



EBRD –Financing Opportunities/Ports

Constanța, 3rd June, 2024

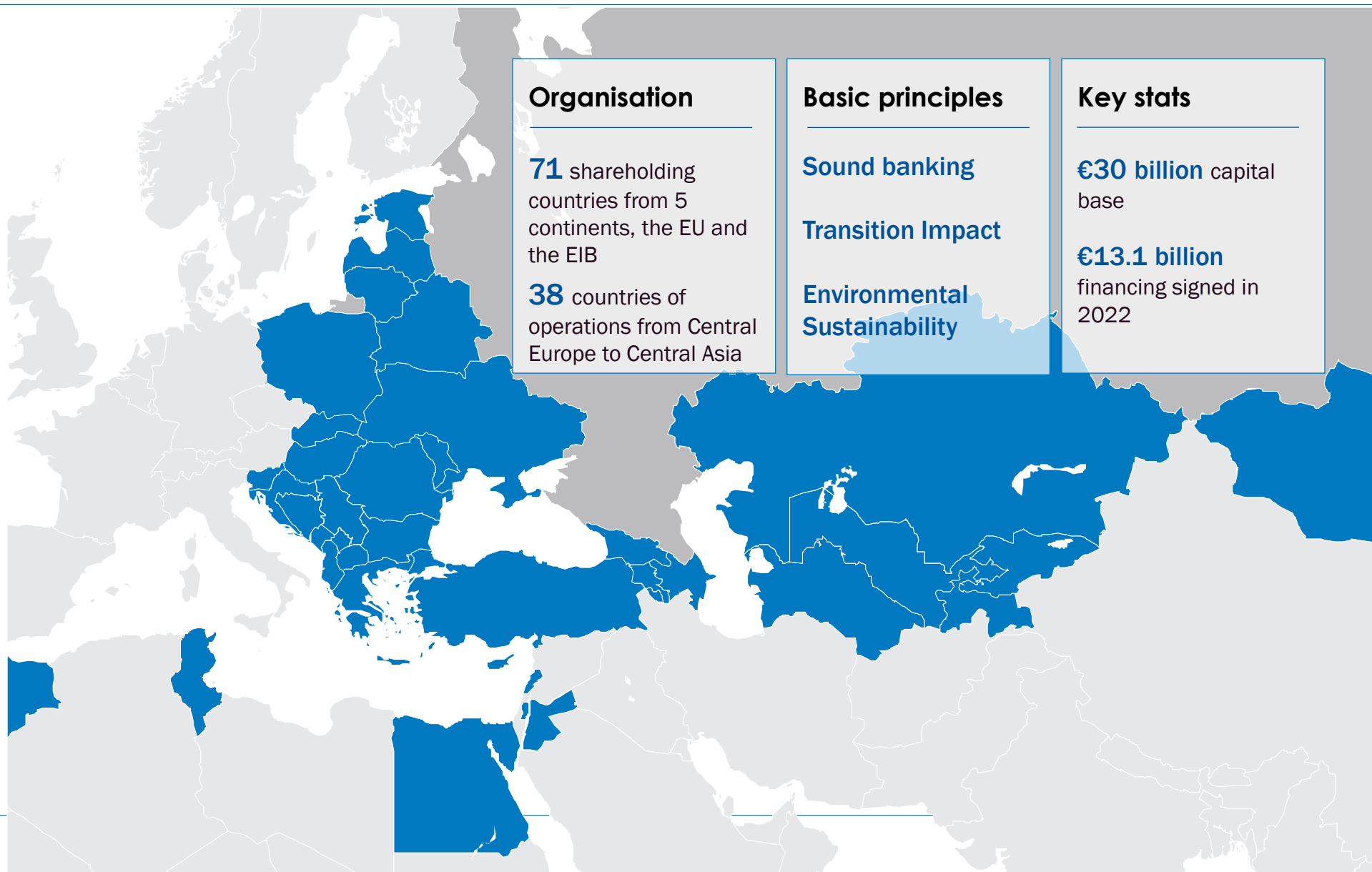


European Bank
for Reconstruction and Development

The EBRD

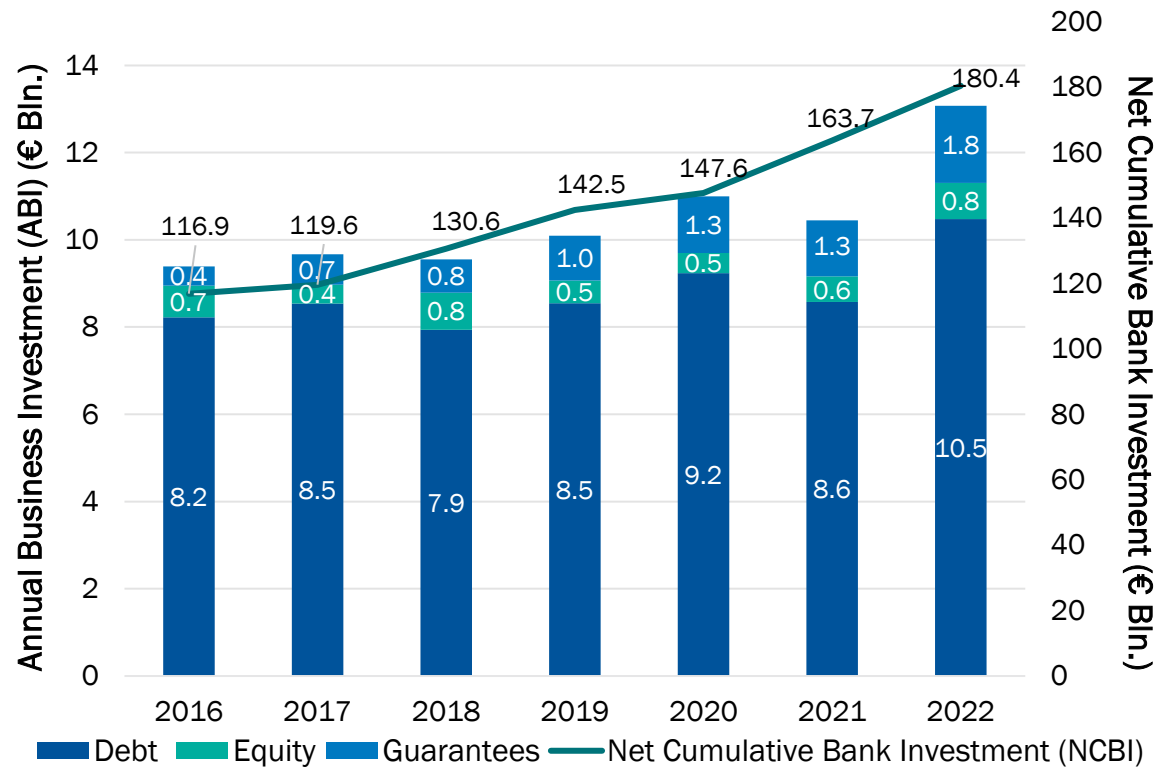


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The EBRD investments

Since 1991, EBRD invested over €180.4 billion in more than 6,623 projects (as of Dec. 2022)



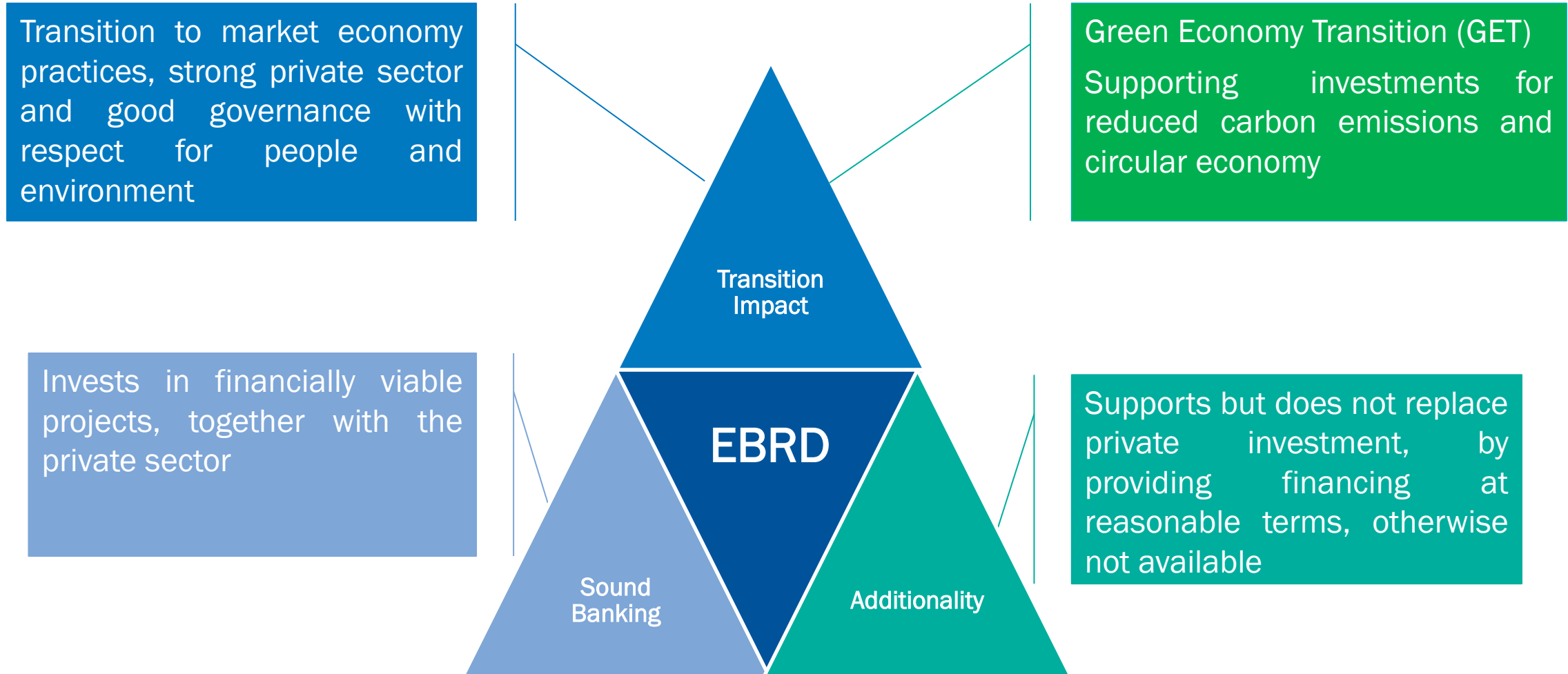
Private sector share
of cumulative
investment
79%

FY 2022:
Debt
80%
Equity
6%
Guarantee
14%

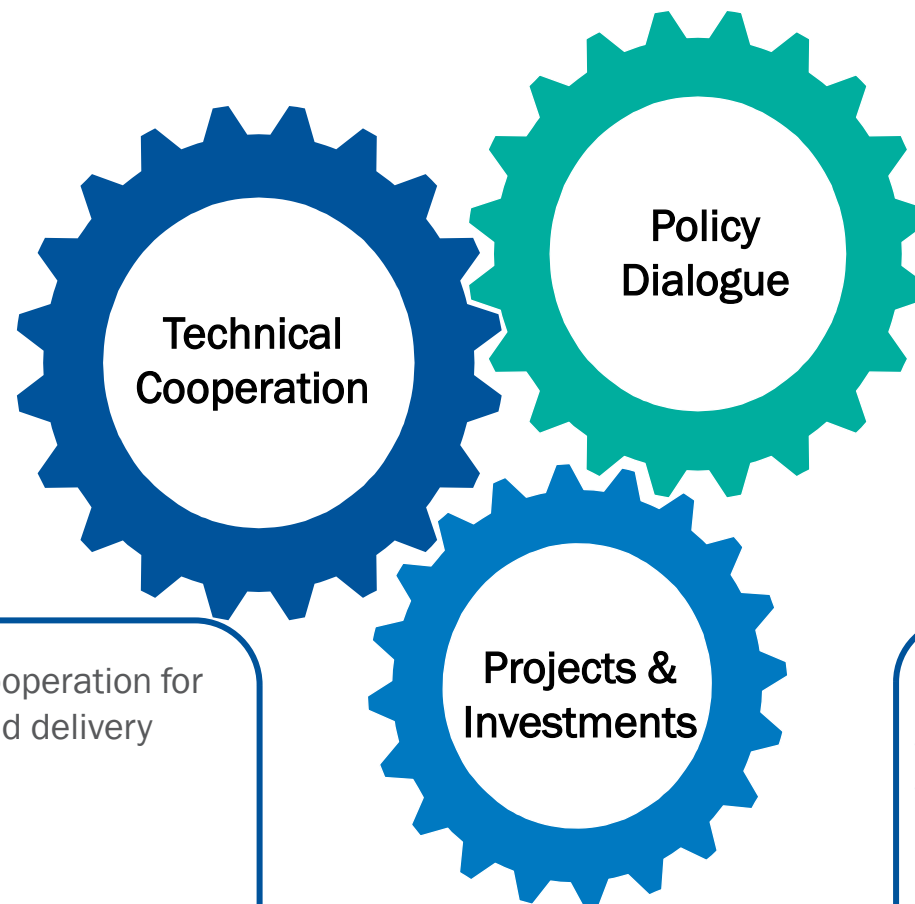
EBRD Top 10 investee countries (€ Mln.)

1	Türkiye	1,634
2	Ukraine	1,460
3	Egypt	1,343
4	Poland	990
5	Uzbekistan	839
6	Romania	709
7	Greece	687
8	Serbia	648
9	Morocco	528
10	Moldova	525

The EBRD: an IFI supporting transition to market economy



EBRD support and value added



Donor funded technical cooperation for project implementation and delivery

- *Project Preparation*
- *Corporate Development*
- *Decarbonisation Plans*
- *Environment, Gender Inclusion*
- *Stakeholder engagement*

Development of strong institutional and regulatory frameworks

- *Capacity building for improved governance*
- *PPPs*
- *Network plans, including EV infra*

Project funding

- *Loans, including for co-financing*
- *Donor support (grants, concessionary finance, technical assistance for project preparation)*
- *Equity investment (SPVs)*
- *Guarantees, including under InvestEU*

Exact terms depend on specific needs and market conditions

	Debt	Equity	Guarantees
Typical size	€1 – 300 mln (average €20 mln)		Typically €50 k – €50 mln
Maturity	Typically 5-7 years Up to 15 years	Typically from 3-7 years	1 month to 3 years
Currency/terms	Major foreign currencies or local currency; floating/fixed		
Approach	Corporate loans Project loans (including co-fin)	Minority stake (max. 35%)	Working with local banks / PFIs
Structures	<ul style="list-style-type: none"> • Senior, subordinated, convertible loans or bonds • Project finance 	<ul style="list-style-type: none"> • Pure or “structured” equity 	<ul style="list-style-type: none"> • Financial instruments • InvestEU
Applications	<ul style="list-style-type: none"> • Capex for expansion/modernisation, including resource efficiency improvements • Ownership change: acquisition, consolidation, privatisation • PPPs • Working capital 		<ul style="list-style-type: none"> • Support private or public / EU funded investments (i.e NRRP 2026, Invest EU, etc)

NATIONAL INFRASTRUCTURE



Road infrastructure



Rail and rolling stock



Maritime



Aviation

Key aspects & policy actions

Paris Alignment – all Bank activities must be fully aligned with Paris Agreement from 1 Jan 2023

Annexes to PA methodology for transport sector (roads, aviation, etc)

EBRD Strategic Capital Framework (SCF) 2021-2025 - Our roadmap towards a resilient and sustainable future in 2025 - Strategic themes

EBRD Transport Sector Strategy

Green - Green Economy Transition (GET)

Digital - Transport sector compendium (ongoing)

Inclusive - Gender smart, vulnerable persons

EBRD strategic sector priorities

The strategic sector priorities for the Bank include:

- **Promoting connected networks** to improve access for businesses and individuals to support economic growth, trade and prosperity.
- **Supporting private sector participation** to encourage commercial principles and drive sector reform.
- **Encouraging environmentally and socially responsive transport** to reduce inequality and regional imbalances.
- Seeking **low carbon and innovative solutions**, which are Paris Agreement aligned, to reduce carbon emissions, increase climate adaptation and drive change.
- The Bank also takes account of the backward linkage to clean energy where appropriate and does not finance infrastructure and services principally dedicated to the transportation of fossil fuels



EBRD's strategic assessment of infrastructure projects

Green Economy Transition (GET)	Financing green investments, making a significant contribution to climate change, green financing structures (e.g. green bonds)
Green Policy Engagement	Policy with national and local authorities, industry, to promote low-carbon, climate resilient development. E.g. National EV strategies
Paris Agreement alignment	All projects to align with the Paris Agreement, for both mitigation and adaptation objectives.
Climate Risk	In line with TCFD principles, assessing counterparties for carbon transition and physical climate (financial) risks.
Fossil fuel approach	In line with EBRD approach to fossil fuels, covering oil & gas, coal / upstream, midstream and downstream supply side

Case Study: Mersin International Port Bond I, II Turkey

EBRD finance

Mersin Uluslararası Liman İşletmeciliği A.Ş. (MIP or Mersin International Port), private operator of the port of Mersin, as the Issuer

- Bond I Participation in Eurobond issuance of US 79.5m
- Bond II Participation in a 5-year bond issued by MIP of US 90m

Use of proceeds and EBRD value added/impact

- 2013: Fund the restructuring of the Company's BS and part of the capital investment programme for the planned capacity expansion to accept larger vessels and cater for increases in throughput in the longer term.
- 2018: Refinancing Mersin International Port's 2013 bond reaching its maturity; supporting ongoing operations of the port.

- New ways of financing infrastructure - bond issue by an infrastructure company.
- Improvement in the quality and variety of port services; further development of regional port hubs and increased transshipment.
- Facilitating the growth of the country's economy and the wider region by supporting the development of a port which serves as the gateway of Turkish industry and agriculture to the Middle East.
- Supporting more sustainable and environmentally friendly alternative to the land based transport.



Case Study: Asya Port Turkey

EBRD finance

Asyaport Liman AS

Senior loan of

US70.3m

Use of proceeds and EBRD value added/impact

- Co-finance the development of a greenfield deep sea container terminal in Tekirdag, a province approximately 130km west of Istanbul (Original Loan).
- Co-finance the acquisition and installation of energy-efficient electric ship-to-shore cranes, electric rubber-tired gantry cranes and terminal tractors (Extension Loan).
- Promoting containerisation process in the country, where a transshipment hub to handle mega-sized vessels on the Asia-Black Sea route was needed.
- Contributing to an improved quality of the port services in the Bosphorus Strait and fostering greater competition in the Black Sea container shipping market.
- Setting standards for corporate governance and business conduct including demonstration effect via adoption of high technical and operational standards.

Signed in 2013 (Original Loan) and 2019 (Extension Loan)



Case Study: Railport Turkey

EBRD finance

Railport Terminal İşletmeleri A.Ş. (Railport), the first private inland terminal to provide intermodal cargo services in Turkey.

Senior loan of
US30m

Use of proceeds and EBRD value added/impact

Finance the development of the first private inland intermodal terminal in Turkey to provide intermodal cargo terminal services for containerised and general cargo, finished vehicles and trailers.

- Improving infrastructure services through the development of an intermodal hub for freight transportation within Turkey.
- Facilitating freight rail transportation within Turkey and between Asia and Europe, as well as among European, Balkan and Central Asian countries through the Baku -Tbilisi - Kars railway connection.
- Contributing to GHG emission reduction through improved routing of commodity flows both domestically and internationally via railways.

Signed in 2019



Case study: Port of Tallinn Estonia



EBRD finance

Equity investment of

€15.9m

AS Tallinna Sadam (“Port of Tallinn”), one of the largest cargo- and passenger port complexes in the Baltic Sea region.

Use of proceeds and EBRD value added/impact

- EBRD acquired €15.9 million stake in the IPO of the Port of Tallinn on the Nasdaq Tallinn Stock Exchange.
- Demonstrating that the sale of shares in state-owned enterprises can be successfully implemented via local stock exchanges.
- Contributing to an improved corporate governance standards of Port of Tallinn reinforced by implementation of a Corporate Governance Action Plan.



Case Study: Tekirdag Port Project

Turkey

EBRD finance

Ceyport Tekirdag Uluslararası Liman İşletmeciliği A.Ş. (Ceyport Tekirdag), a Special Purpose Company awarded the concession for the Tekirdag Port by the Turkish Privatisation Authority.

Senior secured loan
of
US17.5m

Use of proceeds and EBRD value added/impact

- Finance the acquisition of the operating rights of the Tekirdag Port, an existing port terminal located in the Thrace region of Turkey.
- Finance the investment obligations of the Company for the modernisation and capacity expansion of the Port.
- Facilitating the involvement of the private sector in the operation of the public infrastructure of Tekirdag Port by financing the acquisition of the operating rights (on a concession basis) and the investments to be made in the Port's modernisation and expansion.
- Supporting improvement and increase in the infrastructure capacity in the region through the Port's modernisation and expansion.



EBRD - Value added on PPPs

Pioneer in PPP

- Financed over **40 PPPs** in EBRD regions
- Over **€3 bn** invested in PPP projects
- Total project costs of **€23.7 bn**
- **€1.5 bn** mobilised in B loan under A/B loan structure for PPPs
- Strong track record in **primary and secondary PPP market**
- “Best in class” PPP projects with multiple **awards**: PFI awards, IJ Global, InfraNews

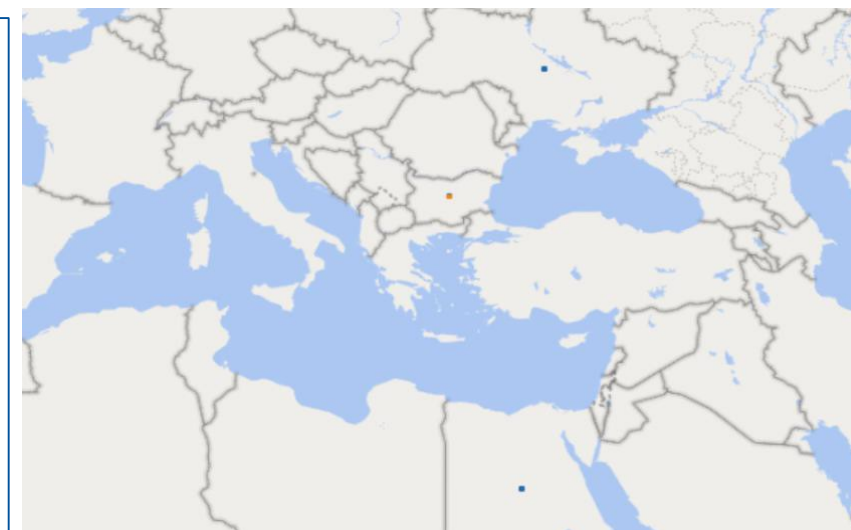
Mobilizing

- Over **€20 bn** mobilised in B loan under A/B loan structure since 1994
- Mobilising **international commercial banks**: Soc Gen, Unicredit, BNP Paris, Credit Agricole, Deutsche Bank...
- Mobilising **institutional investors**: Swiss Re, MassMutual...
- Mobilising **international sponsors/contractors/operators**: WeBuild (Italy), General Electric (USA), Meridiam (France), Samsung (Korea), Vamed (Austria), Sojits (Japan)...

Enabling

- **Innovative and advantageous financing structures**: longest tenors available in several market, etc.
- **Unique and innovative Credit Enhancement Structures**: EBRD facility with MIGA enabled one of the first greenfield project bond in the region (Elazig Hospital PPP, Turkey)
- **TA** for Public Sector: monitoring support, value for money methodology
- **Policy Dialogue** with Public Authorities

PPP Advisory support



Client: Ukraine Sea Ports Authority

Port Olvia PPP

Commercial close: August 2020

Financial close: tbc

Mobilisation of private investment: Estimated at USD 140m

Ukraine – Port Kherson PPP

Commercial close: June 2020

Financial close: tbc

Mobilisation of private investment: Estimated at USD 15m

PPP advisory services (2017-2020) of EUR 2.8 million by GIF, IFC and EBRD

EU - Alternative Fuels Infrastructure Facility (AFIF) Phase 2

EBRD – Implementing Partner

Second AFIF Call

- AFIF's second phase (2024-25) will focus on achieving the objectives outlined in the new Regulation for the deployment of alternative fuels infrastructure (AFIR)
- **€1 billion total budget** divided between General Envelope (€780 mn) and Cohesion Envelope (€220 mn)
- Support covers roll-out of alternative fuels infrastructure for road, waterborne, air and rail transport along the EU's primary transport corridors and hubs
 - High power electricity recharging stations
 - Hydrogen refuelling stations
 - Electricity supply at airports
- NEW** • Megawatt recharging stations for Heavy Duty Vehicles
- NEW** • Hydrogen supply at airports
- NEW** • Electricity supply and ammonia and methanol bunkering facilities in ports
- NEW** • Hydrogen refuelling for rail





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For further enquiries, please contact:

Venera Vlad
Associate Director,
Sustainable Infrastructure Europe
Email: vladv@ebrd.com

