
LOAN NUMBER 9580-TR

Loan Agreement

(Türkiye Earthquake Recovery and Reconstruction Project)

between

REPUBLIC OF TÜRKİYE

and

**INTERNATIONAL BANK FOR RECONSTRUCTION
AND DEVELOPMENT**

LOAN AGREEMENT

AGREEMENT dated as of the Signature Date between REPUBLIC OF TÜRKİYE (“Borrower”) and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT (“Bank”).

WHEREAS, the Borrower, in furtherance of the development objective to restore access to essential municipal and health services and resilient housing in selected provinces affected by the February 2023 Earthquakes in Türkiye, seeks to have İller Bankası Anonim Şirketi (“ILBANK”), the Borrower’s Ministry of Health (“MoH”), and its Ministry of Environment, Urbanization, and Climate Change (“MoEUCC”) (collectively, “Project Implementing Agencies”) implement the project defined in Schedule 1 to this Agreement (“Project”);

WHEREAS, the Borrower, in furtherance of the aforementioned aim to restore access to essential municipal services in selected provinces, has designated ILBANK to be the implementing agency of the activities under Parts 1 and 4.A of the Project, as more fully described in this Agreement;

WHEREAS, the Borrower has amended its Law on Public Finance and Debt Management, enabling the Minister of Treasury and Finance to allocate external financing provided on behalf of the Republic of Türkiye to institutions and organizations, other than the public administrations within the scope of the general budget, but within the scope of the said Law, for reconstruction, infrastructure and superstructure works in areas declared as disaster areas that affect normal life;

WHEREAS, in furtherance of the Project’s development objective, and pursuant to the Borrower’s Law on Public Finance and Debt Management, the Borrower, through its Ministry of Treasury and Finance, intends to allocate a portion of the Loan proceeds under this Agreement to ILBANK to carry out Parts 1 and 4.A of the Project, as the Project and such arrangements are further described in this Agreement; and

WHEREAS, the Borrower recognizes that, as a condition for ILBANK to receive the Loan financing allocated for Parts 1 and 4.A of the Project, and to implement the said Parts of the Project, ILBANK will enter into a Project Agreement with the Bank for the purpose of recognizing ILBANK’s commitment to receive the said financing to implement the said Parts of the Project, and to carry out the said Parts of the Project on behalf of the Borrower in accordance with the terms of this Agreement.

NOW THEREFORE, the Borrower and the Bank hereby agree as follows:

ARTICLE I — GENERAL CONDITIONS; DEFINITIONS

- 1.01. The General 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 General Conditions or in the Appendix to this Agreement.

ARTICLE II — LOAN

- 2.01. The Bank agrees to lend to the Borrower the amount of nine hundred ten million five hundred thousand Euros (EUR 910,500,000), as such amount may be converted from time to time through a Currency Conversion (“Loan”), to assist in financing the project described in Schedule 1 to this Agreement (“Project”).
- 2.02. The Borrower may withdraw the proceeds of the Loan in accordance with Section III of Schedule 2 to this Agreement.
- 2.03. The Front-end Fee is one quarter of one percent (0.25%) of the Loan amount.
- 2.04. The Commitment Charge is one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.
- 2.05. The interest rate is the Reference Rate plus the Variable Spread or such rate as may apply following a Conversion, subject to Section 3.02(e) of the General Conditions.
- 2.06. The Payment Dates are April 15 and October 15 in each year.
- 2.07. The principal amount of the Loan shall be repaid in accordance with Schedule 3 to this Agreement.

ARTICLE III — PROJECT

- 3.01. The Borrower, through ILBANK (on the basis set forth in the preamble of this Agreement), MoH, and MoEUCC, declares its commitment to the objective of the Project. To this end, the Borrower shall carry out the Project, through ILBANK for Parts 1 and 4.A of the Project, MoH for Parts 2 and 4.B of the Project, and MoEUCC for Parts 3 and 4.C of the Project, in accordance with the provisions of Article V of the General Conditions, Schedule 2 to this Agreement, and the Project Agreement.

ARTICLE IV — REMEDIES OF THE BANK

- 4.01. The Additional Event of Suspension for Part 1 of the Project consists of the following: the legislations enabling ILBANK (“ILBANK Enabling Legislations”) to carry out Parts 1 and 4.A of the Project have been materially amended or suspended in a manner so as to affect, materially and adversely, in the opinion of the Bank, the ability of ILBANK to perform any of its obligations under this Agreement and the Project Agreement.
- 4.02. The Additional Event of Acceleration consists of the following: the event specified in Section 4.01 of this Agreement occurs and is continuing for a period of sixty (60) days after notice of the event has been given by the Bank to the Borrower.

ARTICLE V — EFFECTIVENESS; TERMINATION

- 5.01. The Effectiveness Deadline is the date ninety (90) days after the Signature Date.

ARTICLE VI — REPRESENTATIVE; ADDRESSES

- 6.01. The Borrower’s Representative is its Minister of Treasury and Finance.
- 6.02. For purposes of Section 10.01 of the General Conditions:

- (a) the Borrower’s address is:

T.C. Hazine ve Maliye Bakanligi
Inönü Bulvari No. 36
Emek – Ankara
Republic of Türkiye; and

- (b) the Borrower’s Electronic Address is:

Facsimile:

(90) (312) 204-7366
(90) (312) 204-7367.

- 6.03. For purposes of Section 10.01 of the General 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.

REPUBLIC OF TÜRKİYE

By



Authorized Representative

Name: _____ Kerem Dönmez

Title: _____ Director General

Date: _____ 01-Sep-2023

**INTERNATIONAL BANK FOR
RECONSTRUCTION AND DEVELOPMENT**

By



Authorized Representative

Name: _____ J. Humberto Lopez

Title: _____ Country Director

Date: _____ 01-Sep-2023

SCHEDULE 1

Project Description

The objective of the Project is to restore access to essential municipal and health services and resilient housing in selected provinces affected by the February 2023 Earthquakes in Türkiye.

The Project consists of the following parts:

Part 1. Restoration of Municipal Infrastructure and Services

Restoration, through ILBANK, of access to critical municipal services of affected communities in Earthquake-affected Provinces (excluding investments covered by the Excluded Activities list) with due consideration for future climate and disaster risks and for seismic resilience; said activities (supported by the provision of civil works, goods, consulting services, and non-consulting services) consist of the following:

- A. *Resilient rehabilitation and reconstruction of municipal infrastructure.***
- (i) Rehabilitation and reconstruction of existing municipal water, sanitation, wastewater, drainage, and solid waste management infrastructure damaged by the February 2023 Earthquakes, considering site-specific disaster and climate risks and design strengthening for extreme weather-related events; said activities include, *inter alia*:
 - (a) preparing and reviewing related studies for said works, including assessment, feasibility, and design studies with due consideration for climate and disaster risks, and including damage and needs assessments of, *inter alia*, below-ground water and sewage infrastructure; and carrying out construction supervision for said works;
 - (b) repairing and reconstructing damaged water and sewage networks, water transmission lines, water treatment plants, wastewater treatment plants, and stormwater drainage to be more disaster and climate resilient, including, *inter alia*, adaptation to climate change and/or integration of climate-smart and/or nature-based technologies and solutions for climate change mitigation, as relevant;

- (c) installing temporary water and sanitation facilities for communities living in prefabricated container homes, including package wastewater treatment plants, solar thermal hot water collectors, and portable rainwater storages, as needed; and
 - (d) rehabilitating or reconstructing damaged municipal solid waste management facilities.
- (ii) Rehabilitation and reconstruction of municipal roads, bridges, underpasses, and associated infrastructure damaged by the February 2023 Earthquakes; said activities include:
- (a) preparing and reviewing related studies for said works, including assessment, feasibility, and design studies with due consideration for future climate and disaster risks, soil deformations, the use of high-performance water and weather resistant materials, and nature-based solutions, as relevant; and carrying out construction supervision for said works; and
 - (b) based on the studies and designs prepared under Part 1.A(ii)(a), repairing and reconstructing the damaged roads and associated infrastructure.

B. *Resilient recovery of municipal service facilities.*

- (i) Rehabilitation and reconstruction of municipal service buildings damaged by the February 2023 Earthquakes to at least Turkish Class C Energy Performance Certification standards with functional upgrades; said activities include, *inter alia*:
- (a) installing prefabricated facilities to provide critical municipal services, including fire and emergency services;
 - (b) repairing and strengthening of lightly damaged municipal service buildings, including fire stations and municipal utilities buildings; and
 - (c) resilient and energy efficient reconstruction of destroyed, heavily damaged, and moderately damaged municipal service buildings, including, *inter alia*, municipal fire stations and municipal utilities buildings, *in-situ* or in new

locations with lower exposure to geological and climate-related hazards (i.e., flooding, landslides).

- (ii) Acquisition of emergency response and municipal services equipment and vehicles to restore municipal capacity to provide essential services impacted by the February 2023 Earthquakes (including, *inter alia*, firefighting and rescue vehicles and equipment, solid waste collection vehicles, buses, street sweeping vehicles).

Part 2. Restoration of Health Services

Restoration, through MoH, of access to health services for the affected communities in the short-term; said activities (supported by the provision of goods, consulting services, and non-consulting services) consist of the following:

A. *Ensuring continuity of primary-level and hospital-level health services.*

- (i) Establishment of a network of fixed prefabricated family medicine centers supported by mobile primary health care units to replace the collapsed, heavily, and moderately damaged primary health care buildings in the Earthquake-affected Provinces; said activities include:
 - (a) installing prefabricated, energy efficient, fully equipped, family medicine centers for primary health care service delivery in the region; and
 - (b) providing mobile health clinics to reach temporary settlements with large, displaced populations, and rural regions.
- (ii) Provision of furnishings, medical equipment and medical goods to support: (a) the immediate operation of approximately eleven (11) new prefabricated emergency hospitals in the Earthquake-affected Provinces; and (b) the operation of other hospitals in Project Provinces.

B. *Providing mobile diagnostic services.*

Establishment of a network of mobile diagnostic services to support field emergency hospitals and prefabricated primary health care facilities in Earthquake-affected Provinces; said activities include providing:

- (i) mobile units equipped with imaging equipment;
- (ii) mobile public health laboratories for microbiology and water analysis;
- (iii) mobile computerized tomography devices;
- (iv) mobile digital X-ray and ultrasound devices;
- (v) ambulances and fully equipped medical all-terrain vehicles; and
- (vi) mobile command control vehicles.

C. *Supporting access to vaccination, disability services, and medical equipment.*

Restoration of MoH's capacity to provide vaccinations, addressing the needs of people disabled due to the February 2023 Earthquakes, and curbing the spread of infectious diseases; said activities include:

- (i) replacing damaged provincial and district vaccine warehouses with energy efficient, prefabricated, and light steel construction vaccine storage containers to be located in the major cities of Hatay, Malatya, Kahramanmaras, Adiyaman and Adana to serve as regional vaccine warehouses in the Earthquake-affected Provinces;
- (ii) providing vaccine transport vehicles to ensure timely distribution of vaccines from the regional warehouses to settlements across the Earthquake-affected Provinces, including container cities, dispersed villages in rural areas, and shelters;
- (iii) providing equipment for disability services, including, *inter alia*, microprocessor prosthesis, orthotics and prosthesis, and battery powered wheelchairs in Project Provinces;
- (iv) providing equipment and capacity building for physical therapy and rehabilitation centers in Project Provinces;
- (v) providing home health care service vehicles and related kits, and Psycho-social Support Vehicles in Project Provinces; and
- (vi) providing essential medical supplies such as biocidal products and rapid test kits in Earthquake-affected Provinces.

Part 3. Rural Housing Reconstruction and Recovery.

Reconstruction and recovery, through MoEUCC, of rural housing and Livelihood Buildings in Earthquake-affected Provinces (excluding investments covered by the Excluded Activities list), and capacity building of the Disaster and Emergency Management Presidency (“AFAD”) and MoEUCC to support resilient and green recovery and more inclusive post-disaster housing programs; said activities (supported by the provision of civil works, consulting services, non-consulting services, and goods) consist of the following:

A. *Resilient rural housing and village reconstruction.*

- (i) Carrying out full reconstruction (excluding repairs and retrofitting activities) of damaged housing and/or Livelihood Buildings eligible under Türkiye’s existing Post-Disaster Rural Housing Reconstruction Program, including, as needed, technical design preparation and review, and construction supervision for said works.
- (ii) Carrying out infrastructure rehabilitation in villages where rural housing is reconstructed or constructed under Part 3.A(i) of the Project; said investments include, *inter alia*, water, sanitation, rural roads, street lighting, and social facilities (including community centers, playgrounds, and communal public and/or green spaces).

B. *Capacity building for resilient recovery and post-disaster housing support.*

- (i) Providing technical assistance to strengthen the implementation of Part 3.A of the Project, including beneficiary engagement in site and house design selection, inclusion of universal access measures in housing design, enhancement of decision support to eligible Property Owners on housing options and associated costs offered under the program (particularly for vulnerable groups), and connecting beneficiaries to complementary social support programs offered by the government.
- (ii) Providing technical assistance and advisory services to MoEUCC’s General Directorate for Construction Affairs, and AFAD’s General Directorate for Housing and Construction Works, to support planning for medium and longer term resilient and energy efficient reconstruction and improve post-disaster housing programs for future disasters.

Part 4. Project Management, Monitoring and Evaluation

Support of ILBANK, MoH, and MoEUCC in carrying out Project management and implementation activities, including, but not limited to, monitoring and evaluation, reporting, procurement, financial management, environmental and social management, grievance redress mechanism, citizens engagement, project communication and outreach, and strengthening capacity to mainstream climate mitigation and adaptation in Project activities (through the provision of goods, consulting services, and non-consulting services); such support shall be for:

- A. ILBANK, in carrying out Part 1 and this Part 4.A of the Project, including the provision of technical assistance to and strengthening the capacity of beneficiary municipalities to facilitate the sustainable operation of the reconstructed and/or rehabilitated municipal infrastructure and facilities;
- B. MoH, in carrying out Part 2 and this Part 4.B of the Project; and
- C. MoEUCC, in carrying out Part 3 and this Part 4.C of the Project.

SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. For the implementation of Parts 1 and 4.A of the Project, the Borrower, through ILBANK, shall:
 - (a) be responsible for the overall implementation, management, coordination and oversight of the said Parts of the Project, including the administrative, procurement, disbursement, financial management, and monitoring and evaluation requirements, and, in coordination with the relevant municipalities and their affiliated utilities (as may be relevant), the environmental, social and citizen engagement requirements, all in accordance with the terms of this Agreement, the Project Agreement, and the ILBANK Project Operations Manual (“ILBANK POM”);
 - (b) maintain at all times an ILBANK POM, satisfactory to the Bank, in accordance with Section I.B of this Schedule; and
 - (c) by no later than thirty (30) days following the Effective Date, establish, and thereafter maintain throughout Project implementation, a Project Implementation Unit (“ILBANK PIU”), with functions and responsibilities, qualified staffing, budgetary resources, and authority necessary and appropriate, in the opinion of the Bank, for the satisfactory implementation of the said Parts of the Project, with the involvement of ILBANK’s other relevant departments; said establishment of the ILBANK PIU shall include, specifically, the hiring or assigning to the ILBANK PIU:
 - (i) a project manager to be responsible for coordinating the overall implementation of the said Parts of the Project;
 - (ii) one financial management specialist;
 - (iii) three procurement specialists;
 - (iv) one environmental specialist;
 - (v) one social specialist;
 - (vi) one occupational health and safety specialist;

- (vii) one technical specialist; and
 - (viii) one monitoring and evaluation specialist.
2. For the implementation of Parts 2 and 4.B of the Project, the Borrower, through MoH, shall:
- (a) be responsible for the overall implementation, management, coordination and oversight of the said Parts of the Project, including the administrative, procurement, environmental and social, citizen engagement, disbursement, financial management, and monitoring and evaluation requirements, in accordance with the terms of this Agreement and as shall be further specified in the MoH Project Operations Manual (“MoH POM”);
 - (b) by no later than thirty (30) days after Effective Date, finalize and adopt, and thereafter maintain throughout Project implementation, an MoH POM, satisfactory to the Bank, in accordance with Section I.B of this Schedule;
 - (c) maintain throughout Project implementation, a Project Management Support Unit (“MoH PMSU”) with functions and responsibilities, qualified staffing, budgetary resources, and authority necessary and appropriate, in the opinion of the Bank, for the satisfactory implementation of the Project.
3. For the implementation of Parts 3 and 4.C of the Project, the Borrower, through MoEUCC, shall:
- (a) be responsible for the overall implementation, management, coordination and oversight of the said Parts of the Project, including the administrative, procurement, environmental and social, citizen engagement, disbursement, financial management, and monitoring and evaluation requirements, in accordance with the terms of this Agreement and the MoEUCC Project Operations Manual (“MoEUCC POM”);
 - (b) maintain at all times an MoEUCC POM, satisfactory to the Bank, in accordance with Section I.B of this Schedule;
 - (c) by no later than thirty (30) days following the Effective Date, establish, and thereafter maintain throughout Project implementation, a Project implementation unit (“MoEUCC PIU”) under MoEUCC’s General Directorate for Construction Affairs, with functions and responsibilities, qualified staffing, budgetary resources, and authority necessary and

appropriate, in the opinion of the Bank, for the satisfactory implementation of the said Parts of the Project; said establishment of the MoEUCC PIU shall include, specifically, the hiring or assigning to the MoEUCC PIU of:

- (i) a project manager responsible for all project coordination activities of the said Parts of the Project;
- (ii) one financial management specialist;
- (iii) three procurement specialists;
- (iv) one environmental specialist;
- (v) one occupational health specialist;
- (vi) one social specialist;
- (vii) one civil engineer; and
- (viii) one monitoring and evaluation specialist.

4. Parts 1 and 4.A of the Project – ILBANK-Municipality Protocols.

- (a) For Parts 1 and 4.A of the Project, the Borrower, through ILBANK, shall execute with each beneficiary municipality (or affiliated utility, as relevant), and maintain throughout Project implementation, a formal written agreement (“ILBANK-Municipality Protocol”) that sets forth the terms and conditions, acceptable to the Bank, governing the relationship between the beneficiary municipality (or affiliated utility) and ILBANK for the implementation of Part 1 and, as relevant, Part 4.A of the Project. The terms of the said Protocol shall include:
 - (i) the granting by the municipality (or affiliated utility) to ILBANK of the right to work within the municipality (or affiliated utility) to carry out the relevant activities under Part 1 of the Project, including ILBANK’s access of the relevant municipal (or affiliated utility) infrastructure, service facilities, staff, and any critical information necessary to enable ILBANK (and its consultants) to carry out the Project activities;
 - (ii) the agreement of the municipality (or affiliated utility) for ILBANK to make decisions on behalf of the municipality (or affiliated utility) with respect to the design and supervision of the civil works;

- (iii) the terms for the informed involvement of the municipality (or affiliated utility) on the environmental, social, and technical aspects of implementing Part 1 of the Project to ensure the ownership of the municipality (or affiliated utility);
- (iv) the rights of the municipality (or affiliated utility) to own and operate the rehabilitated and/or reconstructed infrastructure and/or facilities;
- (v) the commitment of the municipality (or affiliated utility) to operate and maintain the reconstructed and/or rehabilitated facilities consistent with sound technical, and environmental and social standards, and the Anti-Corruption Guidelines;
- (vi) the understanding between ILBANK and the municipality (or affiliated utility) in respect of the party(ies) that will be legally responsible for the activities under Part 1 of the Project (including, *inter alia*, responsibility for the civil works and other related contracts, any liabilities incurred in connection with the said works and activities, and responsibilities for providing any additional funds that may be needed to carry out the responsibilities under the ESCP, including potential compensation for resettlement) both during and post-reconstruction and/or rehabilitation, and any related indemnifications;
- (vii) the granting by the municipality (or the affiliated utility) to ILBANK of the right to obtain all information as ILBANK, the Bank, or other representatives of the Borrower shall reasonably request relating to the implementation activities and investments financed by the Loan, and to their administration, operations, and maintenance;
- (viii) the granting by the municipality (or the affiliated utility) to ILBANK of the right to inspect, by itself or jointly with representatives of the Bank and/or the Borrower, if the Bank and/or the Borrower shall so request, the sites and expenditures financed by the Project, the operation thereof, and any relevant records and documents; and
- (ix) the recognition by the municipality (or affiliated utility) of ILBANK's right, on behalf of the Borrower, to suspend and/or terminate the use of the Loan proceeds under the Project for such activities upon the failure by the municipality (or affiliated utility) to perform any of its obligations under the Protocol.

- (b) The Borrower, through ILBANK, shall execute the ILBANK-Municipality Protocols, in form and substance satisfactory to the Bank, with each beneficiary municipality (or affiliated utility) prior to ILBANK's launch of bids for the related works contracts in the respective beneficiary municipality (or for an affiliated utility).
- (c) The Borrower, through ILBANK, shall exercise its rights under each ILBANK-Municipality Protocol in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Loan. Except as the Bank shall otherwise agree, the provisions of said Protocols shall not be assigned, amended, abrogated or waived.

5. Part 3 of the Project – MoEUCC-AFAD Protocol.

- (a) For Part 3 of the Project, the Borrower, through MoEUCC, shall execute with AFAD, and maintain throughout Project implementation, a formal written agreement (“MoEUCC-AFAD Protocol”), defining their respective roles and responsibilities for the implementation of Part 3 of the Project, in form and substance acceptable to the Bank; said terms shall include:
 - (i) the parties' acknowledgement that AFAD's General Directorate for Housing and Construction Works will carry out the following tasks in close coordination with MoEUCC's General Directorate for Construction Affairs: (A) selection of the rural housing sites; (B) identification of the Property Owners of collapsed, heavily damaged, or moderately damaged rural houses and Livelihood Buildings, who are eligible for the Post-disaster Rural Housing Reconstruction Program; (C) conducting of consultations to receive consent of the eligible Property Owners to participate in the said Rural Housing Reconstruction Program (financed by Part 3 of the Project); (D) facilitating the selection of relocation sites for villages where necessary; and (E) transferring the titles of the reconstructed rural houses to the eligible Property Owners and their repayment of the concessional loans;
 - (ii) AFAD's agreement to collaborate with MoEUCC to propose sets of damaged villages for proposed financing under Part 3 of the Project and for submission to the Bank for prior review and approval before launching the bids for the related works contracts;
 - (iii) the agreement of MoEUCC and AFAD to coordinate on the preparation of the terms of reference and technical specifications

for technical assistance and capacity building activities under Part 3.B of the Project, as relevant; and

- (iv) the agreement of MoEUCC and AFAD to carry out all Project related activities in accordance with the Anti-Corruption Guidelines;
 - (v) the acknowledgement of MoEUCC and AFAD that, in the event of misrepresentations made by a participating eligible Property Owner under the said owner's letter of request and undertaking with AFAD, and/or the lending agreement for the financing under Part 3.A of the Project, or of the failure by a participating eligible Property Owner to perform any undertaking obligated under such documents that are necessary to meet the purpose of Part 3.A of the Project, AFAD shall exercise its rights and carry out its obligations under such documents, in a manner that protects the interests of the Borrower, through MoEUCC, and the Bank; and
 - (vi) the recognition of MoEUCC's responsibility to determine that the relevant permits have been obtained, and AFAD's responsibility to transfer each reconstructed house or Livelihood Building, and to transfer the title of the said house or facility and plot, to the related participating eligible Property Owner.
6. The Borrower, through the Project Implementing Agencies, shall ensure that: (a) no military or security forces shall be used for carrying out the respective Project activities; and (b) no ownership of any assets generated, goods procured, or works constructed from Loan proceeds shall be transferred to or shall be vested with military or security forces.
7. The Borrower, through the Project Implementing Agencies, shall ensure that: (a) all expenditures financed under this Agreement are directly incurred on account of the implementation, management, and monitoring of the Project; and (b) in the event that the goods, works, consulting services, non-consulting services, Training, or Operating Costs are shared with other projects or events, such expenditures are properly prorated to the respective budgets of the relevant projects and/or events.

B. Project Operations Manuals.

1. The Borrower, through each Project Implementing Agency, shall maintain throughout Project implementation, a respective ILBANK POM (for Parts 1 and 4.A of the Project), MoH POM (for Parts 2 and 4.B of the Project), and MoEUCC POM (for Parts 3 and 4.C of the Project) (collectively, "POMs"), in substance and manner acceptable to the Bank, to carry out the Project.

2. In furtherance of Section I.B.1 above, the POMs shall each include, *inter alia*, provisions on the following, in relation to the relevant Parts of the Project:
 - (a) the parties responsible for carrying out the respective parts of the Project;
 - (b) the coordination arrangements between the relevant parties for the day-to-day execution of the relevant Parts of the Project;
 - (c) the detailed description of all relevant Project activities supported under this Agreement, their sequencing and the prospective timetable and benchmarks in relation thereto;
 - (d) the detailed policies and procedures for Project implementation and management of the relevant Project activities, including specifically:
 - (i) the selection and management of the relevant Project activities;
 - (ii) the environmental and social obligations and arrangements for the relevant Parts of the Project that shall include, *inter alia*: the environmental and social requirements set forth in this Agreement, the Environmental and Social Commitment Plan, the Environmental and Social Instruments, and the details on the environmental and social screening, monitoring and reporting procedures for in line with the Environmental and Social Standards;
 - (iii) detailed guidelines and procedures for Personal Data collection and processing in accordance with applicable national law and good international practice;
 - (iv) a financial management manual, covering the financial management arrangements, requirements and detailed procedures consistent with the provisions of Section 5.09 of the General Conditions, including the functions, staffing, job descriptions (with special emphasis on the segregation of duties), workflows, internal controls and all financial management arrangements for the Project;
 - (v) the guidelines and procedures for procurement consistent with the provisions of the Procurement Regulations;
 - (vi) the requirements of the Anti-Corruption Guidelines; and

- (vii) the requirements and procedures for the monitoring, evaluation, reporting, and communications, including specifically, the frequency and content of environmental and social monitoring reports, for the relevant Parts of the Project.
- 3. The ILBANK POM shall include the standard template for the ILBANK-Municipality Protocol agreement described in Section I.A.4 of this Schedule, in form and substance acceptable to the Bank.
- 4. The MoH POM shall include:
 - (a) the methodology and criteria, acceptable to the Bank, for the determination and verification of the Project Provinces (other than the Earthquake-affected Provinces) that have received a high influx of displaced population and patients transferred from the Earthquake-affected Provinces for the purpose of carrying out the relevant subparts of Part 2 of the Project; and
 - (b) the inclusion of any provinces referred to in (a) shall be subject to the Bank's prior approval, and such provinces shall be incorporated in the POM.
- 5. The MoEUCC POM shall include: (a) the terms of the MoEUCC-AFAD Protocol agreement described in Section I.A.5 of this Schedule; (b) the rules and procedures for the Post-Disaster Rural Housing Reconstruction Program as it applies to this Project, including the concessional lending terms, all in form and substance acceptable to the Bank; and (c) the standard beneficiary agreement for an eligible Property Owner's participation in the housing reconstruction program and acceptance of the concessional loan under the program, as described in Section I.C.12 of this Schedule.
- 6. The Borrower, through each of the Project Implementing Agencies, shall carry out the relevant Parts of the Project, and cause the Project to be carried out, in accordance with the arrangements, procedures and guidelines set forth in the respective POMs, provided, however, that in case of any conflict between the arrangements and procedures set out in the respective said POM and the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 7. The POMs, and any provision thereof, shall not be assigned, amended, abrogated or waived, nor shall be permitted to be assigned, amended, abrogated or waived, without the prior written consent of the Bank; the POMs may only be amended in consultation with, and after the approval of, the Bank.

C. Eligibility and Selection of Investments.

1. In carrying out Parts 1, 2, and 3 of the Project, the Borrower, through ILBANK, MoH, and MoEUCC, shall ensure that, unless otherwise agreed to by the Bank in writing and thereafter incorporated into the ILBANK POM, MoH POM, and MoEUCC POM, respectively, all selected investments are appraised, selected and prioritized in accordance with the eligibility requirements and standards and procedures acceptable to the Bank, as set forth in this Agreement, and as may be further detailed in the respective POMs.
2. Investments under Part 1 of the Project. Without prejudice to the generalities of paragraph C.1 above, the eligibility criteria for investments under Part 1 of the Project shall be the following, which may be further detailed in the ILBANK POM.
 - (a) Eligible beneficiary municipalities shall be located in an Earthquake-affected Province.
 - (b) Eligible investments shall contribute to the restoration of municipal services related to one of the following areas:
 - (i) rehabilitation and resilient reconstruction of existing municipal water, sanitation, wastewater, drainage, and solid waste management infrastructure damaged by the February 2023 Earthquakes;
 - (ii) rehabilitation and resilient reconstruction of municipal roads, bridges, underpasses, and allied associated infrastructure damaged by the February 2023 Earthquakes;
 - (iii) restoration and increase of emergency response capacity and resilience through, *inter alia*, repair and/or reconstruction of damaged municipal fire stations and/or acquisition of vehicles, equipment, for fire and emergency response services; and
 - (iv) restoration and increase of municipal capacity for service provision through repair and/or reconstruction of other damaged municipal service buildings, damaged municipal solid waste management facilities, and acquisition of vehicles and equipment.
 - (c) Eligible investments shall be determined to be (i) in alignment with reconstruction and recovery plans, spatial plans, and zoning plans, as may be relevant, for the affected settlements, and (ii) in compliance with national technical standards and specifications.

- (d) For activities under Part 1.A(i) of the Project that involve affected areas within the basins of waterways as defined and applicable under World Bank Operational Policy 7.50 (as such waterways shall be further specified in the ILBANK POM), the rehabilitation and reconstruction of existing water and sanitation schemes shall be limited to those that, in the judgement of the Bank:
 - (i) will not exceed the original schemes, change their nature, or so alter or expand their scope and extent as to make them appear to be a new or different scheme;
 - (ii) will not adversely change the quality or quantity of water flows to the other riparians; and
 - (iii) will not be adversely affected by the other riparians' possible water use.
- (e) For activities under Part 1.A(ii) of the Project, municipal infrastructure reconstruction works shall be *in-situ*, unless determined to be infeasible due to hazards; in such cases, any new location to be selected shall be compliant with the Bank's Environmental and Social Standards and aligned with recovery development planning and zoning plans adopted for the relevant municipality.
- (f) Proposed investments shall not include or involve investments or activities in the Excluded Activities list of the Appendix to this Agreement.
- (g) Investments that contribute to, or meet, the following characteristics shall be prioritized:
 - (i) readiness for implementation (which may be evidenced by, *inter alia*, completed engineering assessments of sustained damage and recommended solutions, feasibility and design studies, environment, and/or social assessments);
 - (ii) repair of lightly damaged infrastructure and facilities that can be completed and enable provision of services rapidly;
 - (iii) addressing existing climate and disasters whilst also including targeted approaches to strengthen resilience against future disaster and climate change risks; and
 - (iv) include demonstrative impacts for increased inclusion (i.e., *inter alia*, improving universal access).

3. *Investments under Part 2 of the Project.* Without prejudice to the generalities of paragraph C.1 above, in carrying out Part 2 of the Project, the Borrower, through MoH, shall determine the geographical distribution and prioritize activities in accordance with the following criteria:
 - (a) fixed prefabricated facilities shall be installed in cities in the Earthquake-affected Provinces with a high level of destruction and high concentration of remaining population;
 - (b) the distribution of mobile clinics shall aim to reach dispersed settlements in the Earthquake-affected Provinces, including people living in tent settlements or prefabricated container homes, villages in rural areas, and shelters; and
 - (c) support to cities with a high influx of displaced population and transferred patients from the Project Provinces shall be limited to the provision of additional goods to address critical health needs such as medical equipment, mental health and/or disability support through prosthesis and orthotic devices, and physical therapy and rehabilitation equipment.
4. In carrying out Part 2 of the Project, the Borrower, through MoH, shall cover the recurrent costs of operating the facilities and mobile units, including salaries of health workers, costs of other medical supplies, drugs, and non-salary operating expenses, from sources of financing other than the Loan proceeds.
5. *Investments under Part 3 of the Project.* Without prejudice to the generalities of paragraph C.1 above, the eligibility criteria for investments under Part 3 of the Project shall be the following, which may be further detailed in the MoEUCC POM.
 - (a) For the implementation of Part 3.A of the Project, the Borrower, through MoEUCC, in coordination with AFAD, shall identify sets of damaged villages considering the following criteria:
 - (i) completion of the verification of the eligible Property Owners;
 - (ii) high potential for *in-situ* reconstruction or availability of encumbrance-free relocation sites;
 - (iii) villages shall not be too dispersed geographically; and
 - (iv) villages for which reconstruction has started under the Post-Disaster Rural Housing Reconstruction Program, financed by the Borrower's internal resources.

6. Proposed investments shall not include or involve investments or activities in the Excluded Activities list of the Appendix to this Agreement.
7. The Borrower, through MoEUCC, shall furnish to the Bank for prior review and approval the proposed sets of damaged villages and relocation sites (where applicable), ensuring that the rural housing to be reconstructed is compliant with the Bank's Environmental and Social Standards and has clear title.
8. In carrying out Part 3.A(i) of the Project, the proposed investments shall meet the following eligibility criteria:
 - (a) the housing and Livelihood Buildings must be assessed by MoEUCC as collapsed, severely damaged, or moderately damaged;
 - (b) damaged buildings must be located in rural areas of one of the Earthquake-affected Provinces;
 - (c) damage must have occurred due to the February 2023 Earthquakes;
 - (d) beneficiaries must be Property Owners of the affected property as verified by AFAD; and
 - (e) eligible Property Owners must opt into the program selecting either *in-situ* (if the original location of the damaged house is assessed as safe by MoEUCC and AFAD) or resettlement option for reconstruction.
9. In carrying out Part 3.A(i) of the Project:
 - (a) the Borrower, through MoEUCC, shall ensure that affected communities have been consulted and eligible Property Owners are informed of their options under the housing reconstruction program, including the benefits and the costs, and have the choice to participate in the program;
 - (b) for resilient reconstruction of rural houses and/or Livelihood Buildings assessed as collapsed, severely or moderately damaged, preference shall be given for *in-situ* reconstruction to the extent possible under the Project; where relocation is inevitable due to geotechnical and/or climate hazards (including, *inter alia*, flooding, landslides), resettlement plots for reconstruction shall be on government-owned land and any resettlement shall be in full compliance with the Bank's Environmental and Social Standards; and
 - (c) the Borrower, through MoEUCC, shall reconstruct rural housing and/or Livelihood Buildings in accordance with the latest seismic building codes,

incorporate energy reduction measures through siting, orientation, and design with Turkish Class C (or better) Energy Performance Certification.

10. For Part 3.A(ii) of the Project, eligible investments, including, *inter alia*, water, sanitation, roads, street lighting, and social facilities (including community centers, playgrounds, and communal public green spaces, but excluding investments covered by the Excluded Activities list in the Appendix to this Agreement), shall consider both seismic and climate risks to ensure adaptation to climate change and contribute to climate change mitigation.
11. In carrying out Part 3.A of the Project, the Borrower, through MoEUCC, shall, on behalf of AFAD:
 - (a) procure, contract, and supervise all required civil works, including the hiring of the related contractors and supervision consultants;
 - (b) inspect and certify the civil works meet the relevant requirements set forth in this Agreement prior to allowing the occupancy of said buildings and facilities; and
 - (c) ensure that the responsible contractors have obtained the occupancy permits confirming compliance of the construction with the approved designs, latest seismic building codes, and other legal requirements in coordination with MoEUCC and the local authorities.
12. Beneficiary Agreements – Part 3 of the Project. The Borrower, through MoEUCC, shall ensure that:
 - (a) the eligible Property Owners who opt to participate in the housing program financed under Part 3 of the Project shall submit a letter of request and undertaking and subsequently enter into a lending agreement, for the purpose of participating as a beneficiary under Part 3 of the Project; said agreement shall be on terms and conditions acceptable to the Bank, including with reasonable terms and conditions relating to maturity and repayment of the concessional loans taken by the beneficiaries for the repayment of the reconstruction works under the housing reconstruction program; and
 - (b) obtain, through the said letter of request and undertaking and lending agreement, rights adequate to protect the interests of the Borrower and the Bank.

13. Bank Reviews.

- (a) Prior Review – Part 1 of the Project. Without prejudice to any review requirements set forth in the ESCP and the Procurement Regulations, in carrying out Part 1 of the Project, the Borrower, through ILBANK, shall submit proposed priority investments to the Bank for prior review and approval before launching the bids for the related works contract(s) (unless otherwise agreed to by the Bank and thereafter incorporated in the ILBANK POM).
- (b) Prior Review – Part 3 of the Project. Without prejudice to any review requirements set forth in the ESCP and the Procurement Regulations, in carrying out Part 3 of the Project, the Borrower, through MoEUCC, shall submit to the Bank, for prior review and approval, the proposed sets of damaged villages and relocation sites, where applicable, confirming the rural housing to be reconstructed is in line with the Bank’s Environmental and Social Standards before launching the bids for the related works contract (unless otherwise agreed to by the Bank and thereafter incorporated into the MoEUCC POM).
- (c) Ex-post Reviews.
 - (i) All investments under Parts 1, 2, and 3 of the Project may be subject to ex-post review by the Bank to verify compliance with the requirements set forth in this Agreement.
 - (ii) In furtherance of paragraph 13(c)(i) above and Part 3 of the Project, the Borrower, through MoEUCC, shall enable the Bank to inspect investments under Part 3 of the Project, with the consent of the participating eligible Property Owner, as may be needed, and any relevant records and documents.

D. Environmental and Social Standards.

- 1. The Borrower, through the Project Implementing Agencies, shall ensure that the respective parts of the Project are 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 Borrower, through the Project Implementing Agencies, shall ensure that the respective parts of the Project are implemented in accordance with the Environmental and Social Commitment Plan (“ESCP”), in a manner acceptable to the Bank. To this end, the Borrower, through the Project Implementing Agencies, shall ensure that:

- (a) the measures and actions specified in the ESCP are implemented with due diligence and efficiency, and provided in the ESCP;
 - (b) sufficient funds are available to cover the costs of implementing the ESCP;
 - (c) policies and procedures are maintained, and qualified and experienced staff in adequate numbers are retained to implement the ESCP, as provided in the ESCP; and
 - (d) the ESCP, or any provision thereof, is not amended, repealed, suspended or waived, except as the Bank shall otherwise agree in writing, as specified in the ESCP, and ensure that the revised ESCP is disclosed promptly thereafter.
3. In case of any inconsistencies between the ESCP and the provisions of this Agreement, the provisions of this Agreement shall prevail.
4. The Borrower, through the Project Implementing Agencies, shall ensure that:
- (a) all measures necessary are taken 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 and the environmental and social instruments referred to therein, 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) the Bank is promptly notified 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, including, (i) explosions, spills, and any workplace accidents that result in death, serious or multiple injury, or pollution, (ii) any issues or grievances arising from the surveillance and/or monitoring activities under the Project, (iii) any violent labor unrest or dispute between the Project Implementing Agencies (or security forces assigned to protect the Project) and local communities, (iv) any case of sexual exploitation and abuse, sexual harassment and violence against minors, or (v) incidents in or related to any waterways as defined and applicable under World Bank Operational Policy 7.50 or disputed areas, in accordance with the ESCP, the environmental and social instruments referenced therein and the Environmental and Social Standards.

5. The Borrower, through the Project Implementing Agencies, shall establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances of Project-affected people, and take all measures necessary and appropriate to resolve, or facilitate the resolution of, such concerns and grievances, in a manner acceptable to the Bank.
6. The Borrower, through the Project Implementing Agencies, shall ensure that all bidding documents and contracts for civil works under the Project include the obligation of contractors, subcontractors, and supervising entities to: (a) comply with the relevant aspects of the ESCP and the environmental and social instruments referred to therein; and (b) adopt and enforce codes of conduct that should be provided to and signed by all workers, detailing measures to address environmental, social, health and safety risks, and the risks of sexual exploitation and abuse, sexual harassment and violence against children, all as applicable to such civil works commissioned or carried out pursuant to said contracts.

E. Annual Work Plan and Budget.

1. The Borrower, through the Project Implementing Agencies, shall:
 - (a) prepare and furnish to the Bank not later than August 1st of each year (as such date may be revised with the prior agreement of the Bank and incorporated in the POMs) 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; and (ii) a proposed financing plan for expenditures required for such activities, setting forth the proposed amounts and sources of financing;
 - (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

1. The Borrower, through the Project Implementing Agencies, shall furnish to the Bank each Project Report not later than forty-five (45) days after the end of each calendar semester, covering the calendar semester.
2. Except as may otherwise be explicitly required or permitted under this Agreement or as may be explicitly requested by the Bank, in sharing any information, report

or document related to the activities described in Schedule 1 of this Agreement, the Borrower, through Project Implementing Agencies, shall ensure that such information, report or document does not include Personal Data.

Section III. Withdrawal of Loan Proceeds

A. General.

Without limitation upon the provisions of Article II of the General Conditions and in accordance with the Disbursement and Financial Information Letter, the Borrower may withdraw the proceeds of the Loan 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 Loan Allocated (expressed in EUR)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, Operating Costs and Training for Part 1 and Part 4.A of the Project	388,328,250	100%
(2) Goods, works, non-consulting services, consulting services, Operating Costs and Training for Part 2 and Part 4.B of the Project	252,208,500	100%
(3) Goods, works, non-consulting services, consulting services, Operating Costs and Training for Part 3 and Part 4.C of the Project	269,963,250	100%
TOTAL AMOUNT	910,500,000	

B. Withdrawal Conditions; Withdrawal Period.

1. Notwithstanding the provisions of Part A above, no withdrawal shall be made:
 - (a) for payments made prior to the Signature Date;
 - (b) for expenditures under Category 1 of the Project, unless and until all of the following conditions have been met in respect of said expenditures:
 - (i) the Bank and ILBANK have executed a Project Agreement for Parts 1 and 4.A of the Project in form and substance acceptable to the Bank; and
 - (ii) the Borrower, through ILBANK, shall have prepared and adopted the ILBANK POM for Parts 1 and 4.A of the Project;
 - (c) for expenditures under Category 3 of the Project, unless and until all of the following conditions have been met in respect of said expenditures:
 - (i) the Borrower, through MoEUCC, shall have prepared and adopted the MoEUCC POM for Parts 3 and 4.C of the Project; and
 - (ii) the Borrower, through MoEUCC, shall have executed the MoEUCC-AFAD Protocol, as described in Schedule 2, Section I.A.5, with AFAD for the implementation of activities under Part 3 of the Project.
2.
 - (a) All amounts withdrawn from the Loan Account shall be used by the Borrower, through the Project Implementing Agencies, exclusively for the financing of activities agreed with the Bank.
 - (b) The Borrower, through the Project Implementing Agencies, further undertakes that no Loan proceeds or resources may be used for law-enforcement, security, or military purposes, or for any payments made to any law-enforcement, security, or military forces, without the Bank's express prior approval.
3. The Closing Date is June 30, 2028.



SCHEDULE 3

Commitment-Linked Amortization Repayment Schedule

The following table sets forth the Principal Payment Dates of the Loan and the percentage of the total principal amount of the Loan payable on each Principal Payment Date (“Installment Share”).

Level Principal Repayments

Principal Payment Date	Installment Share
On each April 15 and October 15 Beginning October 15, 2028 through October 15, 2040	3.85%
On April 15, 2041	3.75%

APPENDIX

Definitions

1. “Annual Work Plan and Budget” means the annual work plan and budget referred to in Schedule 2, Section I.E, to this Agreement.
2. “Anti-Corruption Guidelines” means, for purposes of paragraph 6 of the Appendix to the General 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.
3. “Category” means a category set forth in the table in Schedule 2, Section III.A, to this Agreement.
4. “Disaster and Emergency Management Presidency” or “AFAD” means the Borrower’s agency of the same name, also known as *Afet ve Acil Durum Yönetimi Başkanlığı* or AFAD, established under Law No. 5902 on the *Establishment and Duties of the Disaster and Emergency Management Authority* (AFAD), or any legal successor or successors thereto acceptable to the Bank.
5. “Earthquake-affected Provinces” means the eleven provinces of the Republic of Türkiye that sustained the greatest damages in the February 2023 earthquakes, namely, Adana, Adiyaman, Diyarbakir, Elazığ, Gaziantep, Hatay, Kahramanmaras, Kilis, Malatya, Osmaniye, and Şanlıurfa.
6. “Environmental and Social Commitment Plan” or “ESCP” means the environmental and social commitment plan for the Project, dated June 7, 2023, as the same may be amended from time to time in accordance with the provisions thereof, which sets out the material measures and actions that the Borrower, through the Project Implementing Agencies, shall carry out or cause to be carried out to address the potential environmental and social risks and impacts of the Project, including the timeframes of the actions and measures, institutional, staffing, training, monitoring and reporting arrangements, and any environmental and social instruments to be prepared thereunder.
7. “Environmental and Social Instruments” means, collectively, the environmental and social instruments of the Borrower, prepared through the Project Implementing Agencies, for the Project, as specified in the Environmental and Social Commitment Plan.
8. “Environmental and Social Management Framework” means the final document disclosed by the Borrower, through the Project Implementing Agencies, and the Bank 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, and (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.

9. "Environmental and Social Standards" or "ESSs" 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"; said ESSs which became effective on October 1, 2018, as published by the Bank.

10. "Excluded Activities" means, collectively:
 - (a) Investments and activities inconsistent with the Bank's Environmental and Social Standards and/or the requirements set forth in the ESCP;
 - (b) Investments and activities for facilities with a commercial character (with the exception of Livelihood Buildings under Part 3 of the Project), including private, commercial and entertainment facilities, as further detailed in the respective POMs;
 - (c) Investments and activities for services and/or facilities for specific groups instead of general public use (e.g., facilities or services for political parties, trade unions) or for religious infrastructure facilities or services;
 - (d) Investments and activities for public (including municipal) buildings related to defense, judiciary, law enforcement, security, correctional facilities, and other related areas as detailed in the POM;

- (e) Any of the activities listed, or activities that produce and/or use materials listed, in the World Bank Group / International Finance Corporation Exclusion List (see https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/company-resources/ifcexclusionlist), and such other activities and/or materials listed in the POM and which are classified and referred to as part of the negative list in said manual;
 - (f) Investments and activities classified as a high risk in respect to potential environmental and social impacts, in accordance with the provisions of the environmental and social risk classification under the World Bank Environmental and Social Framework;
 - (g) Investments and activities that involve large-scale physical and economic displacement as described in Land Acquisition, Restrictions on Land Use, or Involuntary Resettlement (as defined under ESS 5); that adversely impact critical natural habitats and species as described in Biodiversity Conservation and Sustainable Management of Living Natural Resources (as defined under ESS 6); that adversely impact Cultural Heritage (as defined under ESS 8); or that involve child or forced labor;
 - (h) Investments and activities that involve the construction of new water and sanitation schemes that use or risk polluting waterways defined and applicable under World Bank Operational Policy 7.50 (or detailed design and engineering studies of such investment), as such waterways shall have been described more specifically in the ILBANK POM;
 - (i) Investments and activities that involve the construction of a new dam or a dam under construction; and
 - (j) Investments and activities that involve any other exclusions agreed to by the Bank and the Borrower, through the Project Implementing Agencies, and set forth in the Environmental and Social Management Framework and the POMs.
11. “February 2023 Earthquakes” means, for the purpose of this Project, the earthquakes that hit southeast Türkiye on February 6, 2023, of magnitude 7.8 and 7.5, and the aftershocks, and the earthquake that took place on February 20, 2023, of magnitude 6.7.
12. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing”, dated December 14, 2018 (revised on August 1, 2020, December 21, 2020, April 1, 2021, and January 1, 2022).

13. “General Directorate for Construction Affairs” or “GDCA” means the general directorate of the same name under MoEUCC, or any legal successor or successors thereto acceptable to the Bank for the purposes of implementing Parts 3 and 4.C of this Project.
14. “General Directorate for Housing and Construction Works” means the general directorate of the same name under AFAD, or any legal successor or successors thereto acceptable to the Bank for the purposes of Part 3 and 4.C of this Project.
15. “ILBANK Enabling Legislations” means, for the purposes of this Project, (a) Law No. 6107 establishing ILBANK as referred to in paragraph 19 of this Appendix, and (b) Supplementary Article No. 7, titled *Provision on external financing for natural disasters*, of *Law on Regulating Public Finance and Debt Management*, Law No. 4749, amended by Law No. 7441, which authorizes the Minister of Treasury and Finance to allocate external financing, provided on behalf of the Republic of Türkiye for the purpose of reconstruction, infrastructure and superstructure works in areas declared as disaster areas, to public institutions and organizations, within the scope of the law, other than the general budget administrations.
16. “ILBANK PIU” means the unit established within ILBANK for the management and implementation of Parts 1 and 4.A of the Project pursuant to Section I.A.1(c) of Schedule 2 to this Agreement.
17. “ILBANK POM” means the Project Operations Manual for Parts 1 and 4.A of the Project, as described in Schedule 2, Section I.B of this Agreement, as the said manual may be amended from time to time, with the prior written approval of the Bank, and such term includes any schedules to the ILBANK POM.
18. “ILBANK-Municipality Protocols” means the formal written agreement between ILBANK and a municipality as described in Schedule 2, Section I.A.4; “ILBANK-Municipality Protocol” means one such protocol.
19. “*İller Bankası Anonim Şirketi*” or “ILBANK” means the development and investment bank of the same name of the Republic of Türkiye that has the status of a joint stock company and functions under Law No. 6107, published in the Republic of Türkiye’s Official Gazette on February 8, 2011, with which the Bank will enter into a Project Agreement for the purpose of carrying out Parts 1 and 4.A of the Project, or any legal successor or successors thereto acceptable to the Bank for the purpose of implementing Parts 1 and 4.A of this Project.
20. “Law on Public Finance and Debt Management” means the Borrower’s Law No. 4749, dated March 28, 2002, as amended by Law No. 7441, dated March 15, 2023.

21. “Livelihood Buildings” means collectively the buildings of eligible Property Owners under Part 3 of the Project that are used by the eligible Property Owners to support their livelihoods, such as barns, small workshops and bakeries; “Livelihood Building” means one such building.
22. “Ministry of Environment, Urbanization, and Climate Change” or “MoEUCC” means the Borrower’s Ministry of the same name or any legal successor or successors thereto acceptable to the Bank for the purpose of carrying out Parts 3 and 4.C of this Project.
23. “Ministry of Health” or “MoH” means the Borrower’s ministry of the same name or any legal successor or successors thereto acceptable to the Bank for the purpose of carrying out Parts 2 and 4.B of this Project.
24. “Ministry of Treasury and Finance” or “MoTF” means the Borrower’s ministry of the same name or any legal successor or successors thereto acceptable to the Bank.
25. “MoEUCC-AFAD Protocol” means the formal written agreement between MoEUCC and AFAD as described in Schedule 2, Section I.A.5, to this Agreement.
26. “MoEUCC PIU” means the unit established within MoEUCC for the management and implementation of Parts 3 and 4.C of the Project, as described in Schedule 2, Section I.A.3(c), to this Agreement.
27. “MoEUCC POM” means the Project Operations Manual for Parts 3 and 4.C of the Project, as described in Schedule 2, Section I.B, to this Agreement, as the said manual may be amended from time to time, with the prior written approval of the Bank, and such term includes any schedules to the MoEUCC POM.
28. “MoH POM” means the Project Operations Manual for Parts 2 and 4.B of the Project, as described in Schedule 2, Section I.B of this Agreement, as the said manual may be amended from time to time, with the prior written approval of the Bank, and such term includes any schedules to the MoH POM.
29. “MoH Project Management Support Unit” or “MoH PMSU” means the unit established within the MoH for the management and implementation of Parts 2 and 4.B of the Project pursuant to Schedule 2, Section I.A.2(c), to this Agreement.
30. “Operating Costs” means reasonable incremental expenses directly incurred on account of the implementation, management, and monitoring of the Project by the Borrower, through the Project Implementing Agencies; such costs may include, as relevant, and as the Bank may agree, for the following:
 - (a) Project audits;
 - (b) office supplies;

- (c) office rental;
 - (d) vehicle rental;
 - (e) office and equipment maintenance and repair;
 - (f) communications;
 - (g) translation and interpretation (not covered under Training);
 - (h) travel associated with Project implementation (including accommodations and *per diem*);
 - (i) publication fees;
 - (j) ownership of intellectual property rights; and
 - (k) other miscellaneous expenses directly associated with the Project and agreed between the Bank and the Borrower, through the Project Implementing Agencies, but excluding salaries of officials and employees of the Project Implementing Agencies.
31. “Personal Data” means any information relating to an identified or identifiable individual. An identifiable individual is one who can be identified by reasonable means, directly or indirectly, by reference to an attribute or combination of attributes within the data, or combination of the data with other available information. Attributes that can be used to identify an identifiable individual include, but are not limited to, name, identification number, location data, online identifier, metadata and factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of an individual.
32. “POMs” means collectively the ILBANK POM, the MoH POM, and the MoEUCC POM, as described in Schedule 2, Section I.B, of this Agreement, as the said manuals may be amended from time to time, with the prior written approval of the Bank, and such term includes any schedules to the POMs.
33. “Post-Disaster Rural Housing Reconstruction Program” means the Republic of Türkiye’s program of the same name established pursuant to Law No. 7269, titled *Measures to be Taken and Aids to be Provided Due to Disasters Affecting Public Life*, published in the Official Gazette on May 25, 1959, as amended, and Law No. 7452, titled *Law Regarding the Adoption of the Presidential Decree Concerning Settlement and Construction in the Event of State of Emergency*, published in the Official Gazette on April 10, 2023.
34. “Procurement Regulations” means, for purposes of paragraph 84 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.
35. “Project Agreement” means the agreement to be entered into between the World Bank and ILBANK for the Project, as referred to in the preamble of this Agreement.

36. “Project Implementing Agencies” means, collectively, ILBANK, MoH, and MoEUCC; “Project Implementing Agency” means one such agency.
37. “Project Provinces” means, collectively, the Borrower’s eleven provinces that sustained the greatest damage in the February 2023 Earthquakes, namely, Adana, Adiyaman, Diyarbakir, Elazığ, Gaziantep, Hatay, Kahramanmaras, Kilis, Malatya, Osmaniye, and Şanlıurfa (collectively referred to in this Agreement as “Earthquake-affected Provinces”), plus, for select activities under Part 2 of the Project, specific provinces that MoH has verified as having received a high influx of displaced population and patients transferred from the Earthquake-affected Provinces, and that have been approved by the Bank for inclusion as a Project Province.
38. “Property Owner” means the party that has the legal title (right) to the property (land and facilities); “Property Owners” means collectively all such parties.
39. “Psycho-social Support Vehicles” means special purpose vehicles equipped for carrying out psycho-social consultations with patients and for transporting such patients.
40. “Signature Date” means the later of the two dates on which the Borrower and the Bank signed this Agreement and such definition applies to all references to “the date of the Loan Agreement” in the General Conditions.
41. “Training” means the reasonable expenditures directly incurred on account of Project-related capacity building activities, including study tours, training courses, seminars, and workshops; such eligible expenditures (excluding goods, consulting services and non-consulting services in the Procurement Plan) include travel, accommodation and *per diem* costs associated with training, workshop and study tour participants and trainers, space and equipment rental, and other training related miscellaneous costs, all based on an Annual Work Plan and Budget agreed with the Bank.