

The European Bank for Reconstruction and Development will back the privatisation of two hydropower plants in Turkey of 178 MW in total by extending a USD-55-million (EUR 44.6m) dual currency loan.

The funds will be provided to Entek Elektrik Uretimi AS, a subsidiary of Turkish conglomerate Koc Holding, which has emerged as the winning bidder in a privatisation tender for the two plants. The HPPs, namely the 124-MW Menzelet and the 54-MW Kilavuzlu, are located in the southeastern province of Kahramanmaras.

EBRD will extend USD 35 million in US dollars as well as the equivalent of USD 20 million in Turkish lira for the privatisation scheme. These funds are part of a TRY-1.05-billion (USD 275m/EUR 223m) dual-currency debt package. Among the other lenders taking part in the financing package are Garantibank, Turkiye Is Bankasi AS, Unicredit and ICBC Turkey.

The acquisition of the two HPPs is in line with Koc Group's expansion into the sustainable and renewable energy segments. Through its unit Entek, the company operates 244 MW of HPPs at home.

EBRD, which has channelled some EUR 10 billions for projects in Turkey, in 2016 financed the privatisation of the 78-MW Karacaoren HPPs in Burdur by domestic energy group Gama Enerji.

Source: renewablesnow