

**STATUS OF PROJECTS IN EXECUTION – FY06**  
**SOPE**  
**REGION: EUROPE AND CENTRAL ASIA**  
**COUNTRY: TURKEY**

**Operations Policy and Country Services**  
**SEPTEMBER 19, 2006**



**Report on the Status of Projects in Execution - FY06**  
**SOPE**  
**Region: Europe and Central Asia**  
**Country: Turkey**

**Introduction**

The Status of Projects in Execution (SOPE) Report for FY06 provides information on all IBRD/IDA projects that were active on June 30, 2006.

The World Bank has issued a SOPE Report every year as an internal communication to the Board of Executive Directors. In accordance with the Bank's revised disclosure policy, since FY02, the SOPE Report is available to the public.

The report is intended to bridge the gap in information available to the public between the Project Appraisal Document, disclosed after the Bank approves a project, and the Implementation Completion Report, disclosed after the project closes.

In addition to the project progress description, the FY06 SOPE report<sup>1</sup> contains project level comparisons of disbursement estimates and actual disbursements, and a table showing the loan/credit/grant amount and disbursements to date for all active projects.

---

<sup>1</sup> Notes:

- Amounts for Projects in currencies other than U.S. dollars may not match exactly due to exchange rate fluctuations over the life of the project.
- Disbursement graphs are not included for Development Policy Loans, which provide quick-disbursing external financing to support policy and institutional reforms. For these loans, funds are disbursed in one or more stages (tranches), released when the borrower complies with agreed conditions.
- Projects which are not yet effective may not have a planned disbursement schedule and thus may not include a graph.



**Country: Turkey**

**Project Name (ID):** Biodiversity and Natural Resource Management GEF ( P044175 )

**Country:** Turkey

**Board Approval Date :** 06/13/2000

**Midterm Review Date :** 10/29/2003

**Closing Date :** 12/31/2006

**Loan/Credit/Grant Number :** MULT-29051, WBTF-23556

**Sector(s):** Central government administration (58%), Other domestic and international trade (21%), Other social services (21%)

**Theme(s):** Biodiversity (P), Environmental policies and institutions (P), Participation and civic engagement (P), Land administration and management (S), Export development and competitiveness (S)

### **Project Development Objectives:**

The project's global objective is to sustainably conserve the biological diversity and ecological integrity of selected forest, wetland, steppe and alpine ecosystems that are representative of Turkey's four major bio-geographical zones, which include the Black Sea and Caucasian mountain region, the Central Anatolian plateau, and the European and Mediterranean regions.

The project's development objective is to establish effective intersectoral, participatory planning and sustainable management of protected areas and natural resources at four selected biodiversity conservation demonstration sites and build capacity at the national level to facilitate replication of these activities at priority conservation sites throughout Turkey.

### **Progress toward achieving development objective(s):**

The project is greatly assisting the Ministry of Environment and Forestry in aligning Turkey's nature protection policies and practices with what is going on in the European Union and in the global conservation community. The proposed nature protection law brings the body of national legislation closely in line with the Birds and Habitats Directives.

The work which the project is supporting with respect to the Biodiversity Information Management System provides a good framework for identifying so-called "sites of community interest" because it compiles, in one database, all available information about species diversity and endemism.

The small grants program provides important experience to contribute to the development of agri-environment activities under the European Union's Common Agricultural Policy Pillar 2, which focuses on providing finance for nature protection types of activities to private land owners.

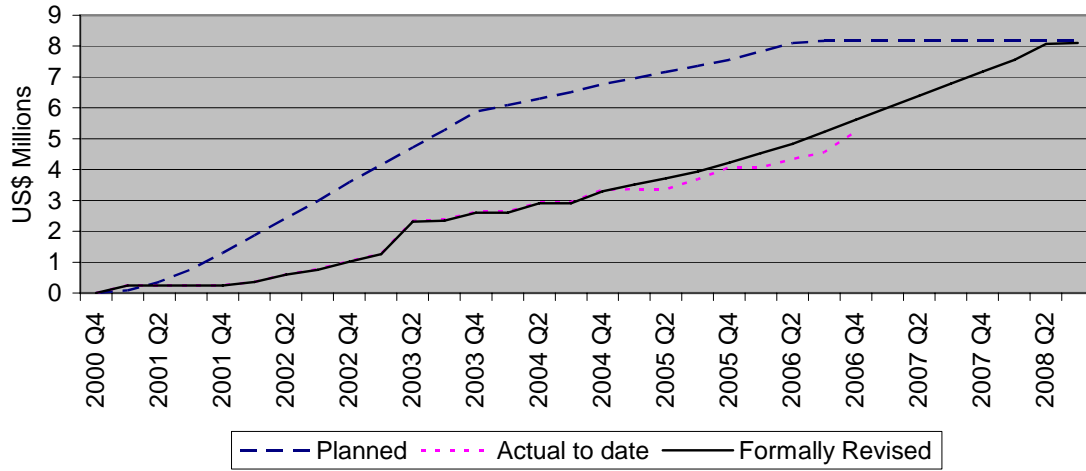
On balance, though it was not originally designed to do so, the project is adapting to the



new challenges posed by the European Union Accession agenda.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
MULT-29051	Closed	0.35	0.35	0.00	0.00
WBTF-23556	Effective	8.19	5.22	2.97	0.00



**Project Name (ID):** National Transmission Grid ( P048852 )

**Country:** Turkey

**Board Approval Date :** 06/11/1998

**Midterm Review Date :** 07/02/2004

**Closing Date :** 12/31/2006

**Loan/Credit/Grant Number :** IBRD-43440, IBRD-43441, JPN-29667

**Sector(s):** Power (99%), Sub-national government administration (1%)

**Theme(s):** Infrastructure services for private sector development (P), Other urban development (P), Regulation and competition policy (P), Pollution management and environmental health (S)

**Project Development Objectives:**

The project development objectives are to: (a) implement the new Electricity Market Law and the restructuring of the power sector; (b) establish TEIAS, the Turkish electric transmission company, as an efficient, low cost transmission company, technical and market system operator; (c) develop adequate transmission capacity in a timely and environmentally sustainable manner; and (d) establish the financial viability of TEIAS.

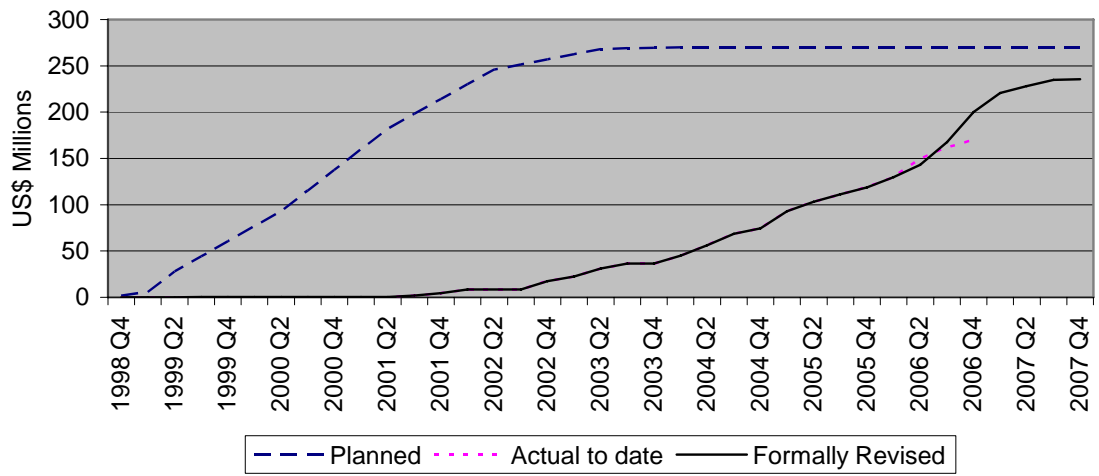
**Progress toward achieving development objective(s):**

Overall, TEIAS, the Turkish electric transmission company, has made substantial progress in implementing the sub-stations components, and finalizing the contract for the 380kV underground cable. Implementation of transmission line components has improved, although progress is still slower than expected. Progress on land acquisition has significantly improved and all open issues have been resolved.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-43440	Effective	250.00	166.25	62.93	20.82
IBRD-43441	Effective	20.00	4.02	2.20	13.78
JPN-29667	Closed	0.76	0.76	0.00	0.01





**Project Name (ID):** Basic Education 2 (APL #2) ( P059872 )

**Country:** Turkey

**Board Approval Date :** 07/16/2002

**Midterm Review Date :** 04/30/2005

**Closing Date :** 02/28/2007

**Loan/Credit/Grant Number :** IBRD-46710

**Sector(s):** Primary education (65%), Secondary education (28%), Pre-primary education (5%), Central government administration (1%), Sub-national government administration (1%)

**Theme(s):** Education for all (P), Education for the knowledge economy (P), Rural services and infrastructure (S), Access to urban services and housing (S)

### Project Development Objectives:

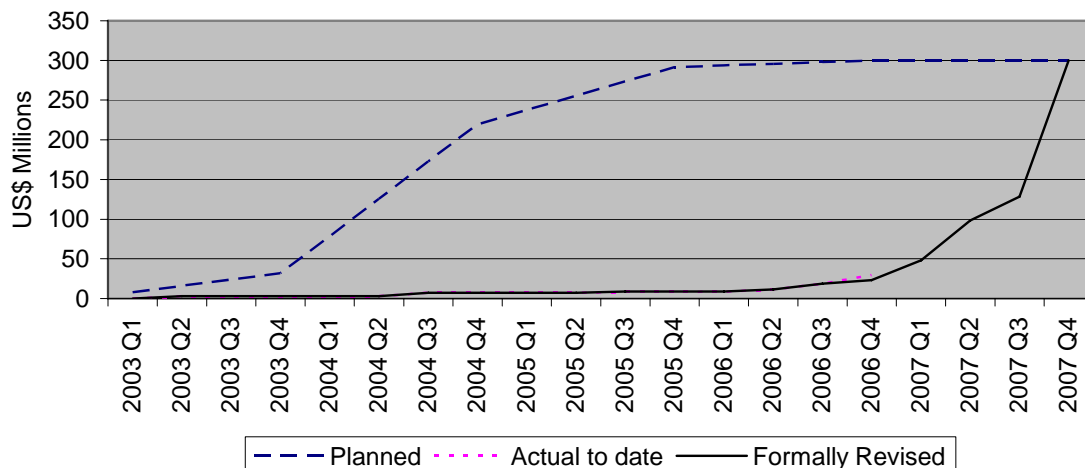
The objective is to increase coverage and improve the quality of basic education among low-income and disadvantaged groups.

### Progress toward achieving development objective(s):

The project was restructured in June 2005 to facilitate implementation, particularly at the provincial level, of construction and renovation of school facilities. Progress towards achieving the objective has been made during the last year, especially the last six months as the number of signed contracts has increased. In particular, progress on targets for preschools, information communication technology (ICT) classrooms, special education, and teacher training has been significant.

### Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-46710	Effective	300.00	29.67	270.33	0.00



**Project Name (ID):** ODS Phaseout 2 Project under Montreal Protocol ( P038404 )  
**Country:** Turkey  
**Board Approval Date :** 10/05/1995  
**Closing Date :** 12/31/2007  
**Loan/Credit/Grant Number :** WBTF-21942  
**Sector(s):** General industry and trade (97%), Other social services (3%)  
**Theme(s):** Pollution management and environmental health (P), Small and medium enterprise support (S)

**Project Development Objectives:**

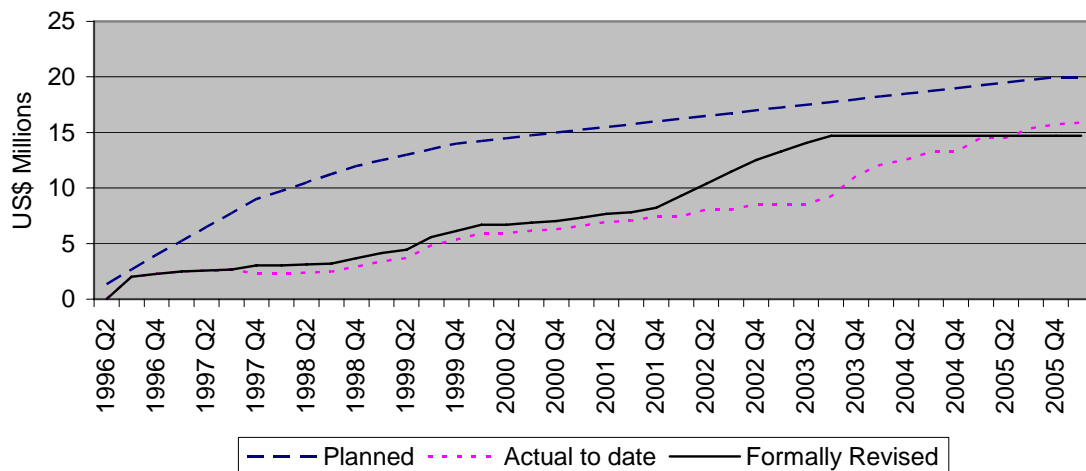
The project objective is to assist industries using ozone depleting substances (ODS) to effectively phase out ODS use.

**Progress toward achieving development objective(s):**

The project is on track to meet its global environment objective. Turkey has been phasing out ozone depleting substances (ODS) successfully, at an accelerated pace in some areas. The pilot effort to convert to non-ODS technology in refrigeration equipment manufacturing and foam producing and methyl bromide sectors has been very successful. This success has led other countries to emulate the pilot. Turkey has also made important progress in chiller conversions, exceeding the original planned targets.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
WBTF-21942	Effective	20.00	15.88	4.12	0.00



**Project Name (ID):** Secondary Education ( P066149 )

**Country:** Turkey

**Board Approval Date :** 03/15/2005

**Midterm Review Date :** 05/05/2008

**Closing Date :** 05/31/2010

**Loan/Credit/Grant Number :** IBRD-47670, JPN-26143

**Sector(s):** Secondary education (50%), Vocational training (33%), Central government administration (17%)

**Theme(s):** Education for the knowledge economy (P), Education for all (S)

**Project Development Objectives:**

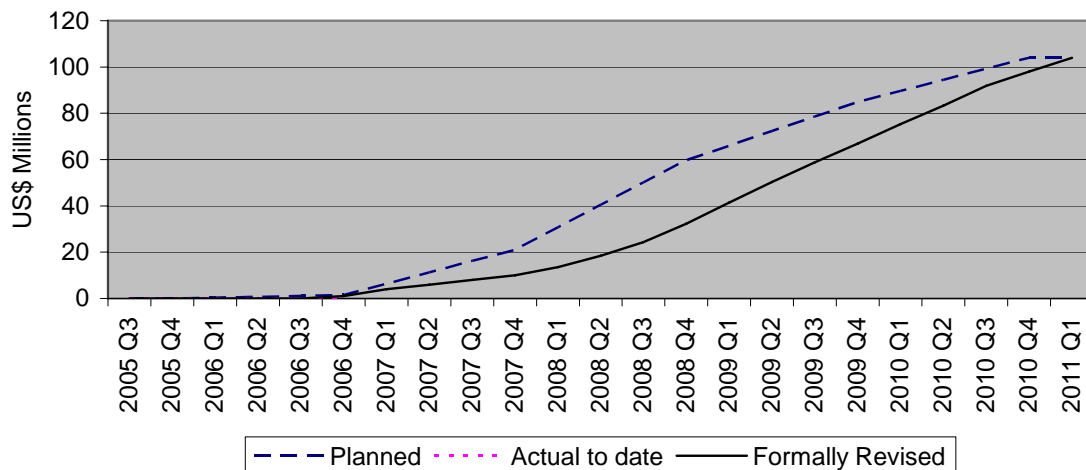
The objective is to improve the quality, economic relevance, and equity of the secondary education to support lifelong learning.

**Progress toward achieving development objective(s):**

The project became effective on May 8, 2006 and project launch is scheduled for September 2006.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47670	Effective	100.52	0.00	100.52	0.00
JPN-26143	Closed	0.29	0.03	0.00	0.26



**Project Name (ID):** Marmara Earthquake Emergency Reconstruction ( P068368 )

**Country:** Turkey

**Board Approval Date :** 11/16/1999

**Midterm Review Date :** 09/14/2003

**Closing Date :** 12/31/2006

**Loan/Credit/Grant Number :** IBRD-45170

**Sector(s):** Housing construction (47%), Central government administration (25%), Non-compulsory pensions, insurance and contractual savings (25%), Law and justice (2%), Health (1%)

**Theme(s):** Natural disaster management (P), Law reform (P), Health system performance (P), Land administration and management (P), Non-communicable diseases and injury (S)

**Project Development Objectives:**

The main objectives are to help restore the living conditions in the region of Turkey that was affected by the August 17, 1999 Marmara earthquake, support economic recovery and resumption of growth, and develop an institutional framework for disaster risk management and mitigation.

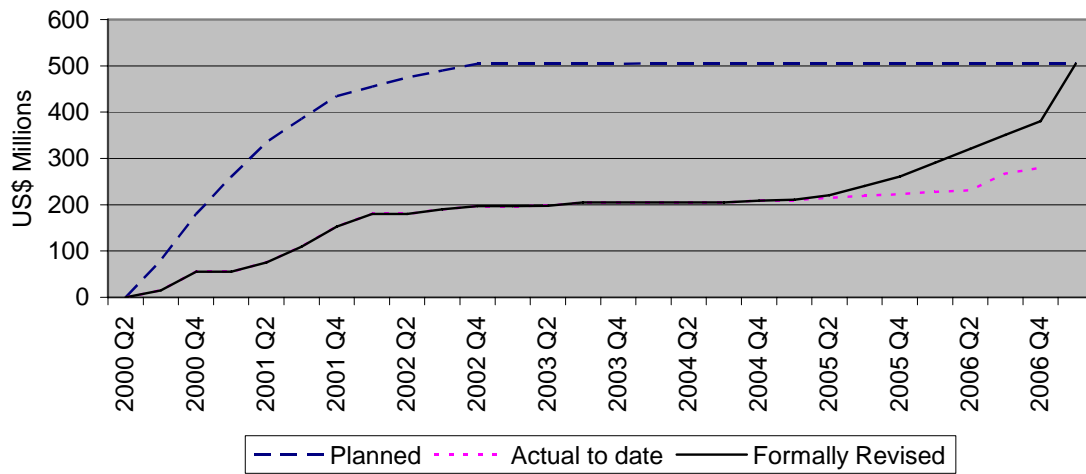
**Progress toward achieving development objective(s):**

The implementation of the project is progressing well. The project will be closing in December 31, 2006. The project has fully achieved its objectives with regard to the restoration and recovery of the earthquake affected Marmara region, through timely reconstruction of urban and rural housing. The government's financial exposure to seismic risk was reduced through an innovative catastrophe insurance mechanism. The capacity of health care sector in the Marmara region to respond to emergencies has been strengthened. The government has also initiated the work on a state of the art emergency command center which is expected to be operational by the end of the project.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-45170	Effective	505.00	279.90	201.47	23.63





**Project Name (ID):** Agricultural Reform Implementation (ARIP) ( P070286 )

**Country:** Turkey

**Board Approval Date :** 07/12/2001

**Closing Date :** 12/31/2007

**Loan/Credit/Grant Number :** IBRD-46310

**Sector(s):** Crops (65%), Agricultural marketing and trade (25%), Central government administration (10%)

**Theme(s):** Rural policies and institutions (P), Debt management and fiscal sustainability (P), State enterprise/bank restructuring and privatization (S), Land administration and management (S)

**Project Development Objectives:**

The objective is to help implement the agricultural reform program, which aims to: a) dramatically reduce artificial incentives and government subsidies and b) provide incentives to agriculture and agro-industry producers to increase productivity. At the same time, the project is designed to mitigate potential short-term adverse impacts of subsidy removal and facilitate the transition to efficient production patterns.

**Progress toward achieving development objective(s):**

Substantial progress is being made in all targeted areas. The policy objectives of the reform program are beginning to impact on growth prospects in the sector, and efforts to continue reducing the distortive effects of subsidies are continuing (particularly through the recent approval of the new Agriculture Framework Law). Net growth (minus subsidies) of real value added in the sector is sustained at rates well above the target rate of three percent. Should such growth average five percent over the next two years, the project's target of 28 billion YTL in revenues will be reached. The potential adverse impact of subsidy removal is being mitigated by the direct income support system and restructuring activities that are ongoing. The levels of such support and restructuring activity are as expected.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-46310	Effective	600.00	359.74	240.26	0.00



**Project Name (ID):** Anatolia Watershed Rehabilitation ( P070950 )

**Country:** Turkey

**Board Approval Date :** 06/01/2004

**Midterm Review Date :** 10/15/2008

**Closing Date :** 06/30/2012

**Loan/Credit/Grant Number :** IBRD-47410, IBRD-P3970

**Sector(s):** General agriculture, fishing and forestry (50%), General water, sanitation and flood protection (15%), Agro-industry (13%), Irrigation and drainage (13%), Central government administration (9%)

**Theme(s):** Other environment and natural resources management (P), Other rural development (P), Pollution management and environmental health (P), Environmental policies and institutions (S), Regional integration (S)

**Project Development Objectives:**

The project's overall development objective is to support sustainable natural resource management practices in 28 microcatchments in Anatolia and Turkey's Black Sea Region and, thereby, raise incomes of communities affected by resource degradation.

**Progress toward achieving development objective(s):**

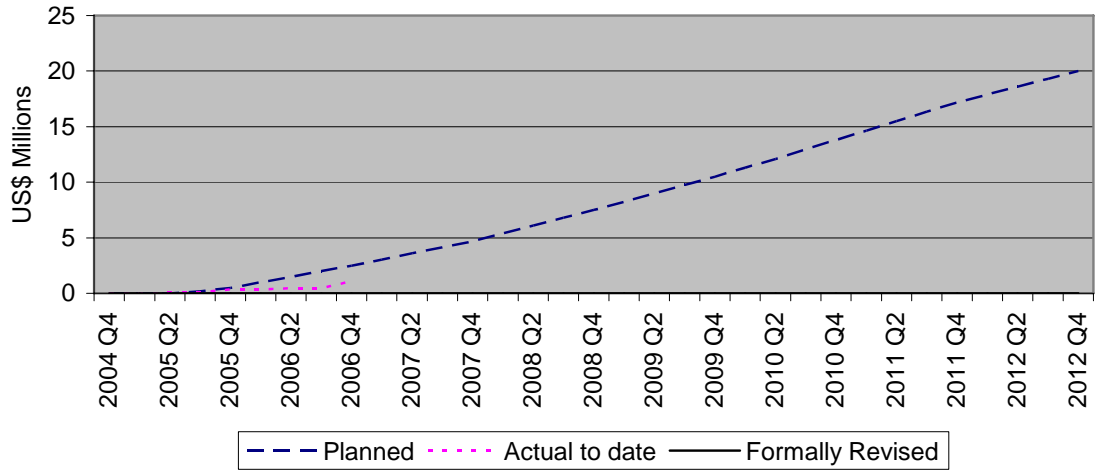
Good progress is being made in the agricultural waste management activity, with a large number of farm-level manure storage units having been constructed in several key sites. Two central storage facilities have been completed, and a third is underway. There have been some issues surrounding problems of land acquisition for the third site, but solutions have been identified and are being implemented.

With respect to the microcatchment activities, the project's first year of activities are nearing completion. microcatchment plans for the second year have been completed, and activities have been launched.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-47410	Effective	20.00	1.10	14.60	4.30
IBRD-P3970	Closed	0.28	0.01	0.00	0.27





**Project Name (ID):** Programmatic Public Sector Development Policy Loan (PPDPL) ( P071052 )

**Country:** Turkey

**Board Approval Date :** 06/29/2006

**Closing Date :** 09/30/2007

**Loan/Credit/Grant Number :** IBRD-73940, JPN-52687, JPN-54755

**Sector(s):** Central government administration (40%), Compulsory pension and unemployment insurance (30%), Sub-national government administration (15%), Health (10%), Compulsory health finance (5%)

**Theme(s):** Public expenditure, financial management, and procurement (P), Law reform (P), Social risk mitigation (P), Health system performance (S), Municipal finance (S)

**Project Development Objectives:**

This operation supports policy actions in four connected areas, namely: (a)

maintaining the currently enabling macroeconomic framework; (b) reforming substantially the country's social security and assistance system; (c) continuing the on-going process of upgrading financial controls and expenditure management of public resources; and (d) improving the administration and governance of the public sector.

**Progress toward achieving development objective(s):**

In support of these objectives, the government has enacted new legislation enabling parametric reform of pension system to ensure long term sustainability, the establishment a universal health insurance scheme, and unification of the administration of its three existing social security systems. A new central government budget law has also been enacted and the authorities have achieved good progress in implementing key reforms in the public financial management control framework including broadening coverage of the budget. The government has also enacted a range of legislation aimed at reforming local government and inter-governmental fiscal relations, in particular, aiming at vertical and horizontal revenue equalization and incentives for better fiscal discipline, service delivery and own revenue generation at local levels of government.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-73940	Not Effective	506.39	0.00	506.39	0.00
JPN-52687	Closed	0.53	0.41	0.13	0.00
JPN-54755	Effective	1.58	0.54	1.04	0.00



**Project Name (ID):** Renewable Energy ( P072480 )

**Country:** Turkey

**Board Approval Date :** 03/25/2004

**Midterm Review Date :** 09/11/2006

**Closing Date :** 06/30/2010

**Loan/Credit/Grant Number :** IBRD-72210, JPN-51629

**Sector(s):** Renewable energy (50%), Micro- and SME finance (40%), Central government administration (10%)

**Theme(s):** Climate change (P), Other financial and private sector development (P), Legal institutions for a market economy (P), Water resources management (S)

### Project Development Objectives:

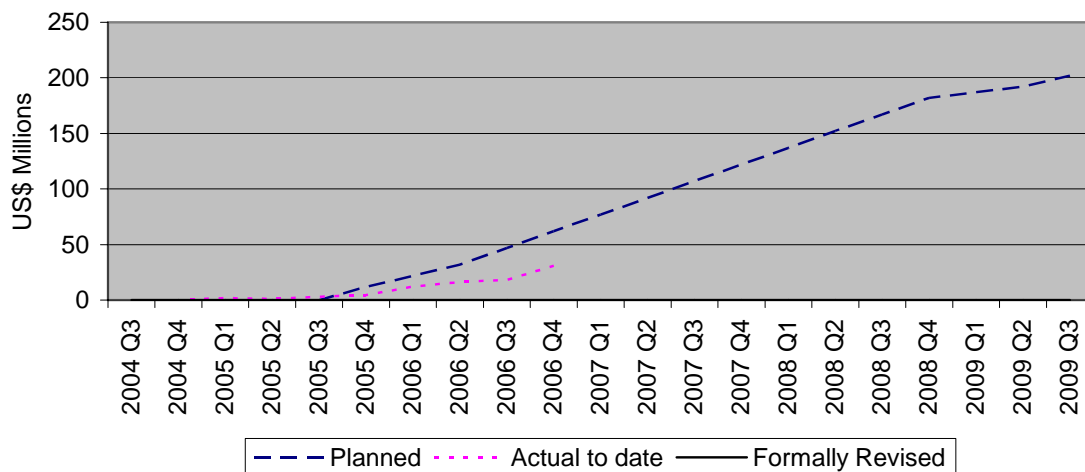
The objective is to increase privately owned and operated distributed power generation from renewable sources, without the need for government guarantees, within the market-based framework of the new Turkish Electricity Market Law.

### Progress toward achieving development objective(s):

Turkiye Kalkinma Bankasi A.S. (TKB) has committed \$28.4 million of its \$50 million to three projects (2 hydropower plants; 1 geothermal plant) and Turkey Sinai Kalkinma Bankasi A.S. (TSKB) has committed \$64.6 million of its \$150 million to seven projects (5 hydropower plants; 1 geothermal and 1 wind). The design of these projects is consistent with the project objective, and their successful implementation will significantly contribute to achieving the project development objectives. Both banks are preparing further projects.

### Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-72210	Effective	202.03	30.84	170.18	1.01
JPN-51629	Closed	0.48	0.43	0.00	0.05



**Project Name (ID):** Health Transition ( P074053 )

**Country:** Turkey

**Board Approval Date :** 05/20/2004

**Midterm Review Date :** 09/04/2006

**Closing Date :** 12/31/2007

**Loan/Credit/Grant Number :** IBRD-47370, JPN-51884

**Sector(s):** Central government administration (60%), Health (30%), Compulsory health finance (10%)

**Theme(s):** Health system performance (P), Non-communicable diseases and injury (S), Administrative and civil service reform (S)

**Project Development Objectives:**

The objective is to enable the Government to strengthen the institutional environment for the implementation of its Program for Transformation in Health that will improve system stewardship, streamline financing and service delivery, and build the institutional capacity to extend health insurance coverage to the whole population in a fiscally sustainable manner.

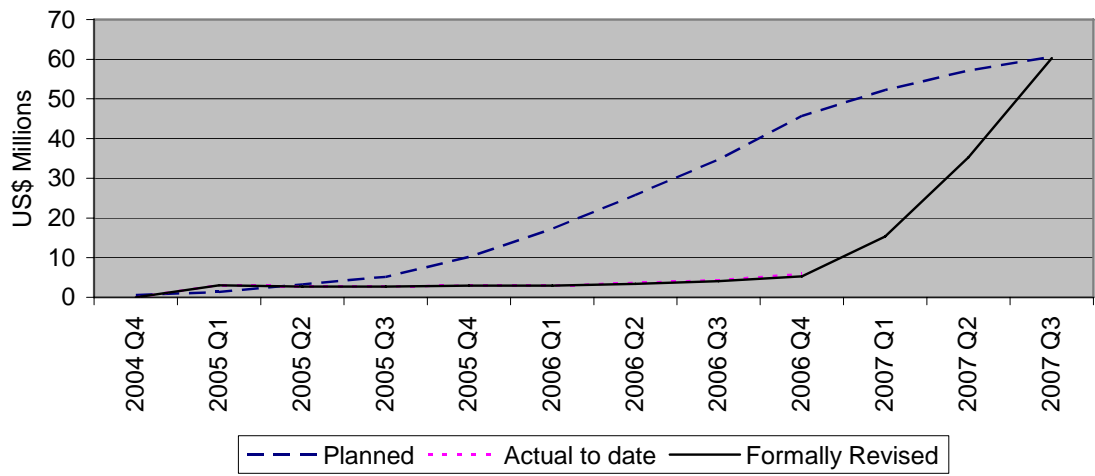
**Progress toward achieving development objective(s):**

There has been considerable progress developing the legislative framework underlying the proposed Transformation in Health. In terms of specific objectives of the project (a) the restructuring of the Ministry of Health is on-going; (b) the Social Security Institution law reform, to establish the Universal Health Insurance Fund has been approved by the National Assembly in April 2006, and will become effective by January 2007; (c) following a successful pre-pilot in one province in Turkey, the Family Medicine Pilot is now being expanded to 10 provinces; (d) progress on hospital harmonization towards autonomy is still marginal; and (v) the development of a computerized health and social security information system in both Ministries passed the design stage and is now being implemented.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-47370	Effective	62.07	5.95	55.69	0.30
JPN-51884	Closed	0.80	0.46	0.00	0.34





**Project Name (ID):** Social Risk Mitigation (SRMP) ( P074408 )

**Country:** Turkey

**Board Approval Date :** 09/13/2001

**Closing Date :** 12/31/2006

**Loan/Credit/Grant Number :** AID-54459, IBRD-46380, JPN-26884, JPN-55800

**Sector(s):** Other social services (74%), General education (12%), Health (6%), Central government administration (4%), General industry and trade (4%)

**Theme(s):** Education for all (P), Social analysis and monitoring (P), Improving labor markets (P), Social safety nets (P), Small and medium enterprise support (P)

**Project Development Objectives:**

The objective is to mitigate the impact of the 2001 economic crisis on poor households and to improve their capacity to cope with similar risks in the future.

**Progress toward achieving development objective(s):**

Tremendous progress has been made towards achieving development objectives and the loan is almost entirely disbursed. The loan has also been a vehicle to mobilize additional donor support for Turkey including US\$8.82 million from USAID and a Japan Social Development Fund grant of US\$1.87 million.

The institutional development component has been completed for the Turkish Statistics Institute, the Social Services and Child Protection Organization of Statistics and is now being completed for the Social Solidarity Fund. Conditional cash transfers are being made to 2.6 million beneficiaries as of June 2006 (double the original estimates). Over 7,500 local initiative sub-projects have been approved and/or completed and another 3,500 new applications are being processed.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
AID-54459	Closed	8.82	8.82	0.00	0.00
IBRD-46380	Effective	500.00	470.82	29.18	0.00
JPN-26884	Closed	0.58	0.13	0.00	0.45
JPN-55800	Effective	1.87	0.50	1.37	0.00



**Project Name (ID):** Railways Restructuring ( P077328 )

**Country:** Turkey

**Board Approval Date :** 06/09/2005

**Midterm Review Date :** 05/15/2007

**Closing Date :** 09/30/2009

**Loan/Credit/Grant Number :** IBRD-47870, JPN-53200

**Sector(s):** Railways (100%)

**Theme(s):** Infrastructure services for private sector development (P), Other public sector governance (S), Trade facilitation and market access (S)

### Project Development Objectives:

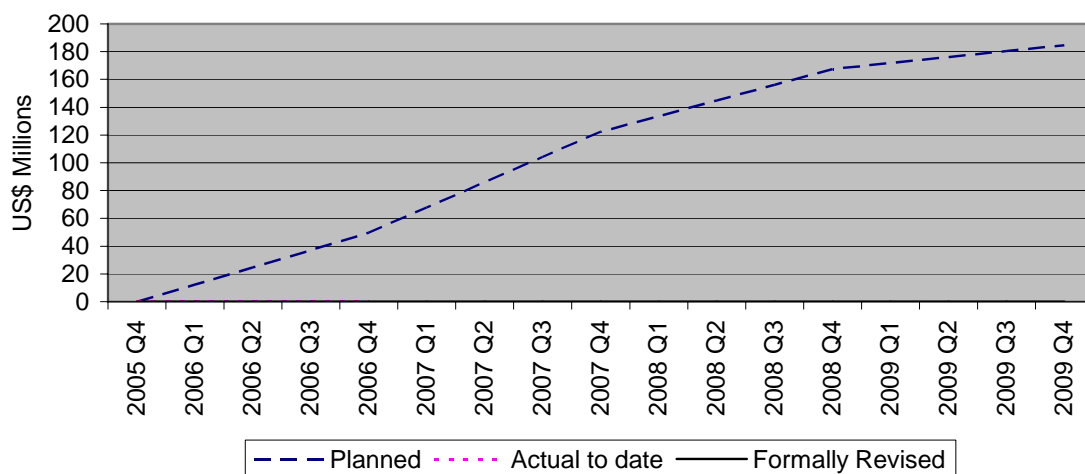
The overall objective is to support the borrower's implementation of the railway restructuring program over the four-year period 2005-2009, to improve the productivity and effectiveness of railway operations and to assist General Directorate of State Railways Administration (TCDD) in reaching a financially sustainable situation and reduce the fiscal burden TCDD represents for the Borrower.

### Progress toward achieving development objective(s):

The project has been effective since June 2006. Major project items are being procured, while progress is observed in the preparation of a new institutional setup for the railway sector.

### Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47870	Effective	180.57	0.00	180.57	0.00
JPN-53200	Closed	0.70	0.70	0.00	0.00



**Project Name (ID):** Seismic Risk Mitigation ( P078359 )

**Country:** Turkey

**Board Approval Date :** 05/26/2005

**Midterm Review Date :** 05/30/2008

**Closing Date :** 09/30/2010

**Loan/Credit/Grant Number :** IBRD-47840, JPN-52686

**Sector(s):** Sub-national government administration (40%), Other social services (20%), Health (20%), General education (20%)

**Theme(s):** Natural disaster management (P), Municipal governance and institution building (S), Participation and civic engagement (S)

### Project Development Objectives:

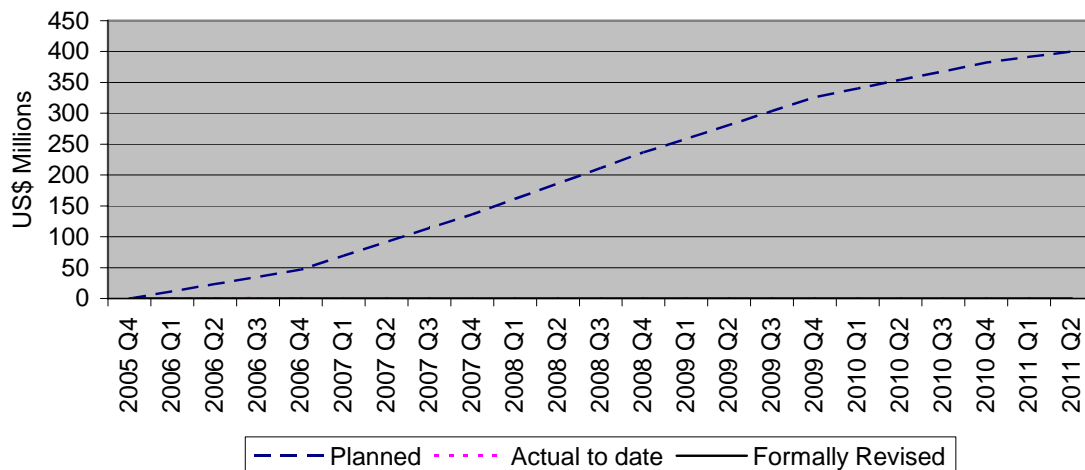
The specific objective of the project is to improve the city of Istanbul's preparedness for a potential earthquake through enhancing the institutional and technical capacity for disaster management and emergency response, strengthening critical public facilities for earthquake resistance, and supporting measures for better enforcement of building codes and land use plans.

### Progress toward achieving development objective(s):

The project has just started and activities are being implemented generally on the agreed schedule. If this strong performance continues, it is likely that the project will achieve its objectives.

### Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47840	Effective	389.53	1.19	388.27	0.00
JPN-52686	Closed	0.93	0.82	0.00	0.11



**Project Name (ID):** Municipal Services ( P081880 )

**Country:** Turkey

**Board Approval Date :** 06/23/2005

**Midterm Review Date :** 05/10/2008

**Closing Date :** 06/30/2010

**Loan/Credit/Grant Number :** IBRD-73120, JPN-53127

**Sector(s):** Water supply (43%), Sewerage (33%), Solid waste management (16%), Sub-national government administration (8%)

**Theme(s):** Pollution management and environmental health (P), Other urban development (P)

### Project Development Objectives:

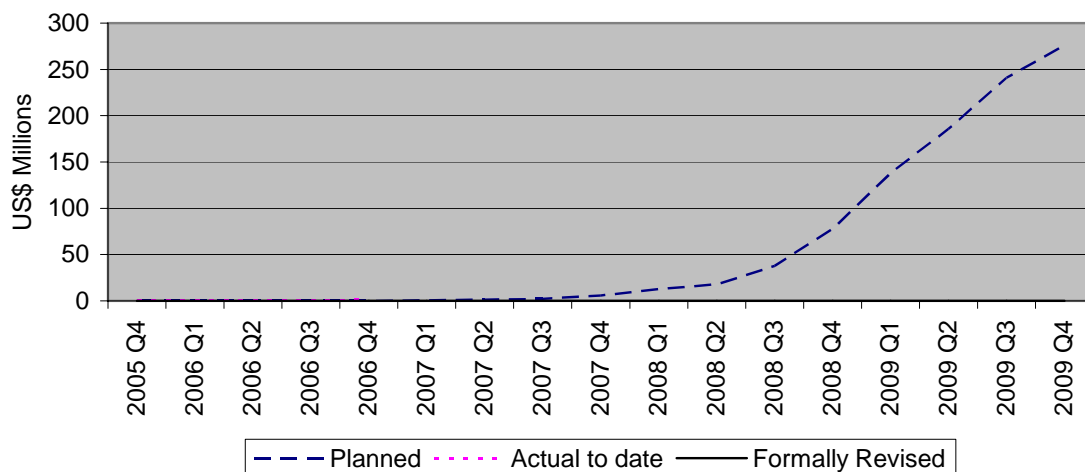
The objective is to support municipal development in a sustainable manner. To this end, the project will: (a) support the development of municipal infrastructure to provide quality local services; and (b) support the institutional strengthening of Ilker Bank, which is the source of financing for municipalities.

### Progress toward achieving development objective(s):

The project became effective late in the reporting period and it is in too early a stage to assess progress in meeting the development objective.

### Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-73120	Effective	267.52	1.36	266.18	0.00
JPN-53127	Closed	0.50	0.48	0.00	0.02



**Project Name (ID):** Export Finance Intermediation Loan 2 (EFIL 2) ( P082801 )

**Country:** Turkey

**Board Approval Date :** 01/13/2004

**Midterm Review Date :** 07/01/2006

**Closing Date :** 09/30/2009

**Loan/Credit/Grant Number :** IBRD-72130

**Sector(s):** Banking (35%), Micro- and SME finance (35%), Other domestic and international trade (30%)

**Theme(s):** Small and medium enterprise support (P), Export development and competitiveness (P), Other financial and private sector development (S)

**Project Development Objectives:**

The objectives of the project are: (a)provision of medium- and long-term working capital and investment finance to private exporters, and contribute to further facilitating export growth in Turkey; and (b) improvement in the quality, and safety of, and access to, finance through development of financial intermediation in the Turkish private financial sector by banks and leasing companies.

**Progress toward achieving development objective(s):**

The EFIL II project continued to provide Turkish exporters with access to the US\$300 million credit line. By end-June 2006, 232 sub-loans worth US\$274 million (or 91% of the total amount available under EFIL II) have already been committed under the EFIL II to Turkish exporters. The total amount actually disbursed as of end June, 2006 was US\$253 million (almost 84% of the total).

EFIL II continued to have a wide outreach to exporting sub-borrowers in terms of their industry (textile, metals, plastics, and many others), location (Marmara as the main exporting region, and also other mostly coastal regions), and sub-loan/lease size (ranging from US\$100,000+ leases to \$10 million loans). The incremental growth in exports for EFIL II borrowers from 2004 as compared to the realized export figures for 2005 has been to the extent of US\$1.4 billion, or 27%, year on year which is a significant rate of growth.

All approved sub-loans and leases are rated as category 1 (performing) by the participating financial institutions. This is to a large extent assured by a diligent credit approval process of the EFIL II sub-loans by TSKB (Turkish Industrial Development Bank - the Borrower of EFIL II) and the Bank.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
-------------------------------	---------------	---------------	------------------	--------------------	---------------------



IBRD-72130

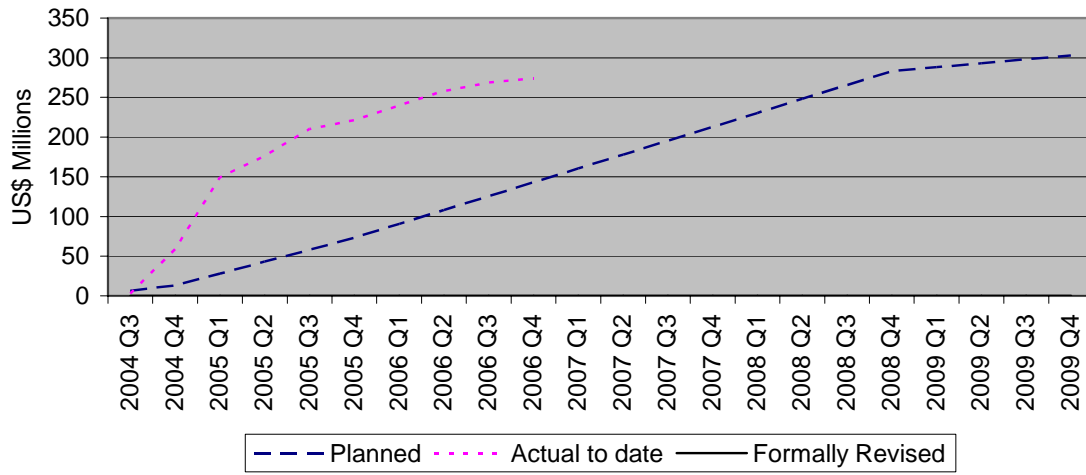
Effective

303.10

274.21

28.89

0.00



**Project Name (ID):** Access to Finance for SMEs ( P082822 )

**Country:** Turkey

**Board Approval Date :** 06/08/2006

**Closing Date :** 08/31/2010

**Loan/Credit/Grant Number :** IBRD-73890, IBRD-73900

**Sector(s):** Micro- and SME finance (70%), General finance (15%), General industry and trade (10%), Banking (5%)

**Theme(s):** Small and medium enterprise support (P), Other financial and private sector development (S)

**Project Development Objectives:**

The project's main objective is to increase small- and medium-sized enterprises (SMEs') access to medium-term finance. The project is supported by two financial intermediary loans.

**Progress toward achieving development objective(s):**

The loans were approved in June 2006 and have not yet been signed.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-73890	Not Effective	62.83	0.00	62.83	0.00
IBRD-73900	Not Effective	125.66	0.00	125.66	0.00



**Project Name (ID):** Electricity Generation Rehabilitation and Restructuring ( P085561 )  
**Country:** Turkey  
**Board Approval Date :** 06/06/2006  
**Closing Date :** 12/31/2011  
**Loan/Credit/Grant Number :** IBRD-48240, JPN-53753  
**Sector(s):** Power (100%)  
**Theme(s):** Infrastructure services for private sector development (P), State enterprise/bank restructuring and privatization (P), Regulation and competition policy (S)

**Project Development Objectives:**

The project seeks to improve supply security during the reform transition and restructure the state-owned generation business into incorporated entities.

**Progress toward achieving development objective(s):**

This project was approved on June 6, 2006, and has not yet become effective.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-48240	Not Effective	351.83	0.00	351.83	0.00
JPN-53753	Effective	0.60	0.31	0.29	0.00



**Project Name (ID):** Export Finance Intermediation Loan 3 (EFIL 3) ( P093568 )

**Country:** Turkey

**Board Approval Date :** 05/17/2005

**Midterm Review Date :** 11/12/2007

**Closing Date :** 06/30/2010

**Loan/Credit/Grant Number :** IBRD-72950

**Sector(s):** Banking (40%), Micro- and SME finance (30%), Other domestic and international trade (30%)

**Theme(s):** Small and medium enterprise support (P), Export development and competitiveness (P), Other financial and private sector development (S)

**Project Development Objectives:**

The objectives of the project are: (a) to provide medium and long-term working capital and investment finance to private exporters, and contribute to further facilitating export growth in Turkey; and (b) to improve the quality and safety of and the access to finance.

**Progress toward achieving development objective(s):**

The EFIL III project continues to expand access to credit for the qualified Turkish exporters. With the predecessor EFIL II credit line almost fully committed, EFIL III provides exporters from a variety of geographical areas and branches of economy with a flexible credit line of both US dollars and Euros (USD 200 million and EUR 80 million). Both the exporters and their financial institutions using the credit line undergo detailed financial and environmental analysis performed by TSKB (Turkey Industrial Development Bank, the Borrower) and the Bank, thus raising the quality level of credit appraisal in the financial sector.

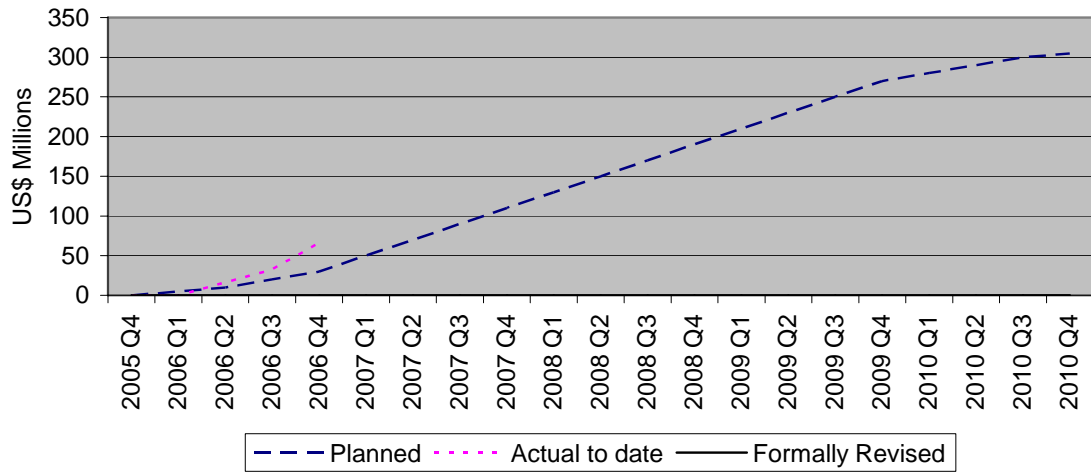
The initial stage of commitments and disbursements under the project has proceeded well. As of mid-July 2006, 49 sub-loans worth USD 42 million (around 21% of the total US dollar allocation available under EFIL III) and EUR 35 million (around 44% of the total Euro allocation) have already been committed under the EFIL III to Turkish exporters.

All 9 participating banks and leasing companies continued to comply with the project's eligibility criteria. All financed sub-loans are rated as category 1 (performing) by the participating financial institutions.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-72950	Effective	302.09	66.00	234.26	0.00





**Project Name (ID):** GAS SECTOR DEVELOPMENT ( P093765 )

**Country:** Turkey

**Board Approval Date :** 11/29/2005

**Closing Date :** 12/31/2012

**Loan/Credit/Grant Number :** IBRD-73420

**Sector(s):** Oil and gas (100%)

**Theme(s):** Infrastructure services for private sector development (P), State enterprise/bank restructuring and privatization (S), Regulation and competition policy (S)

**Project Development Objectives:**

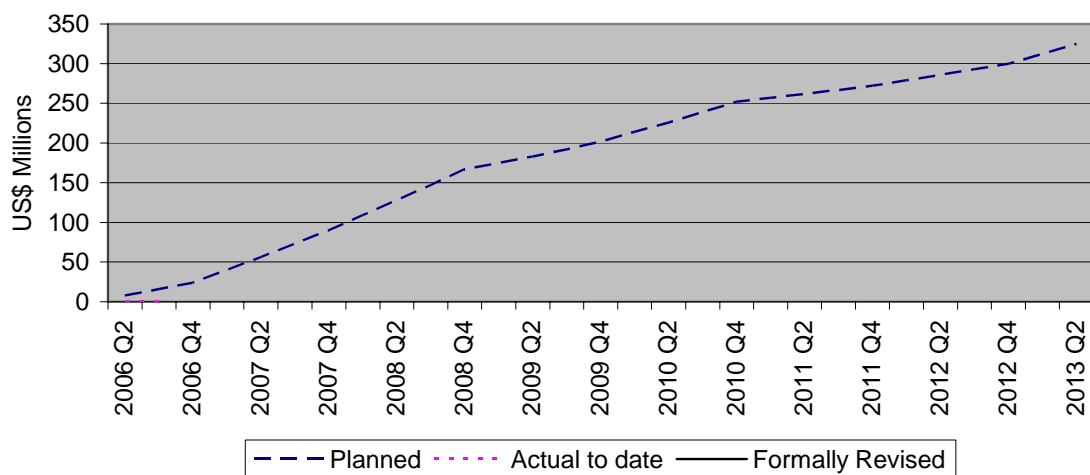
The project objective is to increase the reliability and stability of gas supply in Turkey by implementing critically needed gas storage and network infrastructure, and support BOTAS in strengthening its operations as a financially stable and commercially managed corporation.

**Progress toward achieving development objective(s):**

This project was approved on November 29, 2005, and the progress of the first few months was slow. One reason for this is that the project design has been changed to advance the completion of the underground gas storage facility. Boru Hatlari Ile Petrol Tasima A.S. (BOTAS) is evaluating a change in the project design from the original three-phase construction process with four caverns in each phase, to a two-phase process with six caverns in each phase.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-73420	Effective	325.00	0.81	324.19	0.00



**Project Name (ID):** Privatization Social Support Project 2 ( P094167 )

**Country:** Turkey

**Board Approval Date :** 06/14/2005

**Midterm Review Date :** 06/29/2007

**Closing Date :** 06/30/2009

**Loan/Credit/Grant Number :** IBRD-47910

**Sector(s):** Compulsory pension and unemployment insurance (94%), Central government administration (3%), Other social services (1%), General industry and trade (1%), General education (1%)

**Theme(s):** Improving labor markets (P), Social risk mitigation (S), Education for the knowledge economy (S), Small and medium enterprise support (S), Social analysis and monitoring (S)

### Project Development Objectives:

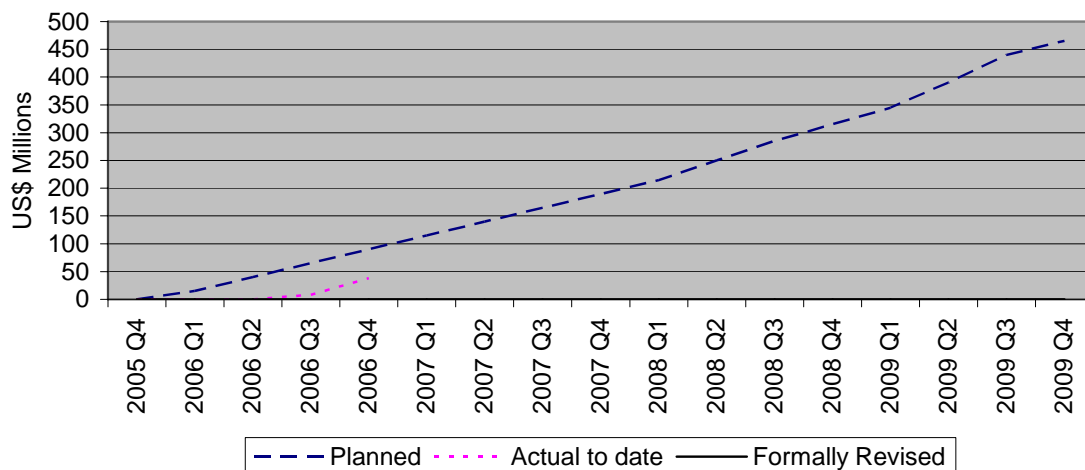
The objective is to support Turkey's privatization program through mitigating the negative social and economic impact of the privatization of state-owned enterprises (SOE).

### Progress toward achieving development objective(s):

The loan is now effective and disbursements have started despite a delay. The privatization program is proceeding smoothly and disbursements are expected to accelerate. The first round of labor redeployment services for redundant workers has just started. Six micro-enterprise incubators are ongoing, with positive results, and work has started on establishing a further six.

### Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )

Loan/Credit/ Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47910	Effective	452.36	38.03	413.32	0.00



**Project Name (ID):** Energy Community of South East Europe (APL #2) (Turkey) ( P094176 )

**Country:** Turkey

**Board Approval Date :** 04/01/2005

**Midterm Review Date :** 01/31/2008

**Closing Date :** 12/31/2010

**Loan/Credit/Grant Number :** IBRD-47720

**Sector(s):** Power (100%)

**Theme(s):** Regulation and competition policy (P), Regional integration (S)

**Project Development Objectives:**

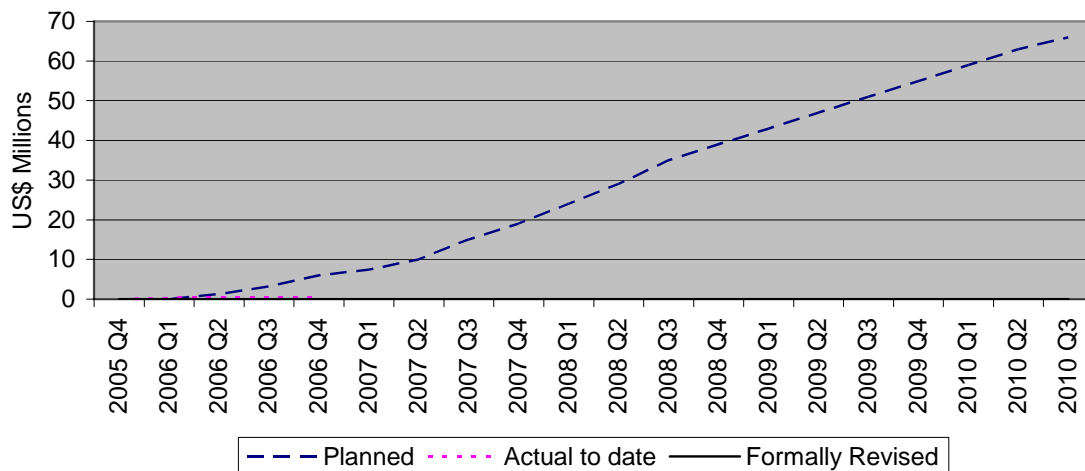
The objective of the project is to support the implementation of the investment programs of the Turkish Electric Transmission Corporation (TEIAS) including: (a) creation of a market management system for the management of the electricity market; (b) strengthening supervisory control and data acquisition/energy management system to enable TEIAS to operate more efficiently; and (c) provision of transmission grid strengthening and expansion for overall stability.

**Progress toward achieving development objective(s):**

Activities are progressing, though it is still too early to report on results.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-47720	Effective	63.58	0.31	63.26	0.00



**Project Name (ID):** Avian Influenza and Human Pandemic Preparedness and Response  
APL 2 ( P096262 )

**Country:** Turkey

**Board Approval Date :** 04/24/2006

**Closing Date :** 11/30/2010

**Loan/Credit/Grant Number :** IBRD-48220

**Sector(s):** General public administration (45%), Health (28%), Agricultural extension and research (13%), Animal production (12%), Other social services (2%)

**Theme(s):** Rural services and infrastructure (P), Other communicable diseases (P), Health system performance (S), Pollution management and environmental health (S), Participation and civic engagement (S)

**Project Development Objectives:**

The proposed project aims to minimize the threat in Turkey posed to humans by the highly pathogenic avian influenza infection and other zoonoses in domestic poultry and prepare for the control and response to an influenza pandemic and other infectious disease emergencies in humans. To achieve this, three areas will be supported: (a) prevention, (b) preparedness and planning and (c) response and containment. Achieving these goals will contribute to diminishing the burden of disease and loss of productivity in Turkey, limiting the regional spread of avian influenza, and enhancing economic and social prospects at the national, regional, and global levels.

**Progress toward achieving development objective(s):**

The project was not effective by the close of the reporting period.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

<b>Loan/Credit/ Grant</b>	<b>Status</b>	<b>Amount</b>	<b>Disbursed</b>	<b>Undisbursed</b>	<b>Cancellation</b>
IBRD-48220	Not Effective	34.30	0.00	34.30	0.00



**Project Name (ID):** Energy Community of South East Europe APL 3 ( P096400 )

**Country:** Turkey

**Board Approval Date :** 03/23/2006

**Closing Date :** 06/30/2011

**Loan/Credit/Grant Number :** IBRD-48170

**Sector(s):** Power (100%)

**Theme(s):** Regional integration (P), Other urban development (P), Non-communicable diseases and injury (S)

**Project Development Objectives:**

The development objective of the project is to increase the safety, reliability, efficiency, and capacity of the bulk power transmission system in Turkey and to improve market access for consumers and suppliers of electricity.

**Progress toward achieving development objective(s):**

The project was approved by the Bank in March 2006, and became effective on May 9, 2006. TEAIS, the Turkish electric transmission company (the Borrower) has made progress in procurement activities for projects financed by this loan.

**Lending Information/Disbursement Summary ( USD millions, as of June 30 2006 )**

Loan/Credit/Grant	Status	Amount	Disbursed	Undisbursed	Cancellation
IBRD-48170	Effective	157.07	0.40	156.68	0.00

