

Aide Memoire

Türkiye Mission for

Green Industry Project (P179255), Post-Earthquake MSME Recovery Project (P181068), and Green Organized Industrial Zones Project (P171645) Supervision

Small Industrial Estates Reconstruction and Regional Economic Recovery Project (P502837) Preparation

December 4-15, 2023

1. The World Bank undertook a combined mission to Türkiye from December 4 to 15, 2023 to support the implementation of the Türkiye Green Industry, Post-Earthquake MSME Recovery, and Green Organized Industrial Zones (OIZ) projects. The official launch of the Green Industry project took place during the mission. In addition, the mission continued the preparation of the Small Industrial Estates Reconstruction and Regional Economic Recovery Project that is planned for World Bank Board approval in FY24. Finally, the team took advantage of the mission to conduct a two-day workshop on Low-Carbon Technologies at MoIT with the participation of KPMG consultants who travelled to Ankara from India.
2. The mission team was led by Stefka Slavova (Lead Economist and Task Team Leader) and Ali Abukumail (Senior Private Sector Specialist and co-Task Team Leader), and included Hans Anand Beck (Lead Country Economist and Program Leader), Umut Kilinc (Economist), Salih Tuna Sahin (Consultant), Zhihua (Douglas) Zeng (Senior Economist), Vinod Goel (Consultant), Magdalena Filipova-Rivers (Consultant), Gürhan Mamaklioglu (Consultant), Seda Aroymak (Senior Financial Management Specialist), Tomris Oksar (Senior Procurement Specialist), Ulya Camur (Procurement Specialist), Nikola Ille (Senior Environmental Specialist), Ferdous Jahan (Senior Social Development Specialist), Oksan Haliloglu (Social Development Specialist), and Sibel Gulen (Environmental Specialist). Jelena Lukic (Senior Social Development Specialist) and Funke Asaolu (Senior Environmental Specialist) supported the mission remotely. Berkin Ilhan Demirsoy (Program Assistant) and Berk Sayin (STT) provided excellent logistical support for the mission.
3. The team would like to thank all counterparts from the Ministry of Industry and Technology (MoIT), the Small and Medium Enterprises Development Organization (KOSBGEB), and the Scientific and Technological Research Council (TÜBİTAK) for the excellent collaboration during the mission. The full list of mission participants and meetings held are provided in Annex 1 and Annex 2, respectively.
4. The objectives of the mission were as follows:
 - a. **Türkiye Green Industry Project (with MoIT, DG Industry, KOSGEB, and TÜBİTAK):** Participate in the project launch event held on December 8, 2023, meet with the new Director General of Industry at MoIT to discuss the relevant component activities, review first calls for applications for KOSGEB and TÜBİTAK, and agree with

each of the three implementing agencies on the activities planned for the coming 3 to 6 months.

- b. **Post-Earthquake MSME Recovery Project (with KOSGEB):** Meet with the new President of KOSGEB to discuss ongoing project implementation, review the project progress after the first call of applications, and discuss potential additional financing.
- c. **Turkey Organized Industrial Zones Project (with MoIT, DG Industrial Zones):** Review progress in implementation since the July 2023 supervision mission and review plans for FY2024 with a view to expedite disbursements as much as feasible.
- d. **Small Industrial Estates Reconstruction and Regional Economic Recovery Project (with MoIT, DG Industrial Zones):** Finalize the project concept note and hold the PCN Review meeting during the mission; agree on project objectives, components, and proposed result indicators; and discuss project preparedness and possibility for retroactive financing.

5. Türkiye Green Industry Project (P179255)

a. Implementation Progress

The mission team joined a successful launch event for the Project held on December 8, 2023 at Bilişim Vadisi Technology Development Zone in Kocaeli/Gebze, which included keynote speeches by MoIT Minister Mehmet Fatih Kacir, the President of KOSGEB, Mr. Ahmet Serdar İbrahimcioğlu, the President of TÜBİTAK, Professor Hasan Mandal and the Country Director for Türkiye J. Humberto Lopez. The Project TTL, Stefka Slavova, moderated a panel discussion with key PIU members from KOSGEB, TÜBİTAK and MoIT. The panel clarified the project's scope, the implementation timeline and application process. The panel also addressed questions from the audience, mainly private sector representatives on eligibility criteria and deadlines. Approximately 800 private sector representatives and 100 government officials took part in the launch.

The loan agreements for MoIT, TÜBİTAK, and KOSGEB were declared effective on October 4, October 26, and November 6, 2023, respectively. The KOSGEB and TUBITAK calls for proposals opened following the launch event, and applications have been coming in since then.

General Directorate of Industry / MoIT:

The mission team met with the new Director General (DG) for Industry, Dr. İlker Murat Ar, Deputy DG Dr Ali Murat Sürekli, and the PIU. The Bank team received updates from the PIU regarding planned recruitments for PIU staff and overall activities. The PIU key staff members have been hired, and the mission team agreed with the PIU on the recruitment of a Project Manager, 2 IT Specialists, and 1 Design Specialist. The team asked MoIT to submit a work plan for activities planned in calendar year 2024. As of February 9, 2024, the PIU has completed the hire of a new Project Manager, Ms. Hülya Öztoprak Yılmaz, who is expected to be fully onboard by the end of February. Recruitment of IT and Design and Communications experts is currently ongoing.

KOSGEB:

The mission team met with the new President of KOSGEB, Mr. Ahmet Serdar İbrahimcioğlu, Vice President Mr. Bilal Kendirci, Head of Department Mr. Faruk Kahvecioğlu, and the PIU staff. The mission team discussed with KOSGEB the ongoing call of applications for the solar energy and circular economy investment programs. The team discussed the selection process of beneficiary SMEs under the two programs and asked to receive details about the establishment of the project's independent selection committee, which will comprise private sector representatives and academicians. Following the mission, KOSGEB launched a call for applications for private sector members of the Independent Selection Committee, which will be tasked with reviewing and evaluating firm application under both the solar and circular economy calls. The process of selection of the private sector and academic members is expected to be completed in February, so that the Committee can begin evaluating the applications for financing received thus far (out of 161 applicant SMEs, 72 (52 for solar PV and 20 for circular) have met the eligibility criteria and their applications are awaiting evaluation.

TÜBİTAK:

The mission team met with the PIU staff, who presented the project progress, planned recruitments and the work plan (including projected disbursement amounts) for calendar year 2024. The team commented on the wokplan and asked the PIU to send an updated and more realistic workplan. Detailed discussions took place on 1) how to select qualified solution providers for green transitions for SMEs through a competitive market selection process; and 2) the eligibility of project applications from SMEs working national defense (e.g., the National Defense Foundation had expressed interest in applying). This issue was raised in the context that some potential applications for the project finance in the "green innovation subcomponent" would be related to the development of drones, which were said to be intended for civil use, such as agriculture. However, given the potential of such technologies could be used for military purpose, the mission team advised the PIU not to include such projects for support to avoid potential problems. This was also confirmed by the Country Lawyer.

Procurement: The procurement performance rating of the Project is satisfactory at the time of the mission. MoIT has conducted the kick-off meeting with the participation of stakeholders in December 2023 and employed the procurement and financial management specialist. The selection process for IT specialists, design consultant, M&E and project manager is envisaged to be completed by March 15, 2024.

KOSGEB has initiated the selection of PIU consultants and aims to finalize the selection process by end February 2024 for those with established shortlists. For the other positions where there are no qualified applicants, the process will be reinitiated with revised Terms of Reference.

TUBITAK has not initiated any procurement activity yet. The planned procurement activities have not a critical role at the implementation of the Project and TUBITAK's own staff can handle with them. TUBITAK aims to initiate the procurement of the office equipment and selection of the individual consultants in February 2024.

Financial Management: There have been limited withdrawals under the Project in 2023 since the effectiveness dates of individual loans. There are three implementing entities, and three audit reports were due for the year ended as of December 31, 2023. MoIT (IBRD 95380) has no withdrawals, TUBITAK (IBRD 95390) has a front-end fee of US\$440,000 deducted and KOSGEB has withdrawn US\$50,000 and paid the US\$625,000 front-end fee at source. Since the amounts are very small compared to the total loan amounts, an audit exception was approved by the Bank. The auditors Treasury Controllers were informed about the exception.

Environmental and Social Standards: The environmental and social risk of the project is Moderate. The Environmental and Social Commitment Plan (ESCP) requires KOSGEB and TÜBİTAK to each establish and maintain a PIU, including one environmental, one social and one OHS specialist no later than 30 days after the relevant effectiveness date. Both KOSGEB and TÜBİTAK are in the process of hiring these specialists. It is expected that these staff will be on board by February 28, 2024. This represents a slight delay from the deadline in the ESCP, however, no project activities have started yet which would create environmental and social risks and impacts and require E&S screening. Both KOSGEB and TÜBİTAK prepared and adopted their own Environmental and Social Management System (ESMS) for the project, and the Bank provided No Objection to both ESMSs. KOSGEB and TÜBİTAK established grievance mechanisms for stakeholders and for workers. No grievances have been received yet. The environmental and social performance is rated Moderately Satisfactory due to the slight delay in the recruitment of the E&S specialists for the PIUs in KOSGEB and TÜBİTAK. MoIT assigned two internal experts in the MoIT PIU, Ms. Tuğçe Türkoğlu on the social side and Mr. Orcan Ufuk Eker on the environmental side, for coordinating the necessary reporting.

b. Agreed Actions and Next Steps

	Action	Responsible	Date
1.	Submit an annual plan for each component, covering calendar year 2024	MoIT, KOSGEB, and TUBITAK	February 29, 2024
2.	Process the recruitment of Project Manager, 2 IT Specialists, and 1 Design Specialist	MoIT	March 15, 2024
3.	Complete the recruitment and assignment of the OHS, Environmental and Social experts for the PIUs	MoIT (only Environmental and Social), KOSGEB, and TÜBİTAK	February 29, 2024
4	Submit the Annual Procurement Plan covering all procurement activities for CY2024 in line with the template to be provided by the Bank	MoIT, KOSGEB, and TUBITAK	February 29, 2024

6. Post-Earthquake MSME Recovery Project (P181068)

- a. **Implementation Progress:** The mission team met with KOSGEB President Ahmet Serdar İbrahimcioğlu, Vice President Bilal Kendirci and Project Manager Ms. Ceyda Gazel and PIU staff. The PIU presented the project progress to the team, noting the significant progress in disbursing total project budget to support about 39,000 MSMEs in the 11 earthquake-affected provinces by mid-December 2023. KOSGEB's President asked for World Bank's support to provide additional financing to the project, since KOSGEB had received about 71 thousand applications in total but the financing available only covered 39 thousand MSMEs. KOSGEB showed that additional financing of US\$300 million would be needed to meet the demand of earthquake affected MSMEs, taking into account the approved financing from JICA (20 million Yen) and planned financing from Spain (EUR50 million).
 - i. **PIU staffing:** KOSGEB has assigned a seasoned manager (who worked on the previous Rapid Support for MSEs project) and several internal staff to the PIU. Recruitment of external PIU staff (FM Specialist, M&E Specialist and 5 local experts (2 in Hatay, and 1 for each Karamanmaras, Adiyaman and Malatya provinces) is currently ongoing.
 - ii. **Disbursements:** The Project disbursed US\$449 million between November 7, 2023 and December 15, 2023, all of it under Component 1. All of the disbursed funds have been paid to eligible MSMEs, as per the terms and conditions of the RSFM. US\$900,000 remains undisbursed under Component 2 (Project management) as external hires of PIU staff have yet to be completed.
 - iii. **Procurement:** The procurement performance rating of the Project was rated as satisfactory at the time of the mission. KOSGEB has initiated the selection of PIU Consultants and aims to finalize the selection process by end February 2024 for those with established shortlists. For those other positions where there are no qualified applicants, the process will be reinitiated with revised Terms of Reference. Given that none of the procurement activities under the Project has a critical role in Project Implementation and is aimed rather to facilitate the processes which are currently being handled by KOSGEB's own staff, any delay in the process is still negligible.
 - iv. **Financial Management:** The financial management for the Project is satisfactory. An in-depth review of Project financial management arrangements will be conducted in February 2024.
 - v. **Environmental and Social Standards:** The environmental and social risk rating is classified as Moderate. KOSGEB has assigned an Environmental and Social Specialist for the Project, as required by the ESCP. KOSGEB also developed an ESMS for the project, and the Bank provided a No Objection to it. KOSGEB disclosed the Environmental and Social Policy for the ESMS in March 2023. KOSGEB submitted the first semi-annual environmental and social monitoring

report. The report included ten Environmental and Social Due Diligences (ESDD), as per ESCP requirement, which were found satisfactory.

A Stakeholder Engagement Plan, including a grievance mechanism for the Project, was finalized on October 11, 2023, and disclosed on October 20, 2023. KOSGEB has been implementing extensive stakeholder engagement activities, including virtual methods of engagement. The grievance mechanism received a total of 213 queries and questions, of which 98 percent was related to the implementation support itself. No grievances were related to E&S issues. All grievances were closed in a timely manner, except for 2 grievances.

Labor management procedures have been adopted and a grievance mechanism for workers established. No worker grievances have been received. The overall environmental and social performance rating of the project is rated Satisfactory.

b. Agreed Actions and Next Steps

	Action	Responsible	Date
1.	Complete PIU hires (M&E, FM and 5 local experts)	KOSGEB	March 15, 2024
2.	Agree with SBO and MoTF on request for additional financing (AF) and submit request for AF to the Bank	KOSGEB	February 29, 2024

Turkey Organized Industrial Zones Project (P171645)

- a. Implementation Progress:** This complex project, that is designed to accommodate nearly 50 investments (sub-projects) under three batches, is making progress with some delay. The procurement progress has been slow and cumbersome due to many clearances for each sub-project (technical documentation, E&S screening, PPSD, ESMP, design and tender dossiers).

Given that the capacity of OIZs is quite different, and many OIZs find it difficult to understand the subproject requirements and prepare the good-quality prefeasibility and feasibility reports and other project-related documents. This has led to lengthy revisions and iterative reviews, and delays of the whole project implementation process. To expedite the process, some capacity building and hands-on technical assistance (such as training and advisory services) might be needed for certain low-capacity zones. For that purpose, the PIU asked the Bank team if would be possible to get additional Bank support on this. The Bank team agreed to consider this option provided that additional funding (e.g., ESMAP TF grant extensions) could be secured.

To expedite the procurement and bidding process, the team and PIU discussed the progress on the legal changes needed to allow the PIU to make advanced payment to contractors of the sub-projects. This would greatly enhance the interest of more qualified bidders. PIU assured the team that this is in progress but would need a bit more time to complete. The team also proposed the possibility of bunging similar projects (e.g., wastewater treatment plants) in the bidding process. This would help to attract bigger and more qualified contractors and potentially speeding up the construction process. The PIU agrees to consider this possibility for new batches, especially the third batch of sub-projects.

- i. PIU staffing:** The PIU is well staffed, with 23 experts, of which 9 in-house MoIT staff and 14 externally hired experts. In addition, the hire of a process engineer, a second FM expert, a second architect and a second civil engineer is ongoing.
- ii. Current status of OIZ subprojects:** Two subprojects from the first package of eight subprojects (Bagyurdu OIZ Solar Power Plant (EUR 1.8 million) and LED lighting subproject at OSTIM OIZ (EUR135,000)) were signed earlier in 2023 and construction and installation activities are about to be completed. Following the mission, in early January 2024 a new subproject with Mersin-Tarsus OIZ for infrastructure worth EUR 16.3 million was signed with the winning contractor and construction works are about to begin. In addition, Balikesir OIZ Infrastructure Expansion subproject (estimated EUR 12 million) was cleared and bids will be received by March 12, 2024. The remaining 4 subprojects are in different stages of procurement. The second package has 14 subprojects, and these have all received Bank technical clearance from a technical and have been screened for E&S risks. The consulting companies that will prepare these 14 subprojects' technical designs, prepare E&S documents and conduct supervision during construction will be hired by March 2024. The tenders for these 14 subprojects are expected to be announced

in the second half of 2024. Finally, the third package consists of 27 subprojects, whose tendering will start in early 2025.

- iii. **Disbursements:** Disbursements continue to be low at 1.3%. The PIU and the Bank reviewed the ongoing and expected contracts to be signed and expect to reach disbursements of EUR 5.5 million by June 30, 2024, and a total of EUR22.5 million by December 31, 2024. Disbursements will continue to be monitored closely and every effort made to enable faster payment to contractors, including advance payment upon signing of contracts.
- iv. **Procurement:** MoIT has been evaluating the technical and financial proposals for “Consultancy Services for Design Review, Preparation of Tender Dossiers and Construction Supervision of Sub-Projects” for three separate groups and aims to finalize the selection process by the beginning of April 2024. In order to increase the cash flow for the construction works, MoIT is working on an amendment of the by-law which will allow OIZs to make advance payment to the contractors. The draft ToR for design of the Bagyurdu green administrative building has been ongoing and is planned to be submitted to the Bank for review by end of February 2024. MoIT is aiming to strengthen the technical capacity of the PIU by recruiting architecture, civil, electrical, and environmental engineers and procurement and contract specialist. The selection of these technical experts will be completed by end of April 2024.

The Procurement Performance rating is kept as Moderately Unsatisfactory. The rating will be upgraded when considerable progress is achieved by signing all construction contracts for Batch 1, commencement of the consultancy contracts for Batch 2 and issuing the SPNs and construction works, and finally enforcing the regulation allowing the advance payment.

- v. **Financial Management:** The financial management arrangements continue to be satisfactory to the Bank.

vi. **Environmental and Social Standards:**

Environmental and Social Risk and Performance Rating. The environmental and social risk ratings of the Project remain unchanged at Substantial and Moderate, respectively. The environmental and social (E&S) performance of the project is rated Satisfactory, considering that all commitments of the Environmental and Social Commitment Plan (ESCP) have been successfully met.

Environmental and Social Staffing. The PIU is now satisfactorily staffed in terms of E&S capacity. The PIU currently has two environmental specialists (external), one social specialist (external), one communications and stakeholder engagement specialist (external), and one occupational health and safety (OHS) specialist (external).

E&S Progress Reports. The PIU timely submitted the 2023/Q3 (July-September 2023) E&S Progress Report to the Bank on November 8, 2023. The progress reports currently provide sufficient information on the environmental and social (E&S) status of the subprojects. The

mission agreed that as the subprojects are gradually moving into the implementation phase, the next monitoring report will include a summary of the implementation issues, including environmental, OHS and social non-compliance, corrective actions taken to address non-compliance, accident/incident, and other E&S implementation issues. The mission agreed that the PIU will develop a monitoring template to be used by the Supervision Consultants for subprojects and share it with the Bank for review no later than January 31, 2023. The next E&S Monitoring Report (2023/Q4) will be submitted to the Bank no later than January 31, 2024.

E&S Screening Forms and Reports. The mission reviewed the current status of the E&S Screening Forms and Reports and discussed the subproject-specific critical E&S issues to be included in the screening forms and reports.

E&S Assessment Documents. The mission has discussed the current status of the E&S Assessment (ESA) documents (Environmental and Social Management Plan [ESMP], Environmental and Social Impact Assessment [ESIA] Report, Stakeholder Engagement Plan [SEP]) and Ex-Post Social Assessment [EPSA]) for 11 subprojects from the first application package, and the PIU informed the Bank of the indicative schedule for the preparation and submission of the ESA documents included in Package-1. The Bank team emphasized the importance of Consultant Companies following the simplified ESA document templates (prepared by the PIU and reviewed/commented by the Bank) in preparing these ESA documents. The mission agreed that for the next ESA document packages, no subproject-specific Stakeholder Engagement Plans will be prepared, but the PIU will review and update (if needed) the Project SEP and ensure its implementation to all subprojects.

Trainings. The mission agreed to include the three staff members of the PIU in the list of participants for the first upcoming ESF training. The mission was informed that the PIU continues to organize and conduct trainings for the OIZs involved in the Project and that the last training on the E&S and OHS requirements of the Project had been conducted on August 29, 2023, for Izmir Bagyrdu OIZ whose subproject (solar power plant) is currently under construction.

Site Visits. The mission was informed that the OHS Specialist of the PIU conducted a site visit to the Izmir Bagyrdu OIZ construction site on October 19-20, 2023. The Bank team emphasized the importance of frequent and regular site visits for successful implementation and strongly recommended the continuation of the supervision visits to the project sites.

Grievance Mechanism. The GM established by the MoIT specific for the project is working effectively and receiving inquiries. Since the effectiveness date of the Project, the GM has received a total of 19 inquiries and all 19 have been resolved. Most of the inquiries received by the GM are questions, suggestions and requests for information about the Project.

b. Project Restructuring

MoIT has requested to extend the project closing date by 18 months, from December 31, 2026, to June 30, 2028, to allow for all subprojects to be completed. In addition, MoIT has requested to reallocate US\$10 million allocated to sub-component 1.3 (Model Factory and Innovation Center Pilot) to sub-components 1.1 and 1.2. The request for restructuring from MoTF was received and the Bank team will initiate the process in February 2024. The restructuring is a simple one and is expected to be completed by March 31, 2024.

c. ESMAP-funded Work

As part of ESMAP grant TF0B3338 on Promoting low-carbon technologies and circular economy in Organized Industrial Zones, the World Bank OIZ project team and KPMG hosted a workshop on December 13-14, 2023 in Ankara. MoIT hosted the workshops. KPMG presented prefeasibility studies of innovative green technologies (4 at the OIZ level and 7 at the firm level) with participation of MOIT, OIZs, and companies from key industries that would benefit from carbon abatement technologies.

During the mission the World Bank team prepared and submitted a request for an extension of the ESMAP grant TF0B3338 and additional financing of US\$400,000 until June 30, 2024. The proposed new activities entail the continuation and further deepening of the previous work, which will help the operationalization of the proposed technologies, green OIZ certificates, and best practices. The team also requested additional financing of US\$750,000 until June 30, 2025 for grant TFC01118 on Enabling the Adoption of Innovative Decarbonization Technologies and Circular Economy Solutions in Selected Industries in Türkiye (which is linked to the Green Industry Project). Both ESMAP grants are under the Umbrella ESMAP Industrial Decarbonization Window (IDW), which, at the time of the mission had yet to be extended by the contributing donors.

d. Agreed Actions and Next Steps

	Action	Responsible	Date
1.	Submit the No-Objection status Excel file ahead of the bi-weekly PIU-Bank video conferences	MoIT PIU	Once every two weeks
2.	Submit to the Bank, via MoTF, an official request for project restructuring	MoIT	January 31, 2024 (completed)
3.	Prepare the project restructuring paper and initiate the restructuring process	Bank team	February 29, 2024
4	Submit the Annual Procurement Plan covering all procurement activities for CY2024 in line with the template to be provided by the Bank	MoIT	February 29, 2024
5	Completion of selection of the consultants for design review, preparation of Tender dossiers and construction supervision of sub-projects (3 Groups)	MoIT	Early April 2024
6	Increasing the capacity of the PIU by employing technical experts	MoIT	Early April 2024

7. Small Industrial Estates Reconstruction and Regional Economic Recovery Project (P502837)

The mission team held meeting with MoIT/DG Industrial Zones on Small Industrial Estates Reconstruction and Regional Economic Recovery Project (P502837), and, having agreed on the project's objective, components, and proposed results the Bank team finalized and submitted the Project Concept Note (PCN) for review.

A Concept Note review meeting was held on Wednesday, December 13, 2023, while the Bank team was still in Ankara. The meeting was chaired by J. Humberto Lopez, Country Director (ECCTR). The Chair authorized the team to proceed with the preparation of the project and asked to: a. Streamline the storyline of the project and bring forward the climate resilience objective; b. Streamline the PDO statement and PDO-level indicators; c. Clarify complementarity with existing World Bank and IFC operations, which support MSMEs in earthquake affected provinces.

The Bank team met with MoIT/ DG industrial Estates to discuss project preparation and agreed to leverage the existing PIU of the Green OIZ project to support the preparation and implementation of the planned project. The PIU informed the team that they will launch the call of applications for the reconstruction of damaged workshops in existing SIEs in early January and close it by February 6th, according to the program design and OIZ law amendment. The PIU will report to the World Bank the exact number of applications received by then to estimate the size of works expected in existing SIEs.

The team asked the PIU to share the procurement documents related to ongoing reconstruction activities at existing SIEs, to review them and advise if their associated expenses could be eligible for retroactive financing. For new SIEs, the team stressed on the importance of conducting a survey of damaged manufacturing firms in earthquake-affected provinces, to assess their demand for new workshop at new SIEs. The PIU clarified to the team that new legislation to govern the expected scope of the project will be finalized and published in early January 2024.

Financial Management: The team discussed the proposed project design and relevant financial management requirements for the Project at the initial stage. The Project will be implemented by the Ministry of Industry and Technology (MoIT) Directorate General of Organized Industrial Zones which has experience in implementing World Bank financed projects, MoIT will be responsible for all procurements and payments relating to the investments that will be financed. For the purposes of World Bank Project, traditional disbursements mechanisms for investment loans will be used. MoIT will assign a dedicated team to the implementation of this new Project.

Procurement: The PIU in Directorate General of Organized Industrial Zones (DGIZ) will be responsible for carrying out the procurement process and managing contract implementation. This PIU is currently implementing the Türkiye Organized Industrial Zones Project (P171645) and has experience with the Bank's Procurement Regulations. The proposed project is not expected to include complex procurement. A Project Procurement Strategy for

Development (PPSD) and a Procurement Plan will be prepared by the PIU by appraisal for the Bank’s approval, and in this regard, efforts will be made to streamline the procurement processes, e.g., through consolidation of the procurement packages, wherever feasible, to minimize the number of procurement transactions. The Bank will assess the procurement capacity of DGIZ based on what strengthening measures, if any required, will be agreed.

a. Agreed Actions and Next Steps

	Action	Responsible	Date
1.	Report to the World Bank on the number of applications received for reconstruction activities in existing SIEs	MoIT PIU	February 8, 2024
2.	Report to the World Bank on the demand assessment of manufacturing firms for new SIEs	MoIT PIU	February 15, 2024
3.	Prepare the PAD and associated ESF documents and PPSD and Procurement Plan	World Bank	January-March, 2024

Annex 1: List of Mission Participants

No.	Entity	Participant	Title
	MoIT/ DG Industry	Prof İlker Murat Ar	Director General
		Ali Murat Sürekli	Deputy Director General
		Özkan Özkara	Project Coordinator
	MoIT/DG OIZ	Abdurrahman AYDIN	Director General
		Cihan Demirköprülü	Head of Department
		Mahmut Açıköz	Project Coordinator
	KOSGEB	Ahmet Serdar İbrahimcioğlu	President
		Bilal Kendirci	Vice President
		Faruk Kahvecioglu	Head of Department
	TUBITAK	Professor Hasan Mandal	President
		Hande Alpaslan	Head of Department
		Mehmet Aslan	Head of Department

Annex 2: List of Meetings

Date & Time	Activity and Location
December 4th	
09.30-10.30	Joint Meeting on Green Industry Launch Event with MoIT, TUBITAK and KOSGEB
10.30-11.30	Technical Meeting on Green Industry PIU with MoIT
12.30	Lunch and Check-in Meeting with CMU – Agata & Korhan
14.30-17.30	Meeting with DG OIZ on SIE
December 5th	
09.30-10.30	Visit to KOSGEB President (Mr. Ahmet Serdar Ibrahimcioglu)
10.30-12.30	Meeting with KOSGEB PIU on Green Industry
14.00-16.00	Meeting with KOSGEB PIU on Post-EQ Recovery
16.00-16.15	Preparation to the ICR Meeting
December 6th	
09.30-11.30/12.00	Meeting with DG OIZ on Green OIZ
13.00-15.15	Meeting with DG OIZ on SIE
17.00-18.00	Decision Review Meeting ICR Completion Report for Rapid Support for MSMEs (P174144)
December 7th	Ankara
	Meetings w/ MoIT DG OIZ and an Internal Meeting
09.30-10.00	30min-1hour w/ Humberto
13.30	Team Meeting in the Office and Preparation for the Green Industry Launch Event
December 8th	
14.00-17.30	Green Industry Launch Event in Gebze
December 11th	
11.00-12.00	Meeting with MoIT DG OIZ on ESF
15.00-16.00	Meeting with MoIT Deputy Minister H.E. Cetin Ali Donmez

Date & Time	Activity and Location
December 12th	
10.00-11.00	Meeting with MoIT Deputy Minister H.E. Cetin Ali Donmez and Mr. Ahmet Simsek
14.00-16.00	Preparation for SIE PCN Review Meeting
December 13th	
09.00	KPMG-WB ESMAP Workshop on Low Carbon Technologies
13.00-15.00	KPMG-WB ESMAP Workshop on Low Carbon Technologies
16.45-18.45	SIE PCN Review Meeting
December 14th	
09.00-10.00	Meeting with MoIT DG OIZ and TIS (Turkish Institute of Standards)
10.00-11.00	Meeting with Mr. Abdullah BAŞAR – MoIT, DG of Strategic Research and Productivity
11.00-12.00	Meeting with Mr. Alper Guzel – MoIT, DG of National Technologies on Digital Transformation
12.30/13.00-13.00/13.30	Lunch meeting with KPMG
15.00-17.00	Hybrid Meeting with TUBITAK