



Appraisal Environmental and Social Review Summary

Appraisal Stage

(ESRS Appraisal Stage)

Date Prepared/Updated: 03/16/2020 | Report No: ESRSA00463



BASIC INFORMATION

A. Basic Project Data

| | | | |
|--|--|--------------------------|----------------------------|
| Country | Region | Project ID | Parent Project ID (if any) |
| Turkey | EUROPE AND CENTRAL ASIA | P171543 | |
| Project Name | Agricultural Employment Support for Refugees and Turkish Citizens through Enhanced Market Linkages | | |
| Practice Area (Lead) | Financing Instrument | Estimated Appraisal Date | Estimated Board Date |
| Social Protection & Jobs | Investment Project Financing | 3/12/2020 | 4/15/2020 |
| Borrower(s) | Implementing Agency(ies) | | |
| Agricultural Credit Cooperatives Central Union | Agricultural Credit Cooperatives Central Union | | |

Proposed Development Objective(s)

To improve the conditions for formal agricultural employment opportunities in selected host communities

| Financing (in USD Million) | Amount |
|----------------------------|--------------|
| Total Project Cost | 52.10 |

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

Yes

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

The proposed project aims to improve conditions for enhancing formal employment for refugees and Turkish citizens in rural areas through a combination of demand and supply side interventions. The project is closely aligned with the Government of Turkey’s policy priorities and refugee response agenda of providing refugee and host communities access to sustainable livelihoods and employment in the agricultural sector. The proposed project builds on an approach that has proven successful in urban settings and adapts it to the agriculture sector. On the labor supply side, the project focuses on enhancing workers' skills through technical, soft skills and on the job training. For higher



skilled, long term workers, the project provides a pathway to formalization. On the labor demand side, enhanced use of contract farming and provision of incentives (including wage subsidies) aims to increase farm productivity and boost formal on-farm and off-farm job creation. The project includes several innovative features tailored to the agriculture sector, including profiling of potential workers, assessment of skills demanded in the sector as well as development of tools to match workers and employers in a context characterized by high degrees of informality and a significant refugee population. The project includes a rigorous impact evaluation that will assess the impact of this approach on employers and workers.

The project will be implemented in partnership with the Agricultural Credit Cooperatives (ACC), one of the largest farmer organizations in Turkey. The project design includes features to strengthen ACC's the capacity to ensure effective project implementation, including monitoring and evaluation.

The project is being processed under condensed processing procedures, based on World Bank Policy on Investment Project Financing (OP 10.00), Paragraph 12. The rationale for processing the project under the condensed procedures is the urgent need for assistance to support the Government of Turkey's efforts to mitigate rising pressures on service delivery from the continual influx of refugees across the border, from camps to cities and also on the urgent need to support refugees to become self-resilient and reliant through appropriate socio-economic integration tools. Currently, DGMM figures state that there are approximately 4 million refugees in Turkey, the majority originating from bordering Syria. Although most refugees are located in cities rather than camps, about 3 percent of refugees are located in camps. However, the government intends to close the camps and is transitioning people, except the most vulnerable, into cities gradually. This change poses various challenges to most cities in Turkey, already hosting thousands of refugees, including issues such as increased social tensions, increased service delivery pressures, and pressures on availability of resources.

D. Environmental and Social Overview

D.1. Project location(s) and salient characteristics relevant to the ES assessment [geographic, environmental, social]
Turkey is both a transit and reception country of migrants and refugees. As a result of the crisis in its southern border with Syria, since 2011, Turkey has been hosting an increasing number of refugees and foreigners seeking international protection. In addition to hosting more than 3.6 million Syrians, who are under temporary protection, there are an estimated 400,000 asylum seekers and refugees from other nationalities. Currently, Turkey hosts the highest number of refugees in the world. The country's refugee response has been progressive and provides a model to other countries hosting refugees, but the magnitude of the refugee and migrant influx continues to pose challenges for displaced persons, host communities, and the country at large. A considerable share of the refugee population is extremely vulnerable and receives social assistance. Around 1.5 million refugees benefit from Emergency Social Safety Net (ESSN) program and rely (about 75 percent) on unskilled/ unreliable income sources, 56 percent classified as poor (WFP, 2017) and 86 percent working in informal jobs (Turkish Red Crescent (TRC) livelihood survey, 2018). Most refugees seek employment informally as daily workers primarily in manufacturing and in the agricultural sector, which provides a large absorption opportunity for this low skilled labor pool with at least some productive capacity but limited language and vocational skills. The potential of agriculture in absorbing the refugee supply is further reinforced by the existing exemption of work permit requirements in the sector. However, marked with high shares of informal employment (83 percent in 2017) even before the refugee influx, Turkey's agriculture sector faces important challenges in providing favorable working conditions to either the refugees or the host communities. Most



of them are currently unregistered and earn less than minimum wage, facing challenges in labor protection in agriculture sector.

This inflow of refugee labor has caused significant disruptions in the labor market leading to sharp reductions in informal employment for Turkish citizens, especially for those without any formal education particularly in agriculture, where informality is high. Such disruptions also present a threat to social cohesion, with increasing resentment towards Syrian refugees among the local population. Existing surveys as well as consultations with the local governments and agencies point to the risk of tensions between refugees and host communities as refugees work informally and at lower wages in the agriculture sector, displacing local jobs and those of seasonal workers. It is therefore critical to develop a strategy to support the integration of refugees into the Turkish economy while at the same time improve the labor market prospects of Turkish citizens in the informal sector.

Refugees' working in the agriculture sector at lower wage rates was initially considered as an opportunity to lower labor costs and boost production from farmers' side. However, the lack of technical knowledge and skills resulted in yield losses in some places, especially in areas requiring semi-skilled labor force. This experience revealed the need to improve skills of refugees seeking employment opportunities in the agriculture sector. In addition, job matching in agriculture sector is mostly done on very short term, spontaneous and random channels. Studies find labor shortages in agriculture, particularly in the areas of livestock care and maintenance, orchard/plantation management and harvesting (citrus and olive), meat processing, greenhouse operation and maintenance (cut flowers and vegetables) and post-harvest processing and packaging. An important aspect is the mismatch in skills, with shortages being mainly in skilled and semi-skilled labor. Agricultural employers are hesitant to employ refugees due to a lack of confidence in their skills; in fact, many employers state their willingness to provide on-the-job training for refugees, but lack linkages to relevant training institutions (FAO, 2018. Turkey: Syrian Refugee and Resilience Plan 2018-19, FAO, 2018, pp. 5-6).

Currently, agricultural employment is largely informal, although a shortage of skilled workers has increased wages for some types of work. For more skilled workers, and those working in jobs that continue most of the year, a near future step on this pathway towards formalization is enrollment in Turkey's social insurance scheme (SGK). For refugees, particularly those who are unskilled, this pathway might be longer, as practice suggests that they may initially fill the demand for unskilled casual labor. Enhancing their soft and technical skills, as well as providing relevant on-the-job training, and improving their knowledge of their rights under Turkish law, is anticipated to result in better employment conditions for refugees and Turkish workers and to position them towards securing their registration and working status through a work permit or waiver, and thus moving towards formalization.

The proposed project will contribute to the Turkish Government's refugee crisis response agenda by supporting refugee and host communities to access sustainable livelihoods and employment opportunities in Turkey, with a specific focus on increasing on-farm and off-farm formal agricultural employment of refugees and Turkish citizens in selected provinces through enhanced agricultural value chain linkages and skills development in line with the specific needs of the sector at the local level. To maximize the impact, the project will target provinces with higher contract farming and related agricultural paid work potential and with higher refugee (particularly workable) presence, namely Adana, Diyarbakir, Bursa, Gaziantep, Izmir and Mersin which have high agricultural employment potential and high number of refugee and workable ESSN beneficiaries. The target groups are: (i) refugees residing in selected provinces, working in on-farm agricultural jobs, and willing to exit from ESSN and willing to be formally registered will be eligible



for the actions benefits; (ii) host communities (Turkish paid agricultural workers and ACC member farmers); and (iii) local ACCs located in selected provinces working or willing to work through contract farming schemes, having a highly productive membership profile and willing to participate in the program. The project will mainly look into labor-intensive crops in which production seasons are longer, such as, but not limited to; almond, melon, tomato, citrus, pepper etc.

D. 2. Borrower’s Institutional Capacity

The project will be implemented by ACC Central Union. ACC operates through a three-tier structure consisting of the Central Union (CU) of the ACC, 17 Regional Unions (RU) and 1,625 Primary Cooperatives (PC) with over 900,000 farmer members as of today. Each of these three relevant levels operates independently and maintains separate financial books and records. The ACC-CU will implement the proposed project, with its relevant departments carrying out the proposed activities in line with their mandates as defined in ACC CU organizational structure. These departments are (a) Marketing, (b) Training, (c) Information Technologies, (d) Financial, (d) Procurement, and (e) the Corporate Relations and Communication Directorate. A Project Implementation Union (PIU) will be established under the ACC Central Union to support the responsible Departments. The PIU will coordinate and facilitate relevant project activities and bear responsibility for the implementation of environmental and social standards (ESSs) under the World Bank Environmental and Social Framework (ESF). The PIU will be staffed with individual consultants who will possess adequate environmental and social (E&S) management expertise. ACC CU does not have a certified Environmental and Social Management System (ESMS). ACC does not have any prior experience in applying World Bank safeguards policies or ESF. For the World Bank-funded project, the ACC CU has developed and further implement the provisions of the Environmental and Social Management Framework (ESMF) which describes the E&S management process including screening, environmental and social assessment, public consultation, WB clearance, incorporation into works contracts, information disclosure and supervision and monitoring of the project activities. In addition, ACC drafted the labor management procedure (LMP) and the Stakeholder Engagement Plan (SEP), and consulted upon the SEP. The Bank will provide training on ESF to ACC immediately after the Project Effectiveness.

Public Disclosure

II. SUMMARY OF ENVIRONMENTAL AND SOCIAL (ES) RISKS AND IMPACTS

A. Environmental and Social Risk Classification (ESRC) Substantial

Environmental Risk Rating Moderate

The environmental risk is rated as Moderate. Component 1 of the project will support eligible employers through an improved and enhanced package of services provided by ACC, including technical and administrative assistance, on the job training of new workers, access to a pool of better skilled workers and financial assistance through temporary coverage of wage subsidies and partial coverage of registration cost and premiums to workers. The environmental aspects to be considered in relation to these project activities include the need to address incremental environmental



impacts which might be caused by improvements in agricultural production (crop production and pesticide use) arising from the adoption of contracting farming and to ensure occupational health and safety (OHS) conditions of the workers employed and those benefiting from wage subsidies are in line with national regulations and World Bank Environmental Health and Safety Guidelines (ESHG) and Good International Industry Practices (GIIP). Component 1 will also provide support for the increase of skills and employability of agricultural workers through the delivery of customized training sessions which should be designed to be in line with respective provisions of WB ESHG and GIIP, as related to OHS and mitigation of environmental risks. Component 2 of the project will provide micro- and small-scale grants to primary ACC cooperatives. These grants will be awarded for the purchase of equipment and goods for secondary agricultural production (drying, storage, grading and packaging of agricultural produce), and, thus, strengthening the value chain of produces grown under the ACC contract farming schemes. The grants will not be used for the construction of new facilities. Secondary agricultural production supported by the provision of goods and equipment under the above-mentioned grant program, may be associated with certain environmental risks such as generation of non-hazardous wastes, unsustainable use of resources (electricity, water), noise and vibration due to the operation of equipment, and improper OHS at the production sites. The anticipated environmental risks are not significant, temporary and can be either avoided or managed by the implementation of adequate mitigation measures. Therefore, the project environmental risk is rated Moderate.

Social Risk Rating

Substantial

The social risk rated as Substantial. The project will have positive impacts on formalization of workers in the agriculture sector and increasing employability of unskilled and semi-skilled workers. The project activities will cover (i) wage subsidies to employers in the agriculture sector, (ii) training to the refugees and Turkish citizens to upgrade their technical and soft skills and command of Turkish , and (iii) micro/small grants to primary ACCs in selected provinces to purchase equipment and goods for secondary agricultural production. The project is not expected to cause any direct irreversible or unmanageable impacts. The project will not support any major construction works, therefore risk and impacts related to land acquisition and involuntary resettlement, and cultural heritage are not expected. While the intrinsic project risks are moderate, contextual social risks to the project are Substantial, but these are addressed through both the project design and the ESF instruments.

Contextual risks stemming from geopolitical context and existing social tensions are Substantial. In order to mitigate the risk, ACC will be assisted to expand contract farming and increase labor demand for refugees and Turkish citizens. Stakeholder engagement risk is considered to be substantial due to social tensions that are reported to exist in some project areas where Syrian refugee influx is seen by the local population as intensifying competition for jobs and access to services. In order to address this risk, ACC prepared a Stakeholder Engagement Plan (SEP) to guide meaningful consultations with different stakeholders and project beneficiaries, incorporate their voices into project implementation, and prevent the risk of the Project unintentionally causing social disruption between host communities and refugee communities, and within each of the communities. ACC will develop a targeted communication strategy about the Project. SEP includes project level grievance redress mechanism (GRM) to capture suggestions and complaints by the project beneficiaries.

According to Turkstat’s 2012 Child Labour Force Survey which contains the most recent data regarding child labour in Turkey, 893.000 children between the ages of 6 and 17 are working and 44.7 percent of all working children (399.000)



are employed in agricultural production. While Turkish Labor Code (No. 4857) is to a large extent consistent with the ESS 2, it does not apply to agricultural and forestry enterprises employing less than 50 workers, family-run construction work related to agriculture, works and handicrafts performed at home, domestic work, sportsmen, people in rehabilitation, enterprises with three or less employees working as tradesmen or producing small handicraft. The draft Labor Management Procedure (LMP) include provisions to ensure that all agriculture enterprises, including small firms, follow provisions of the ESS2 as a condition to participating in and benefiting from the employment-support extended through the project. Community health and safety risks are expected to be minimal to moderate due to controlled levels of pesticide use under contract farming by ACC, OHS risks are rated as 'Low' per existing national laws. To improve social cohesion at work places benefiting from the project, the ACC and supporting organizations will provide programs on labor rights including grievance options to both refugees and Turkish citizens, which will also enhance their understanding of and ability to protect their own rights.

In terms of the capacity of the Borrower, ACC does not have any operational experience with WB safeguards policies and ESF. Therefore, the capacity of the implementing agency will need to be strengthened especially managing labor risks, stakeholder engagement, and GRM.

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 project aims at increasing on-farm and off-farm formal agricultural employment of refugees and Turkish citizens in selected provinces by increasing the demand for formal employment among farms engaged in ACC contract farming schemes and through improving the technical skills and employability of rural workers. While no physical works will be financed, the project will provide financial assistance to eligible employers willing to formally employ workers. Also, the project will finance micro- and small-scale grants to ACC cooperatives for the purchase of goods and equipment to stimulate and support secondary agricultural production with the aim of increasing the demand for contract farming schemes among farmers. The project environmental due diligence should address environmental and social risks associated with such expansion of secondary production, including generation of wastes, use of energy and water resources, noise and vibration, and workers' working conditions and safety. It should be ensured that training sessions to be delivered to workers provide an adequate coverage of environmental management issues, in line with the provisions of WB General EHS and GIIP. The EHS guidelines of the World Bank on annual and perennial crop production will also be followed to for pesticide and fertilizer use. In addition, the Ministry of Agriculture has strict regulations on use and storage of pesticide and fertilizers, which are also claimed to be in line with FAO and WHO standards. Since the exact location and details of the activities to be supported by the project interventions described above will be defined in the course of the project implementation, the ESMF is found to be the most appropriate due diligence instrument at this stage of the project cycle. The ESMF is drafted by the client (ACC) and establishes the mechanism for screening and assessing anticipated environmental and social risks and describe the procedures and responsibilities for the preparation, disclosure and implementation of site-specific E&S



due diligence documentation and respective mitigation measures. The draft ESMF was disclosed and discussed with stakeholders by end of appraisal completion.

The project has an important objective to provide formal employment support for refugee and host communities and improve working conditions in the agriculture sector in Turkey, which is majorly known for high informality and unfavorable working conditions including low wages, discrimination, incidences of child labor and inadequate worker protection. Although the project's main goal is to support long term workers rather than supporting seasonal migrant workers, in which child labor incidences are mostly observed, the project will ensure appropriate screening and monitoring through spot checks in fields to prevent any forms of child and/or forced labor among employers. See below the ESS2 section how the project would address labor related risks.

No civil works, such as construction of new facilities, or activities related to land acquisition will be financed under the project components. Potential social risks and impacts to be addressed are mainly related to (i) managing labor and working conditions of the agricultural workers (community workers), screening risks of informality, child and forced labor in the employers will be mitigated through Labor Management Procedure and ESMF (ii) potential risk of tensions between refugees and host communities as refugees work informally and at lower wages in the agriculture sector, displacing Turkish citizens, who mostly work informally, from the labor market in host communities (iii) institutional risks for ACC as formal employment generation will be a new line of operation under their current contract farming practices, in addition to their lack of prior experience in dealing with vulnerable groups, such as refugees, seasonal migrant workers. Stakeholder relations and risks to social cohesion will be mitigated through project's Stakeholder Engagement Plan. Capacity building and hiring additional environmental and social experts will be supported under Component 3.

Vulnerable and disadvantaged groups (such as elderly, illiterate, people unable to understand host language, women, disabled, etc.) will be identified through the outreach and pre-employment profiling, and measures will be taken so they will not be excluded from potential project benefits. Special measures will be taken to include vulnerable groups who are willing to take part in agricultural production.

The current legislation in Turkey defines seasonal agricultural work as one of worst types of child labour, and children under the age of 18 are banned from agricultural work. The Turkish Ministry of Family, Labor and Social Services has been executing a National Program on Elimination of Child Labor (2017-2023) in Turkey and has introduced strict measures to prevent involvement of children in worst forms of child labor in different sectors, including agriculture. However, with the high informality in the sector child labor remains as an important problem. According to Turkstat's 2012 Child Labour Force Survey which contains the most recent national data regarding child labour in Turkey, 893,000 children between the ages of 6 and 17 are working and 44.7 percent of all working children (399,000) are employed in agricultural production. Other data resources, such as the US Department of Labor, state in the child labor report on Turkey that out of 320,254 children of ages between 6 and 14 years who are working, 57 percent worked in agriculture.

The LMP drafted by ACC includes age verification procedure to prevent employment of persons below the age of 18 and awareness activities of the prohibition of child labor. The project will also involve a child protection specialist to introduce child protection measures which will help guide workers who usually bring their child into agricultural fields where children may be exposed to certain health and safety risks. In addition, there are mobile-child friendly centers



developed by various organizations such as Kizilay (TRC) especially for the migrant workers who do not have any other option to leave their children. Such centers promote schooling but also conducting health checks and vaccinations regularly in places where seasonal migrant workers are abundant, such as in Adana. The project may benefit from such centers, as needed.

This Environmental and Social Assessment has benefitted from:

1-the Wage Payment Types and the Outlook of Child Labour in Turkey's Agricultural Production

<http://www.ka.org.tr/duyurular/15/Development-Workshop-Cooperative-shared-new-publication-set>

2- The Ministry's National Programme on Elimination of Child Labor

https://www.ailevecalisma.gov.tr/media/1321/cocukisciligimucadele_2017_2023_en.pdf

3- US Department of Labor (2018) <https://www.dol.gov/agencies/ilab/resources/reports/child-labor/turkey>

ESS10 Stakeholder Engagement and Information Disclosure

The project's stakeholders are defined as project affected parties who are the potential refugees working as long term agricultural workers, Turkish agricultural workers and farmers. Primary ACCs, ACC central and local unions are also project beneficiaries in this project. Other stakeholders that may have an interest in the sub projects are likely to be governmental authorities, such as Ministry of Family, Labor, Social Services, Ministry of Agriculture and Forestry, Kizilay (Turkish Red Crescent), other NGOs and media.

ACC drafted the SEP which details out the stakeholders, previous stakeholder meetings, stakeholder engagement program with methodologies. Although ACC has a well-functioning GRM, internal audit department and a Customer Relation Management (CRM) system in place to track satisfaction among its farmer members, this GRM will be adapted to also receive anonymous grievances from project beneficiaries both in Turkish and Arabic. This GRM will be supported through project implementation. Since there are different layers and beneficiaries in the project, this GRM will be able to collect grievances, requests, demands from beneficiary farmers at primary ACC level as well as from refugee and Turkish agricultural workers, who are benefiting from the project. In addition, this will necessitate extra capacity for ACC to assign a stakeholder/social specialist to be able to collect grievances and respond them in a timely manner. Details of GRM are defined in the draft SEP and will also be defined in the Project Operational Manual. Grievances received via ACC Call Center (444 48 55) will be directed to PIU Team and any other grievances received via e-mail, website, comment/complaint form, suggestion boxes, social media, regional and local offices will be processed by PIU Team.

Vulnerable and disadvantaged groups (such as elderly, illiterate, people unable to understand host language, women, disabled, etc.) will be identified through the outreach and pre-employment profiling. Special measures will be taken to include vulnerable groups who are willing to take part in agricultural production.

Draft SEP was disclosed on 20 February 2020 and will be consulted on 6 March 2020 with stakeholders and will be revised as needed through out project implementation.



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 workers are: a) direct workers – ACC employees assigned to work on the project, consultants hired by the PIU, and ACC staff in regional branches who will be assigned to work on the project; b) contracted workers – employees of NGOs or field based organizations working with refugees, employees of consulting firms carrying out training ; c) community workers – Turkish citizens and refugees who will benefit from the project by receiving wage subsidies and on the job training stipends; d) primary supply chain workers – workers in firms who will provide agricultural equipment under Component 2. ACC prepared a preliminary draft of Labor Management Procedures (LMP) which will apply to all categories of project workers.

Turkish Labor Code (No. 4857) is to a large extent consistent with the ESS 2. Turkey ratified all the four Core ILO Conventions and OHS ILO Conventions. The main gap with ESS2 is related to the requirement for the grievance mechanism for workers. While the national legislation provides for Labor Courts to raise labor rights concerns, the Labor Code does not include specific requirements for workplace grievance mechanism. The Labor Code includes provisions to ensure contracted workers are paid, however, it does not include provisions regarding the selection, management and monitoring of contractors with regard to ESS2 requirements, even though Labor Code applies to the types of workers who would be considered as contracted workers under ESS2 definition.

The Labor Code (Article 4) does not apply to agricultural and forestry enterprises employing less than 50 workers, family-run construction work related to agriculture, works and handicrafts performed at home, domestic work, sportsmen, people in rehabilitation, enterprises with three or less employees working as tradesmen or producing small handicraft. The draft LMP include provisions to ensure that require such small firms to follow provisions of the ESS2 as a condition to participate in and receive benefits from the project.

The minimum working-age in this project will be the age of 18 years. The national legislation and ACC policies prohibit child labor. According to the law, it is prohibited to employ children below the age of 15. It is also forbidden to employ children below the age of 18 for certain hazardous jobs and for jobs that require night shifts. During profiling phase of potential project beneficiaries (community workers), the age will be verified. This will require potential community workers to provide official documentation, which may include a birth certificate, national identification card, passport, driver licenses, SuTP identification card or any other document accepted by the Turkish government.

Forced labor is prohibited by the Turkish Constitution. Foreign workers are covered under Labor Code only if they are legally employed. The Labor Code includes provisions for the minimum wage and sets maximum weekly hours as 45 hours, not exceeding 11 hours daily. The annual limit for overtime work is 270 hours. Overtime hours are paid 1.5 times the normal hourly rate, or 1.25 times for part-time employees. Employees may choose to receive 1.5 times the



amount of overtime work as time off in lieu of financial compensation for overtime. Workers are entitled to one paid rest day per week. The law provides for the prohibition of discrimination in employment based on language, race, sex, political opinion, philosophical belief, and religion. Employment may not be terminated on the grounds of race, color, sex, marital status, family responsibilities, pregnancy, birth, religion and political opinion. At least 6% of employees in enterprises employing at least 50 persons should be disabled, ex-convicts or victims of terror. Workers have the right to form and join trade unions.

Law on OHS (No. 6331) governs workplace environments and industries (both public and private) and all categories of employees including part-time workers, interns, and apprentices. The legislation is comprehensive and is generally applicable across all sectors and many industries. Law is consistent with the requirements of the ESS 2. The partial gap exists in the requirement for the provisions of facilities – the law only requires provisions of canteens. The OHS law does not require an employer to prepare and overarching OHS plan. These gaps are addressed in the draft LMP.

The Turkish Ministry of Family, Labor and Social Services has been executing a National Program on Elimination of Child Labor (2017-2023) in Turkey and has introduced strict measures to prevent involvement of children in worst forms of child labor in different sectors, including agriculture. The current legislation in Turkey defines seasonal agricultural work as one of worst types of child labor, children under the age of 18 is banned from agricultural work.

ACC will be implementing agency for the project. ACC human resources polices are consistent with Turkish Labor Code requirements and prohibit child and forced labor. ACC prepared labor management procedures which will apply to all categories of project workers. ACC currently has a grievance mechanism in place to address concerns of their employees, customers, and cooperative members. This grievance mechanism will be adapted to specifically meet the requirements of ESS2 for workers' grievance mechanism. Within the scope of the project, the existing Agricultural Credit Call Center will be adapted in line with the specific needs of the project to collect and evaluate grievances and demands by the farmers and workers to be employed within the Project (direct, contracted, and community workers). In order to prevent language barriers, the mechanism will be established in Turkish, English and Arabic languages. A grievance mechanism will be set up for Direct, Contracted, and Community workers to formally raise their concerns, complaints and grievances and facilitate resolutions in a confidential manner, if needed.

The workers grievance mechanism will include:

- A procedure to receive grievances such as a Call Center, comment/complaint form, suggestion boxes, email, website; ACC regional and local offices;
- Stipulated time frames to respond to grievances;
- A register to record and track the timely resolution of grievances;
- A responsible department to receive, record and track resolution of grievances;
- Grievance categories (working conditions, financial, child/forced labor, legal issues (harassment/robbery, etc) and other issues) to categorize grievances, complaints and concerns to handle them efficiently.

The workers grievance mechanism will be described in staff induction training, which will be provided to all project workers. The project will carry out awareness sessions for farmers participating in the project, on the prohibition of sexual harassment and exploitation. The workers' and project grievance mechanism will be able to receive complaints related to SH/SEA.



According to Turkstat’s 2012 Child Labour Force Survey which contains the most recent data regarding child labour in Turkey, 893.000 children between the ages of 6 and 17 are working and 44.7 percent of all working children (399.000) are employed in agricultural production. The Turkish Ministry of Family, Labor and Social Services has been executing a National Program on Elimination of Child Labor (2017-2023) in Turkey and has introduced strict measures to prevent involvement of children in worst forms of child labor in different sectors, including agriculture. The current legislation in Turkey defines seasonal agricultural work as one of worst types of child labour, children under the age of 18 is banned from agricultural work.

While there are child labor and informal work risks associated with the agriculture sector in Turkey, the project design and ESF instruments seek to minimize the risk. The project will only support the formal employment of persons above the age of 18 years. The formality of employment will be verified by the Turkish Social Security Agency and the project will establish age verification procedure. In addition, project monitoring activities will include periodic visits to farms employing community workers.

ACC adopted project designs that will help reduce some of the risks related to labor related risks described above. Per design, only those formal employers (farmers) can apply for wage subsidy and OJT under the Project. Informal employers are not be eligible for wage subsidy or OJT. The project design thus seeks to minimize the risk of promoting informal employment which may involve significant risks to employees.

Also, ACC prepared a LMP, consistent with relevant national laws and the World Bank’s ESS2. Per LMP, the project will support formal employment for persons above the age of 18 years. The formality of employment will be verified by the Turkish Social Security Agency and the project will establish age verification procedure and the LMP includes measures to prevent work below age of 18. In addition, project monitoring activities will include periodic visits to farmers employing community workers. Even though, the Labor Code does not apply to agricultural enterprises employing less than 50 workers, the project will include labor protections equivalent of the labor code in the contracts with community workers receiving wage subsidies. Trainings for agricultural enterprises will include awareness sessions about detrimental aspects of child labor and awareness about national legislation pertaining prohibition of child labor. ACC will inform agricultural enterprises and employed workers about the grievance mechanism which they can use to report child labor, including anonymous reports.

ESS3 Resource Efficiency and Pollution Prevention and Management

This standard is relevant because, while the project will not finance any physical works or any farm inputs, work in agricultural settings and the expansion of secondary production may be associated with generation of wastes and use of energy and water resources. These risks are duly addressed under the draft ESMF and site-specific E&S documents, application of the EHSG and introduction of Integrated Pest Management principles as appropriate. It is important to adopt the IPM approach and increase awareness of pesticide-related hazards and good practices for safe pesticides use and handling among the farmers participating in the Project. Furthermore, energy efficiency and pollution prevention practices will be presented where appropriate as part of the technical training sessions to be delivered under the project.



ESS4 Community Health and Safety

This standards is relevant because, while the project will not finance any physical works or farm inputs, work in an agricultural setting and enhancing secondary production may cause nuisance to local communities and/or carry minor risks to their health and safety. The requirements of this standard will be duly addressed by inclusion of community health and safety provisions of the EHS Guidelines into the site-specific E&S documents as well as to the training programs to be delivered under the project, and also into the contracts with farmers and workers.

ESS5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement

This is standard is not relevant as none of the project activities will support land acquisition, restriction of land use, or loss of private assets.

ESS6 Biodiversity Conservation and Sustainable Management of Living Natural Resources

This standard is relevant because, while the project will not finance any physical works or farm inputs, the work in an agricultural setting and expansion of secondary production may cause minor impacts on biodiversity and/or living natural resources, including the risk of water contamination due to pesticides runoffs to water cycle. The requirements of this standard will be duly addressed by introduction of principles of sustainable management of living natural resources into site-specific E&S documents as well as to the training programs to be delivered under the project.

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

The standard is not relevant because no indigenous people are known to reside in Turkey.

ESS8 Cultural Heritage

This standard is not relevant as the project activities will take place in the existing agricultural fields and the existing facilities (packaging, storing etc) of the ACC.

ESS9 Financial Intermediaries

Although ACC provides loans to agricultural enterprises, it will not be on-lending project proceeds and thus will not act as a financial intermediary. Hence, this standard is not relevant for the project.



C. Legal Operational Policies that Apply

| | |
|--|----|
| OP 7.50 Projects on International Waterways | No |
| OP 7.60 Projects in Disputed Areas | No |

III. BORROWER’S ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN (ESCP)

| DELIVERABLES against MEASURES AND ACTIONs IDENTIFIED | TIMELINE |
|---|----------|
| ESS 1 Assessment and Management of Environmental and Social Risks and Impacts | |
| Establish and maintain a Project Implementation Unit (PIU) under ACC before effectiveness, with qualified staff and resources to support management and monitoring of E&S risks by appointing 3 designated technical staff: an environmental specialist to manage compliance with the ESMF and to guide the preparation and supervise the implementation of subproject-specific ESA documents, an agricultural labor and a social expert designated for overseeing labor and stakeholder engagement issues. | 06/2020 |
| Develop, disclose and discuss with stakeholders ESMF of the Project, in a manner acceptable to the Bank prior to negotiations | 03/2020 |
| Implement ESMF throughout the project life. | 04/2024 |
| draft, adopt, and implement the sub-project Environmental and Social Management Plans (ESMPs), as required, in a manner acceptable to the Bank. | 04/2024 |
| ESS 10 Stakeholder Engagement and Information Disclosure | |
| Disclose draft SEP, conduct consultations and finalize SEP, acceptable to the Bank | 04/2020 |
| SEP IMPLEMENTATION Assign a social specialist to oversee and undertake the stakeholder engagement activities defined in SEP and report progress on SEP and GRM. | 06/2020 |
| PROJECT GRIEVANCE MECHANISM: Prepare and operationalize GRM by Effectiveness. Maintain and operate as per SEP throughout lifetime of project. | 06/2020 |
| ESS 2 Labor and Working Conditions | |
| Finalize LMP, including GRM, consistent with national legislation and ESS2, prior to negotiations. | 04/2020 |

Public Disclosure



| | |
|--|---------|
| Include LMP into contract farming contracts and sub-projects obliging compliance with LMP provisions on community workers. | 04/2024 |
| OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES Enforce adherence to OHS measures through the project life. | 04/2024 |
| Maintain and operate an accessible GRM for project workers as described in the LMP, in line with national labor law and consistent with ESS2. | 04/2024 |
| ESS 3 Resource Efficiency and Pollution Prevention and Management | |
| Prepare, adopt, and implement measures and actions to assess and manage specific risks and impacts to the community arising from sub-project activities, and include measures in the subproject-specific ESA documents (ESMPs) to be prepared as per ESS1. | 04/2024 |
| ESS 4 Community Health and Safety | |
| Prepare, adopt, and implement measures and actions to assess and manage specific risks and impacts to the community arising from sub-project activities, and include measures in the subproject-specific ESA documents (ESMPs) to be prepared as per ESS1. | 04/2024 |
| ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement | |
| ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources | |
| Prepare, adopt, and implement, within ESMPs, measures and actions to assess and manage specific risks and impacts on biodiversity and/or living natural resources, including the risk of water contamination due to pesticides runoffs to water cycle. | 04/2024 |
| ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities | |
| ESS 8 Cultural Heritage | |
| ESS 9 Financial Intermediaries | |

Public Disclosure

B.3. Reliance on Borrower’s policy, legal and institutional framework, relevant to the Project risks and impacts

Is this project being prepared for use of Borrower Framework?

No

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

None.



The World Bank

Agricultural Employment Support for Refugees and Turkish Citizens through Enhanced Market Linkages
(P171543)

IV. CONTACT POINTS

World Bank

| | | | |
|---------------|--------------------|--------|-----------------------------------|
| Contact: | Mustafa Ugur Alver | Title: | Operations Officer |
| Telephone No: | 5242+8368 / | Email: | malver@worldbank.org |
| Contact: | Manuel Salazar | Title: | Lead Social Protection Specialist |
| Telephone No: | +1-202-473-6 | Email: | msalazar2@worldbank.org |
| Contact: | Sarah Coll-Black | Title: | Senior Economist |
| Telephone No: | 5220+36720 | Email: | scollblack@worldbank.org |

Borrower/Client/Recipient

Borrower: Agricultural Credit Cooperatives Central Union

Implementing Agency(ies)

Implementing Agency: Agricultural Credit Cooperatives Central Union

V. FOR MORE INFORMATION CONTACT

The World Bank
 1818 H Street, NW
 Washington, D.C. 20433
 Telephone: (202) 473-1000
 Web: <http://www.worldbank.org/projects>

VI. APPROVAL

| | |
|-------------------------------|--|
| Task Team Leader(s): | Mustafa Ugur Alver, Manuel Salazar, Sarah Coll-Black |
| Practice Manager (ENR/Social) | Satoshi Ishihara Cleared on 11-Mar-2020 at 16:11:8 EDT |
| Safeguards Advisor ESSA | Surhid P. Gautam (SAESSA) Concurred on 16-Mar-2020 at 11:33:24 EDT |