



# Concept Environmental and Social Review Summary

## Concept Stage

### **(ESRS Concept Stage)**

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**BASIC INFORMATION**

**A. Basic Project Data**

Country	Region	Project ID	Parent Project ID (if any)
Turkey	EUROPE AND CENTRAL ASIA	P173025	
Project Name	Urban Resilience Project		
Practice Area (Lead)	Financing Instrument	Estimated Appraisal Date	Estimated Board Date
Urban, Resilience and Land	Investment Project Financing	2/1/2021	7/30/2021
Borrower(s)	Implementing Agency(ies)		
Republic of Turkey	Ministry of Environment and Urbanization		

Proposed Development Objective(s)

To support the Government of Turkey to build climate and disaster resilience in participating municipalities.

Financing (in USD Million)	Amount
<b>Total Project Cost</b>	<b>553.08</b>

**B. Is the project being prepared in a Situation of Urgent Need of Assistance or Capacity Constraints, as per Bank IPF Policy, para. 12?**

No

**C. Summary Description of Proposed Project [including overview of Country, Sectoral & Institutional Contexts and Relationship to CPF]**

This proposed Project would address hazard risks (seismic, flood, landslides, extreme heat, coastal risks, wildfires, etc.) in highly exposed municipalities to support the government to develop more resilient and sustainable urban plans and to finance municipal investments and infrastructure to promote integrated disaster and climate resilience. The project cities can provide learning environments for other cities and for the national government on financing urban resilience, which could be scaled up over time. The components would include:

- Component 1- Institutional strengthening to enable conditions for urban resilience (e.g., financing framework for assessing and optimizing financing for urban resilience investments, additional development of the methodologies and datasets for conducting hazard risk assessments, review, updating and enforcement support for building codes



and standards, zoning policies, development of approaches for seismic vulnerability assessment and prioritization of investment)

- Component 2 – Innovative Resilient Housing Finance targeting different typologies of risk prone areas (e.g., subsidy programs for (a) housing retrofitting or reconstruction, (b) low income segments to access affordable, safe housing, and/or (c) rental programs for families living in Urban Transformation areas; and/or (d) temporary resettlement during reconstruction/upgrading)
- Component 3 - Municipal/public infrastructure investments in urban disaster and climate resilience (e.g., infrastructure, public buildings, protective and response infrastructure, public space) in pilot municipalities
- Component 4 - Contingent Emergency Response Component (CERC) (support carrying out of emergency reconstruction and recovery efforts under an agreed action plan of activities in the event of emergencies)
- Component 5 – Project Management (including a dedicated team to manage overall project coordination, social and environmental assessment and management, financial management, procurement, feasibility study preparation and technical issues, construction supervision, monitoring and evaluation and communications).

#### **D. Environmental and Social Overview**

D.1. Detailed project location(s) and salient physical characteristics relevant to the E&S assessment [geographic, environmental, social]

Turkey is geographically located between Asia and Europe, a cross-road of the Balkans, Caucasus, Middle East, and eastern Mediterranean with a population of 83 million. 75 percent of its population lives in urban areas and they are all divided into 81 provinces across the country. Turkey is an upper-middle income country, with the world's 19th largest economy with a Gross Domestic Production that reached US\$753.7 billion in 2019 according to the TurkStat. Since August 2018, the economy has shown some vulnerabilities due to structural challenges in output growth, unemployment in the recent years. After 2011 with the refugee crisis outbreak in Syria, Turkey has become both a transit and target country for migrants and refugees. Today, the country hosts the highest number of refugees, more than 3.6 million Syrians under temporary protection, and an estimated 400,000 asylum seekers and refugees from other nationalities. Around 95 percent of the refugee population dwell in urban areas. Turkey are highly exposed and vulnerable to natural disasters such as earthquakes and landslides, as well as climate-related risks such as floods, droughts, and other hazards. About 95 percent of Turkey's territory, 70 percent of its population, 83 percent of its GDP, and 76 percent of industrial plants are proximal to an active fault line, according to Disaster and Emergency Management Authority, earthquakes have claimed the highest number of lives and caused the greatest economic loss in Turkey, with approximately 94,000 fatalities in several earthquakes since 1900, a total affected population of 7 million, and direct losses of USD 50 billion (Erdik 2013). Climate change is expected to result in increased temperatures of 2.5 to 4°C (with up to 5°C in inner regions) and rising sea levels, affecting the precipitation regime and generating more unstable weather conditions. Already observed and expected impacts include more frequent and intense flooding, prolonged arid seasons and droughts, and extreme heat days.

At concept stage, Tekirdag, Kahramanmaras and Manisa are the 3 main cities determined for the urgent urban resilience infrastructure investments. These cities are geographically dispersed across Turkey. Tekirdag is located in the West Marmara region of the country and has a total area of 6,339 km<sup>2</sup> and a population of over 1.029 million. Tekirdağ is ranked 30th out of 81 cities in Turkey in terms of overall well-being. Tekirdağ Gross-Domestic Product (GDP) is above the Turkish average with a GDP of ₺33,300, compared to ₺26,500 for Turkey as a whole.

Kahramanmaras is located in the Mediterranean region, with a total area of 14,327 km<sup>2</sup> and a population of 1.145 million. Kahramanmaraş is ranked 48th out of 81 cities in Turkey in terms of overall well-being and 63rd in terms of



income and wealth, placing it within the bottom quartile of Turkish cities. Kahramanmaraş GDP is significantly below that of the Turkish average with a GDP of ₺15,800. Located in the Aegean region, Manisa has an area of 13,810 km<sup>2</sup> and 1.423 million people. Manisa's GDP per capita is 8 percent below the national average. Tekirdag city contains no known protected areas or Key Biodiversity Areas (KBAs). Both Manisa and Kahramanmaraş are located near KBAs in the southwestern corner and south central of their provinces, respectively. All three municipalities are exposed to a range of natural hazards, with high exposure to earthquakes and river floods. A flashflood in Tekirdag in 2009 left over 30 people dead and many buildings and infrastructures damaged. Similar incidents occurred in Kahramanmaraş and Manisa in 2018. Within Kahramanmaraş, there were 356 flooding incidents in 2018 that required some level of intervention. All three cities have migrant/refugee populations and different levels of socio-economic development and capacity. Some (i.e., Tekirdag) are also tagged with different vulnerable groups such as Roma people and non-Turkish speaking communities.

#### D. 2. Borrower's Institutional Capacity

The responsibility for overall project management and coordination will lie with the General Directorate of Infrastructure and Urban Transformation Services (GDIUTS) under the Ministry of Environment and Urbanization (MoEU). GDIUTS was established in 2011 to manage the transformation of areas under disaster risk and carries out its activities in close cooperation with other affiliated agencies of the Ministry, including TOKI (Housing Development Administration of Turkey), ILBANK (FI for Municipal Financing), AFAD (Disaster and Emergency Management Authority), and local authorities. GDIUTS is also defined as the main institution in charge of implementation of the Law on the Transformation of Areas under Natural Disaster Risk (Law No. 6306). Since 2011, the GDIUTS has gained important experience in implementation of urban transformation projects and continuously improves its institutional and legal framework and planning approach to urban transformation in Turkey.

Financial intermediaries (i.e., domestic banks) may be involved for disbursing funds of subsidies under Component 2 and another implementing partner of the proposed project under Component 3 is expected to be ILBANK, which is a state-owned bank providing municipal financing. ILBank, potentially along with other commercial Banks (this is to be confirmed during the project design) will act as the Financial Intermediary (FI) to transfer funds to sub-borrowing municipalities or utilities in the selected cities. ILBank will establish a Project Management Unit (PMU) for the operation of the Project at central level. Sub-borrowing municipalities/utilities will be responsible for sub-project investment implementation and will set up municipal project implementation units (PIUs) at local level to ensure effective sub-project implementation.

ILBank has extensive experience in the Bank's operations and safeguards management for substantial, moderate, and low risk projects, such as Municipal Services Project (MSP) 1 and 2; Sustainable Cities Project (SCP) 1, 2 and 2-AF, and the recently approved Municipal Service Improvement Project in which ESF is applied. Although projects that ILBank administers with support of IFIs are governed by project-specific environmental and social (E&S) documents, ILBank does not have a certified Environmental and Social Management System (ESMS) yet covering its entire portfolio.

ILBank's International Affairs Department has assigned staff in technical, procurement, environmental, social and financial management-related procedures of the Bank. ILBank staff has received numerous trainings related to the World Bank's safeguard policies as well as the recently adopted Environmental and Social Framework (ESF). ILBank is expanding its human capacity in Environmental and Social Risk Management by hiring additional environmental and social specialists. However, moving forward ILBank would need to establish a certified ESMS in place.

The day to day implementation of overall Urban Resilience Project will be the responsibility of a separate new PIU to be created under the GDIUTS, which will employ in its staff one Environmental and one Social Specialist at the Central Level and similarly such specialists at the local level under the municipal PIUs. Respectively, the Central and local PIUs will be new to Bank operations and the Bank's ESF and Environmental and Social Standards (ESSs). Therefore, the project will support ESF trainings and capacity building for the PIUs and for all participating entities such as the



targeted municipalities throughout project preparation and implementation with the support of the Bank's ESF team. The focus of these activities will be on the following issues: conducting subprojects ESAs and preparing site-specific ESMPs; labor safety and working conditions; resource efficiency, pollution prevention and management; and, climate resilience and community health and safety issues.

## II. SCREENING OF POTENTIAL ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

### A. Environmental and Social Risk Classification (ESRC)

Substantial

#### Environmental Risk Rating

Substantial

The environmental risk rating is rated as Substantial. While the project is expected to result in positive impacts by increasing disaster/climate risk resilience at the municipal level, upgrading the current environmental management service infrastructure and use of renewable energy sources at the municipal level, the project activities will also have adverse environmental risks and impacts which are mainly related to civil works, such as dust and noise emissions, hazardous, including asbestos containing material (ACM), and non-hazardous waste generation, resource utilization for material needs during construction, occupational health and safety (OHS) risks, interruptions to public services and infrastructure, traffic safety risks, as well as emission of dust, bio-aerosols, odors, and vehicle exhaust due to waste collection and transportation activities, noise and vibration from the operation of waste processing equipment, discharge of treated and untreated wastewater to receiving bodies, sludge and solids generation from water and wastewater treatment plants, and ecological impacts on the nearby receptors. Although the cities for project implementation have been selected and a wide menu of potential investments are available at the concept stage, the details and specific locations of such investments are yet to be identified. It is not expected that sub-projects will have irreversible adverse effects to human health and/or the environment. It is also expected that the project will not result in significant adverse cumulative or transboundary impacts. The substantial project risk is also due to the client's low capacity in implementing the Bank's ESF. Although it has prior Bank safeguards experience under the old Operational Policies (OPs) through Turkey Energy Efficiency in Public Buildings (P162762) project, for GDIUTS under MoEU, this project will be the first one to be implemented under the ESF. Furthermore, the new PIU for the project implementation to be created will not be familiar with the WB ESSs requirements.

#### Social Risk Rating

Substantial

The social risk rating at concept stage is set as Substantial. The project has positive impacts such as developing frameworks for affordable housing options for low-income families as well as reconstructing and/or retrofitting houses of vulnerable groups (mainly those low income groups in different segments of the society) and providing rental subsidies for the poor populations.

However, the project also has potential risks related to the urban transformation practices that led to unfavorable outcomes for certain groups of the society and raised community concerns in the past. Such risks may cause social resistance against the project. Tekirdag is marked with a high Roma population of around 100 thousand, almost 10% of its population. Kahramanmaraş hosts around 92 thousand refugees (Syrians under temporary protection (SUTP)), around 8% of its population. These both groups are known to live in poor housing conditions in Turkey. Literature indicates that Roma people face residential segregation due to the non-inclusive practices on the demand side of the housing market and the limited resources of the households. The project is expected to have influence on a large geographical area as well as impacting a considerable number of people who are living in disaster and climate risk-prone areas. The project will likely cause both permanent and temporary displacement, either physically and/or



economically due to involuntary land acquisition. Non-land induced loss of livelihoods or change in livelihood patterns due to urban transformation practices, and potential exclusion aspects of vulnerable groups who will not be able to benefit from engage in affordable financing schemes, are also social risks for this project. Also findings of TA activities may lead to downstream impacts regarding resettlement and other social issues which will be addressed through the integration of the relevant ESSs and mitigation measures in the relevant TORs of the TA activities. Labor risks are substantial due to major civil works, which are mostly expected to be on brown fields and of labor intensive nature. Community health and safety risks due to civil works and urban upgrading activities, and stakeholder and social resistance risks are also critical due to past negative experiences of urban transformation practices of the country that led to gentrification and widening inequality gaps between different social strata.

Policy level environmental and social risks are addressed through the TA activities under Component 1, 2, and 5, which will provide technical assistance to the MoEU to ensure that the urban resilience investments are made in a socially inclusive and environmentally sustainable manner. This would i.e., include supporting MoEU in evaluating its existing regulatory tools and methods and proposing key actions based on global good practices. A key focus will be to ensure that specialized measures and tools are integrated in MoEU strategies and plans under UT to ensure vulnerable groups will not lose livelihoods or receive project benefit, including but not limited to: improved social inclusiveness through strengthened citizen engagement and participation during decision making processes in city-level UT plans. Also including special assistance measures for vulnerable groups to secure their land tenure . The Client has been dealing with very large urban transformation projects in the past, but GDUIT as well as some of the commercial banks will be new to the Bank operations and ESF. Although the Client has developed its own stakeholder engagement strategy lately, it will be their first-time application of the Bank's ESSs in their projects.

## **B. Environment and Social Standards (ESSs) that Apply to the Activities Being Considered**

### **B.1. General Assessment**

#### **ESS1 Assessment and Management of Environmental and Social Risks and Impacts**

##### ***Overview of the relevance of the Standard for the Project:***

The environmental impacts related to the construction and operation of sub-projects will include dust and noise emissions, hazardous, including ACM and non-hazardous waste generation and disposal, OHS risks, interruptions to public services and infrastructure, traffic safety risks due to construction activities, emission of dust, bio-aerosols, odors, and vehicle exhaust due to waste collection and transportation activities, noise and vibration from the operation of waste processing equipment, discharge of treated wastewater to receiving bodies, sludge and solids generation from water and wastewater treatment plants, and ecological impacts on nearby receptors, etc. As participating cities are known for their Cultural Heritage (CH) sites, the proposed activities might generate some risks and impacts for them. All these impacts and risks can be addressed through relevant instruments to ensure that they are eliminated/reduced to acceptable levels. While a menu of potential project activities and the participating cities are known, the specific sub-projects, footprints and design details are not yet identified. Thus, an Environmental and Social Management Framework (ESMF), which includes risk categorization and environmental and social assessment of project interventions, will be developed to establish a baseline and identify typical environmental and social risks and impacts, and measures to manage those per the mitigation hierarchy to support the design, construction, and operational phase of the works. The ESMF will be prepared based on the requirements of national laws and regulation, the World Bank's Environmental and Social Framework (ESF) and its Environmental and Social Standards (ESSs), World Bank Group Environmental Health and Safety Guidelines (WBG EHSs), and Good International Industrial Practices (GIIP). The ESMF will specify the rules and procedures for Environmental and Social Assessment of



the proposed investments, including guidelines for environmental and social screening, identifying potential impacts, and mitigation and monitoring activities for different types of potential sub-projects. The ESMF will provide: (a) a general baseline analysis for the country and the participating cities; (b) potential environmental and social risks and impacts and well known generic mitigation measures for different groups of potential investments (including the assessment of social risks associated with the UT program and mitigation measures); (c) the content and structure of the ESIA and ESMP, and ESMP Checklist (if relevant); (d) description and requirements for the monitoring plan and implementing responsibilities in this regard; (e) guidance on potential impacts on CH and mitigation measures; and (f) proposed ESMF implementing arrangements, and necessary ESF capacity building activities for the PIU and participating entities. The ESMF will include the assessment results and capacity building activities for strengthening participating FI's ESMS. Moreover, the ESMF (and LMP) will include a section specifying the necessary actions to address health and safety risks related to COVID 19 at the project level, in line with the national guidelines and WB Note on "COVID-19 considerations in construction/civil works projects". The ESMF document will also provide the summary of the LMP and SEP along with the details of the project GRM. Lastly, the ESMF document will include a section on the CERC based on an action plan of activities designed as a mechanism to implement the government's response to an emergency to be discussed and agreed during the project design. The ESMF will indicate a menu of potential types of sub-projects that will be further determined and detailed based on the feasibility studies, which will include mechanisms for screening environmental and social risks. This mechanism will ensure consideration of certain aspects of the proposed sub-projects such as site selection and significance of potential adverse impacts on human and environment. Based on the environmental and social screening results and identification of sub-projects upon completion of relevant feasibility studies, site-specific ESF instruments will be identified. The sub-project specific ESIA's and ESMP's shall be finalized and disclosed prior to the completion of respective bidding document packages for each sub-project. Site-specific ESIA's and ESMP's for first year of works may be prepared, if sufficient details of subprojects are identified and preparation of the sub-projects is well advanced before appraisal. While MoEU will prepare the project ESMF, the PIUs at the level of participating municipalities will produce site-specific ESA documents per the environmental and social risk categorization of the sub-projects. Sub-project ESF instruments preparation will be based on the requirements of WB ESSs and WBG EHSs, including relevant sector-specific WBG EHS Guidelines, such as those for Waste Management Facilities and Water and Sanitation, and the national legislation requirements. The most stringent discharge and emission standards will be applied in project specifications. Currently, no information is available regarding associated facilities. Once the exact sub-project details are finalized, site-specific ESF instruments, which will discuss the impacts concerning associated facilities and cumulative impacts (if any), will also be prepared.

Main social impacts under the project include (i) potential involuntary resettlement that may result in temporary or permanent economic and/or physical displacement and hence, loss of livelihoods, (ii) restriction of land use (iii) non-land induced loss of livelihoods or change in livelihood patterns due to urban transformation practices, (iv) potential exclusion aspects of vulnerable groups who will not be able to engage in affordable financing schemes, (v) labor risks related to OHS and CHS risks due to civil works under the building retrofitting/reconstruction and construction of critical public infrastructure, and (vi) concerns of different stakeholders during the design and decision making processes of the urban transformation practices. During project preparation, the Bank will conduct its due diligence on the existing housing subsidy schemes to understand whether the program has well-targeting and affordable schemes on housing subsidies for vulnerable groups. To mitigate the risk of possible downstream impacts, specifically on resettlement, labor, community health and safety risks etc., relevant ESSs and mitigation measures will be integrated into the TORs of the TA studies, into screening tools for prioritizing investments and preparation of feasibility studies, taking into account the result of the Bank's due diligence during preparation. The TORs will require



TA studies to pay particular attention to vulnerable and excluded groups. Social assessments of the housing subsidies and UT program will be conducted and integrated into the ESMF to understand key issues on vulnerable groups' access to formal housing market, and identify areas for improvement to make the housing subsidy framework more socially inclusive. The vulnerable groups that are likely to be impacted in this project, are identified as Roma in Tekirdag, refugees and low-income groups in Kahramanmaras. Differentiated measures will be considered for such groups in the housing subsidy scheme and UT practices and during stakeholder engagement processes. If the current design of government's housing subsidies and its UT implementation has issues on vulnerable groups, this will be addressed with the government during preparation and will inform project design accordingly. The finding of the preliminary assessments will be summarized in the AS ESRS. Mitigation measures will be reflected in the ESMF, Resettlement Framework (RF), Stakeholder Engagement Framework (SEF), Labor Management Procedures (LMP), and project design and operations manual.

**Areas where “Use of Borrower Framework” is being considered:**

The project will not apply Borrower Framework.

**ESS10 Stakeholder Engagement and Information Disclosure**

From early on in sub-project preparation, Stakeholder Engagement will take place as an essential precondition for having open, transparent engagement between the project proponents and affected people and all other stakeholders.

Stakeholder Engagement Framework (SEF) will be prepared as a standalone document, which will form the basis for subsequent sub-project specific Stakeholder Engagement Plans (SEP) once the sub-projects are defined during project implementation. The SEF/SEP is meant to ensure a systematic and socially inclusive engagement between the project and affected people and other stakeholders throughout the project duration. The SEF will include the definition of all stakeholders (project affected parties and other interested parties, and vulnerable groups among them), the engagement strategy and plan as well as a plan for disclosure of relevant project documents and lastly, as a key part, will include the details of project level grievance redress mechanism for affected communities. Specialized measures that are culturally appropriate to help engage the vulnerable groups (such as Roma in Tekirdag, refugees and low income groups in Kahramanmaras) will be considered during stakeholder engagement processes. During project preparation, these groups will be consulted with the support of local NGOs in order to ensure project design leads to equitable benefits for these groups.

The SEF will build on MoEU's citizen engagement strategy and expand to include ESS 10 principles. By providing a stakeholder analysis, the SEF will provide a template for subproject SEPs on how to engage with different stakeholders at the sub-project level, enable their views and concerns to be taken into account in subproject design and social performance. Special efforts will be undertaken to ensure that the SEF and subproject specific SEPs are inclusive of and accessible to vulnerable groups.

The SEF will be disclosed in-country on the MoEU website and in other relevant places by Appraisal. Since details of Sub-projects may not be known by Appraisal, subproject specific SEPs are expected to be prepared during project implementation.





The SEF will acknowledge the challenges of broad consultations and continuous engagement across all stakeholder groups under the social distancing constraints imposed by the Covid-19 pandemic. The stakeholder engagement activities will start during the early preparation of the project and will continue parallel with the implementation of the project. Due to Covid -19 pandemic, consultations/SEP activities will be either virtual or conducted under the social distancing measures depending on the circumstances related to the Covid -19 pandemic. In addition, World Bank's Covid -19 guidance will also be followed and embedded in relevant E&S instruments to guide civil work activities. Direct engagement with stakeholder involving public meetings or gathering of people will start as soon as policies on social distancing are lifted.

## **B.2. Specific Risks and Impacts**

**A brief description of the potential environmental and social risks and impacts relevant to the Project.**

### **ESS2 Labor and Working Conditions**

The project will comprise considerable civil works and various types of project workers. Hence, the ESS2 on Labor and Working Conditions apply.

Project workers will include: Direct workers, contracted workers, primary supply workers, and civil servants.

At this stage where specific sub-projects are not defined, MoEU will prepare Labor Management Procedures, specifying the types of workers in the project (Direct Workers, Contracted Workers, and Primary Supply Workers). Where civil servants are involved, they will remain subject to the terms and conditions of their existing public sector employment agreement, unless they are legally transferred to the project. On the basis of the Labor Management Procedure, each Contractor will develop its own Labor Management Procedure (C-LMP), which should as a minimum include: (i) working conditions; (ii) management of working/workers relationship; (iii) ToR of employment; (iv) provision of equal opportunity; (v) nondiscrimination on employment and wages policy; (vi) measures to prevent risky issues such as forced labor and child labor (although child labor is typically not a risk in construction work); (vii) occupational health and safety (OHS); and (viii) grievance redress mechanism for their employees. Community workers are not expected to be engaged in the Project. Relevant aspects of ESS2 will also be applied to participating FI(s), if any. The FI(s) will have in place and maintain appropriate labor management procedures, including procedures relating to working conditions and terms of employment, nondiscrimination and equal opportunity, grievance mechanisms, and occupational health and safety.

The LMP will be based on the Turkish national labor code and relevant international conventions accessed by Turkey, and will be compliant with WB ESS2. The LMP will also include a Code of Conduct for laborers engaged in major civil works and also a detailed worker's grievance mechanisms for Project workers.

The project will generate a series of OHS risks such as: dust and noise emissions, hazardous, including ACM and non-hazardous waste management, etc. Respectively, the ESMF document will specify that OHS related specified risks and impacts and mitigation measures, consistent with the WBG EHS General Guidelines will be required to be included in all site-specific ESMPs, covering COVID -19 issues as well, as relevant. Furthermore, ESMF will set up the procedure for identification, removal, storage, and transportation of hazardous materials and ACM, along with the requirements



for protection and training of operating workers on-site and notification of risks for any community members who might be exposed to such risks.

### **ESS3 Resource Efficiency and Pollution Prevention and Management**

The project will address resource efficiency and pollution prevention and management measures through the project lifecycle consistent with WBG EHSGs and GIIP. This will involve sustainable use of resources, minimizing adverse impacts on human health and environment. The potential risks and impacts associated with sub-project activities during construction and operation phases, including resource utilization and management, noise and dust emissions, hazardous, including ACM and non-hazardous waste generation and management, as well as emissions of odor and exhaust due to waste collection and transportation activities, noise and vibration from the operation of waste processing equipment, discharge of treated wastewater and sludge, and solid waste generation and management, will be addressed in the ESMF and will be further elaborated in site-specific ESA documents, where mitigation hierarchy is adopted and GIIP are followed. The opportunities for energy and resource efficiency will be sought throughout the project preparation and implementation. The ESMF and then site-specific ESA documents will address WBG EHS General and sector-specific guidelines where appropriate.

For specific types of sub-projects such as housing construction and waste collection and transportation, as well as waste recycling and processing facilities, separate management plans including Waste Management Plan, Materials Supply Plan, and Traffic Management Plan will be prepared, when appropriate.

### **ESS4 Community Health and Safety**

Community health and safety impacts of the project are expected to be associated with noise and dust emissions, traffic management and temporary blockades, disturbances to local communities associated with presence of construction workers and worker camps during the construction works.

The project ESF instruments will identify CHS impacts during the construction and operational phases on community health and safety, mitigation measures, monitoring and reporting requirements. The ESMF will include CHS risks and mitigation measures. The site-specific ESAs will include Community Health and Safety Plans as relevant, and assessment of the risk and impact of the project on the health and safety of the affected communities during the project life cycle, including those who, because of their particular circumstances, may be vulnerable. The ESAs and ESMPs will identify risks and impacts and propose mitigation measures in accordance with the mitigation hierarchy.

Particular areas of attention would be:

- avoiding or minimizing exposure to project related traffic and road safety risks;
- assessing the likelihood of excessive noise and dust and proposing mitigation measures;
- assessing potential exposure to hazardous wastes, including ACM;
- identifying risks associated with the uncovered or non-barricaded or not signposted excavated sites, trenches, open holes, open electric cables, etc. and specifying CHS measures.
- preparing an emergency preparedness and measures when appropriate;



- designing and constructing the structural elements of the project in accordance with national legal requirements, the WBG EHS Guidelines and GIIP, taking into consideration safety risks to third parties and affected communities;
- ensuring the concept of universal access will be applied to the design of construction of new buildings and structures, to ensure accessible housing options for people with disabilities within the Project;
- assessing potential negative impacts of labor influx in urban areas. As part of mitigation measures, an assessment of the risk of Gender Based Violence (GBV) and of Sexual Exploitation and Abuse (SEA) will be carried out, and adequate mitigating measures put in place depending on the GBV risk assessment;
- in case of MoEU and its contractors employing security personnel to safeguards its personnel and property, such arrangements shall be guided by the principles of proportionality, the WB ESS guidelines and by applicable law, in relation to the hiring, rules of conduct, training, equipping and monitoring of such security workers.

Considering all these, the ESMF and site specific ESMPs, when relevant, will include relevant mitigation measures to be strictly followed during the implementation of civil works, and also measures ensuring health and safety of communities residing in and around the sites of the project intervention that will be mandatory for adherence by contractors' workers.

The proposed project will likely reduce the vulnerabilities of the local communities and help building their resilience to disaster and climate-related risks. Component 1 of the Project will include a technical assistance to MoEU to develop methodologies and datasets for conducting multi-hazard risk assessments, which will include seismic and landslide risks as well as climate-related risks such as flooding. Such assessments will help inform the identification of areas in need of urban transformation, identification and prioritization of the most vulnerable buildings, and improve the capacity of the MoEU to support municipalities' long-term decision-making associated with critical infrastructure delivery and urban transformation projects. Currently, city-wide climate and disaster risk assessments for the municipalities of Tekirdag and Kahramanmaraş are ongoing under an urban resilience technical assistance program. A similar and comprehensive multi-hazard risk assessment for Manisa will be conducted using the same methodology. Based on the results of the assessment, the project will support the integration of relevant disaster and climate-resilient measures, including the reinforcement of relevant building codes, into the retrofitting and upgrading of residential and public buildings and municipal infrastructures. Green infrastructure will also be explored as nature-based solutions for flood mitigation. Also, care will be exercised so that vulnerable and excluded groups will not face disproportionality large adverse impact from urban regeneration and disaster resilience activities conducted under the Component 1 or downstream investments, and instead will benefit from such activities.

The proposed project activities under Component 3 may also lead to climate mitigation co-benefits. By implementing public buildings climate and disasters resilience programs would be possible to increase their Energy Efficiency (EE) and comfort levels (i.e., more sustainable heating and comfortable temperatures, more appropriate internal humidity), while boosting local construction and manufacturing jobs. Currently, a fragmented approach led by the municipalities with insufficient budget resources have supported thermal retrofits and EE activities to only at very limited scale. The project proposes while conducting subprojects' feasibility studies and assessing them, undertaking in each concrete case both assessment of disasters' (mostly in terms of seismicity and other geological risks such as floods and landslides) resilience, also the buildings climate resilience, as to identify and implement most appropriate EE measures for public buildings renovation. The implementation of such EE activities would result in reduced greenhouse gas emissions. Respectively, the project proposes to conduct (i) an assessment of the structural



soundness of selected public buildings, to determine potential structural deficits and options to strengthen their seismic resilience; and (ii) assessing the potential for EE activities targeted at improving climate resilience, and appropriate measures to be proposed at design stage. The project document and the ESMF will provide these requirements, to be followed by site-specific ESIA study and ESMP documents, as relevant.

#### **ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement**

Both physical and economic displacement are likely to take place during reconstruction of houses, public spaces and other critical urban infrastructure in municipalities, causing temporary or permanent adverse impacts on Project Affected Peoples. Since sub-project details are not expected to become available by Appraisal, MoEU will prepare a Resettlement Policy Framework (RPF) which will clarify resettlement principles, entitlement matrix, implementing arrangements for RAPs, and design criteria to be applied to sub-projects to be prepared under the project.

The RPF will comprise a gap analysis between Turkish resettlement and expropriation laws, and the WB requirements under ESS5. The gaps will be identified, and measures will be put in place to bridge these gaps in order to ensure that any land acquisition and resettlement under the project will be based on Turkish legal framework as well as be compliant with ESS5. Major gaps may be compensations and livelihood support mechanisms for informal users, those affected PAPs with title-deed issues which are related to land-induced livelihood impacts of the affected people which are not covered under the national laws. Non-land induced livelihood losses will be assessed and mitigated under the ESMF and relevant ESIA.

Subproject specific RAPs will be prepared as relevant, which will also include detailed livelihood restoration option, and grievance redress mechanism. Such RAPs will have to be extensively consulted, cleared by the WB and implemented before the acquired land related assets are taken in possession by the relevant public agency. In addition, livelihood restoration and improvement program will commence in a timely fashion to ensure that affected persons are able to take advantage of these as needs arise.

#### **ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources**

This standard is not relevant. Although the planned project activities are anticipated to be implemented in urban and semi-urban areas, the ESMF will guide the municipalities to select their sub-project sites by considering nationally and internationally protected areas including KBAs, IBA, critical habitats, and IUCN lists. The feasibility studies under Component 1.3 will also assess the existence of critical natural habitats, natural habitats, and modified habitats (according to the definitions of ESS6) and potential risks associated with the proposed activities to screen out activities that may generate significant impacts.

Furthermore, the site-specific ESA documents will include analysis of flora & fauna species, habitats, and identify any potential biodiversity impacts. If any of the proposed sub-projects may generate significant impacts, they will not be eligible for financing.

#### **ESS7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities**



This standard is considered Not Relevant as there are no people in Turkey meeting the criteria in ESS7 for IP/SSAHUTLC.

### **ESS8 Cultural Heritage**

Although the project will not finance subprojects targeted at rehabilitation of Cultural Heritage (CH) sites, this standard is relevant as the proposed project activities might generate some adverse impacts on them. Respectively, the screening mechanism under ESMF will ensure that no rehabilitation of CH subprojects or those, which may cause impacts on tangible or intangible cultural heritage sites will be excluded from project investments. Furthermore, the ESMF document will include a special chapter on guidance on potential impact on Cultural Heritage and mitigation measures. As the participating cities are well known for their CH resources, including for archaeological artifacts, the Chance Find Procedure will be part of the specific ESMPs for all earth-moving sub-projects. This procedure will be followed in all cases of previously unknown cultural heritage encountered during project activities and included in all contracts relating to construction in the project (i.e., excavation, demolition, movement of earth, flooding or any other changes to the physical environment).

### **ESS9 Financial Intermediaries**

This ESS is relevant as Component 2 and 3 of the Project will finance MoEU's subsidy programs for urban housing transformation and municipal infrastructure investments, respectively. Under Component 2, funds would be channeled through domestic banks (to be confirmed during project design) to provide subsidies for (a) housing retrofitting or reconstruction, (b) low income segments to access affordable, safe housing, and/or (c) rental programs for families living in project areas, while MoEU may sublend through ILbank to finance upgrades of municipality buildings or key municipal infrastructure under Component 3.

Once the implementation arrangement is finalized and the participation of specific banks is determined, an assessment will be conducted to determine if the participating FIs have an adequate Environmental and Social Management System (ESMS) in place to commensurately assess and manage the environmental and social risks and impacts associated with the FI subprojects/activities. Key elements of the FI's ESMS will comply with the requirements of ESS9, including (i) environmental and social policy; (ii) clearly defined procedures for the identification, assessment and management of the environmental and social risks and impacts of subprojects; (iii) organizational capacity and competency; (iv) monitoring and review of environmental and social risks of subprojects and the portfolio; and (v) external communications mechanism. The FI will comply with any exclusions in the legal agreement and apply relevant national law for all FI subprojects. In addition, the FI will apply the relevant requirements for the ESSs to any FI subproject that involves resettlement (unless the risks or impacts of such resettlement are minor), significant risks or impacts on the environment, community health and safety, and labor and working conditions. If the proposed FI subprojects are likely to have minimal or no adverse environmental or social risks or impacts as identified in the ESMF, the FI will apply national law. Otherwise, any gap between the FI's ESMS and the requirements of ESS9 will be addressed, by strengthening the FI's ESMS applied to the part of portfolio supported by the Bank, to ensure all the requirements of ESS9 are met. Turkish banks that have undergone assessment so far include ILBank, TKYB, and Vakifbank. The results of the assessment and capacity building activities for strengthening ESF FIs' capacity will be reflected in the ESMF document. Relevant ESS2 requirements will be applied to project workers, as defined in ESS2, of the FIs commensurate with the level of risk and consistent with requirements under national law. The FI will



provide adequate documented evidence of adequate labor management procedures as required by ESS2 and Turkish national labor requirements.

**C. Legal Operational Policies that Apply**

**OP 7.50 Projects on International Waterways** No

**OP 7.60 Projects in Disputed Areas** No

**III. WORLD BANK ENVIRONMENTAL AND SOCIAL DUE DILIGENCE**

**A. Is a common approach being considered?** No

**Financing Partners**

N/A

**B. Proposed Measures, Actions and Timing (Borrower’s commitments)**

**Actions to be completed prior to Bank Board Approval:**

- ESMF will be prepared, disclosed, consulted and cleared by the WB prior to Appraisal.
- SEF will be prepared, disclosed, consulted and cleared by WB prior to Appraisal.
- LMP will be prepared and cleared by WB prior to Appraisal.
- Resettlement Policy Framework (RPF) will be prepared, disclosed, consulted and cleared by WB prior to Appraisal.
- ESCP: The WB and MoEU will agree on an Environmental and Social Commitment Plan (ESCP), which will set out the material measures and actions required for the project to meet the ESSs over a specified timeframe. The ESCP will be prepared, disclosed and cleared by WB prior to appraisal and will form part of the legal agreement.

**Possible issues to be addressed in the Borrower Environmental and Social Commitment Plan (ESCP):**

The ESCP will detail all the above material measures and actions to address the potential social and environmental risks of the project, including:

- Incorporating E&S aspects in the TOR for TA activities under Component 1,2, and 5 to ensure policy level environmental and social risks are addressed.
- Adaption of Urban Transformation strategies, selection criteria, and implementation modalities to be consistent with ESF and E&S documents for the project;
- Hiring and maintaining in the PIU staff an Environmental and a Social Specialist and keeping them during the entire project implementation;
- Capacity Building Plan on Environmental and Social Standards, including ESF training for strengthening the capacity of PIU, participating entities, and participating FIs, as necessary;

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- The incorporation of references to WB E&S and OHS Standards and COVID 19-related requirements in all the bidding documents for contractors, subcontractors, and Supervising Engineers; as well as reporting on OHS accidents and injuries and COVID 19 cases.
- The preparation and disclosure of the site-specific SEPs, ESIA's, and ESMPs prior to the commencement of any works, including an Environmental, Health, and Safety Plan.
- The obligation for contractors/subcontractors to prepare subprojects' Labor Management Plans and a Code of Conduct to be signed by all workers prior to start working;
- Preparing and implementing Resettlement Action Plans during project implementation, as relevant.

**C. Timing**

**Tentative target date for preparing the Appraisal Stage ESRS**

01-Dec-2020

**IV. CONTACT POINTS**

**World Bank**

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**Borrower/Client/Recipient**

Borrower: Republic of Turkey

**Implementing Agency(ies)**

Implementing Agency: Ministry of Environment and Urbanization

**V. FOR MORE INFORMATION CONTACT**

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**VI. APPROVAL**

Task Team Leader(s): Zoe Trohanis, Joanna Masic

Public Disclosure



Practice Manager (ENR/Social)

Javaid Afzal Recommended on 19-Jun-2020 at 16:07:16 EDT

Safeguards Advisor ESSA

Surhid P. Gautam (SAESSA) Cleared on 23-Jun-2020 at 17:39:24 EDT