

**Development and  
Investment Bank of Turkey  
(TKYB)**

**FORMAL EMPLOYMENT CREATION FOR  
REFUGEES AND TURKISH CITIZENS  
P171766**

**Draft  
ENVIRONMENTAL and SOCIAL  
COMMITMENT PLAN (ESCP)**

**February 2020**

## ENVIRONMENTAL AND SOCIAL COMMITMENT PLAN

1. Development and Investment Bank of Turkey (TKYB), the Financial Intermediary, will implement the FRIT II – Formal Employment Creation for Refugees and Turkish Citizens (P171766) Project (the **Project**), with the involvement participating financial institutions (PFIs). The World Bank (hereinafter the **Bank**) has agreed to provide financing for the Project.
2. TKYB will implement material measures and actions so that the Project is implemented in accordance with the Environmental and Social Standards (**ESSs**). This Environmental and Social Commitment Plan (**ESCP**) sets out material measures and actions, any specific documents or plans, as well as the timing for each of these.
3. TKYB will also comply with the provisions of any other E&S documents required under the ESF and referred to in this ESCP, Environmental and Social Management System (ESMS), Stakeholder Engagement Plan (SEP), Labor Management Procedures (LMP) and the timelines specified in those E&S documents.
4. TKYB is responsible for compliance with all requirements of the ESCP even when implementation of specific measures and actions is conducted by the Ministry, agency or unit referenced in 1. above.
5. Implementation of the material measures and actions set out in this ESCP will be monitored and reported to the Bank by TKYB as required by the ESCP and the conditions of the legal agreement, and the Bank will monitor and assess progress and completion of the material measures and actions throughout implementation of the Project.
6. As agreed by the Bank and TKYB, this ESCP may be revised from time to time during Project implementation, to reflect adaptive management of Project changes and unforeseen circumstances or in response to assessment of Project performance conducted under the ESCP itself. In such circumstances, TKYB will agree to the changes with the Bank and will update the ESCP to reflect such changes. Agreement on changes to the ESCP will be documented through the exchange of letters signed between TKYB and the Bank. TKYB will promptly disclose the updated ESCP.
7. Where Project changes, unforeseen circumstances, or Project performance result in changes to the risks and impacts during Project implementation, through the application of its ESMS TKYB will assess these risks and shall ensure that additional funds are provided, if needed, to implement actions and measures to address such risks and impacts, which may include risks and impacts on environment, livelihoods, community and occupational health and safety, and labor conditions.

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
<b>MONITORING AND REPORTING</b>			
A	<p><b>REGULAR REPORTING</b></p> <p>Prepare and submit to the Bank regular monitoring reports on the environmental, social, health and safety (ESHS) performance of the Project, including but not limited to the implementation of the ESCP, status of preparation and implementation of E&amp;S documents required under the ESCP, stakeholder engagement activities, performance of the grievance mechanism(s).</p>	Semi-annually (every 6 months) throughout the Project implementation	TKYB Project Implementation Unit (PIU)
B	<p><b>INCIDENTS AND ACCIDENTS</b></p> <p>Promptly notify the Bank of any incident or accident related to the Project which has, or is likely to have, a significant adverse effect on the environment, the affected communities, the public or workers including but not limited to; incidents and accidents encountered during construction works if required by sub-projects, environmental spills, etc.</p> <p>Provide sufficient detail regarding the incident or accident, findings of the Root Cause Analysis (RCA), indicating immediate measures or corrective actions taken or that are planned to be taken to address it, compensation paid, and any information provided by any contractor and supervision consultant, as appropriate. Ensure the incident report is in line with the World Bank's Environment and Social Incidence Response Toolkit (ESIRT).</p> <p>Subsequently, as per the Bank's request, prepare a report on the incident or accident and propose any measures to prevent its recurrence.</p> <p>Specify in subsidiary loan agreement with PFIs that prompt notification of accidents and incidents remain inclusive under PFIs ESMS adapted from TKYB's ESMS. Ensure and monitor that an incident register at all construction sites is kept by the contractors throughout the Project life.</p>	<p>For sub-projects directly financed by TKYB - TKYB will report details of any significant environmental or social incidents (e.g. fatalities, lost time incidents, environmental spills etc.) within 3 business days. TKYB will submit an incident report, including RCA, precautions and compensation measures taken within 30 business days</p> <p>For sub-projects financed via PFIs - TKYB will obligate PFIs to report details of any significant environmental or social incidents (e.g. fatalities, lost time incidents, environmental spills etc.) within 3 business days. TKYB will obligate PFIs to submit an incident report, including RCA, precautions and compensation measures taken within 30 business days. TKYB will submit the incident report to the Bank immediately upon receipt from PFIs.</p>	TKYB PIU

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
C	<p><b>SEMI-ANNUAL REPORTING</b> Maintain and monitor semi-annual progress reports at all sub-project sites throughout the duration of the project.</p> <p>Obligate PFI's Project Implementation Units (PIUs), direct lending borrowers and grant beneficiaries to produce semi-annual progress reports for all sub-projects and monitor quality of reporting throughout the duration of works. Include reporting requirements in bidding documents of contractors.</p>	Throughout Project life	<p>TKYB PIU</p> <p>PFI's PIU</p> <p>Direct Lending Borrowers</p> <p>Grant Beneficiaries</p>
D	<p><b>OPERATIONS MANUAL</b> Development and adoption of Project Operations Manual that details also screening, monitoring and reporting of moderate risk subprojects in line with Bank's ESSs</p>	By project effectiveness	TKYB PIU
<b>ESS 1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS AND IMPACTS</b>			
1.1	<p><b>ORGANIZATIONAL STRUCTURE</b> Enhance and maintain the capacity of the Project Implementation Unit with full-time qualified staff and resources to support management and monitoring of E&amp;S risks by appointing; two technical staff - one environmental and one social, in addition to one Grievance Redress Mechanism (GRM) and stakeholder engagement (SE) management and monitoring experts. If needed, additional staff to be recruited.</p> <p>Ensure that above-mentioned staff remain on assigned duty until end of Project implementation.</p> <p>Obligate PFIs to assign E&amp;S, and SE/GRM focal points for management of sub-projects' E&amp;S risks. This obligation to be included as condition of the subsidiary loan agreements with PFIs.</p>	<p>An organizational structure including two E&amp;S experts (environmental and social), one GRM and stakeholder engagement focal point will be assigned prior to Project effectiveness by TKYB. All designated TKYB staff will serve for the duration of the Project.</p> <p>PFIs to assign E&amp;S, and SE/GRM focal points after signing of subsidiary loan agreement.</p>	TKYB

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
1.2	<p><b>ENVIRONMENTAL AND SOCIAL ASSESSMENT</b></p> <p>Ensure that the corporate ESMS, adopted by TKYB’s Executive Board on January 17, 2020, and approved by the Bank, is fully operational and maintained throughout the life of the project. .</p> <p>Prepare, disclose and implement site-specific E&amp;S documents (ESIA, ESMP) for sub-projects in line with corporate ESMS, in a manner acceptable to the Bank. Bank will conduct prior review for an initial set of sub-projects of TKYB and from then after conduct supervision spot checks for a number of sub-projects.</p> <p>PFI’s will have their own E&amp;S assessment procedures (screening, monitoring and reporting as per TKYB ESMS) acceptable to TKYB and the Bank. Low risk projects assessed according to the PFI’s procedures will be financed by TKYB through indirect lending.</p>	<p>Corporate ESMS of TKYB approved by the Bank to be implemented throughout the project</p> <p>ESA documents acceptable to the Bank to be prepared and disclosed prior to tendering of works for each sub-project, or if tendering has been completed already, the ESA documents will be supplied to the contractor to ensure that the conditions included in the documents are applied at sub-project site. ESMPs to be included in bidding documents of contractors, if any.</p> <p>Mitigation measures contained in the ESA documents to be implemented throughout the project.</p> <p>PFI’s E&amp;S assessment procedures reviewed and approved by TKYB and the Bank prior to signing subsidiary loan agreements</p>	<p>TKYB PIU</p> <p>.</p> <p>PFI’s Project Implementation Units (PIUs)</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
1.3	<p><b>MANAGEMENT TOOLS AND INSTRUMENTS</b></p> <p>Implement the TKYB’s corporate ESMS adopted by the TKYB Executive Board and approved by the Bank, in a manner acceptable to the Bank.</p> <p>Screen any proposed sub-project in accordance with the TKYB’s corporate ESMS and exclusion list of the Bank, and consider the substantial and/or high risk sub-projects either ineligible for financing or revisit the risk category of the main project in consultation with the Bank. Thereafter, implement its provisions in a manner acceptable to the Bank.</p> <p>Obligate PFIs to implement ESMS requirements of TKYB, related to screening, monitoring and reporting, in a manner acceptable to the Bank, throughout the project.</p>	<p>ESMS to be carried out throughout Project implementation.</p> <p>PFIs’ E&amp;S assessment procedures reviewed and approved by TKYB and the Bank prior to signing subsidiary loan agreements</p>	TKYB PIU
1.4	<p><b>MANAGEMENT OF CONTRACTORS</b></p> <p>If any contractors will be required for works, then incorporate the relevant aspects of the ESCP, including the relevant E&amp;S documents and/or plans, and the Labor Management Procedures, into the ESHS specifications of the procurement documents with contractors. Thereafter, ensure that the contractors comply with the ESHS specifications of their respective contracts. Ensure incorporation of site-specific ESMPs into construction contracts. Ensure implementation of site-specific mitigation measures by contractors as per respective ESMPs.</p> <p>Obligate PFIs to implement the same approach as TKYB for contractor management.</p>	<p>Prior to signing of contract with Contractors.</p> <p>TKYB/PFIs to supervise contractors throughout Project implementation</p>	<p>TKYB PIU</p> <p>PFIs’ PIU</p>
<b>ESS 2: LABOR AND WORKING CONDITIONS</b>			
2.1	<p><b>LABOR MANAGEMENT PROCEDURES</b></p> <p>Maintain and implement Project LMP consistent with national legislation and ESS2, and ensure that Project workers are aware of it and it is accessible to them.</p> <p>Ensure PFIs adopt and implement LMP, in a manner acceptable to the Bank.</p> <p>Include Project LMP into bidding documents of contractors (if any). Obligate awarded contractors to adopt Project LMP.</p> <p>Obligate contractors to take responsibility for adherence to LMP by their sub-contractors.</p>	<p>Implement and monitor LMP throughout Project life and report through semi-annual progress reports.</p> <p>Adopted by PFIs prior to signing subsidiary loan agreement</p>	<p>TKYB PIU</p> <p>PFIs’ PIUs</p> <p>Contractors</p>

MATERIAL MEASURES AND ACTIONS		TIMEFRAME	RESPONSIBLE ENTITY/AUTHORITY
2.2	<p><b>GRIEVANCE MECHANISM FOR PROJECT WORKERS</b> Establish, maintain, and operate an accessible GRM for Project workers as described in the LMP, in line with national labor law and consistent with ESS2.</p>	<p>Grievance mechanism operational within 30 days following Project Effectiveness and maintained throughout Project implementation.</p> <p>Report semi-annually through Project Progress Reports</p>	<p>TKYB PIU</p> <p>PFI (E&amp;S designated staff)</p>
2.3	<p><b>OCCUPATIONAL HEALTH AND SAFETY (OHS) MEASURES</b> Prepare, adopt, and implement occupational health and safety (OHS) measures specified in sub-project specific ESIA, ESMPs and project LMP.</p> <p>Ensure PFI and SMEs/LEs implement OHS measures as detailed in sub-project-specific ESIA and ESMPs, and project LMP.</p> <p>Maintain responsibility of applying national law on OHS and relevant regulations.</p> <p>Ensure application of most stringent clauses among project E&amp;S documents or TKYB OHS Policy to sub-projects.</p>	<p>After project effectiveness, before commencement of any civil works, and any disbursement by the Bank, continuing throughout Project implementation.</p>	<p>TKYB PIU</p> <p>PFI (E&amp;S designated staff)</p> <p>Contractors</p>
<b>ESS 3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b>			
3.1	<p><b>RESOURCE EFFICIENCY AND POLLUTION PREVENTION AND MANAGEMENT</b> Include resource efficiency and pollution prevention and management measures into the sub-project specific ESA documents to be prepared under action 1.2 above.</p> <p>Prepare, adopt, and implement measures and action to assess and manage specific risks and impacts to the community arising from Project, and include these measures in the ESMPs to be prepared in accordance with the TKYB's corporate ESMS, in a manner acceptable to the Bank.</p>	<p>Sub-project specific ESA documents acceptable to the Bank to be prepared and disclosed prior to tendering of works for each sub-project, or if tendering has been completed already, the ESA documents will be supplied to the contractor to ensure that the conditions included in the documents are applied at sub-project site.</p> <p>Mitigation measures contained in the sub-project specific ESA documents to be implemented throughout the project and reported through semi-annual progress reports.</p>	<p>TKYB PIU</p>
<b>ESS 4: COMMUNITY HEALTH AND SAFETY</b>			

4.1	<p><b>COMMUNITY HEALTH AND SAFETY</b></p> <p>Prepare, adopt, and implement measures and action to assess and manage specific risks and impacts to the community arising from sub-project activities, and include measures in the ESA documents to be prepared under action 1.2 above, in accordance with the TKYB’s corporate ESMS, in a manner acceptable to the Bank.</p> <p>Ensure PFIs adopt, implement and monitor relevant measures specified in ESA documents, in a manner acceptable to the Bank.</p>	<p>Sub-project specific ESA documents acceptable to the Bank to be prepared and disclosed prior to tendering of works for each sub-project, or if tendering has been completed already, the ESA documents will be supplied to the contractor to ensure that the conditions included in the documents are applied at sub-project site.</p> <p>Mitigation measures contained in the sub-project specific ESA documents to be implemented throughout the project reported through semi-annual progress reports.</p>	<p>TKYB PIU</p> <p>PFIs (E&amp;S designated staff)</p>
<b>ESS 5: LAND ACQUISITION, RESTRICTIONS ON LAND USE AND INVOLUNTARY RESETTLEMENT</b>			
5.1	Not Relevant to the Project		
<b>ESS 6: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES</b>			
6.1	Not Relevant to the Project		
<b>ESS 7: INDIGENOUS PEOPLES/SUB-SAHARAN AFRICAN HISTORICALLY UNDERSERVED TRADITIONAL LOCAL COMMUNITIES</b>			
7.1	Not Relevant to the Project		
<b>ESS 8: CULTURAL HERITAGE</b>			
8.1	<p><b>CHANCE FINDS</b></p> <p>Prepare, adopt, and implement the chance finds procedure described in the sub-project-specific ESA Documents developed for the sub-project under action 1.2 above.</p>	<p>Sub-project specific ESA documents acceptable to the Bank to be prepared and disclosed prior to tendering of works for each sub-project, or if tendering has been completed already, the ESA documents will be supplied to the contractor to ensure that the conditions included in the documents are applied at sub-project site.</p> <p>Implementation of chance find procedures included in the ESA documents in each case of a chance find throughout the Project, and reported through semi-annual progress reports.</p>	<p>TKYB PIU</p> <p>PFIs (E&amp;S designated staff)</p> <p>Respective Civilian Authority or Musuem Directorate</p> <p>Ministry of Culture and Tourism</p>



ESS 9: FINANCIAL INTERMEDIARIES			
9.1	<p><b>ESMS</b></p> <p>Maintain and implement the corporate ESMS, acceptable to the Bank</p> <p>Implement complementary instruments (such as SEP and LMP) or any amendments in the corporate ESMS to support its successful application to the Bank’s satisfaction.</p> <p>Continue to apply the corporate ESMS for this project, satisfactory to the Bank, even in instances if the corporate ESMS is amended by TKYB’s Board of Directors during Project implementation.</p> <p>Obligate PFIs to establish their own E&amp;S assessment procedures acceptable to TKYB and the Bank on the part of screening, monitoring and reporting. Low risk projects assessed according to the PFIs procedures will be financed by TKYB through indirect lending.</p>	<p>Corporate ESMS to be maintained and operated , throughout Project implementation.</p> <p>Complementary instruments to be maintained and operated throughout project implementation.</p> <p>PFIs’ E&amp;S assessment procedures reviewed and approved by TKYB and the Bank prior to signing subsidiaryloan agreements</p>	TKYB PIU
9.2	<p><b>FI ORGANIZATIONAL CAPACITY</b></p> <p>Establish and maintain an organizational capacity and competency for implementing the corporate ESMS with clearly defined roles and responsibilities described under action 1.1.</p>	All defined experts prior to Project effectiveness	TKYB PIU
9.3	<p><b>SENIOR MANAGEMENT REPRESENTATIVE</b></p> <p>Designate a senior management representative to have overall accountability for environmental and social performance of FI subprojects.</p>	Prior to Project effectiveness	TKYB PIU
9.4	<p><b>APPLICABLE E&amp;S STANDARDS</b></p> <p>Apply Bank’s ESSs, as a part of the applicable E&amp;S standards, to moderate risk sub-projects (category B- according to TKYB’s E&amp;S risk categorization) within the scope of this project.</p> <p>Apply national laws to the low risk sub-projects (category C according to TKYB’s E&amp;S risk categorization), where the sub-projects are likely to have minimal or no adverse E&amp;S risks and impacts.</p>	Throughout the Project implementation	TKYB PIU
9.5	<p><b>PFIs</b></p> <p>Oblige PFIs to implement ESMS requirements of TKYB (screening, monitoring and reporting), and report to TKYB on their performance, or obligate PFIs for an ESMF/ESMS commensurate with the level of risk and satisfactory to the Bank for the eligibility.</p>	Prior to subsidiary loan agreements of PFIs and implemented throughout the Project.	TKYB PIU

<b>ESS 10: STAKEHOLDER ENGAGEMENT AND INFORMATION DISCLOSURE</b>			
10.1	<p><b>STAKEHOLDER ENGAGEMENT PLAN PREPARATION AND IMPLEMENTATION</b> Maintain and Implement project SEP.</p> <p>Assign relevant staff in TKYB and PFIs are assigned to undertake engagement activities</p>	<p>SEP to be implemented and updated throughout the Project.</p> <p>Staff assignment – Prior to Project effectiveness and retention through the Project.</p>	<p>TKYB PIU</p> <p>PFIs' PIUs</p>
10.2	<p><b>PROJECT GRIEVANCE MECHANISM</b> Develop, adopt, maintain and operate a grievance mechanism, as described in the SEP.</p> <p>Assign staff to manage and monitor project grievances.</p> <p>Ensure similar GRM is established at PFI level.</p> <p>Ensure timely resolution, response and reporting of grievances for each sub-project.</p>	<p>TKYB Level - Prior to Project effectiveness</p> <p>PFI Level – 30 days after signing of subsidiary loan agreement</p> <p>Reporting – Semi annually in progress reports.</p>	<p>TKYB PIU</p> <p>PFIs (E&amp;S designated staff)</p>
<b>CAPACITY SUPPORT (TRAINING)</b>			
CS1	TKYB PIU staff to be trained by the Bank on E&S requirements of the Bank.		
CS2	PFIs E&S designated staff to be trained by TKYB PIU and the Bank, when needed, on TKYB's corporate ESMS and E&S requirements of the Bank.		