



**TURKEY**

**SUSTAINABLE CITIES PROJECT - II (P161915)**

**ENVIRONMENTAL AND SOCIAL MANAGEMENT  
FRAMEWORK**

**FINAL DRAFT**

**OCTOBER 19, 2017**

## EXECUTIVE SUMMARY

### Project Description

Iller Bank (hereinafter referred to as ILBANK) (Turkey's Bank of Provinces) and The World Bank (WB) designed the Sustainable Cities Projects (as Series of Projects, SCP I is already in implementation and this ESMF is prepared for SCP II) to establish a support mechanism for participating second tier Metropolitan Municipalities (MM) to plan and invest in a sustainable future. The Sustainable Cities Projects will establish a support system for developing cities to identify, prepare and finance bankable investments and enhance city planning capacities aimed at supporting this objective. The investments carried out through the Project will adhere to both the Republic of Turkey Environmental Regulations and the World Bank Safeguard Policies. In order to do so, the Iller Bank (ILBANK) will act as the financial intermediary to ensure that related WB policies and procedures are followed and ensure that all Turkish environmental approvals, licenses and permits have been secured. Previously, WB has financed a similar project called the Municipal Services Project (MSP), through the ILBANK. Heretofore the MSP successfully provided financing in three specific areas, including water supply, wastewater and solid waste investments for 11 participating municipalities and 2 water utilities. In this respect, the SCP I and II are the next generation operation which will provide a more dedicated focus to urban planning systems, recognizing the importance of urban planning to the sustainability of Turkey's cities.

### Objective

The Project Development Objective is to improve the planning capacity of and access to targeted municipal services in participating municipalities and municipal utilities (henceforth "utilities"). The PDO is identical to the Program Development Objective since each project in the series targets individual or groups of municipalities/utilities in ensuring improved efficiency and sustainability of service delivery. The three components of SCP I included:

Component A: Sustainable City Planning and Management Systems aimed at supporting reforms including policies and legislation that improve sustainable urban development planning including technical assistance support (i) to municipalities/utilities for planning (including urban planning and capital investment planning) and management and for the preparation of feasibility studies,

environmental assessments and engineering designs for municipal sub-projects; and (ii) to Ilbank for management of the grant and capacity building;

Component B: Municipal Investments which financed demand driven municipal investments

Component C: which financed Project Management.

It is expected that this SCP II project will consist of:

Component A – Municipal Investments which will finance demand driven municipal infrastructure investments. Sectors eligible for investment include but are not restricted to public transport, water and sanitation, solid waste management, and energy. In the water sector, it is anticipated that the sub-borrower will be the utility company, with a guarantee provided by the municipality. The component will finance goods, works and consultant services. Participating municipalities and investments have not been identified as yet, as they must go through a screening process which was developed under SCP I.

Component B – Project Management which will finance goods and consultancy services for project management, monitoring and evaluation, outreach and communication.

#### Investments to be Financed

Investments carried out under the SCP-II will conform to the Republic of Turkey Environmental Regulation and the World Bank Safeguards Policies (as the lead financier). ILBANK will be the implementing agency of the project, acting as a financial intermediary, will on-lend the loan proceeds to municipalities or utilities. In this capacity, ILBANK will ensure that WB policies on environment are followed as described in this framework, in addition to the Turkish requirements ILBANK would be responsible to document that all Turkish environmental approvals, permits, licenses have been secured. The potential investment areas covered under the SCP II project is presented below:

<b>Field</b>	<b>Objective/ Scope</b>
<b>Water</b>	Upgrading, rehabilitating and expanding of water supply systems to accompany urban growth and redevelopment.
<b>Wastewater</b>	Expanding and rehabilitating collection networks, to ensure sewerage coverage in developing urban areas; investing in new wastewater treatment capacity, including for sludge management, in pursuit of environmental policy objectives.
<b>Solid Waste</b>	Integrated solid waste management systems, including transfer, sorting, recycling, disposal (e.g. landfill development) and incineration (waste to energy).
<b>Urban Transport</b>	Financing to support public transit systems (Bus Rapid Transit, zero-emission Trolley Buses, Cable Cars) parking facilities, transport system management improvements, pedestrianization (improved or expanded walking or bike paths and sidewalks), road construction and rehabilitation, etc.
<b>Energy Efficiency &amp; Renewable Energy</b>	Energy efficient systems in urban transport and municipal infrastructure systems; energy efficient buildings, solar fields, geothermal heating of buildings.

Rationale and Scope of ESMF

The World Bank’s environmental and social safeguards policies require that the borrower country is expected prepare an Environmental and Social Management Framework (ESMF), integrated with the Regulation on Environmental Impact Assessment (henceforth “EIA Regulation”) (Official Gazette No. 26936, October 10, 2013) and WB’s Operational Policy for Environmental Assessment (OP 4.01) for the SCPs. Since the sub-project locations under the SCP II are not known at the time of appraisal, ESMF is the key document to be shared with stakeholders before implementation starts.

The ESMF forms a scope of the comprehensive environmental and social management approach that has been adopted for acknowledging the potential environmental and social impacts from the SCP II. The ESMF seeks to consolidate and facilitate understanding of all necessary policy and regulatory features of the Turkish Government as well as the World Bank’s environmental and social safeguards policies that are applicable to the project. Currently, the details (location, dimension and design) of the SCP are not definite. Therefore, the detailed assessment of possible social and environmental impacts of the Project is not achievable at this time. However, the ESMF will cover the entire related environmental and social framework from the previous SCP project and include the impacts of the new financing options as well. The ESMF serves as an

overall and systematic guide covering policies, procedures and provisions that are to be integrated with the overall project period to ensure that the social and environmental issues are systematically addressed at the sub-project stage. Furthermore, the ESMF provides technical inputs and guidance for the SCP from an environmental and social management perspective. Therefore, the application and implementation of the ESMF will guide the integration of social and environmental aspects into the decision making process of all stages related to planning, design, execution, operation and maintenance of sub-projects, by identifying, preventing and /or minimizing adverse social and environmental impacts early – on in the project cycle.

WB's environmental and social assessment procedures and Turkish legislation, and key gaps and ways to close these gaps are presented in this ESMF. The procedures are separately discussed in the following sub-sections: Screening, Environmental Assessment, Public Consultation, Scoping, Review of environmental and Social Impact Assessment, Disclosure, Monitoring and Inspection.

OP 4.01, 4.04, 4.12, 4.11, 4.37 were triggered for SCP II Project. With regard to OP 7.50, ILBANK is responsible for ensuring that the sub-projects financed are located and dependent on national waterways only. The waterways identified as NOT an international waterway (do not trigger OP 7.50) in Turkey are the following: Susurluk, North Aegean, Gediz, Kuçuk Menderes, Buyuk Menderes, Western Mediterranean, Antalya, Sakarya, Western Black Sea, Yesilirmak, Kizilirmak, Konya Kapali, Eastern Mediterranean, Seyhan, Ceyhan, Eastern Black Sea, Burdur, Afyon, Orta, Anadolu, and Van. For Involuntary Resettlement Policy (OP 4.12), ILBANK will prepare a separate document (Land Acquisition and Resettlement Policy Framework - LARPF, etc.) before appraisal and that will also be shared with public. OP 4.12 compliance will be monitored via semiannual reports in order to closely follow project implementation consistency with the relevant safeguard documents (LARPF, etc.)

### Implementation Arrangements

Key actors in the implementation of this framework are the ILBANK Project Management Unit (PMU) and project proponent municipalities. ILBANK will continue to include the Environmental Specialists to coordinate the implementation of the Environmental Framework. The Environmental Specialists will monitor subprojects and provide the necessary guidance on preparation of Category A and Category B EA documents in accordance with the WB requirements. Furthermore, the Environmental Specialists will supervise the municipality officials

for WB safeguard requirements, consult the ESMP implementation and monitor the comments and concern mechanism of the affected groups. Municipalities have the capacity to properly implement environmental and social impacts assessment documents (for both Category A and B) during the construction and operational phases. Where such capacity is lacking, the municipalities will be assisted by Environmental Specialists to supervise the works carried out by the contractor and ensure that the environmental and social impacts assessment documents are followed adequately.

### Grievance Mechanism

All municipalities adopted a service called *Beyaz Masa* ("White Table" in English) in Turkey to collect feedback from citizens. This municipal department was established to collect all the complaints and requests of the local residents and aims to provide possible solutions within the municipal structure for the requested concerns. Although the White Table system is not considered as a grievance mechanism, it is still acknowledged as a general complaint mechanism that the municipalities adopted within their structure. Therefore, the White Table system can be either proceeded as the actual or additional complaint mechanism for the selected projects since the selected projects are already within the municipality structure. The White Table system provides data management through the feedback of the citizens, however due to some organizational barriers (lack of specific departments and personnel); the system may disable itself to address the received concern/comments. Therefore, this system will be improved as mentioned above and will be tailored for the sub-project needs, as necessary. The SCP II aims to improve the current 'White Table' mechanism in the municipalities/utilities by identifying grievances/feedback related to the sub-investments under SCP-II. Any grievance related to a sub-investment financed under the SCP-II will be first logged at the municipality/utility level and will be addressed by the PIU satisfactorily within a certain period. If the complainant is not satisfied with the complaint resolution, then the case will be submitted to further levels. There will be a toll-free number and online and SMS channels available for citizens to submit grievances through the 'White Table' system regarding the SCP-related grievances.