Loan Agreement

(Additional Financing for Land Registry and Cadastre Modernization Project)

between

REPUBLIC OF TURKEY

and

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

Dated November 30, 2015
LOAN NUMBER 8541-TR

LOAN AGREEMENT

Agreement dated November 30, 2015, between REPUBLIC OF TURKEY ("Borrower") and INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT ("Bank") for the purpose of providing additional financing for activities related to the Original Project (as defined in the Appendix to this Agreement). 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) constitute an integral 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, on the terms and conditions set forth or referred to in this Agreement, the amount of eighty-one million Euros (£81,000,000), as such amount may be converted from time to time through a Currency Conversion in accordance with the provisions of Section 2.08 of this Agreement (“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 IV of Schedule 2 to this Agreement.

2.03. The Front-end Fee payable by the Borrower shall be equal to one quarter of one percent (0.25%) of the Loan amount. The Borrower shall pay the Front-end Fee not later than sixty (60) days after the Effective Date.

2.04. The Commitment Charge payable by the Borrower shall be equal to one quarter of one percent (0.25%) per annum on the Unwithdrawn Loan Balance.

2.05. The interest payable by the Borrower for each Interest Period shall be at a rate equal to the Reference Rate for the Loan Currency plus the Variable Spread; provided, that upon a Conversion of all or any portion of the principal amount of the Loan, the interest payable by the Borrower during the Conversion Period on such amount shall be determined in accordance with the relevant provisions of Article IV of the General Conditions. Notwithstanding the foregoing, if any amount of the Withdrawn Loan Balance remains unpaid when due and such non-payment continues for a period of thirty (30) days, then the interest payable by the
Borrower shall instead be calculated as provided in Section 3.02(e) of the General Conditions.

2.06. The Payment Dates are February 15 and August 15 in each year.

2.07. The principal amount of the Loan shall be repaid in accordance with the amortization schedule set forth in Schedule 3 to this Agreement.

2.08. (a) The Borrower may at any time request any of the following Conversions of the terms of the Loan in order to facilitate prudent debt management:

(i) a change of the Loan Currency of all or any portion of the principal amount of the Loan, withdrawn or unwithdrawn, to an Approved Currency;

(ii) a change of the interest rate basis applicable to: (A) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate to a Fixed Rate, or vice versa; or (B) all or any portion of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Reference Rate and the Variable Spread to a Variable Rate based on a Fixed Reference Rate and the Variable Spread, or vice versa; or (C) all of the principal amount of the Loan withdrawn and outstanding from a Variable Rate based on a Variable Spread to a Variable Rate based on a Fixed Spread; and

(iii) the setting of limits on the Variable Rate or the Reference Rate applicable to all or any portion of the principal amount of the Loan withdrawn and outstanding by the establishment of an Interest Rate Cap or Interest Rate Collar on the Variable Rate or the Reference Rate.

(b) Any conversion requested pursuant to paragraph (a) of this Section that is accepted by the Bank shall be considered a “Conversion”, as defined in the General Conditions, and shall be effected in accordance with the provisions of Article IV of the General Conditions and of the Conversion Guidelines.

ARTICLE III — PROJECT

3.01. The Borrower, through TKGM, agrees to the objective of the Project. To this end, the Borrower shall carry out the Project through TKGM in accordance with the provisions of Article V of the General Conditions.

3.02. Without limitation upon the provisions of Section 3.01 of this Agreement, and except as the Borrower and the Bank shall otherwise agree, the Borrower, through TKGM, shall ensure that the Project is carried out in accordance with the provisions of Schedule 2 to this Agreement.
ARTICLE IV — TERMINATION

4.01. The Effectiveness Deadline is the date one hundred twenty (120) days after the date of this Agreement.

ARTICLE V — REPRESENTATIVE; ADDRESSES

5.01. The Borrower’s Representative is the Undersecretary of Treasury.

5.02. The Borrower’s Address is:

Babakanlik
Hazine Mustesarligi
Inonu Bulvari
Emek – Ankara
Republic of Turkey

Facsimile:
(312) 204-7366

5.03. The Bank’s Address is:

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

Cable address: INTBAFRAD
Telex: 248423(MCI) or 64145(MCI)
Facsimile: 1-202-477-6391
AGREED at Ankara, Republic of Turkey, as of the day and year first above written.

REPUBLIC OF TURKEY

By

Authorized Representative

Name: Hakan Tokaç
Title: Director General

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By

Authorized Representative

Name: Johannes Zutt
Title: Country Director
SCHEDULE 1

Project Description

The objective of the Project is to improve the effectiveness and efficiency of the land registry and cadastre services through: (i) renovating and updating cadastre maps to support digital cadastre and land registry information; (ii) making the digital land registry and cadastre information available to public and private entities; (iii) improving customer services in land registry and cadastre offices; (iv) improving human resources in TKGM; and (v) developing policies and capacity to introduce best international practices in property valuation in Turkey.

The Project consists of the Original Project as amended below in order to separate Part B, section 2 into three provisions, allowing for the disbursement table in Schedule 2, Section IV of this Agreement to identify which of those activities will be financed by this Additional Financing:

Part A: Cadastre and Land Registry Renovation, Data Improvement and Updating

1. Updating and modernization of the real property cadastre and registry information and systems into an accurate, consistent with site specific requirements, legally valid and maintained digital cadastre system to be a basis for spatial information systems.

2. Development of new rectified orthophoto maps, production of vector maps and digital data in selected areas.

3. Supervision of cadastre renovation works, quality control and establishment of spatial data infrastructure.

Part B: Improved Service Delivery

1. Implementation of the integrated (land registry and cadastre) version of TAKBIS.

2. (a) Design of model office layouts for Cadastre Offices in selected regions to improve service delivery utilizing both integrated workflows and the integrated version of TAKBIS.

   (b) Renovation or construction of selected Cadastre Offices and provision of furniture and equipment to said selected Cadastre Offices.

   (c) Carrying out policy studies to improve efficiency of the registration system, tenure security and promote development of efficient land and property markets.

3. Establishment and operation of a TAKBIS information dissemination service including an up-to-date web-based version of the cadastre, a web-based
registration and cadastre transaction status report and cadastre layer supply and update service for Geographic Information System (GIS) users.

Part C: Human Resources and Institutional Development

1. Development of a human resources strategy by TKGM to support the effective functioning of the organization in the e-government environment.

2. Development of strategic plans by TKGM.

3. Provision of training to TKGM staff and establishment of regional training capacity.

Part D: Property Valuation

1. Development of policy and institutional options for property valuation function in the Republic of Turkey consistent with the European practices.

2. Development of guidelines and piloting of mass property valuation for local property taxation in two selected municipalities.

3. Provision of training for the development of core capacities for property valuation within TKGM and other central government agencies and in the municipal governments, and carrying out seminars and workshops.

Part E: Project Management

Provision of support to TKGM for Project management, including conducting customer’s surveys.
SCHEDULE 2

Project Execution

Section I. Implementation Arrangements

A. Institutional Arrangements.

1. The Borrower shall assign the overall responsibility for Project implementation to TKGM, which shall maintain during Project execution, a Project coordination team with staff, resources and terms of reference satisfactory to the Bank.

2. The Borrower, through TKGM, shall ensure that the Project is carried out in accordance with the provisions of the Anti-Corruption Guidelines.

B. Safeguards.

1. The Borrower, through TKGM, shall implement Project activities in accordance with the EMF and any applicable EMPs and shall include adequate information on the carrying out of the EMF and EMPs in the progress reports referred to in Section II, Part A, paragraph 1 of this Schedule.

2. The Borrower, through TKGM, shall not amend, suspend, abrogate, repeal, waive, or fail to enforce any provision of the EMF and the EMPs without the prior approval of the Bank.

3. The Borrower, through TKGM, shall not undertake any Project activities that trigger the Bank’s Operational Policy 4.12.

Section II. Project Monitoring, Reporting and Evaluation

A. Project Reports

The Borrower, through TKGM, shall monitor and evaluate the progress of the Project and prepare Project Reports in accordance with the provisions of Section 5.08 of the General Conditions and on the basis of indicators acceptable to the Bank. Each Project Report shall cover the period of one calendar semester and shall be furnished to the Bank not later than forty-five (45) days after the end of the period covered by such report.

B. Financial Management, Financial Reports and Audits

1. The Borrower, through TKGM, shall maintain or cause to be maintained a financial management system in accordance with the provisions of Section 5.09 of the General Conditions.

2. Without limitation on the provisions of Part A of this Section, the Borrower, through TKGM, shall prepare and furnish to the Bank not later than forty-five (45) days after the end of each calendar quarter, interim unaudited financial reports for
the Project covering the pertinent quarter, in form and substance satisfactory to the Bank.

3. The Borrower, through TKGM, shall have its Financial Statements audited in accordance with the provisions of Section 5.09(b) of the General Conditions. Each audit of the Financial Statements shall cover the period of one (1) calendar year of the Borrower. The audited Financial Statements for each such period shall be furnished to the Bank not later than six (6) months after the end of such period.

Section III. Procurement

A. General

1. Goods, Works and Non-consulting Services. All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Loan shall be:

   (a) Procured in accordance with the requirements set forth or referred to in Section I of the Procurement Guidelines and with the provisions of this Section if the Initiation of the Procurement Process occurred on or after July 9, 2015.

   (b) Procured in accordance with the requirements set forth or referred to in Section I of the “Guidelines for Procurement under IBRD Loans and IDA Credits”, dated May 2004 and revised in October 2006 (“2006 Procurement Guidelines”), and with the provisions of the Original Loan Agreement if the Initiation of the Procurement Process occurred before July 9, 2015.

2. Consultants’ Services. All consultants’ services required for the Project and to be financed out of the proceeds of the Loan shall be procured:

   (a) Procured in accordance with the requirements set forth or referred to in Sections I and IV of the Consultant Guidelines and with the provisions of this Section if the Initiation of the Procurement Process occurred on or after July 9, 2015.

   (b) Procured in accordance with the requirements set forth or referred to in Sections I and IV of the “Guidelines: Selection and Employment of Consultants by World Bank Borrower” dated May 2004 and revised in October 2006 (“2006 Consultant Guidelines”) and with the provisions of the Original Loan Agreement if the Initiation of the Procurement Process occurred before July 9, 2015.

3. Definitions. The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Bank of particular contracts refer to the corresponding method described in Sections II and III of the Procurement Guidelines or the 2006 Procurement Guidelines, as the case may be,
or Sections II, III, IV and V of the Consultant Guidelines or the 2006 Consultant Guidelines, as the case may be.

B. **Particular Methods of Procurement of Goods, Works and Non-consulting Services**

1. **International Competitive Bidding.** Except as otherwise provided in paragraph 2 below, goods, works and non-consulting services shall be procured under contracts awarded on the basis of International Competitive Bidding.

2. **Other Methods of Procurement of Goods, Works and Non-consulting Services.** The following methods, other than International Competitive Bidding, may be used for procurement of goods, works and non-consulting services (including logistical and organization services for Training) for those contracts specified in the Procurement Plan:

   (a) National Competitive Bidding, subject to the additional provisions set forth in the Annex to this Schedule 2;
   (b) Shopping; and
   (c) Direct Contracting.

C. **Particular Methods of Procurement of Consultants’ Services**

1. **Quality- and Cost-based Selection.** Except as otherwise provided in paragraph 2 below, consultants’ services shall be procured under contracts awarded on the basis of Quality and Cost-based Selection.

2. **Other Methods of Procurement of Consultants’ Services.** The following methods, other than Quality and Cost-based Selection, may be used for procurement of consultants’ services for those contracts which are specified in the Procurement Plan:

   (a) Quality-based Selection;
   (b) Selection under a Fixed Budget;
   (c) Least Cost Selection;
   (d) Selection based on Consultants’ Qualifications;
   (e) Single-source Selection of consulting firms; and

D. **Review by the Bank of Procurement Decisions**

The Procurement Plan shall set forth those contracts which shall be subject to the Bank’s Prior Review. All other contracts shall be subject to Post Review by the Bank.

**Section IV. Withdrawal of Loan Proceeds**

A. General
1. The Borrower may withdraw the proceeds of the Loan in accordance with the provisions of Article II of the General Conditions, this Section, and such additional instructions as the Bank shall specify by notice to the Borrower (including the "World Bank Disbursement Guidelines for Projects" dated May 2006, as revised from time to time by the Bank and as made applicable to this Agreement pursuant to such instructions), to finance Eligible Expenditures as set forth in the table in paragraph 2 below.

2. The following table specifies the categories of Eligible Expenditures that may be financed out of the proceeds of the Loan ("Category"), the allocation of the amounts of the Loan to each Category, and the percentage of expenditures to be financed for Eligible Expenditures in each Category.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Loan Allocated (expressed in EUR)</th>
<th>Percentage of Expenditures to be financed (inclusive of Taxes)</th>
</tr>
</thead>
</table>
| (1) Technical Services for Parts A(1), A(3), B(1), B(2)(c), B(3), C(1), C(3), D(1), D(3), and E of the Project | 74,900,000                                      | 90% through December 31, 2018  
30% from January 1, 2019 onwards                                         |
| (1) Goods, works, consultants' services, Training and Operating Costs for Parts A(1), A(3), B(1), B(2)(c), B(3), C(1), C(3), D(1), D(3), and E of the Project | 6,100,000                                       | 90%                                                           |
| TOTAL AMOUNT                                                             | 81,000,000                                      |                                                               |

B. Withdrawal Conditions; Withdrawal Period

1. Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made:

   (a) from the Loan Account until the Bank has received payment in full of the Front-end Fee; or

   (b) for payments made prior to the date of this Agreement, except that withdrawals up to an aggregate amount not to exceed ten million seven hundred thousand Euros (€10,700,000) may be made for payments made prior to this date but on or after September 1, 2015, for Eligible Expenditures under Categories (1) and (2).

2. The Closing Date is December 31, 2020.
Annex to
SCHEDULE 2

Mandatory Provisions for Procurement under Bank-Financed Contracts
Subject to National Competitive Bidding

The procedures to be followed for National Competitive Bidding shall be those set forth in the Public Procurement Law of the Borrower (Law No. 4734) as amended as of September 10, 2014 (the “PPL”), notwithstanding anything to the contrary in the Borrower’s Law on Public Procurement Contracts (Law No. 4735), as amended as of September 10, 2014, and subject to the following provisions:

A. Eligibility

The eligibility of bidders shall be as defined under Section I of the Procurement Guidelines; accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the Bank for reasons other than those provided in Section I of the Procurement Guidelines.

Bidding shall not be restricted to domestic bidders. No restrictions in respect of eligibility to participate in bidding for contracts shall be placed on the basis of nationality of the bidder and/or the origin of goods other than those set forth in paragraph 1.10 of the Procurement Guidelines. No restriction of any kind shall be applied to foreign bidders who wish to submit a bid.

Bidding shall not be restricted to pre-registered firms, and foreign bidders shall not be required to be registered with local authorities as a prerequisite for submitting bids.

B. Procedures

(i) Invitations to bid shall be advertised in the Borrower’s official gazette, or in at least one widely circulated national daily newspaper, or in an electronic portal of free access allowing a minimum of thirty (30) days for the preparation and submission of bids.

(ii) The sale and/or issuance of bidding documents shall not be restricted only to entities invited by the procuring entity.

(iii) Prequalification procedures acceptable to the Bank shall be used for large, complex and/or specialized projects.

C. Assessment of Bidders’ Qualifications

In the procurement of goods, works and non-consulting services, where prequalification is not used, the qualifications of the bidder who is recommended for award of contract shall be assessed by post-qualification, applying minimum experience, technical and financial requirements which shall be explicitly stated in the bidding documents and
which shall be determined by a ‘pass/fail’ method, not through use of a merit point system.

D. Participation by Government-owned Enterprises

Government-owned enterprises in the Republic of Turkey shall be eligible to participate in bidding only if they can establish that they are legally and financially autonomous, operate under commercial law and are not a dependent agency of the Borrower. Furthermore, they will be subject to the same bid and performance security requirements as other bidders.

E. Participation by Joint Ventures

Participation shall be allowed from joint ventures on the condition that such joint venture partners will be jointly and severally liable under the contract.

F. Bidding Documents

Procuring entities shall use the Bank’s sample National Competitive Bidding documents for Europe and Central Asia Region for goods and works in a manner acceptable to the Bank, and shall draft prequalification documents (where applicable), contracts and conditions of contract, acceptable to the Bank.

G. Bid Evaluation

(i) Evaluation criteria other than price shall be quantified in monetary terms.

(ii) Evaluation of bids shall be made in strict adherence to the monetarily-quantifiable criteria declared in the bidding documents and a merit point system shall not be used.

(iii) An extension of bid validity, if justified by exceptional circumstances, may be requested in writing from all bidders before the bid validity expiration date and shall be allowed once only for the minimum period required to complete the evaluation or award a contract, but not more than thirty (30) days. No further extensions shall be requested without the prior approval of the Bank.

(iv) Contracts shall be awarded to qualified bidders having submitted the lowest evaluated substantially responsive bid, and no negotiation as to the price or substance of the bid shall take place.

(v) No preference shall apply under National Competitive Bidding.

H. Price Adjustment

Civil works contracts of long duration (i.e. more than eighteen (18) months) shall contain an appropriate price adjustment clause, acceptable to the Bank.
I. Rejection of All Bids

All bids (or the sole bid if only one bid is received) shall not be rejected, the procurement process shall not be cancelled, and new bids shall not be solicited without the Bank’s prior written concurrence. No bids shall be rejected solely because they fall below or exceed the estimated or reference price.

J. Securities

Bid securities should not exceed 3% (three percent) of the estimated cost of the contract; performance securities should not exceed more than 10% (ten percent) of the cost of the contract. No advance payments shall be made to the suppliers without a suitable advance payment security. The wording of all such securities shall be included in the bidding documents and shall be acceptable to the Bank. Bidders shall be given at least twenty-eight (28) days from the receipt of notification of contract award to submit performance securities, and bid securities shall remain valid for such period.

K. Fraud and Corruption

Each bidding document and contract financed out of the proceeds of the Loan shall include provisions on matters pertaining to fraud and corruption set forth in paragraph 1.16 of the Procurement Guidelines. The Bank will sanction a firm or an individual, at any time, in accordance with prevailing Bank sanctions procedures.

L. Audit Rights

In accordance with paragraph 1.16(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Loan shall provide that: (i) the bidders, suppliers and contractors, and their subcontractors, agents, personnel, consultants, service providers, or suppliers shall permit the Bank, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the Bank; and (ii) acts intended to materially impede the exercise of the Bank’s audit rights may amount to an obstructive practice as defined in paragraph 1.16(a)(v) of the Procurement Guidelines.

M. Debarment

The Bank may recognize, if requested by the Borrower, exclusion from participation as a result of debarment under the national system, provided that the debarment is for offenses involving fraud, corruption or similar misconduct, and further provided that the Bank confirms that the particular debarment procedure afforded due process and the debarment decision is final.
SCHEDULE 3

Amortization Schedule

1. 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"). If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined by the Bank by multiplying: (a) Withdrawn Loan Balance as of the first Principal Payment Date; by (b) the Installment Share for each Principal Payment Date, such repayable amount to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

<table>
<thead>
<tr>
<th>Principal Payment Date</th>
<th>Installment Share (Expressed as a Percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>On each February 15 and August 15 Beginning February 15, 2021 through August 15, 2025</td>
<td>9.09%</td>
</tr>
<tr>
<td>On February 15, 2026</td>
<td>9.10%</td>
</tr>
</tbody>
</table>

2. If the proceeds of the Loan have not been fully withdrawn as of the first Principal Payment Date, the principal amount of the Loan repayable by the Borrower on each Principal Payment Date shall be determined as follows:

(a) To the extent that any proceeds of the Loan have been withdrawn as of the first Principal Payment Date, the Borrower shall repay the Withdrawn Loan Balance as of such date in accordance with paragraph 1 of this Schedule.

(b) Any amount withdrawn after the first Principal Payment Date shall be repaid on each Principal Payment Date falling after the date of such withdrawal in amounts determined by the Bank by multiplying the amount of each such withdrawal by a fraction, the numerator of which is the original Installment Share specified in the table in paragraph 1 of this Schedule for said Principal Payment Date ("Original Installment Share") and the denominator of which is the sum of all remaining Original Installment Shares for Principal Payment Dates falling on or after such date, such amounts repayable to be adjusted, as necessary, to deduct any amounts referred to in paragraph 4 of this Schedule, to which a Currency Conversion applies.

3. (a) Amounts of the Loan withdrawn within two calendar months prior to any Principal Payment Date shall, for the purposes solely of calculating the principal amounts payable on any Principal Payment Date, be treated as withdrawn and outstanding on the second Principal Payment Date.
following the date of withdrawal and shall be repayable on each Principal Payment Date commencing with the second Principal Payment Date following the date of withdrawal.

(b) Notwithstanding the provisions of sub-paragraph (a) of this paragraph, if at any time the Bank adopts a due date billing system under which invoices are issued on or after the respective Principal Payment Date, the provisions of such sub-paragraph shall no longer apply to any withdrawals made after the adoption of such billing system.

4. Notwithstanding the provisions of paragraphs 1 and 2 of this Schedule, upon a Currency Conversion of all or any portion of the Withdrawn Loan Balance to an Approved Currency, the amount so converted in the Approved Currency that is repayable on any Principal Payment Date occurring during the Conversion Period, shall be determined by the Bank by multiplying such amount in its currency of denomination immediately prior to the Conversion by either: (i) the exchange rate that reflects the amounts of principal in the Approved Currency payable by the Bank under the Currency Hedge Transaction relating to the Conversion; or (ii) if the Bank so determines in accordance with the Conversion Guidelines, the exchange rate component of the Screen Rate.

5. If the Withdrawn Loan Balance is denominated in more than one Loan Currency, the provisions of this Schedule shall apply separately to the amount denominated in each Loan Currency, so as to produce a separate amortization schedule for each such amount.
APPENDIX

Section I. Definitions


2. “Cadastre Offices” means TKGM offices in selected regions of the Borrower.

3. “Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.


6. “Environmental Management Framework” or “EMF” means the Environmental Management Framework prepared by the Borrower for the Project, dated November 14, 2007, and disclosed by the Borrower on December 10, 2007, satisfactory to the Bank and describing the rules, guidelines and procedures to assess environmental impacts of said Project’s activities and defining measures to reduce, mitigate or offset adverse environmental impacts and enhance the positive impacts of the Project’s activities, as the same shall be amended from time to time with the prior approval of the Bank.

7. “Environmental Management Plan” or “EMP” means a site-specific Environmental Management Plan comprised of an environmental mitigation plan and environmental monitoring plan to be prepared and adopted by the Borrower pursuant to the EMF and to be implemented by the Borrower in accordance with the provisions of Schedule 2, Section I, Part B, paragraph 1 and 2 of this Agreement, satisfactory to the Bank, wherein are set forth specific details of measures to manage identified or potential environmental risks and to mitigate, reduce and/or offset adverse environmental impacts associated with the implementation of activities under Part B of the Project, together with an environmental and social baseline for each site, details of the relevant environmental legislative framework, adequate institutional, monitoring and reporting arrangements capable of ensuring proper implementation of, and regular feedback on compliance with, its terms, as the same may be amended and supplemented from time to time with the Bank’s prior written approval.

8. “General Conditions” means the “International Bank for Reconstruction and Development General Conditions for Loans”, dated March 12, 2012, with the modifications set forth in Section II of this Appendix.
9. "Initiation of Procurement Process" means, in connection with the procurement of goods, works, non-consulting services or consultants' services, the date on which the invitation to bid or the quote requested for such goods, works or non-consulting services or the request for proposals for such services is issued.

10. "Operating Costs" means incremental expenses incurred by the Borrower on account of Project implementation, management and monitoring, including transportation of TKGM staff and consultants related to Project monitoring and supervision, leasing of vehicles and other related costs, as approved by the Bank.


12. "Original Loan Agreement" means the loan agreement for the Original Project between the Borrower and the Bank, dated June 9, 2008, as amended to the date of this Agreement (Loan No. 7537-TU).

13. "Original Project" means the Project described in Schedule 1 to the Original Loan Agreement.


15. "2006 Procurement Guidelines" means the "Guidelines for Procurement under IBRD Loans and IDA Credits" dated May 2004 (revised October 2006).

16. "Procurement Plan" means the Borrower's procurement plan for the Project, dated July 9, 2015 and referred to in paragraph 1.18 of the Procurement Guidelines, paragraph 1.16 of the 2006 Procurement Guidelines, paragraph 1.25 of the Consultant Guidelines and paragraph 1.24 of the 2006 Consultant Guidelines, as the same shall be updated from time to time in accordance with the provisions of said paragraphs.

17. "TAKBIS" means the Turkish Computerized Cadastre and Land Registration System.

18. "Technical Services" means non-consulting services for which the physical aspects of the activity predominates and are bid and contracted on the basis of performance of a measurable physical unit, such as cadastre renovations, orthophoto maps, base mapping, registry, updating and digitalization services.

20. "Training" means (i) the fees of individual consultants or consulting firms under the Project, including educational or other institutions and organizations, who/that provide training services; and (ii) the cost of study visits, workshops and related training expenses.

Section II. Modifications to the General Conditions

The General Conditions are hereby modified as follows:

1. In the Table of Contents, the references to Sections, Section names and Section numbers are modified to reflect the modifications set forth in the paragraphs below.

2. Section 3.01. (Front-end Fee) is modified to read as follows:

"Section 3.01. Front-end Fee; Commitment Charge

(a) The Borrower shall pay the Bank a front-end fee on the Loan amount at the rate specified in the Loan Agreement (the "Front-end Fee").

(b) The Borrower shall pay the Bank a commitment charge on the Unwithdrawn Loan Balance at the rate specified in the Loan Agreement (the "Commitment Charge"). The Commitment Charge shall accrue from a date sixty days after the date of the Loan Agreement to the respective dates on which amounts are withdrawn by the Borrower from the Loan Account or cancelled. The Commitment Charge shall be payable semi-annually in arrears on each Payment Date."

3. In the Appendix, Definitions, all relevant references to Section numbers and paragraphs are modified, as necessary, to reflect the modification set forth in paragraph 2 above.

4. The Appendix is modified by inserting a new paragraph 19 with the following definition of "Commitment Charge", and renumbering the subsequent paragraphs accordingly:

"19. "Commitment Charge" means the commitment charge specified in the Loan Agreement for the purpose of Section 3.01(b)."

5. In the renumbered paragraph 49 (originally paragraph 48) of the Appendix, the definition of "Front-end Fee" is modified by replacing the reference to Section 3.01 with Section 3.01 (a).

6. In the renumbered paragraph 68 (originally paragraph 67) of the Appendix, the definition of the term "Loan Payment" is modified to read as follows:

"68. "Loan Payment" means any amount payable by the Loan Parties to the Bank pursuant to the Legal Agreements or these General Conditions, including (but not limited to) any amount of the Withdrawn Loan Balance, interest, the Front-end Fee, the Commitment Charge, interest at the Default Interest Rate (if any), any
prepayment premium, any transaction fee for a Conversion or early termination of a Conversion, the Variable Spread Fixing Charge (if any), any premium payable upon the establishment of an Interest Rate Cap or Interest Rate Collar, and any Unwinding Amount payable by the Borrower.”

7. In the renumbered paragraph 73 (originally paragraph 72) of the Appendix, the definition of “Payment Date” is modified by deleting the word “is” and inserting the words “and Commitment Charge are” after the word “interest”.