
GRANT NUMBER TF0B4378

European Commission Development Fund Grant Agreement

**(Agricultural Employment Support for Refugees and Turkish Citizens
through Enhanced Market Linkages Project - Facility for Refugees in Turkey)**

between

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT
acting as administrator of the European Commission Development Fund**

and

AGRICULTURAL CREDIT COOPERATIVES OF TURKEY CENTRAL UNION

GRANT NUMBER TF0B4378

**EUROPEAN COMMISSION DEVELOPMENT FUND
GRANT AGREEMENT**

AGREEMENT dated as of the Signature Date between the AGRICULTURAL CREDIT COOPERATIVES OF TURKEY CENTRAL UNION (“Recipient”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”), acting as administrator of the European Commission Development Fund. The Recipient and the Bank hereby agree as follows:

**Article I
Standard Conditions; Definitions**

- 1.01. The Standard Conditions (as defined in the Appendix to this Agreement) apply to and form part of this Agreement.
- 1.02. Unless the context requires otherwise, the capitalized terms used in this Agreement have the meanings ascribed to them in the Standard Conditions or in the Appendix this Agreement.

**Article II
The Project**

- 2.01. The Recipient declares its commitment to the objective of the project described in Schedule 1 to this Agreement (“Project”). To this end, the Recipient shall carry out the overall Project in accordance with the provisions of Article II of the Standard Conditions and Schedule 2 to this Agreement.

**Article III
The Grant**

- 3.01. The Bank agrees to extend to the Recipient a grant in an amount not to exceed forty-six million eight hundred forty-three thousand nine hundred and ninety-one Euros (EUR 46,843,991) (“Grant”) to assist in financing the Project.
- 3.02. The Recipient may withdraw the proceeds of the Grant in accordance with Section III of Schedule 2 to this Agreement.
- 3.03. The Grant is funded out of the abovementioned trust fund for which the Bank receives periodic contributions from the Donor to the trust fund. In accordance with

Section 3.02 of the Standard Conditions, the Bank's payment obligations in connection with this Agreement are limited to the amount of funds made available to it by the Donor under the abovementioned trust fund, and the Recipient's right to withdraw the Grant proceeds is subject to the availability of such funds.

Article IV

Additional Remedies

- 4.01. The Additional Event of Suspension referred to in Section 4.02(k) of the Standard Conditions consists of the following:
- (a) The Republic of Turkey has taken or permitted to be taken any action which would prevent or interfere with the performance by the Recipient of its obligations under this Grant Agreement.
 - (b) The Bank has declared the Recipient ineligible to receive proceeds of any financing made by the Bank, or otherwise to participate in the preparation or implementation of any project financed in whole or in part by the Bank (including as administrator of funds provided by another financier), as a result of: (i) a determination by the Bank that Recipient has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of any financing made by the Bank; and/or (ii) a declaration by another financier that the Recipient is ineligible to receive proceeds of financings made by such financier or otherwise to participate in the preparation or implementation of any project financed in whole or in part by such financier as a result of a determination by such financier that the Recipient has engaged in fraudulent, corrupt, coercive or collusive practices in connection with the use of the proceeds of a financing made by such financier.
 - (c) Any of the legislation establishing or enabling the operation of the Recipient or any of the Primary ACCs have been amended, suspended, abrogated, repealed or waived so as to affect materially and adversely the ability of the Recipient or the Primary ACCs to perform any of its/their obligations.
 - (d) The Bank has determined after the Effective Date referred to in Section 5.03 of this Agreement that prior to such date but after the date of this Agreement, an event has occurred that would have entitled the Bank to suspend the Recipient's right to make withdrawals from the Grant Account if this Agreement had been effective on the date such event occurred.

Article V
Effectiveness; Termination

- 5.01. This Agreement shall not become effective until evidence satisfactory to the Bank has been furnished to the Bank showing that:
- (a) the execution and delivery of this Agreement on behalf of the Recipient have been duly authorized or ratified by all necessary governmental and corporate actions;
 - (b) Recipient's Board of Directors has issued a directive directing Regional ACCs and Primary ACCs to implement the Project in accordance with the ACC-CU's instructions and circulars and consistent with the terms of this Agreement;
 - (c) the Recipient has established the Project Implementation Unit to the satisfaction of the Bank;
 - (d) the Recipient has adopted the Project Operations Manual to the satisfaction of the Bank; and
 - (e) the Recipient has received the exemption from Value Added Tax ("VAT") for the Project from the Ministry of Finance of the Republic of Turkey.
- 5.02. As part of the evidence to be furnished pursuant to Section 5.01(a), the Recipient shall furnish to the Bank an opinion satisfactory to the Bank, of counsel acceptable to the Bank, or if the Bank so requests, a certificate satisfactory to the Bank of a competent official of the Recipient or the Ministry of Justice of the Republic of Turkey, showing the following matters:
- (a) on behalf of the Recipient that:
 - (i) the Recipient has the legal capacity under the laws of the Republic of Turkey to accept this Grant and the terms of this Agreement, and to carry out the Recipient's obligations herein, all for the benefit of the Republic of Turkey, and
 - (ii) this Agreement has been duly authorized by, and executed and delivered on behalf of the Recipient and is legally binding upon the Recipient in accordance with its terms.
- 5.03. Except as the Recipient and the Bank shall otherwise agree, this Agreement shall enter into effect on the date upon which the Bank dispatches to the Recipient notice of its acceptance of the evidence required pursuant to Section 5.01 ("Effective Date"). If, before the Effective Date, any event has occurred which would have entitled the Bank to suspend the right of the Recipient to make withdrawals from the Grant Account if

this Agreement had been effective, the Bank may postpone the dispatch of the notice referred to in this Section until such event (or events) has (or have) ceased to exist.

- 5.04. *Termination for Failure to Become Effective.* This Agreement and all obligations of the parties under it shall terminate if it has not entered into effect by the date sixty (60) days after the date of this Agreement, unless the Bank, after consideration of the reasons for the delay, establishes a later date for the purpose of this Section. The Bank shall promptly notify the Recipient of such later date.

Article VI

Recipient's Representative; Addresses

- 6.01. The Recipient's Representative referred to in Section 7.02 of the Standard Conditions is the General Director of ACC-CU.

- 6.02. For purposes of Section 7.01 of the Standard Conditions:

- (a) the Recipient's address is:

Yukarı Bahçelievler Mahallesi
Wilhelm Thomsen Caddesi No:7
Çankaya / Ankara
Turkey; and

- (b) the Recipient's Electronic Address is:

Facsimile:	E-mail:
0 312 216 44 16	iletisim@tarimkredi.org.tr

- 6.03. For purposes of Section 7.01 of the Standard Conditions:

- (a) the Bank's address is:

International Bank for Reconstruction and Development
1818 H Street, N.W.
Washington, D.C. 20433
United States of America; and

- (b) the Bank's Electronic Address is:

Telex:	Facsimile:
248423 (MCI) or 64145 (MCI)	1-202-477-6391

AGREED as of the Signature Date.

**AGRICULTURAL CREDIT COOPERATIVES OF
TURKEY CENTRAL UNION**

By



Authorized Representative

Name: FAHRETTİN POYRAZ

Title: General Manager

Date: 24-Kas-2020

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT
acting as administrator of the European Commission
Development Fund**

By



Authorized Representative

Name: Auguste Tano Kouame

Title: Country Director

Date: 24-Nov-2020

SCHEDULE 1

Project Description

The objective of the Project is to improve the conditions for formal agricultural employment opportunities in selected host communities.

The Project consists of the following parts:

Part 1. Enhancing employment opportunities through contract farming

1.1 Improving skills and employability of agricultural workers

Carrying out a program of activities supporting:

- (a) development of an outreach strategy to build awareness and support enrollment of workers in refugee and host communities into the training program;
- (b) pre-employment screening and skills assessment of Beneficiaries to determine their eligibility and suitability for the activities under the Project, including individual profiling of Beneficiaries;
- (c) needs assessment of technical skills in demand in the farming sector;
- (d) implementation of a comprehensive training program for the Beneficiaries linked to agricultural market needs and tailored to Beneficiaries' existing work experience and skillsets, including payment of a Stipend for participating Beneficiaries;
- (e) on-the-job training for Eligible Workers employed by Eligible Employers, including payment of a Stipend, and health insurance for the duration of the training; and
- (f) development, administration and maintenance of a registry of Beneficiaries and a database of vacancies within contract farming schemes.

1.2 Increasing labor demand through enhanced production capacity of farms

Improving technical knowledge and skills of participants in contract farming schemes by providing:

- (a) technical and administrative assistance, including through workshops and training activities, to:

- (i) employers, on recruitment and management of employees, planning, budget and farm administration, principles of contract farming, training on environmental and social standards' compliance; and
 - (ii) ACCs on principles of contract farming, and acquisition of management system for ACCs to promote best practices with respect to managing contract farming; and
- (b) Wage Subsidies for Eligible Employers who hire and retain Eligible Workers.

Part 2. Increasing demand for contract farming

Increasing use of and demand for contract farming schemes by providing Small Grants to Primary ACCs to co-finance Subprojects aimed at enhancing the physical and technical capacity of ACCs in the secondary production (including, *inter alia*, drying, storing, grading, sorting and packaging) of the produce generated through the contract farming schemes.

Part 3. Implementation support and institutional capacity building

3.1 Project management and capacity building

Strengthening institutional capacity of ACCs through hiring necessary operational staff, consultants and experts, provision of operating budgets and Operating Costs of ACCs for Project management, and Training.

3.2 Grievance and redress mechanism and citizen engagement

- (a) Establishing a Grievance Redress Mechanism for Beneficiaries, Eligible Workers, Eligible Employers and affected communities; and
- (b) Developing and implementing a communication and an information awareness campaign and visibility activities at the national level targeting potential jobseekers and employers.

3.3 Monitoring and evaluation

- (a) Enhancement of information and monitoring systems to enable ACC-CU to track contract farming, employment, provision of goods, technical assistance, monitoring and evaluation, IT systems development and data collection; and
- (b) Provision of assistance to carry out monitoring and evaluation of activities implemented under the Project, including data collection and preparation of reports in support of the related results framework under the Facility for Refugees in Turkey.

SCHEDULE 2

Project Execution

Section I. Institutional and Other Arrangements

A. Institutional Arrangements

1. Project Implementation Unit

The Recipient shall:

- (a) maintain, until the completion of the Project, the Project Implementation Unit (“PIU”) responsible for coordinating and supervising Project implementation, and for providing implementation support to Primary ACCs, Regional ACCs and Eligible Employers, in composition and satisfactory to the Bank, including, *inter alia*, qualified staff to support management and monitoring of environmental and social issues; and
 - (b) ensure that the PIU functions at all times in a manner and with staffing, budgetary resources, and authority necessary and appropriate for satisfactory Project implementation, and all of which shall be acceptable to the Bank.
2. The Recipient shall satisfactorily carry out the Project in accordance with the terms of this Agreement, the instruments referenced in the Environmental and Social Commitment Plan, and the Project Operations Manual, including the satisfactory and timely monitoring, reporting and evaluation of the Project.

B. Project Operations Manual

1. The Recipient shall maintain, throughout the period of Project implementation, the POM, which shall set out, *inter alia*:
- (a) the policies and procedures relating to implementation of the Project;
 - (b) eligibility criteria and procedures to be applied in selecting Eligible Employers and Eligible Workers for participation in activities financed under Part 1.1 of the Project, including provision of on-the-job training, and technical assistance;
 - (c) eligibility criteria and procedures to be applied in selecting Beneficiaries for participation in activities financed under Part 1.2 of the Project, including provision of Wage Subsidies and training;

- (d) guidance and/or procedures on managing potential conflict of interest issues in selecting recipients of Wage Subsidies, Small Grants and any other activity financed under this Project;
- (e) financial management arrangements, requirements and detailed procedures consistent with the provisions of Section 2.07 of the Standard Conditions;
- (f) guidelines and procedures for procurement consistent with the provisions of the Procurement Regulations;
- (g) safeguards obligations consistent with the provisions of Section I.F of this Schedule 2; and
- (h) requirements of the Anti-Corruption Guidelines.

C. Wage Subsidies under Part 1.1 of the Project.

1. For purposes of carrying out Part 1.2(b) of the Project, the Recipient shall pay wage subsidies, inclusive of registration costs (including work permits, where necessary), social security contributions, income tax and stamp tax to Eligible Employers for the benefit of Eligible Workers ("Wage Subsidies"), using procedures and a transfer and verification mechanism acceptable to the Bank and further detailed in the POM and the Payment Agreement.
2. The Recipient shall:
 - (a) Form a selection committee, consisting of representatives of the public and private sector to assess applications from Eligible Employers for Wage Subsidies ("Wage Subsidies Selection Committee"). Eligible Employer may not be a member of the Wage Subsidy Selection Committee;
 - (b) Conduct a competitive selection process, in accordance with the POM, to select Eligible Employers based on the eligibility criteria, including, *inter alia*:
 - (i) Eligible Employer has entered into a contract farming scheme with a Primary ACC; and
 - (ii) Eligible Employer is either formally registered with the SSI in accordance with the Law of Social Security and General Health Insurance or will be registered with the SSI before receipt of the Wage Subsidy.

- (c) Ensure that the Wage Subsidy does not exceed the limits specified in the POM;
- (d) Enter into a Payment Agreement with each Eligible Employer, which will constitute part of the agreement on contract farming between the relevant Primary ACC and Eligible Employer, on terms and conditions approved by the Bank, which shall be consistent with the requirements of the ESCP, and which shall include the following requirements:
 - (i) the Wage Subsidy is paid to Eligible Employer as a grant, in accordance with the schedule of payments, payment modalities and subject to verification protocol set forth in the Payment Agreement and the POM;
 - (ii) Eligible Employer shall be eligible to draw the Wage Subsidy upon producing evidence, satisfactory to the Bank, that Eligible Worker (A) has been duly registered with Social Security Institution in accordance with the Law of Social Security and General Health Insurance; (B) has signed a written employment agreement with Eligible Employer; and (C) is paid according to a written payroll;
 - (iii) Eligible Employer shall:
 - (A) abide by the conflict of interest policy adopted by the Recipient and reflected in the POM;
 - (B) keep records of wage payments made to each Eligible Worker;
 - (C) (1) carry out its respective activities with due diligence and efficiency and in accordance with sound technical, financial and managerial standards and practices, including in accordance with the provisions of the Anti-Corruption Guidelines; (2) provide, promptly as needed the resources required for these purposes; and (3) maintain adequate records to enable it to monitor the progress of its activities and the achievement of its objectives;
 - (D) promptly inform the Recipient of any condition which interferes or threatens to interfere with the payments to Eligible Workers;

- (E) permit the Recipient and the Bank to inspect its operations, including the payments made, social security records of Eligible Workers, and any relevant records and documents; and
 - (F) prepare and furnish to the Recipient and the Bank, all such information as the Bank shall reasonably request, relating to the implementation of the activities, and the performance of its obligations under the Payment Agreement;
 - (iv) the Recipient may suspend or terminate the right of the Eligible Employer to use or administer the proceeds of Wage Subsidy or obtain a refund of all or any part of the Wage Subsidy payment already made, upon failure by the Eligible Employer to perform its obligations under the Payment Agreement.
3. The Recipient shall exercise its rights under each Payment Agreement in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of the Grant.
 4. Except as the Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate or waive any Payment Agreement or any of its provisions.

D. Small Grants under Part 2 of the Project.

1. For purposes of carrying out Part 2 of the Project, the Recipient shall establish a selection committee, comprising of specialists acceptable to the Bank ("Small Grants Selection Committee") to assess Primary ACC's applications for Small Grants to carry out Subprojects. Primary ACC located in the province where the Subproject is situated may not be a member of the Small Grants Selection Committee.
2. To facilitate implementation of Part 2 of the Project, the Recipient shall, within ninety (90) days of the Effective Date, adopt a Small Grants Manual and incorporate it into the Project Operations Manual. The Small Grants Manual shall cover, *inter alia*, the selection and financing of Subprojects through Small Grants and terms and conditions of Small Grant Agreements, including procedures on handling potential conflicts of interests.
3. To assist the Small Grants Selection Committee in selecting Subprojects, the Recipient shall retain an external technical evaluator, with the terms of reference, qualifications and experience acceptable to the Bank, to screen Subprojects against criteria established in the Small Grants Manual, advise the Selection Committee

on the technical and financial feasibility of the Subproject and make recommendations on the selection of Small Grants recipients.

4. The Recipient, in consultation with the Small Grants Selection Committee shall make Small Grants to the Primary ACCs to be used for purposes of procuring goods and services by ACC-CU for the benefit of the Primary ACC in carrying out of Subprojects, all in accordance with eligibility criteria and procedures acceptable to the Bank and as set out in the Small Grants Manual and consistent with the requirements of the ESCP. No Subproject involving acquisition of land or civil works shall be eligible for a Small Grant.
5. The Recipient shall enter into a Small Grant Agreement with each Primary ACC on terms and conditions set forth in the Small Grants Manual and ESCP, including without limitation, the following terms and conditions:
 - (a) Each Small Grant shall not exceed one hundred fifty thousand Dollars (\$150,000) per Primary ACC, or such amount agreed to by the Bank and specified in the Project Operations Manual;
 - (b) Primary ACC shall abide by the conflict of interest policy adopted by the Recipient and reflected in the POM;
 - (c) The Recipient shall procure goods and services to be financed out of the Small Grant for the benefit of the Primary ACC in accordance with the provisions of this Agreement and consistent with the World Bank Procurement Regulations;
 - (d) The Recipient shall obtain rights adequate to protect its interests and those of the Bank, including the right to:
 - (i) suspend or terminate the right of the Primary ACC to use the proceeds of the respective Small Grant, or obtain a refund of all or any part of the amount of the Small Grant then withdrawn, upon the Primary ACC's failure to perform any of its obligations under the Small Grant Agreement; and
 - (ii) require each Primary ACC to: (A) carry out its Subproject with due diligence and efficiency and in accordance with sound technical, economic, financial, managerial, environmental and social standards and practices satisfactory to the Bank, including in accordance with the provisions of the Anti-Corruption Guidelines applicable to recipients of financing proceeds other than the Recipient; (B) provide, promptly as needed, the resources required for the purpose; (C) maintain policies and procedures adequate to enable it to monitor and evaluate in accordance with

indicators acceptable to the Bank, the progress of the Subproject and the achievement of its objectives; (D) enable the Recipient and the Bank to inspect the Subproject, its operation and any relevant records and documents; and (E) prepare and furnish to the Recipient and the Bank all such information as the Recipient or the Bank shall reasonably request relating to the foregoing.

6. The Recipient shall exercise its rights and carry out its obligations under each Small Grant Agreement in such manner as to protect the interests of the Recipient and the Bank and to accomplish the purposes of Grant. Except as the Bank shall otherwise agree, the Recipient shall not assign, amend, abrogate, terminate, waive or fail to enforce any Sub-Grant Agreement or any of its provisions.

E. Management of Relationships Between ACCs; Issuance of a Directive

1. To facilitate the coordination, management and implementation of activities financed by the Project, the Recipient shall issue a directive, the terms of which will be acceptable to the Bank, instructing Regional ACCs and Primary ACCs to carry out their respective responsibilities under the Project in a manner consistent with this Agreement and establishing (a) roles and responsibilities of the respective ACCs; (b) oversight and coordination role of the Recipient in the management and implementation of the Project activities, all in accordance with the POM.

F. Environmental and Social Standards

1. The Recipient shall ensure that the Project is carried out in accordance with the Environmental and Social Standards, in a manner acceptable to the Bank.
2. Without limitation upon paragraph 1 above, the Recipient shall ensure that the Project is implemented in accordance with the Environmental and Social Commitment Plan ("ESCP"), in a manner acceptable to the Bank. To this end, the Recipient shall ensure that:
 - (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and as further specified in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies, procedures and qualified staff are maintained to enable it to implement the ESCP, as further specified in the ESCP; and
 - (d) the ESCP or any provision thereof, is not amended, revised or waived, except as the Bank shall otherwise agree in writing and the Recipient has, thereafter, disclosed the revised ESCP.

In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

3. The Recipient shall:

- (a) take all measures necessary on its part to collect, compile, and furnish to the Bank through regular reports, with the frequency specified in the ESCP, and promptly in a separate report or reports, if so requested by the Bank, information on the status of compliance with the ESCP, all such reports in form and substance acceptable to the Bank, setting out, *inter alia*: (i) the status of implementation of the ESCP; (ii) conditions, if any, which interfere or threaten to interfere with the implementation of the ESCP; and (iii) corrective and preventive measures taken or required to be taken to address such conditions; and
- (b) promptly notify the Bank of any incident or accident related to or having an impact on the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers, in accordance with the ESCP, the instruments referenced therein and the Environmental and Social Standards.

4. No later than thirty (30) days after the Effective Date, the Recipient shall establish, maintain and publicize the availability of: (a) grievance redress mechanism, as described in the SEP, and (b) grievance redress mechanism for Project workers, as described in the Labor Management Procedures, both in form and substance satisfactory to the Bank, to hear and determine fairly and in good faith all complaints raised in relation to the Project, and take all measures necessary to implement the determinations made by such mechanisms in a manner satisfactory to the Bank.

5. Except as the Bank shall otherwise agree, the Recipient shall ensure that none of the provisions of the instruments referred to in the ESCP is abrogated, amended, repealed, suspended or waived. In case of any inconsistencies between the provisions of any of the instruments referenced in the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.

G. Annual Work Plan and Budget

1. The Recipient shall:

- (a) prepare and furnish to the Bank not later than November 15 of each year during the implementation of the Project, a proposed Annual Work Plan and Budget containing: (i) all activities to be carried out under the Project during the following year; (ii) a proposed financing plan for expenditures required for such activities, setting forth the proposed amounts and sources

of financing; and (iii) any training activities that may be required under the Project including (A) the type of training, (B) the purpose of the training, and (C) the cost of the training;

- (b) afford the Bank a reasonable opportunity to exchange views on each such proposed Annual Work Plan and Budget, and shall thereafter ensure that the Project is implemented with due diligence during said following year, in accordance with such Annual Work Plan and Budget as shall have been approved by the Bank; and
- (c) not make or allow to be made any change to the approved Annual Work Plan and Budget without the Bank's prior written approval.

Section II. Project Monitoring, Reporting and Evaluation

A. Documents; Records

In addition, and without limitation to the obligations set forth in Section 2.05 of the Standard Conditions, the Recipient shall ensure that:

- (a) all records evidencing expenditures under the Project are retained for ten years after the Closing Date, such records to include: (i) this Agreement, all addenda thereof, and any amendments thereto; (ii) the Recipient's financial and narrative progress reports submitted to the Bank; (iii) the Recipient's financial information related to the Grant, including audit reports, invoices and payroll records; (iv) the Recipient's implementation documentation (including sub-agreements, procurement files, contracts, purchase orders); and (v) the corresponding supporting evidence referred to in Section 3.04 of the Standard Conditions; and
- (b) the representatives of the Bank are: (i) able to examine all records referred to above in paragraph (a); (ii) provided all such information concerning such records as they may from time to time reasonably request; and (iii) able to disclose such records and information to the Donor.

B. Project Reports

The Recipient shall ensure that each Project Report is furnished to the Bank not later than one (1) month after the end of each calendar quarter, covering the calendar quarter.

Section III. Withdrawal of Grant Proceeds

A. General

1. The Recipient may withdraw the proceeds of the Grant in accordance with the provisions of (a) Article III of the Standard Conditions, and (b) this Section, to finance Eligible Expenditures in the amount allocated and, if applicable, up to the percentage set forth against each Category of the following table.

Category	Amount of the Grant Allocated (expressed in EUR)	Percentage of Expenditures to be Financed (inclusive of Taxes, but exclusive of VAT)
(1) Wage Subsidies, Stipends, Goods, non-consulting services, consulting services and Operating Costs for the Project.	44,293,991	100%
(2) Small Grants under Part 2 of the Project.	2,550,000	100%
TOTAL AMOUNT	46,843,991	

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date, except that withdrawals up to an aggregate amount not to exceed EUR 525,500 may be made for payments made prior to this date but on or after September 29, 2020, for Eligible Expenditures under Category (1); and
 - (b) under Category (2) until the Recipient has adopted a Small Grants Manual and incorporated said Small Grants Manual as part of the Project Operations Manual.
2. The Closing Date is December 31, 2022.

APPENDIX

Definitions

1. “ACCs” means collectively, Primary ACCs, Regional ACCs, and ACC-CU.
2. “ACC-CU” means the Agricultural Credit Cooperatives of Turkey Central Union, established in accordance with Law No. 1581 (1972), or its legal successor.
3. “Anti-Corruption Guidelines” means, for purposes of paragraph 2 of the Appendix to the Standard Conditions, the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006, and revised in January 2011, and as of July 1, 2016.
4. “Beneficiary” or “Beneficiaries” means any individuals benefitting from a program of activities under Part 1 of the Project. The term includes Eligible Workers.
5. “Category” means a category set forth in the table in Section III.A of Schedule 2 to this Agreement.
6. “Eligible Employer” means a farmer employer duly registered with the Social Security Institution, eligible for support under Part 1 of the Project.
7. “Eligible Worker” means a worker registered with the SSI in accordance with the Law of Social Security and General Health Insurance, employed by the Eligible Employer and having entered into an employment agreement with the Eligible Employer, receiving on the job training under Part 1.1(e) of the Project or receiving a Wage Subsidy under Part 1.2(b) of the Project.
8. “Environmental and Social Commitment Plan” or the acronym “ESCP” means the environmental and social commitment plan for the Project, acceptable to the Bank, dated November 9, 2020, which sets out a summary of the material measures and actions to address the potential environmental and social risks and impacts of the Project, including the timing of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any instruments to be prepared thereunder; as the ESCP may be revised from time to time, with prior written agreement of the Bank, and such term includes any annexes or schedules to such plan.
9. “Environmental and Social Management Framework” or “ESMF” means the document to be prepared and adopted by the Recipient for the Project that sets forth (a) the modalities for site-specific environmental and social screening and procedures for the preparation and implementation of environmental and social management plans under the Project, including the criteria (and forms) for social

screening to exclude any activities that may cause physical or economic displacement, (b) the set of mitigation, monitoring, and institutional measures and procedures required in order to eliminate adverse environmental and social impacts, offset them, or reduce them to acceptable levels, (c) the actions needed to implement said measures, and as the same may be amended from time to time with the Bank's prior written approval.

10. "Environmental and Social Standards" means, collectively: (i) "Environmental and Social Standard 1: Assessment and Management of Environmental and Social Risks and Impacts"; (ii) "Environmental and Social Standard 2: Labor and Working Conditions"; (iii) "Environmental and Social Standard 3: Resource Efficiency and Pollution Prevention and Management"; (iv) "Environmental and Social Standard 4: Community Health and Safety"; (v) "Environmental and Social Standard 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement"; (vi) "Environmental and Social Standard 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources"; (vii) "Environmental and Social Standard 7: Indigenous Peoples/Sub-Saharan Historically Underserved Traditional Local Communities"; (viii) "Environmental and Social Standard 8: Cultural Heritage"; (ix) "Environmental and Social Standard 9: Financial Intermediaries"; (x) "Environmental and Social Standard 10: Stakeholder Engagement and Information Disclosure"; effective on October 1, 2018, as published by the Bank at <https://www.worldbank.org/en/projects-operations/environmental-and-social-framework>.
11. "Facility for Refugees in Turkey" means the European Union facility for refugees in Turkey that provides assistance to refugees and host communities in the areas of basic needs, education, health, socio-economic support, protection and municipal infrastructure.
12. "Labor Management Procedures" or "LMP" means the document to be prepared by the Recipient, in form and substance satisfactory to the Association, and in accordance with Environmental and Social Standard 2, setting out *inter alia* the overview of the labor use in the Project, an assessment of potential Project-related labor risks, the types of Project workers and their terms and conditions of employment, the age of employment, the details of the Project dedicated grievance mechanism to be provided to direct workers and contracted workers, and occupational health and safety requirements for Project workers; as the LMP may be revised from time to time, with prior written agreement of the Recipient, and such term includes any annexes or schedules to such LMP.
13. "Law of Social Security and General Health Insurance" means Law No. 5510 of May 31, 2006, as amended.
14. "Operating Costs" means reasonable incremental expenses directly incurred by the ACCs in respect to Project implementation, management and monitoring, including office supplies and equipment, including its maintenance and repair,

vehicle maintenance and repair, travel, communication, publication of procurement notices, communication, translation and interpretation, publication fees, and other miscellaneous expenses directly associated with the Project and agreed between the Bank and the Recipient, but excluding salaries of officials and employees of the Recipient.

15. “Payment Agreement” means an agreement to be entered between the ACC-CU and the Eligible Employer for provision of Wage Subsidy under Section I.C of Schedule 2 to this Agreement.
16. “Primary ACC” or “Primary ACCs” means the primary agricultural cooperative (or cooperatives) established under the Agricultural Credit Cooperatives and Unions Law No. 1581 (1972), or its/their legal successor(s).
17. “Procurement Regulations” means, for purposes of paragraph 20 of the Appendix to the Standard Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017 and August 2018.
18. “Project Operations Manual” means the manual to be prepared and adopted by the Recipient, including all appendices and schedules thereto, satisfactory to the Bank, which sets forth the policies and procedures that apply to the carrying out of the Project, referred to in Section 1.B of Schedule 2 to this Agreement.
19. “Regional ACC” or “Regional ACCs” means the regional agricultural unions established under the Agricultural Credit Cooperatives and Unions Law No. 1581 (1972), or its/their legal successor(s).
20. “Signature Date” means the later of the two dates on which the Recipient and the Bank signed this Agreement and such definition applies to all references to “the date of the Grant Agreement” in the Standard Conditions.
21. “Small Grant” means a grant, financing goods and services procured by ACC-CU for the benefit of the Primary ACC, not to exceed one hundred fifty thousand Dollars (\$150,000) (or any other amount agreed to by the Bank and specified in the Project Operations Manual) awarded to a Primary ACC under Section I.D of Schedule 2 to this Agreement.
22. “Small Grants Manual” means a manual adopted pursuant to Section I.D of Schedule 2 to this Agreement, which includes criteria and processes for selecting recipients of the Small Grants under Part 2 of the Project, including the criteria of social screening to exclude any activities that may cause physical or economic displacement, including a screening form, in form and substance acceptable to the Bank and incorporated in the Projects Operations Manual.

23. “Social Security Institution” or “SSI” means the government agency of the Republic of Turkey responsible for social security system, or its legal successor.
24. “Stakeholder Engagement Plan” or “SEP” means the document to be prepared by the Recipient, and consulted with Project stakeholders, in form and substance satisfactory to the Bank, and in accordance with Environmental and Social Standard 10, setting out *inter alia* the different Project stakeholders (including but not limited interested parties, affected parties and beneficiary communities with a particular emphasis on vulnerable and disadvantaged) and the timing and methods of engagement with stakeholders throughout the Project, including prior disclosure timelines and means of disclosure; as the SEP may be revised from time to time, with prior written agreement of the Bank, and such term includes any annexes or schedules to such plan.
25. “Standard Conditions” means the “International Bank for Reconstruction and Development and International Development Association Standard Conditions for Grant Financing Made by the Bank out of Trust Funds”, dated February 25, 2019.
26. “Stipend” means daily remuneration, at the levels specified in the POM: (a) Beneficiaries undergoing a training program under Part 1.1(d) of the Project; and (b) Eligible Workers receiving on-the-job training under Part 1.1(e) of the Project.
27. “Wage Subsidies” means provision of funds, on a grant basis, to Eligible Worker, on the terms and conditions provided for in the POM, the Payment Agreement, and under Section I.C of Schedule 2 of this Agreement.