

# EUR 80 million AFD (French Development Agency) Loan to VakıfBank

**A credit facility agreement was signed on the 20<sup>th</sup> of November 2017 between French Development Agency (AFD) and VakıfBank aiming to support rural development and agricultural sectors in Turkey to finance micro-, small- and medium-size enterprises, cooperatives, producer unions as well as farmers engaged in these sectors. The final term of the Facility is set as 12 years with a 3-year grace period.**

## **“Growing support to the national economy with long term and diversified funding structure”**

Speaking at the signing ceremony held in the Headquarters of VakıfBank with the participation of senior executives from VakıfBank and AFD, VakıfBank’s CEO Mr. Mehmet Emin Özcan stated that “As VakıfBank, we continue to provide long-term and cost-effective funding from international markets and make available this funding sources for the utilization of our national economy in an active manner. The facility amounting EUR 80 million is quite important in terms of being the first funding granted by the AFD. I hope that the size and scope of the relationship with AFD will further expand and continue with many other new facilities. I would like to thank one more time to AFD authorities for their support and trust to VakıfBank and national economy.”

## **“We are also delighted to cooperate with AFD in the field of sustainable banking”**

Within the scope of the contract signed with AFD, CEO Mr. Özcan also expressed his appreciation for the cooperation with AFD in the field of sustainable banking “the facility is supported by a technical assistance program which aims at establishment and dissemination of good practice examples in line with our targets in the field of sustainability. We are delighted to conduct activities with the leading role of highly experienced AFD in this field that will contribute to both our banking processes and all shareholders of VakıfBank, in particular our customers in agricultural sector.”

## **“Cooperation with VakıfBank in agricultural and rural lending”**

AFD Turkey Director Mr. Serge Snrech speaking at the signing ceremony stated that: “As AFD, we are thrilled to support the development of VakıfBank’s agricultural and rural lending activity. Agriculture is a strategic sector for its role in the economy and employment, and the demand of the Turkish consumers for a growing quality and diversity of products creates room for development and innovation, that we expect to support with VakıfBank. We hope this credit line will help promote a dynamic exchange of know-how between Turkey and France, as two countries have a long agricultural tradition”.

**“Continuing support of AFD to foster environmentally responsible practices and well balanced regional development in line with AFD’s strategy in Turkey.”**

Mr. Serge Snrech also added that “AFD has a continuing commitment in Turkey to promote environmentally respectful development with low greenhouse gas emissions, to foster socially and environmentally responsible practices and to contribute to a well-balanced regional development. In this respect, to encourage inclusiveness, a significant part of the credit line will be reserved for the Priority Development Regions of Turkey. ”