, implementation and enforcement of EU environmental and climate policy and legislation, and act as a catalyst for, and promote, the mainstreaming of environmental and climate objectives into other policies and practices;
3. Support better environmental and climate governance at all levels, including better involvement of civil society, NGOs and local actors;
4. Support the implementation of the 7th environmental action plan.



# Horizon Europe



# Horizon Europe

- ...the EU's key funding programme for research and innovation
- Budget of €95.5 billion
- Priorities: tackling climate change, achievement of the UN Sustainable Development Goals, boosting the EU's competitiveness and growth.
- Open for Member States, Candidate Countries, Neighbours and (in some cases) Other Countries



# Horizon Europe



## European partnerships

---

Horizon Europe supports European partnerships in which the EU, national authorities and/or the private sector jointly commit to support the development and implementation of a programme of research and innovation activities.

The goal of European partnerships is to contribute to the achievement of EU priorities, address complex challenges outlined in Horizon Europe and strengthen the European Research Area (ERA).

[Read more about the different kinds of partnerships](#)

Partnership candidates and contact details are available to view grouped in the themes below.

[Partnerships across themes](#)

[Climate, energy and mobility](#)

[Digital, industry and space](#)

[Health](#)

[Food, bioeconomy, natural resources,  
agriculture and environment](#)



# Horizon Europe

## Five Missions Areas



**Adaptation to  
climate change,  
including societal  
transformation**



**Cancer**



**Healthy oceans,  
seas, coastal &  
inland waters**



**Climate-neutral  
& smart cities**



**Soil health &  
food**



# HORIZON EUROPE



## SPECIFIC PROGRAMME: EUROPEAN DEFENCE FUND

*Exclusive focus on defence research & development*

Research actions

Development actions

## SPECIFIC PROGRAMME IMPLEMENTING HORIZON EUROPE & EIT\*

*Exclusive focus on civil applications*



### Pillar I EXCELLENT SCIENCE

European Research Council

Marie Skłodowska-Curie

Research Infrastructures



### Pillar II GLOBAL CHALLENGES & EUROPEAN INDUSTRIAL COMPETITIVENESS

Clusters

- Health
- Culture, Creativity & Inclusive Society
- Civil Security for Society
- Digital, Industry & Space
- Climate, Energy & Mobility
- Food, Bioeconomy, Natural Resources, Agriculture & Environment

Joint Research Centre



### Pillar III INNOVATIVE EUROPE

European Innovation Council

European Innovation Ecosystems

European Institute of Innovation & Technology\*

## WIDENING PARTICIPATION AND STRENGTHENING THE EUROPEAN RESEARCH AREA

Widening participation & spreading excellence

Reforming & Enhancing the European R&I system

Fusion

Fission

Joint Research Center

\* The European Institute of Innovation & Technology (EIT) is not part of the Specific Programme

## HORIZON EUROPE PILLAR II - Global challenges & European industrial competitiveness

CLUSTER 1: Health	CLUSTER 4: Digital, Industry & Space	CLUSTER 5: Climate, Energy & Mobility	CLUSTER 6: Food, Bioeconomy, Agriculture, ...
Innovative Health Initiative	Key Digital Technologies	Clean Hydrogen	Circular Bio-based Europe
Global Health Partnership	Smart Networks & Services	Clean Aviation	Rescuing Biodiversity to Safeguard Life on Earth
Transformation of health systems	High Performance Computing	Single European Sky ATM Research 3	Climate Neutral, Sustainable & Productive Blue Economy
Chemicals risk assessment	European Metrology (Art. 185)	Europe's Rail	Water4All
ERA for Health	AI-Data-Robotics	Connected and Automated Mobility (CCAM)	Animal Health & Welfare*
Rare diseases*	Photonics	Batteries	Accelerating Farming Systems Transitions*
One-Health Anti Microbial Resistance*	Made in Europe	Zero-emission waterborne transport	Agriculture of Data*
Personalised Medicine*	Clean steel – low-carbon steelmaking	Zero-emission road transport	Safe & Sustainable Food System*
Pandemic Preparedness* <i>Co-funded or co-programmed</i>	Processes4Planet	Built4People	
	Global competitive space systems**	Clean Energy Transition	
		Driving Urban Transitions	

 Institutionalised Partnerships (Art 185/7)

 Institutionalised Partnerships / EIT KICs

 Co-Programmed

 Co-Funded

\* Calls with opening dates in 2023-24

\*\* Calls with opening dates not before 2022

## PILLAR III - Innovative Europe

EIT (KNOWLEDGE & INNOVATION COMMUNITIES)	SUPPORT TO INNOVATION ECOSYSTEMS
InnoEnergy	Innovative SMEs
Climate	
Digital	
Food	
Health	
Raw Materials	
Manufacturing	
Urban Mobility	
Cultural and Creative Industries	

## CROSS-PILLARS II & III

European Open Science Cloud



# Horizon Europe: Partnerships on Climate, Energy and Mobility

- European Partnership on Clean Hydrogen
- People-centric sustainable built environment (Built4People)
- European Partnership – Towards zero-emission road transport (2ZERO)
- European Partnership on Connected and Automated Driving (CCAM)
- European Partnership on zero-emission waterborne transport
- European Partnership for an Industrial Battery Value Chain
- European Partnership – driving urban transitions to a sustainable future (DUT)
- European Partnership for Clean Energy Transition



# Horizon Europe

- **A Climate Resilient Europe** - Prepare Europe for climate disruptions and accelerate the transformation to a climate resilient and just Europe by 2030
- Targets by 2030: prepare Europe to deal with climate disruptions, accelerate the transition to a healthy and prosperous future within safe planetary boundaries and scale up solutions for resilience that will trigger transformations in society.
- **100 Climate-Neutral Cities by 2030** - by and for the citizens
- Targets by 2030: support, promote and showcase 100 European cities in their systemic transformation towards climate neutrality by 2030 and turn these cities into innovation hubs for all cities, benefiting quality of life and sustainability in Europe.



# Horizon Europe: principles of funding

- **CO-PROGRAMMED:**

- Based on Memoranda of Understanding/contractual arrangements;
- Implemented independently by the partners and by Horizon Europe;

- **CO-FUNDED:**

- Based on a joint programme agreed and implemented by partners;
- Commitment of partners for financial and in-kind contributions

- **INSTITUTIONALISED:**

- Based on long-term dimension and need for high integration;
- Partnerships based on Art 185/187 of TFEU and the EIT legal acts for 2021-2027



# Horizon Europe

...calls <...> in line with 7 main objectives and projects will be supported on the subjects under these objectives.

- Goal 1: Biodiversity and Ecosystem Services
- Goal 2: Fair, Healthy and Environmentally Friendly Food Systems from Primary Production to Consumption
- Goal 3: Circular Economy and Bioeconomy Sectors
- Goal 4: Clean Environment and Zero Emissions
- Goal 5: Land, Ocean and Water Studies for Climate Action
- Goal 6: Resilient, Inclusive, Healthy and Green Rural, Coastal and Urban Communities
- Goal 7: Innovative Management, Environmental Monitoring and Digital Solutions for the Benefit of the Green Deal



# Horizon Europe

- Types of projects:
  - Research and innovation
  - Pilot activities



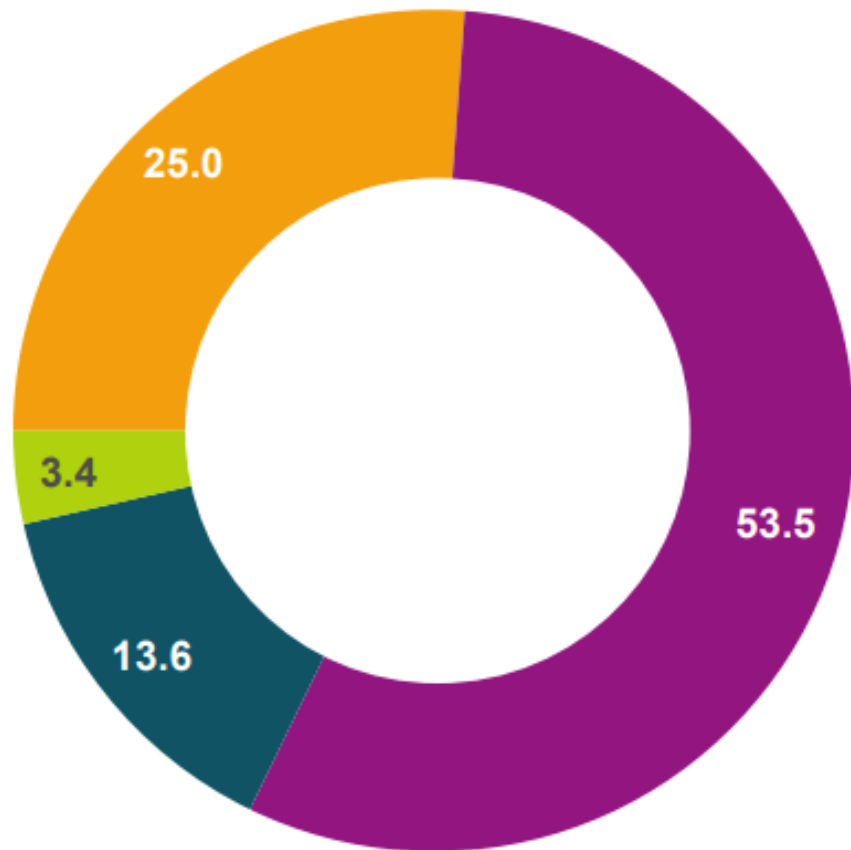
# Calls for 2021-2022

- Goal 1: Biodiversity and Ecosystem Services
- Goal 2: Fair, Healthy and Environmentally Friendly Food Systems from Primary Production to Consumption
- Goal 3: Circular Economy and Bioeconomy Sectors
- Goal 4: Clean Environment and Zero Emissions
- Goal 5: Land, Ocean and Water Studies for Climate Action
- Goal 6: Resilient, Inclusive, Healthy and Green Rural, Coastal and Urban Communities
- Goal 7: Innovative Management, Environmental Monitoring and Digital Solutions for the Benefit of the Green Deal



# Horizon Europe Budget: €95.5 billion (2021-2027)

(including €5.4 billion from NGEU – Next Generation Europe – programme of EU for Recovery from COVID-19 crisis)



## Political agreement December 2020

*€ billion in current prices*

- Excellent Science
- Global challenges and European ind. comp.
- Innovative Europe
- Widening Part and ERA





# Horizon Europe: actual projects with Türkiye

- MAtchUP (2017-2022): transforming cities through innovative solutions and technologies at the service of local communities. The consortium: 28 organizations from 8 different countries. Cities are supported by the expertise of universities and research institutions, SMEs, industrial and non-profit partners.
- NIMBLE (2016-2019): development of federated, multi-sided and cloud services-based business ecosystem that supports B2B collaboration for industry, manufacturers, business and logistics, ICT-based innovation of products and evolution of traditional business models.
- TRUSTVEHICLE (2017 - 2020): research on public expectation on automated vehicles. Researchers have gathered hundreds of survey responses – from several EU countries and Türkiye.
- HIT2GAP (2015-2019) – 22 partners research and practical testing of housing energy efficiency technologies



# INTERREG & European Neighbourhood Initiative: Cross-border cooperation

# INTERREG & ENI: Cross-border cooperation for Türkiye

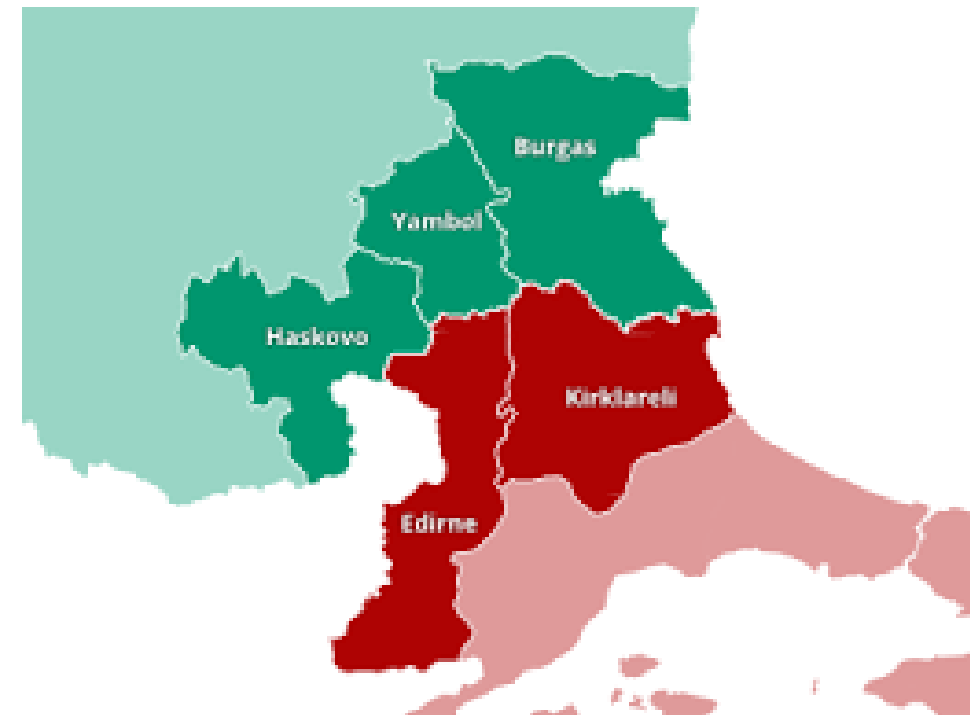
- INTERREG Bulgaria – Türkiye CBC programme 2021-2027
- ENI CBC Black Sea Programme 2021-2027



# INTERREG Bulgaria – Türkiye IPA CBC programme 2021-2027



- EUR 29 252 963 (ERDF and IPA III contribution).
- Border regions of Bulgaria and Türkiye
- Eligible beneficiaries: legal entities of the cross border region, which are non-profit making organizations (i.e. local/ regional/ national authorities or their subsidiaries; national and regional agencies; administrations of protected areas, forestries; cultural institutions; community centres; NGOs; educational organizations; Euro regions; associations of two or more of the listed above).
- Possibility to engage out-of-area partners





# INTERREG Bulgaria – Türkiye IPA CBC programme 2021-2027



- **PO 2 A greener, lowcarbon Europe:**
  - Promoting energy efficiency and reducing greenhouse gas emissions
  - Promoting the transition to a circular economy
- **PO 5 A Europe closer to citizens:**
  - Fostering the integrated social, economic and environmental development, cultural heritage
- **ISO 2: A safer and more secure Europe:**
  - Improving migration management



# ENI CBC Black Sea Basin Programme 2021-2027



- Geographical scope: coastal areas of the Black Sea countries and entire area of Southern Caucasus states (except for Russia).
- Co-financing rate: 80%.

blacksea-cbc.net/interactive-map/

All projects

Heritage Preservation, Georgia  
Contact person: Dr. Mariam Didebulidze  
Address: 52 Rustaveli av., Tbilisi, Georgia; (+99532) 2931338; (+99532) 2990588; (+99532) 2932248  
Email: marididebuli@yahoo.com; didebulidze@gch-centre.ge

**Partner 5**  
Name: Municipality of Varna, Bulgaria  
Contact person: M. Kulikov  
Address: 43 "Osmi Primorski polk" Blvd., Varna 9000, Bulgaria; +359 52 659125; +359 52 659225  
Email: mkulikov@varna.bg

**Partner 6**  
Name: Istanbul University, Faculty of Letters, Department of Conservation of Marine Archaeological Objects, Turkey  
Contact person: Assoc. Prof. Dr. Ufuk Kocabas  
Address: Istanbul Universitesi, Edebiyat Fakultesi, Sualti Kultur, Kalintilari Koruma Anabilim Dalı, Ordu C.34459 - Laleli Fatih, Istanbul, Turkey; +90 212 455 5700 - 15743; +90 212 455 5743  
Email: ufukk@istanbul.edu.tr

**Partner 7**  
Name: Koc University of Instabul, Turkey  
Contact person: Meltem Isanlar  
Address: Rumeli Feneri Yolu 34450 Sariyer, Istanbul, Turkey; +90 212 338 1293; +90 212 338 1205  
Email: misanlar@ku.edu.tr



# ENI CBC Black Sea Basin Programme 2021-2027

Programme's Thematic Objectives:

- Developing and enhancing research and innovation capacities;
- Promoting climate change adaptation and disaster risk prevention;
- Enhancing protection and preservation of nature, biodiversity and green infrastructure.



## CBC's: common rules

- Cross-border cooperation element
- Mirror and asymmetric projects
- ~80% EU funding
- Rather low budgets:
  - Up € 5 M in exceptional cases;
  - Average project budget size – below € 1 M;
  - Limitations on infrastructure investments outside of core areas;
- First calls for proposals are expected by the end of the year.



Twinning





# Twinning

- “...a European Union instrument for institutional cooperation between Public Administrations of EU Member States and of beneficiary or partner countries.”
- IPA region:
  - *...supports transposition, implementation and enforcement of the EU legislation (acquis),*
  - *...by building up capacities of beneficiary countries' public administrations throughout the accession process,*
  - *...resulting in progressive, positive developments.*
  - *...sharing good practices developed within the EU with beneficiary public administrations, fostering long-term relationships between administrations of existing and future EU countries*



# Topic: Beneficiaries

- **Beneficiaries**

- Instrument for Pre-accession Assistance (IPA):
  - Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia and Türkiye.
- European Neighbourhood Policy (ENP):
  - ENI South: Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine and Tunisia.
  - ENI East: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine.



# Twinning

- Soft activities
- International partnership
- Capacity building
- Meeting EU long term goals
- Taylor-made partnerships



# Twinning

e.g.: Twinning between Türkiye and EU-II (Twinning for a Green Future) Grant Scheme (TTGS-II) / PreAccession Countries / New Member States programme, Action Grants; 10/12/2021-01/03/2022, EuropeAid/173144/ID/ACT/TR

- **Priority 1: Development of local plans, strategies, roadmaps and/or preparation of decision-making tools (modelling, impact and vulnerability analysis, etc.) with regard to climate change**
  - Developing local strategies, plans, roadmaps regarding climate change and sustainable development;
  - Enabling local initiatives to support green economic development;
  - Conducting preparatory studies to support policy making;
  - Developing Local Climate Action Plans;
  - Developing Voluntary Local Reviews (VLRs);
  - Implementing programs localization of global agendas related environment and climate change.



# Twinning

e.g.: Twinning between Türkiye and EU-II (Twinning for a Green Future) Grant Scheme (TTGS-II) / PreAccession Countries / New Member States programme, Action Grants; 10/12/2021-01/03/2022, EuropeAid/173144/ID/ACT/TR

- **Priority 2: Enhancing the capacity of local authorities and enabling exchange of adaptation know-how and experience among local authorities within Türkiye and/or the EU for creation and/or implementation of climate change adaptation technologies and systems.**
  - Developing and/or implementing technology and innovative tools for climate change adaptation;
  - Creating networks and platforms for exchange of best practices related to climate and environment;
  - Compliance with the effects of climate change in local and sectoral policies and strengthening capacity, interagency cooperation and coordination;
  - Increasing the representation in European networks via joint actions;
  - Identifying and monitoring the effects of climate change at the local level.
- **Priority 3: Raising public awareness on climate and environment related issues, particularly actions targeting children and youth.**
  - Actions targeting public awareness on climate change and environment focusing on different groups of the community;
  - Raising awareness on the urgency and importance of adapting to climate change;
  - Developing community-based adaptation measures to combat climate change.



# Development cooperation



# Development cooperation

- European:
  - EuropeAid
- National:
  - USAid
  - Japan Aid
  - National development cooperation agencies (German International Cooperation Institution (GIZ), SIDA, etc.)



# Development cooperation: challenging issues

- Upper-middle income country: advantages and challenges
- Is Türkiye rich/poor enough to qualify as development assistance recipient?
- Türkiye's eligibility for development aid or just humanitarian aid?
- Tripartite formats of development aid



- Dedicated climate action programmes/projects



# Just Transition Fund (JTF)



EU support mechanism for Green transformation.  
The mechanism consists of three pillars:

Just Transition Fund

Dedicated scheme under the InvestEU  
programme

Loan facility provided by EIB to mobilize  
additional investments in the regions concerned



# Just Transition Fund (JTF)



## **JTF**

€ 40 billion,  
generating at least  
€ 89-107 billion EUR  
of investments



## **Fair Transition Scheme**

mobilization  
€ 30 billion  
investment



## **EIB credit line**

Loans of € 10 billion secured.  
1.5 billion euros from the EU  
budget, mobilizing up to € 30  
billion investments



# International Climate Initiative (IKI) Germany

## Areas of focus

IKI funds:

- Mitigating greenhouse gas emissions;
- Adapting to the impacts of climate change;
- Conserving natural carbon sinks with a focus on reducing emissions from deforestation and forest degradation (REDD+);
- Conserving biological diversity

## Country eligibility

- Support for partner/cooperation countries, with priority for those ODA DAC list.
- Outside of Central Asia as a region, the priority countries are: Türkiye, Ukraine.
- List of partner countries is subject to change.



# International Climate Initiative (IKI) Germany

## Financing

IKI has two relatively big funding pools namely the “thematic-oriented” and “country-specific” selection procedures. These funding pools primarily promote large-volume programmes in order to accelerate transformation towards a sustainable and low-carbon economy and its connected supply structures.

## Types of funding

Grants

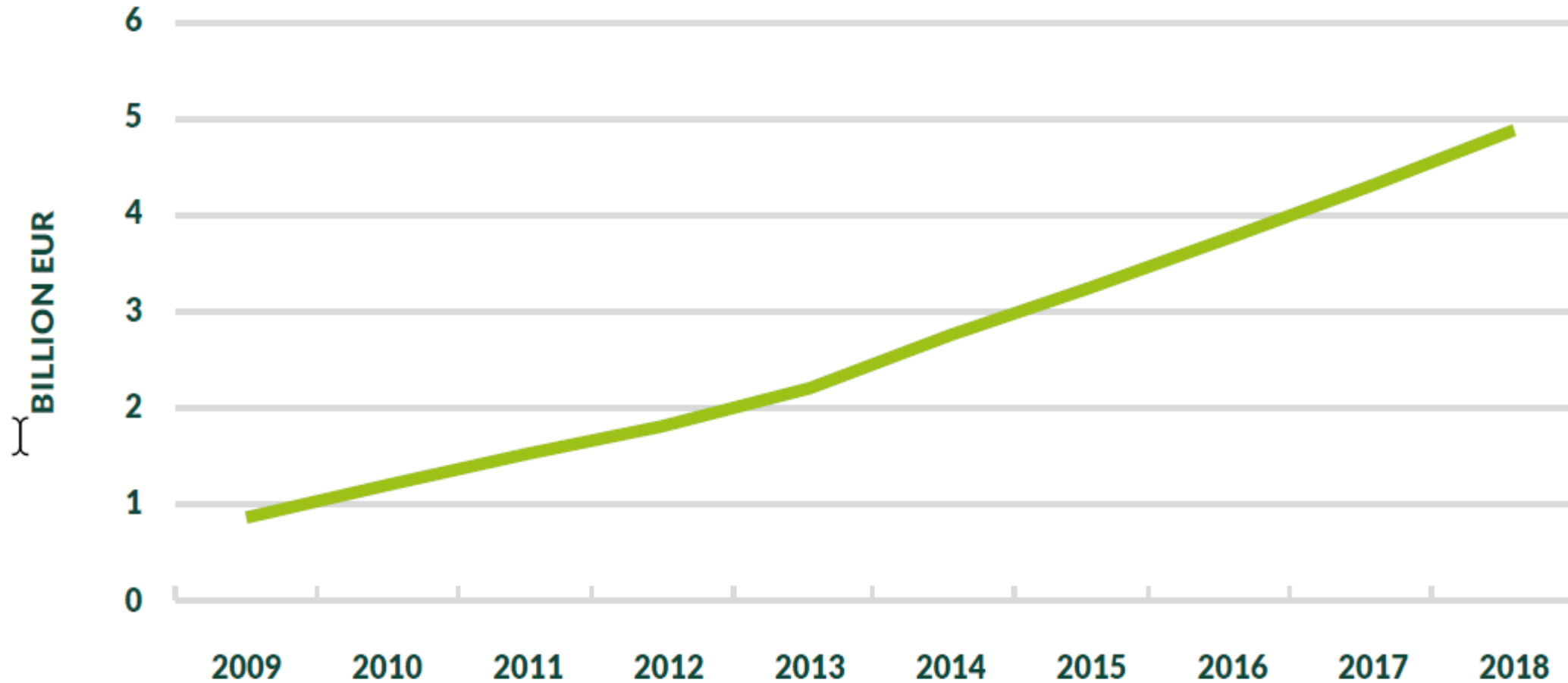
Low-interest  
loans



# KFW Development Bank



## KFW'S INVESTMENT IN CLIMATE CHANGE PROJECTS GLOBALLY BETWEEN 2009-2018





## Small grants programme

- [GEF Small Grants Programme](#) (SGP)
- Financial and technical support to communities and Civil Society Organizations to meet the overall objective of global environmental benefits secured through community-based initiatives and actions.





## Practical example: Lithuanian Environmental Investment Fund (LAAIF)



Lithuanian Environmental Investment Fund

- Established with the Strategy for Environmental Protection of Lithuania
- Statute of the Fund approved in 2010.
- Main goal of LAAIF: to support public and private sectors in realization of environmental projects to reduce the negative impact of economic activities on environment in compliance with the Environmental Strategy of the Republic of Lithuania.
- **Support investment in the form of soft loans and subsidies**



## Practical example: Dutch Green Fund (FIFG)

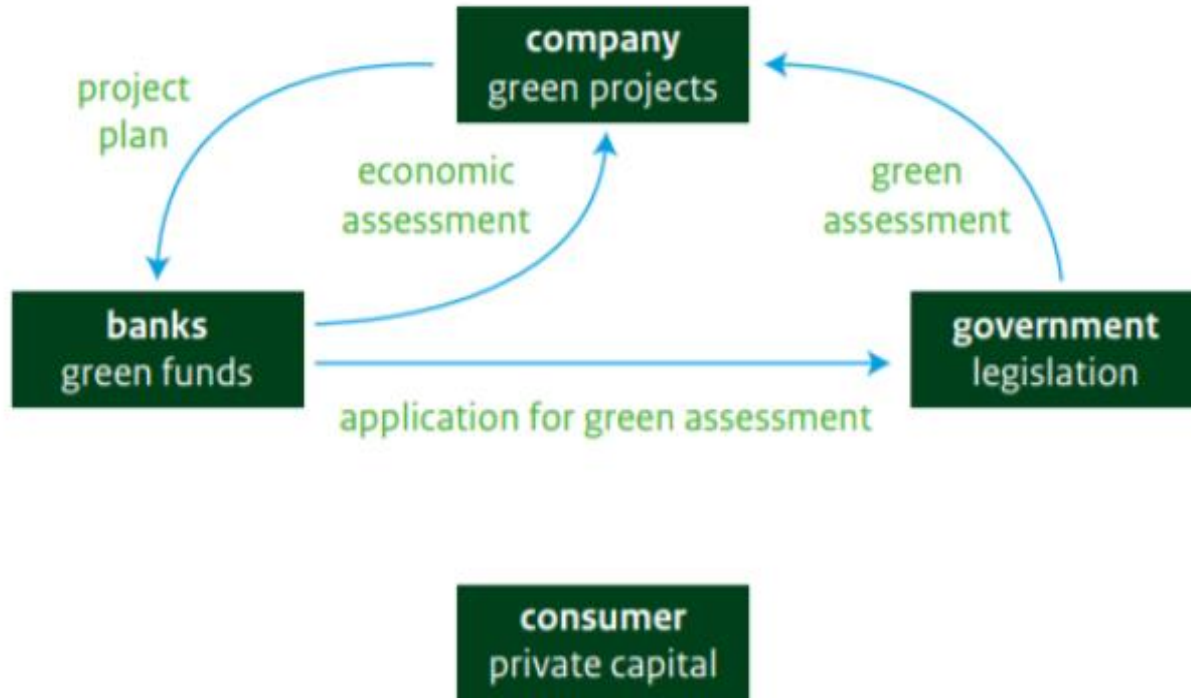


- The Dutch Green Fund Scheme (FIFG) is a tax incentive tool used by the Dutch government to encourage environmentally friendly initiatives.
- Investing in green funds means that individual investors lend their money to banks at lower interest rates, but are offset by tax breaks. Green banks can offer cheaper loans for sustainable projects and improve their financial situation

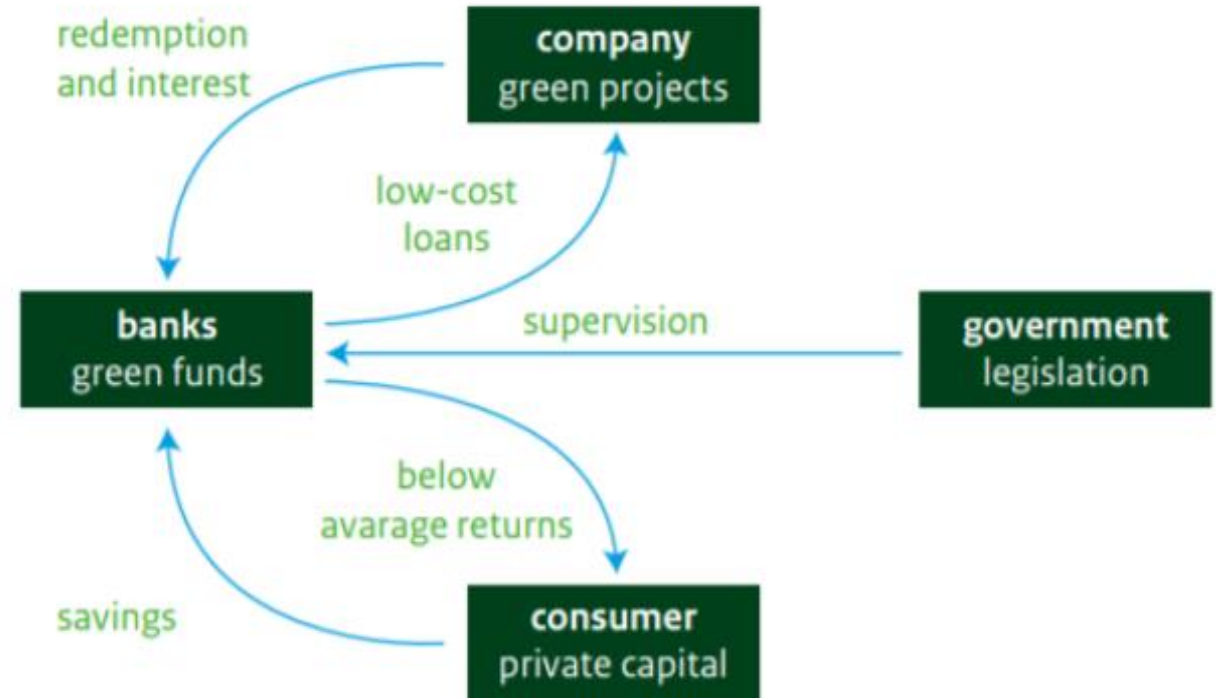


# Practical example: Dutch Green Fund (FIFG)

## The procedural flow



## The money flow



The tax credit applies to investments of up to 55,000 euros;  
Tax incentives - 2.5% (0% instead of (1.2%) return on equity and -1.3% income tax received on green investments);  
Projects certified by a government institution;  
Investments are made by banks.



# Loans



# Loans

- European Investment Bank (EIB)
- European bank for Reconstruction and Development (EBRD)
- World Bank (WB)
- Combination with Turkish domestic sources



European Investment Bank



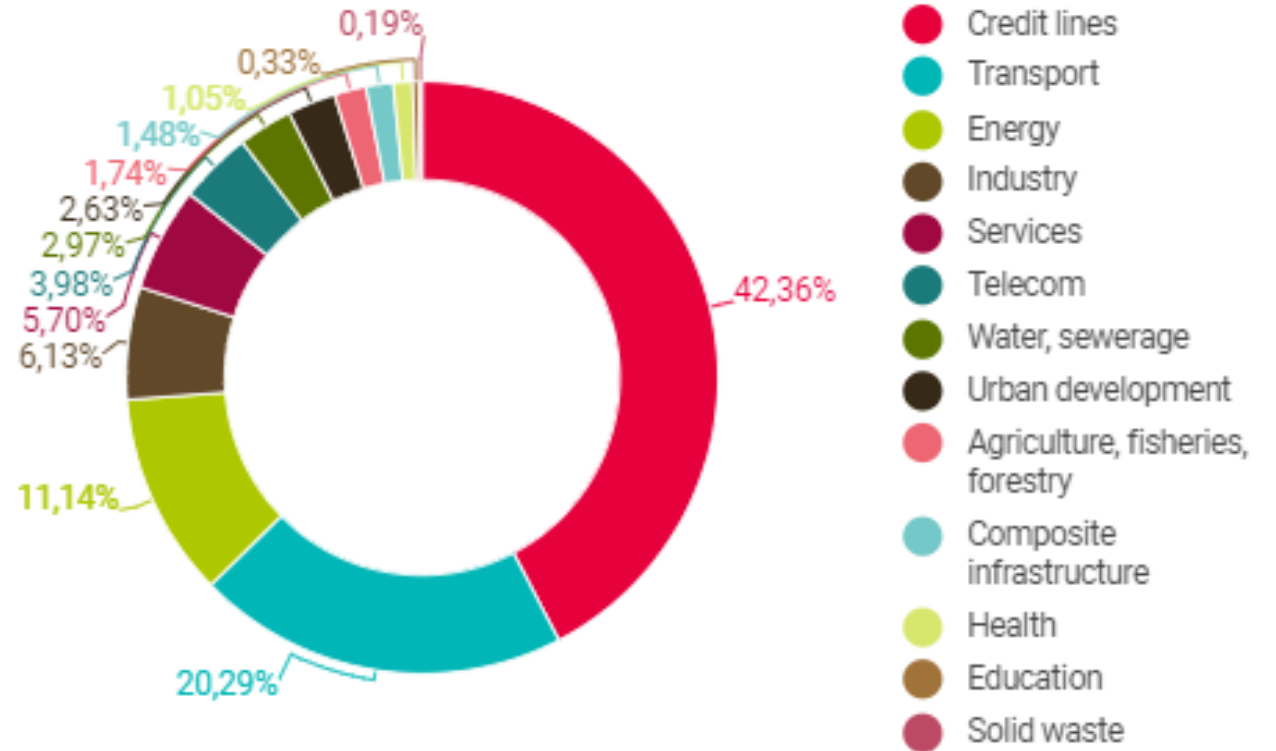
# European Investment Bank

- Candidate Countries and Potential Candidate Countries.
- EIB operations since 1977, mainly upgrading of public infrastructure.
- New fields:
  - healthcare
  - education
  - research and development
  - private sector development
- Close work with the European Commission, blending loans with EU grants to achieve an optimal financing package.
- Large project loans directly to public and private bodies.



# EIB and Türkiye

- Since 1965
- 201 project financed
- €30,43 G total financed





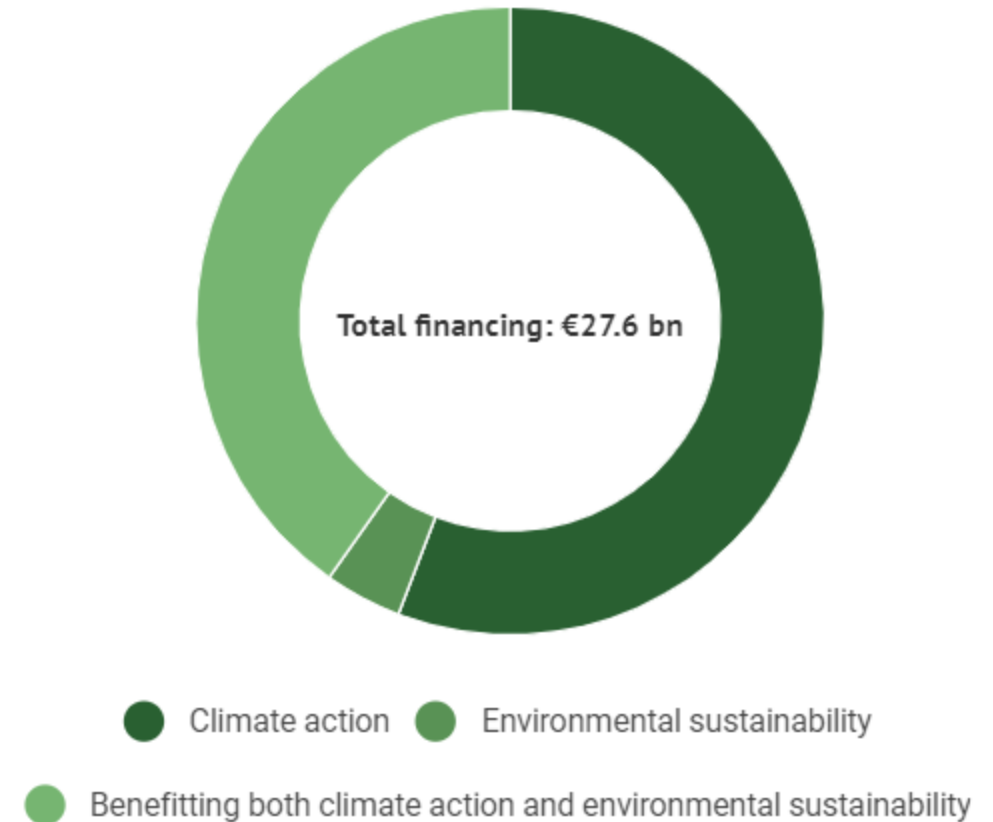
# Types of EIB projects

- Circular economy projects:
  - Circular design and production
  - Circular use and life extension
  - Circular value recovery
  - Circular support
- **The transition to circular cities**
  - Long term vision.
  - Financial support - Circular City Funding Guide.



# Types of EIB projects

- Climate and environmental sustainability goals:
  - limit global warming to 1.5 °C above pre-industrial levels by the end of this century
  - adapt to the unavoidable impacts of climate change
  - combat environmental degradation,
  - halt biodiversity loss, and
  - stop widening inequalities.





# EIB and Türkiye: examples

- Bosphorus Tunnel (a loan of €1,05 bln, 2004-2006)
- EIB and İller Bankası A.Ş. framework for financing municipal investment schemes in the public transport, water and waste sectors throughout Türkiye. (€ 250 M, 2015).
- ~€2 bln. annually between 2009 and 2016.
- Current restrictions: stopped lending to infrastructure projects or any firm with links to the Turkish government; open option to lend to parts of the private sector.



World Bank

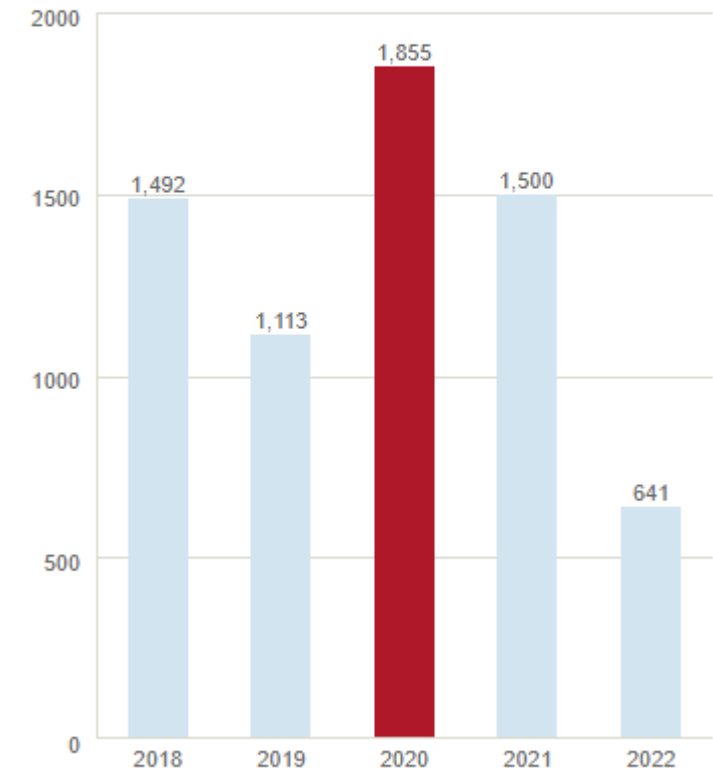


# World Bank

- *“Türkiye enjoyed high growth rates between 2002 and 2017 that propelled the country to the higher reaches of upper-middle-income status. But productivity growth slowed as reform momentum waned over the past decade, and efforts turned to supporting growth with credit booms and a demand stimulus, exacerbating internal and external vulnerabilities.”*
- Goals: reduce vulnerabilities
- Country Partnership Framework (CPF) for Türkiye (FY18-21) is aligned with the Türkiye’s 10th Development Plan.

## LENDING

Turkey: Commitments by Fiscal Year (in millions of dollars)\*



\*Amounts include IBRD and IDA commitments



# World Bank: Türkiye CPF

- CPF objectives are grouped into three focus areas with nine CPF objectives.
  - **First Focus Area:**
    - increased fiscal space;
    - enhanced access to finance to underserved segments;
    - enhanced competitiveness and employment in select industries.
  - **Second focus area:**
    - Consolidation of Türkiye's success towards achieving the twin goals
    - improving efficiency and effectiveness in social assistance
    - strengthening the evidence-base for policies aiming to narrow gaps between regions
    - ensure greater inclusion of vulnerable groups.
  - **Third focus area:**
    - help address the SCD-highlighted challenge of reorienting growth towards a more green, resilient and sustainable pattern.

PROJECTS

Search Projects

PROJECTS FILTERS

Global Overview

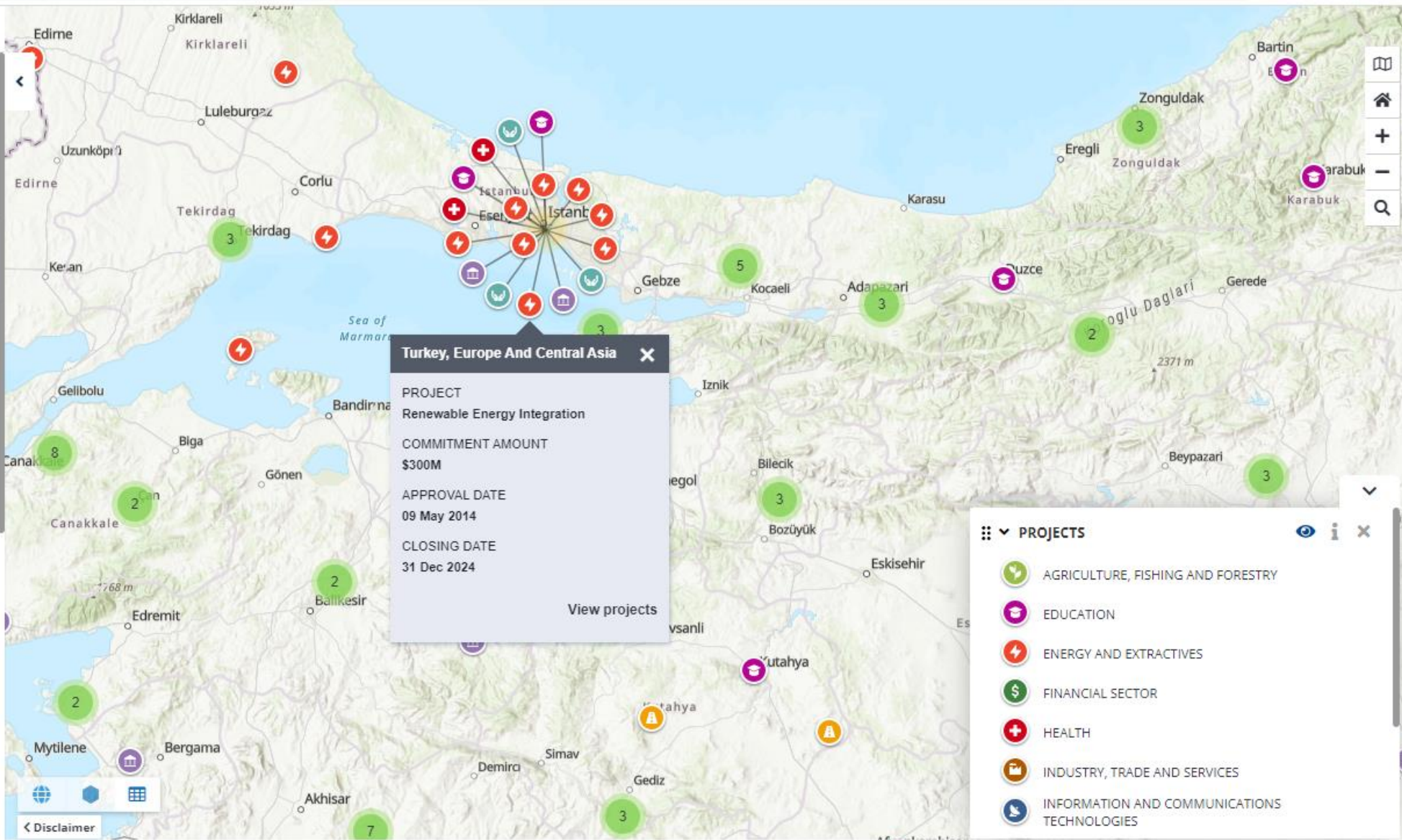
Projects	Com. Amt	Locations	Countries
2,984	\$ 316.09b	17,159	137

Project Status

- Active
- Closed
- Dropped
- Pipeline
- Covid-19 Response

Regions

PROJECTS	AMOUNT
1 Africa West	597
2 Africa East	589
3 East Asia And Pacific	438
4 South Asia	398
5 Europe And Central Asia	366
6 Latin America And Caribe...	353
7 Middle East And North Afr...	211
8 Other	23
9 Africa	9



**Turkey, Europe And Central Asia**

PROJECT  
Renewable Energy Integration

COMMITMENT AMOUNT  
\$300M

APPROVAL DATE  
09 May 2014

CLOSING DATE  
31 Dec 2024

[View projects](#)

**PROJECTS**

- AGRICULTURE, FISHING AND FORESTRY
- EDUCATION
- ENERGY AND EXTRACTIVES
- FINANCIAL SECTOR
- HEALTH
- INDUSTRY, TRADE AND SERVICES
- INFORMATION AND COMMUNICATIONS TECHNOLOGIES



# World Bank: project example

- **Sustainable Cities Project for Türkiye (2017-2024):** (US\$ 158.99 M)
- **Aim:** *to improve the planning capacity of and access to targeted municipal services* in participating municipalities and utilities.
  - **(1) Sustainable city planning and management systems component:** support for *improvement of sustainable urban development planning and urban sustainability*. (EU-IPA 2 Recipient Executed Trust Fund Grant, \$25 M).
    - technical assistance support to municipalities and utilities;
    - preparation of feasibility studies, environmental assessments, and engineering designs;
    - support in grant management and in improving capacity in managing sustainable city systems.
  - **(2) Municipal investments component:** *finance for demand-driven municipal infrastructure investments*.
  - **(3) Project management component:** *goods and consultancy services* for project management, monitoring and evaluation, outreach and communication, and hiring of local technical consultants for the engineering supervision of Component B.



# World Bank: projects

- Türkiye Geothermal Development Project Additional Financing (\$300 M, 2021)
- Renewable Energy Integration (\$300 M, 2014-2022)
- Private Sector Renewable Energy and Energy Efficiency Project (\$500 M, 2009-2016)



# European Bank for Reconstruction and Development



# European Bank for Reconstruction and Development

- Türkiye is both a recipient and a donor of EBRD
- EBRD strategic priorities in Türkiye 2019-2024:
  - strengthening resilience of the financial sector / developing domestic capital and financial markets;
  - fostering Türkiye's knowledge economy and higher value-added activities / promoting good governance;
  - promoting economic inclusion and gender equality through private sector engagement;
  - accelerating Türkiye's green economy transition and regional energy connectivity.





# European bank for Reconstruction and Development

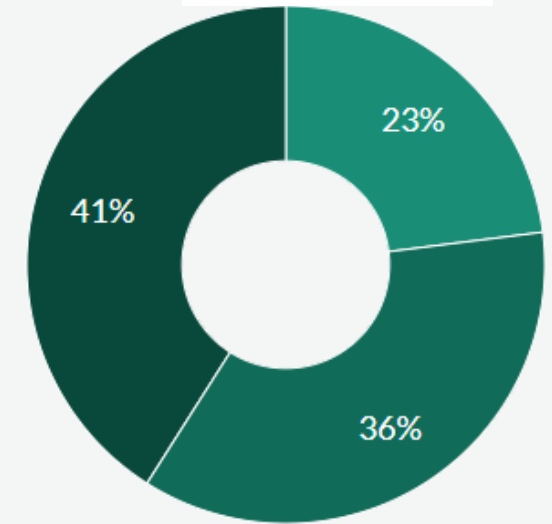
- Loans for larger projects (€3 million - €250 million)
- Flexibility to match client and project needs.
- Expected cash flow of the project and the ability of the client to repay the loan over the agreed period.
- Credit risk can be taken entirely by the Bank or may be partly syndicated to the market.
- A loan may be secured by a borrower's assets and/or it may be converted into shares or be equity-linked.
- Full details are negotiated with the client on a case-by-case basis.
- Market-based interest rates.
- Short to long-term maturities up to 15 years
- Project-specific grace periods possible.

## Portfolio composition

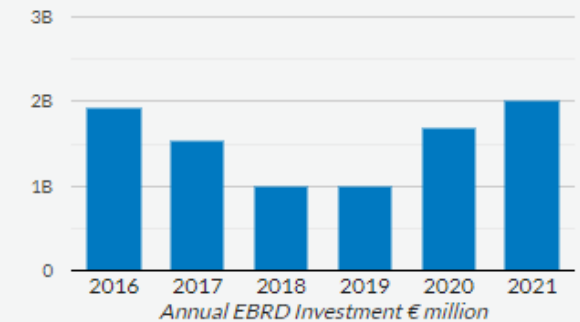
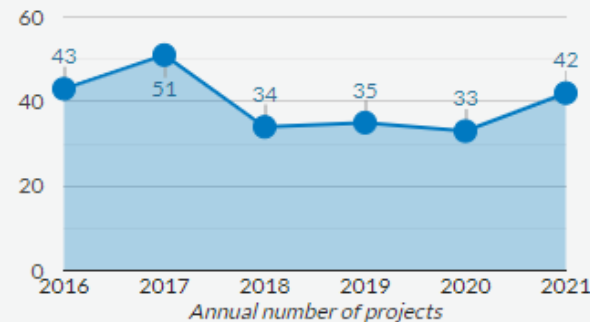
Current portfolio<sup>1</sup> €7,369 million

<sup>1</sup>Includes undisbursed commitments

- Financial Institutions
- Industry, Commerce & Agribusiness
- Sustainable Infrastructure



## Annual Bank Investment and number of projects



Date ↓↑	Project ID ↓↑	Location ↓↑	Project Title ↓↑	Sector ↓↑	Public/Private ↓↑	Status ↓↑
22 Mar 2023	54230	Türkiye	<a href="#">Energisa Wind</a>	Energy	Private	Disbursing
10 Jan 2023	53827	Türkiye	<a href="#">Energisa Enerji Capex Loan</a>	Energy	Private	Signed
04 Jan 2023	53808	Türkiye	<a href="#">Borusan EnBW Loan</a>	Energy	Private	Disbursing
04 Jan 2023	53973	Türkiye	<a href="#">Mav Elektrik Arikcayiri BPP</a>	Energy	Private	Signed
19 Dec 2022	53268	Türkiye	<a href="#">Ronesans Healthcare Investment 2</a>	Municipal and environmental infrastructure	Private	Disbursing
11 Nov 2022	53532	Türkiye	<a href="#">Antalya Airport</a>	Transport	Private	Disbursing
01 Nov 2022	53883	Türkiye	<a href="#">DFF - Tersan Capex</a>	Transport	Private	Disbursing
31 Oct 2022	53753	Türkiye	<a href="#">Galata Wind</a>	Energy	Private	Signed
31 Aug 2022	52767	Turkey	<a href="#">GrCF2 W2 E2 - Ankara Metro Project</a>	Municipal and environmental infrastructure	State	Approved
26 Jul 2022	53619	Türkiye	<a href="#">GrCF2 W2 E2 - Bursa Water Project</a>	Municipal and environmental infrastructure	State	Signed
07 Jun 2022	53003	Turkey	<a href="#">DFF - Netlog CapEx</a>	Transport	Private	Disbursing
03 Jun 2022	53604	Turkey	<a href="#">Adnan Polat Enerji Yatirimi A.S.</a>	Energy	Private	Repaying
09 Mar 2022	49522	Türkiye	<a href="#">Railport Turkey</a>	Transport	Private	Disbursing
07 Dec 2021	52972	Turkey	<a href="#">Energisa Green Loan</a>	Energy	Private	Disbursing
10 Nov 2021	52470	Turkey	<a href="#">MR3: Mersin CNG Bus Project</a>	Municipal and environmental infrastructure	State	Disbursing
05 Nov 2021	52109	Turkey	<a href="#">Borusan EnBW Enerji Loan</a>	Energy	Private	Complete
08 Oct 2021	52871	Turkey	<a href="#">DFF - Altintel Port Expansion</a>	Transport	Private	Repaying
08 Sep 2021	52705	Turkey	<a href="#">OEDAS Electricity Distribution</a>	Energy	Private	Disbursing
27 Aug 2021	53000	Turkey	<a href="#">Biotrend Cevre ve Enerji Yatirimlari A.S.</a>	Municipal and environmental infrastructure	Private	Signed
09 Aug 2021	53042	Turkey	<a href="#">Aydem Renewables Green Bond (f. Project Vega)</a>	Energy	Private	Signed

More: <https://www.ebrd.com/work-with-us/project-finance/project-summary-documents.html?c35=on&s2=on&s8=on&s13=on&keywordSearch=>



# EBRD activities

- Dedicated Green Economy Transition (GET) products such as Renewable Energy, Green Economy Financing Facility (GEFF) credit lines, Green Cities, sustainable transport, and advising clients on green technologies/ practices.
- Track record advising on and investing in bankable renewables projects.
- Track record of engagement with authorities towards competitive energy markets and PSP in energy sector.
- Direct and intermediated financing for renewable energy projects (wind, solar, hydro, geothermal, biomass and distributed generation).
- Support for implementation of the National Renewable Energy Action Plan (NREAP) and implementation support for the RE regulatory framework.
- Explore investments in alternative fuel sources (e.g. biofuel) and other green technology investments, and promote improvements to the regulatory environment.



# EBRD activities

- Support for development of a carbon trading system and related monitoring, reporting and verification (MRV) and GHG accounting.
- Support for the implementation of the National Energy Efficiency Action Plan (NEEAP) and provide support for the regulatory framework on resource efficiency.
- Work with corporate clients directly and through intermediaries to improve energy and resource efficiency, climate resilience (incl. water and raw materials) and environmental performance through green investments (e.g. green technologies, High Impact Corporate Programme, Near Zero Waste Programme).
- Direct and indirect financing for energy efficiency, with a focus on industry, agriculture, transport and buildings sector – incl. promotion of green buildings, smart/green technologies and emissions-reduction initiatives under the Green Cities Framework.



# E tivities

- Uptake of sustainable finance management (i.e. accounting, tracking, eligibility and conditions) and dedicated financial instruments (e.g. green bonds).
- Support for circular economy and development of waste sector, incl. solid waste, wastewater treatment, waste recovery, and waste-to-energy solutions.
- Review of climate vulnerability of infrastructure and other assets, incl. at corporate level, and promote climate change mitigating measures (e.g. applying shadow water pricing in investment analysis).
- Support for enhanced energy storage capacity (e.g. electrification, batteries, pumped hydro, FSRU, underground gas storage).
- Support for network upgrade for the integration of renewable energy, enhancement of smart metering / smart grid systems, implementation of energy efficiency applications and regional interconnection.
- Support for investments in gas transmission and distribution networks and infrastructure connectivity, and engage selectively with public sector utilities to pursue reforms towards competitive energy markets.



# EBRD: sample project

- **"Renewable Energy Resources Project"** (2004- ): investment opportunities through financing for private renewable energy companies. Carried out via Industrial Development Bank of Türkiye (TSKB) and Investment Development Bank of Türkiye (TYKB). Financed sub-projects:
- **P172562 Türkiye Integrated Landscape Management Project.** Support for challenges in the Bolaman River Basin (Black Sea), the Cekerek River Basin (Central Anatolia), and a third basin to be identified. The project will also contribute to enhancing the livelihood security and resilience of local communities in these basins against the risks and impacts of climate-induced landslides, flooding, and drought. The project will adopt an integrated landscape management approach in the target basins to achieve these objectives through synergies between green and gray infrastructure.
- **P151739 Geothermal Development Project** and **P172827 Geothermal Development Project Additional Financing.** Promotion of private sector renewable geothermal energy projects.
- **P144534 Renewable Energy Integration.** Support for transmission system and facilitating large-scale renewable energy generation.
- **P162762 Energy Efficiency in Public Buildings.** Support for renovation of public buildings (i.e., public buildings under line ministries, such as schools and hospitals) and aim at energy savings from energy efficiency (EE) investments. Demonstrable energy cost savings and social co-benefits are expected.
- **P175894: Seismic Resilience and Energy Efficiency in Public Buildings Project.** Support for renovation or the demolition and reconstruction of central government and central-government affiliated buildings (i.e., public buildings under central line ministries, such as education facilities, dormitories and social facilities, health facilities, cultural centers, and administrative buildings). Demonstrable energy cost savings and life safety benefits expected.
- **P171645: Facilitating Industrial Transformation through Organized Industrial Zones.** To increase the efficiency and environmental sustainability of the selected Organized Industrial Zones (OIZ) in Türkiye.



# EBRD and World Bank

- Joint financing
- Support for development of green energy directly as well as support for the government.
- Assistance to the development of the National Renewable Energy Action Plan (NREAP) (co-financed by the government of Spain).
- EBRD support for Türkiye in strengthening the regulatory framework for the renewable energy sector.
- EBRD investment in green energy in Türkiye:
  - large scale stand-alone projects (Enerjisa Bares wind power plant in Balıkesir, Rotor wind farm in Osmaniye, geothermal plants Efeler and Kizildere).
  - mid-sized and small-scale renewable energy generation in the private sector: dedicated credit lines to Turkish banks, MidSEFF (Türkiye Mid-size Sustainable Energy Financing Facility) and TurSEFF (Türkiye Sustainable Energy Financing Facility).
  - financing of sustainable energy in the residential sector through TuREEFF (Türkiye Residential Energy Efficiency Financing Facility).
- “Green” projects account for half of the Bank’s portfolio in Türkiye. To date, the Bank has invested €10 billion in various sectors of the country’s economy, with almost all investments in the private sector.



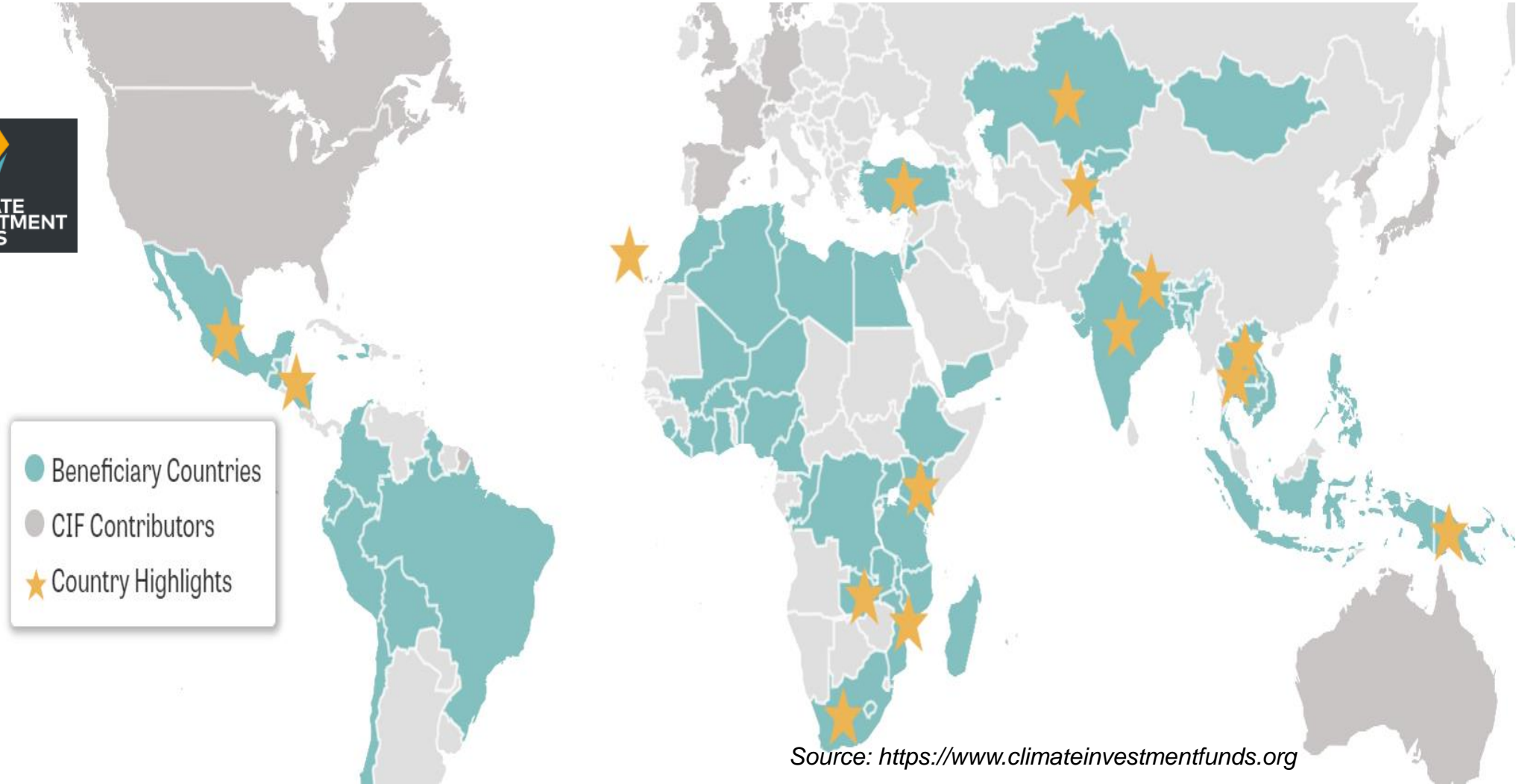
Dedicated climate investment funds  
(non-exhaustive list)



# Climate investment funds



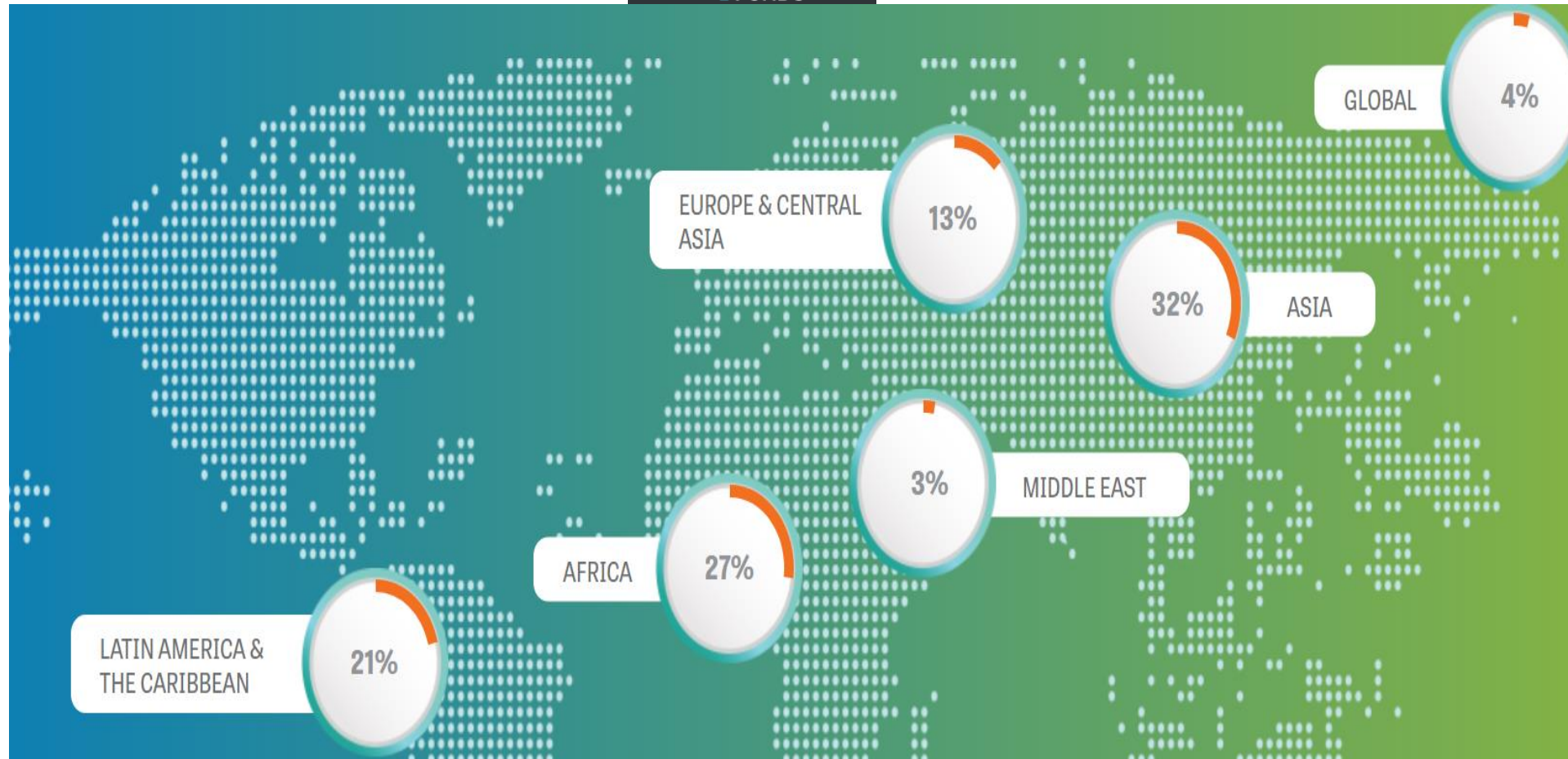
CIF Expands Climate Responsive Development Planning and Action to 72 Developing and Middle Income Countries Worldwide



Source: <https://www.climateinvestmentfunds.org>



# Climate investment funds





# Global environment facility



## GEF REPLENISHMENT CYCLES (in billions of USD)



Sources: <https://www.thegef.org/about/funding>



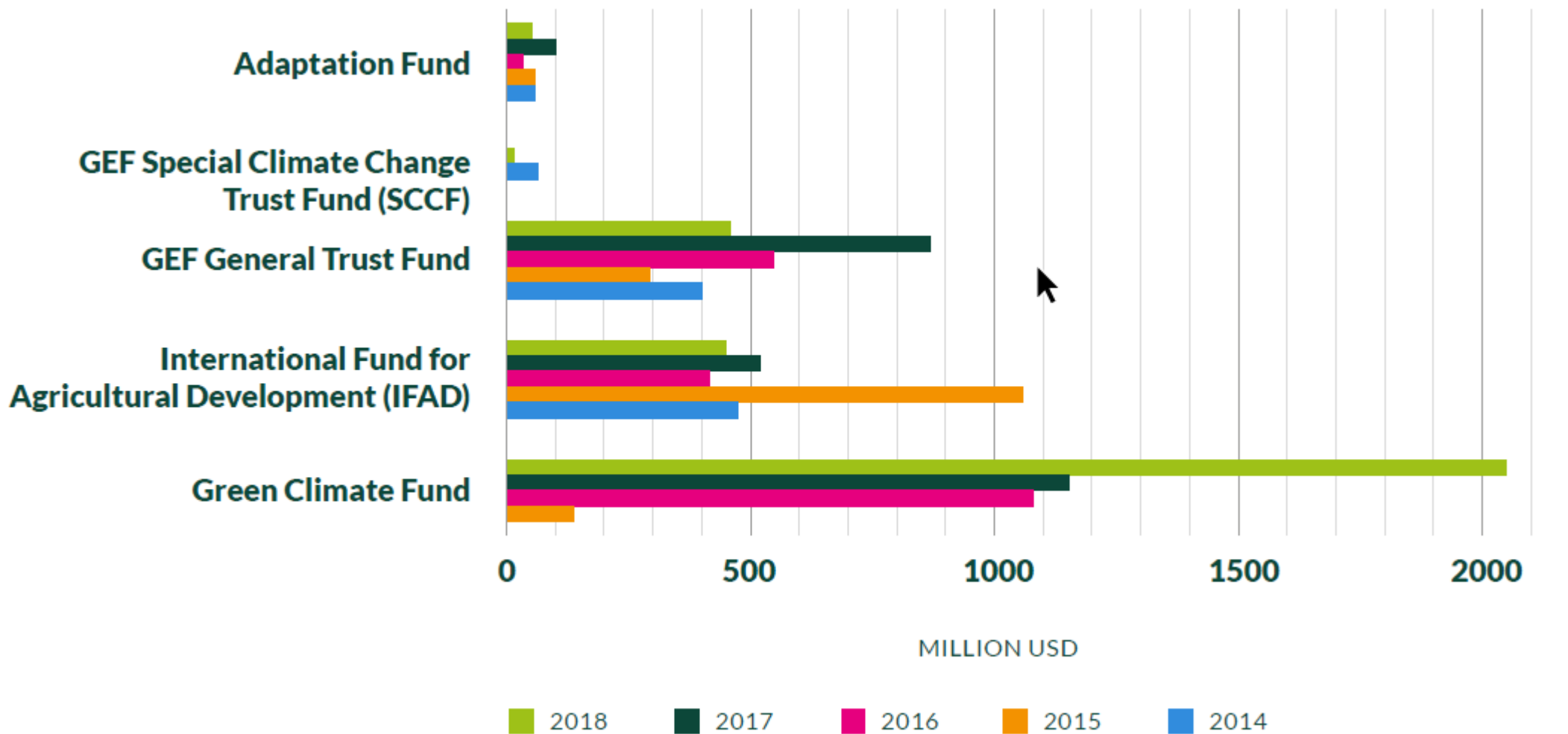
# Other Funds



- Special Climate Change Fund (SCCF)
- Least Developed Countries Fund (LDCF)
- Capacity-building Initiative for Transparency (CBIT)
- Nagoya Protocol Implementation Fund (NPIF)
- Adaptation Fund



# CLIMATE FINANCE PROVIDED BY GLOBAL CLIMATE FUNDS





(semi-)Domestic instruments



# EBRD and TSKB

- EBRD support for “Green Economy Financing Programme” via the Industrial Development Bank of Türkiye (TSKB)
  - €53.5 M (a total envelope of €500 M)
    - Funding for private sector's investment in energy efficiency, renewable energy and climate resilience measures



# Turkish domestic sources

- Turkish Ministry of Energy and Natural Resources: support program for agricultural irrigation subscribers for self-consumption solar energy investments (under development)
  - Aim: to supply the electricity that companies need within their own structure and use renewable energy.
  - Support for wind and solar energy investments.
    - Includes support and 30% tax reduction, VAT and customs duty exemption, employer's share of insurance premium for 6 years for solar and wind energy investors.



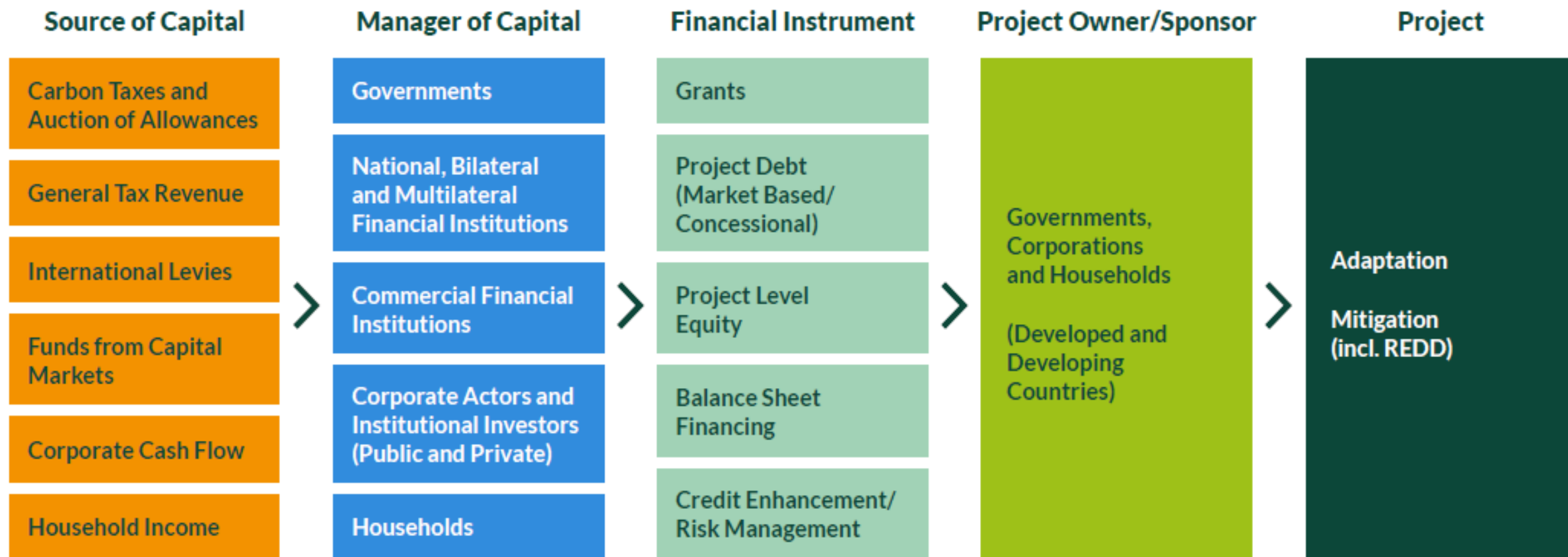
# Turkish domestic sources: AKBANK and İKLİMSA

- Akbank and Iklimsa: lending programme for rooftop solar energy installations.
- Akbank will provide Roof GES Investment Loan for EPC services to Iklimsa operating under the roof of Teknosa.
- Cooperation would include all potential investors, including individual, corporate, commercial and SMEs.
- Akbank's goal: to provide YTL 200 bln. of 'sustainable financing' to the Turkish economy by 2030, to increase the balance of mutual funds, which fall under the 'sustainable investment' category, to 15 billion TL, and to become a carbon neutral bank by 2025.
- Iklimsa has >500 authorized dealers and services in 67 provinces of Türkiye.

**Private and public investors channel investments to low-carbon and climate-resilient projects via a wide variety of financial instruments available.**



# OVERVIEW OF CLIMATE FINANCE FLOWS





**Don't wait for the right  
opportunity: create it.**

George Bernard Shaw



# In a place of conclusions

- Türkiye - Upper Middle Income Country: advantages and disadvantages
- Little chance of a single financial instrument
- Combination of several sources
- Alignment of own interests with the interests of donors
- Can a green project be profitable?
- Innovation – a key to success?

INNOVATION

≠

IMITATION



*Jeff Burton, founder of Electronic Arts: Believe in the vision and the opportunity to have an impact on the world.*



Questions?