

Environmental and Social Review Summary

Istanbul Ikitelli Integrated Health Campus

This Environmental and Social Review Summary (ESRS) is prepared by MIGA staff and disclosed in advance of the MIGA Board consideration of the proposed issuance of a Contract of Guarantee. Its purpose is to enhance the transparency of MIGA's activities. This document should not be construed as presuming the outcome of the decision by the MIGA Board of Directors. Board dates are estimates only.

Any documentation which is attached to this ESRS has been prepared by the Project sponsor, and authorization has been given for public release. MIGA has reviewed the attached documentation as provided by the applicant, and considers it of adequate quality to be released to the public, but does not endorse the content.

Country:	Republic of Turkey
Sector:	Services
Project Enterprise:	Istanbul PPP Saglik Yatirim A.S.
Environmental Category:	B
Date ESRS Disclosed:	June 16, 2017
Status:	Due Diligence

A. Project Description

Sojitz Hospital PPP Investment B.V., (Sojitz SPC) has asked the Multilateral Investment Guarantee Agency (MIGA) to provide political risk insurance for its investment in the Istanbul Ikitelli Integrated Health Campus (Ikitelli IHC or Project). In 2011 the Project was added to the Turkish Health Public-Private Partnership Program (PPP Program) developed by the Turkish Ministry of Health (MoH) in 2010 to increase capacity of public hospital infrastructure in the country. MIGA has now supported five projects under the Program (Adana, Yozgat, Elazig, Gaziantep, and Bursa).

The Ikitelli IHC is situated in the Başakşehir district on the European side of Istanbul, roughly 18 km northwest of the historic city center. Başakşehir is one of 39 districts in the city, and has a population of 350,000. The IHC is expected to serve Başakşehir and the surrounding districts, with a potential catchment area of several million people, offering substantial increases in healthcare facility quality and capacity. The project site is in a heavy traffic area, though a new metro line to be completed in 2020 is expected to alleviate some of the congestion.

The project footprint will cover 789,031 m². It comprises the development of an integrated health campus with a total capacity of 2,682 beds which consists of eight hospitals: 469-bed General Hospital, 311-bed Neurological Sciences and Orthopedic Hospital, 327-bed Cardiovascular Hospital, 367-bed Oncology Hospital, 397-bed Children's Hospital, 459-bed Women Diseases Hospital, 152-bed Psychiatric Hospital and 200-bed Physical Therapy and Rehabilitation Hospital. In addition to the hospitals, there will be three rooftop helipads, an energy center (where boilers and trigeneration system will be located), internal roads system with access to the already planned major highway expansion scheme in the area, a facility management logistics building and an area set aside for future development. The trigeneration system allows for the efficient production of electricity, heat and cooling in one process and will comprise 4 natural gas fired gas engines with a total capacity of 17.2 MW. There is an existing natural gas pipeline traversing the site that will be diverted

around the outside of the project site boundary. The local authority is responsible for providing and carrying natural gas to the boundary of project site. The intake pipeline and pressure-reducing station (skid pad) will be constructed by the EPC contractor according to the gas pressure needs of the facilities. A future metro station is also planned for the site, but is not part of this project. During construction, there will be concrete batching plants located on site.

The Başakşehir neighborhood is located to the east of the Project site and includes numerous residential buildings, schools, industrial areas, shopping malls and major multiple-unit housing projects. The Kayasehir neighborhood is located to the west of the Project site and is mainly made up of residential buildings. There is a school located at a distance of 200 m to the northwest boundary of the Project site. The TOKI Kayasehir Anadolu High School and TOKI Kayasehir Middle School are located at a distance of 780 m and 810 m, respectively from the Project site boundary. In addition, recently completed Topkapı schools' Kayasehir campus (including a kindergarten, elementary school and a secondary school) is located approximately 530 m to the Project site boundary in the same direction. There are a number of small shops and hobby gardens near the Topkapı Schools' Kayasehir Campus. A new building (reported to be used as a university campus building) belonging to Turkey Youth and Education Service Foundation (TURGEV) is located between the Project site and the hobby gardens, at a distance of 210 m to the west boundary of the Project site. These are considered as important stakeholders particularly related to impacts during construction phase such as noise and air quality impacts, potential traffic increase during construction and operation phases.

The Project sponsors are a consortium comprised of Sojitz SPC and the Turkish company Ronesans Holding (Ronesans). Istanbul PPP Sağlık Yatırım A.S. (the Project Enterprise), under a Project Agreement (PA) signed between Ronesans, the majority owner and EPC, and the MoH. Ronesans will be the Project Enterprise (PE) and will be responsible for the design, construction, equipping, maintenance, and management of the facilities of the IHC within a Project period of 29 years, under the PPP with the Ministry of Health. The MoH will deliver medical care services once the hospital becomes operational. At the end of the Project's operating 25.5-year period, the facilities will be transferred to the MoH.

B. Environmental and Social Categorization

The Project is a Category B under MIGA's Policy on Environmental and Social Sustainability (2013) because the potential environmental and social impacts are limited, site-specific, largely reversible, and can be readily addressed through mitigation measures. Key (E&S) issues during construction include effects on air and water quality, soil and vegetation removal, increased noise levels and vibration, solid and liquid domestic and hazardous waste management and incidents related to occupational and community health and safety. During operation, key E&S risks include generation of general solid and liquid waste, generation of hazardous waste (including medical waste and residual pharmaceutical waste), air emissions, life and fire safety risks, and adequacy of emergency response.

C. Applicable Standards

While all Performance Standards (PS) will be applied to the Project, based on current information, it is expected that the Project will be managed in accordance with the following PSs:

- PS1: Assessment and Management of Environmental and Social Risks and Impacts
- PS2: Labor and Working Conditions
- PS3: Resource Efficiency and Pollution Prevention
- PS4: Community Health, Safety, and Security
- PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

PS5 (Land acquisition and Involuntary Resettlement) does not apply to this investment. The Project site is owned by the State Treasury and zoned as a health area. In 2011 it was allocated to the MoH for the Project. The site was vacant and unfenced with no identified prior use at the time of the ESIA which was confirmed by the Başakşehir Municipality and the Provincial Directorate of the of Environment and Urban Planning. No physical or economic resettlement or additional land was required. All project construction activities will take place within the defined project boundaries with materials for construction sourced from public borrow pits and concrete produced onsite.

PS7 (Indigenous Peoples) is not relevant to this project since indigenous communities are not present in the area.

PS8 (Cultural Heritage) as part of the ESIA, the Istanbul 1st Cultural Assets Protection Regional Board Directorate and Istanbul Archaeological Museums Directorate were consulted concerning the historical use of the site, although it is not within a designated heritage area. The Directorate's database has no record of any cultural heritage associated within the site and the general location is not noted for being of any historical interest. An extensive five-month baseline study was commissioned in 2013-14 involving the digging of a series of boreholes across the site to check for the presence of any artifacts of significance. Some were recovered and assessed by experts but were not considered by the Directorate to be of cultural interest. Impacts on cultural heritage are not anticipated but there remains the potential for archeological importance and so in accordance with local and PS8 requirements an Archeological Chance Find Management Plan with procedures has been developed as part of the construction phase ESMS and is being implemented already on site during the pre-construction activities. No artifacts have been discovered during the pre-construction phase. Should any chance finds be uncovered, they are required to be notified to the Directorate and work stopped while investigations are made.

In addition, the following World Bank Group Environmental, Health, and Safety (WBG EHS) Guidelines are applicable to the Project:

- World Bank Group General EHS Guidelines
- World Bank Group EHS Guidelines for Health Care Facilities
- World Bank Group EHS Guidelines for Gas Distribution Systems

D. Key Documents and Scope of MIGA Review

MIGA's review consisted of a due diligence mission and appraisal of environmental and social information submitted by Sojitz SPC and Ronesans. The following documents have been reviewed by MIGA:

- Environmental and Social Impact Assessment (ESIA): Ikitelli Integrated Health Campus – February 2017
- Stakeholder Engagement Plan: Ikitelli Integrated Health Campus – February 2017
- Waste Management Plan: Ikitelli Integrated Health Campus – February 2017
- Environmental and Social Management Plan: Ikitelli Integrated Health Campus Project – February 2017
- Environmental and Social Action Plan – February 2017

E. Key Issues and Mitigation

PS1: Assessment and Management of Environmental and Social Risks and Impacts

Environmental and Social Assessment

Though the Project does not fall under the scope of the Turkish Environmental Impact Assessment Regulation (refer to the section on *Environmental Permitting* below), an Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plan (ESMP) and Environmental and Social Action Plan (ESAP) were completed for this project in February 2017. The Project retained an independent environmental consulting firm (ACE Sustainability Consulting Services) to undertake the environmental and social assessment and prepare the documents in line with the Performance Standards (2012), WBG EHS general and sector-specific guidelines. An independent consultant (Mott MacDonald) was also engaged to undertake a due diligence review of the ESIA and associated documents including the ESMS and associated plans, as well as the ESAP. The ESIA was conducted to the following standards:

- IFC Performance Standards on Social and Environmental Sustainability (1 January 2012)
- IFC General Environmental, Health and Safety (EHS) Guidelines (30 April 2007)
- IFC EHS Guidelines for Healthcare Facilities (30 April 2007)
- JBIC Environmental and Social Considerations Required for Funded Projects (January 2015)
- NEXI Environmental and Social Considerations Required of Covered Projects (January 2015)

Key risks and impacts identified for the construction phase of the Project include health and safety risks intrinsic to construction activities such as physical hazards related to the use of machinery and vehicles, management of hazardous substances, increase of dust emissions from excavation and noise emissions from vehicular traffic and machinery operation and impacts on flora and fauna. During operation of Ikitelli IHC, key potential Environmental, Social, Health and Safety (ESHS) risks include: exposure and spread of infectious diseases induced by handling of materials and improper waste contaminated with blood-borne pathogens; exposure to hazardous materials and waste including specific toxic chemicals and gases used in sterilization of medical equipment, formaldehyde, mercury,

solvents, etc.; inadequate solid and liquid waste management; and risks associated to inadequate discharge of contaminated wastewater. Traffic related accidents and security management were also identified as risks during operations. It is expected that proper implementation of an Environmental and Social Management System (ESMS) and ESMP during the construction and operation of the Project will avoid and/or minimize risks and impacts to the extent possible ensuring safe working conditions for the workers and neighboring community. Potential cumulative impacts identified included the impacts associated with increased traffic, from both the project and other development in the area, and interactions between the local community and construction workers. Measures were identified to address these potential cumulative impacts and included in the construction phase ESMS.

Management Program

The project has a comprehensive Health, Safety and Environment (HSE) Policy that is compliant with the requirements of PS 1. Within the policy a number of procedures have already been developed including HSE Disciplinary Procedure and Permit to Work Procedure and a Subcontractor Management and Monitoring Plan. The construction Phase ESMS has been completed and the organizational structure established. The Project will be developed by Istanbul PPP Sağlık Yatırım A.S. (Istanbul PPP A.S.) who will be responsible for the design, construction, equipping and maintenance of the IHC. The EPC contractor is RMI Ronisans Medikal Taahhut Insaat A.S. (RMI) which is responsible for construction. RMI has obtained ISO 9001 Quality Management, ISO 14001 Environmental Management and ISO 18001 Occupational Health and Safety Management certifications and is an experienced contractor.

The following construction phase plans are completed and have been submitted to MIGA. They are incorporated within the comprehensive ESMS. Relevant plans are being implemented during the current pre-construction, site clearing phase:

- Human Resources Management Plan
- Air Quality Control and Monitoring Plan
- Noise Control and Monitoring Plan
- Waste Management Plan
- Hazardous Material Management Plan
- Emergency Preparedness and Response Plan, including procedures for Fire Prevention and Protection Procedure and Risk Assessment
- Occupational Health and Safety Management Plan
- Construction Camp Management Plan
- Construction Traffic Management Plan
- Traffic Management Plan
- Community Health, Safety and Security Management Plan including Site Security Procedures
- Archaeological Chance Finds Management Plan
- Training Plan
- Subcontractor Management and Monitoring Plan

Organizational Capacity

The HSE team has been established and a detailed organizational chart prepared. Currently the following posts have been filled; HSE Manager, HSE Chief Officer, Community Liaison Officer, several HSE Specialists, Training Manager and the onsite OHS doctor. The maximum workforce anticipated during construction is estimated at around 5,000.

Emergency Preparedness and Response

As indicated above, an Emergency Response and Preparedness Plan (ERPP) has been developed for the construction phase of the Project. The plan details management procedures for issues related to occupational accidents, fire, fuel and chemical spills, natural disasters such as flooding and earthquakes, as well as relevant roles and responsibilities. An ERPP will need to be prepared for the operations phase of the Project and included in the operations phase ESAP

Monitoring and Review

For the construction phase, monitoring plans are included in the subject specific management plans that have been prepared as part of the ESMP. These plans include monitoring procedures for key parameters and indicators to evaluate potential adverse social and environmental impacts. The plans also identify responsible parties, timing and reporting requirements. MIGA will also require annual monitoring reports throughout the guarantee period.

PS2: Labor and Working Conditions

The Project will create employment opportunities during the construction and operation phases. During peak construction, the workforce is anticipated to be about 5,000 people (including foreman, workers, technical and administrative staff). The workforce will be supplied locally to the extent possible including local sub-contractors. When the Project starts to operate at full capacity, the workforce requirement is anticipated to be 9,248 in total with 4,285 health service personnel and 810 administrative personnel to be employed by MoH together with 4,153 service employees and 31 administrative personnel to be employed by İstanbul PPP Sağlık Yatırım A.Ş. and its service providers. First priority, will be given to a local workforce while providing equal employment opportunities to women. Benefits to the local economy are expected due to the potential influx of workers from other parts of Turkey.

Worker accommodation, in the form of a pre-fabricated building, has already been constructed on site to high standards that complies with PS2 requirements. İstanbul PPP A.S. will manage workers' accommodation and provide basic services to workers in line with the provisions of IFC PS2 and also follow the guidance note on worker's accommodation published by IFC and EBRD (Worker's Accommodation: Processes and Standards). During the construction phase, İstanbul PPP A.S. will provide appropriate facilities to those employees who will need on-site accommodation. Workers' accommodation arrangements will not restrict workers' freedom of movement or of association.

Human Resources (HR) Policies and Procedures

Labor practices in Turkey are regulated by the Labor Law No. 4857 of 2003, which standardizes employees' work-related rights, working conditions and stipulates obligations of employers and employees. Turkey also has an Occupational Health and Safety (OHS) Law and a Regulation of Workers Health and Safety that stipulate detailed criteria for safe working conditions at job sites. As part of the ESMS, Istanbul PPP A.S. has fulfilled the requirements of MIGA's PS2 by preparing an HR Policy and HR Management Plan that will be implemented during construction and operation. All workers are insured under Social Security Institution (SSI).

Worker Grievance Mechanism

Istanbul PPP A.S. will include as part of its ESMS and for the construction and operation phases where grievances of employees and sub-contractors related to environment, health and safety issues will be handled and the workers will be informed about the grievance mechanism at the time of employment. The grievances can be raised anonymously and reviewed in one week intervals followed by initiation of corrective action within two days for grievances of high importance. The grievance mechanism will be extended to workers in future.

Supply Chain

A local employment and procurement policy has been prepared. Istanbul PPP A.S. will comply with the provisions of Turkish Labor Law with regard to child labor and forced labor and accordingly, and has represented that there will be no use of child labor or forced labor. Istanbul PPP A.S. will include as part of its ESMS consideration of third party workers and supply chain. The potential for child and forced labor in the supply chain will be monitored and contracts with sub-contractors and suppliers will include EHS requirements and provisions consistent with PS2 to address labor issues including child and forced labor.

PS3: Resource Efficiency and Pollution Prevention

Baseline conditions were established for the study area through field measurements for air quality, noise, hydrology, hydrogeology, geology, soil quality, and terrestrial ecology (see ESIA Annexes for more details). This section summarizes key ESIA findings and proposed mitigation measures to avoid and control potential impacts related to emissions and air pollution, noise and vibration levels, wastewater discharge, and solid, medical, and hazardous waste management among others, as identified in the ESMP. During construction It is anticipated that approximately 850,000m³ of concrete, 260,000m² of bituminous membrane, 125,000 tons of steel and 170,000 tons of asphalt will be needed for the Project. Concrete will be supplied from the two concrete plants with a 90m³/hour capacity each, that are installed at the Project site. The required fill material (i.e. remaining 2,146,000m³ after 580,000m³ excavated onsite soil is used as fill material) will be supplied from two public borrow pits located in Catalca district center (25km away) and Sultangazi district (7km away).

Energy efficiency has been fully taken into account during projects design and operation. Energy and water resources management plans have been recommended as part of the ESMS, in conformance with PS3, to optimize resources use. The IHC will seek LEED certification.

Water Supply

Total water consumption during the construction phase of the Project is estimated to be 1,658m³/day during regular construction works. During operations water use will be for general domestic and sanitary use (including laundry, food preparation processes, sterilizers and autoclaves, processing of X-ray prints and water used for gardens. Water consumption of the IHC is predicted to vary between 3,352-4,291m³/day. This will be provided through from the existing water supply line of the municipality.

Wastewater

The site is connected to the municipal waste water treatment system. Maximum waste water generation of the IHC during operations is expected to be 4,291m³/day. Capacity of the local Atakoy Advanced Biological WWTP is 400,000m³/day, the additional wastewater load represents approximately 1% of the existing capacity. The project has received authorizations for discharge of waste water during construction and operations.

There will be no separate waste water treatment plant, however, wastewater from the various departments within the IHC will be collected via different piping systems and discharged directly into the sewer system, except for the wastewater that is contaminated with radioactive substances (i.e. from nuclear medicine department and laboratories). Liquid wastes containing radioactive substances above the limits established in the Regulation on Wastes Generated from Radioactive Substances Use (Official Gazette date/no: 02.09.2004/25571) will be stored in a waste holding system approved by the Turkish Atomic Energy Authority (TAEK).

Waste Management and Disposal

The production of solid, hazardous, medical and radioactive wastes is expected throughout different phases of the Project. Fuels, oils and chemicals will be stored on an impervious base protected by bunds to 110% of capacity. Drip trays will be used for fueling mobile equipment. Any spillages from handling fuel and liquids will be immediately contained on site and the contaminated soil removed from the site for suitable treatment and disposal. Soil and other surplus material arising from the works which is classed as “acceptable fill” shall, wherever practicable, be recovered and used in the construction works... Operation of a closed drainage system and implementation of the EPRP in the event of spills, fire etc. will prevent significant impacts on soils during construction.

Collection and disposal of the medical wastes in the Project will be done in line with Regulation on Medical Wastes Control (O.G. Date/No: 22.07.2005/25883). The main waste treatment/handling facilities in Istanbul province for the management of the waste streams generated by the IHC include the following: Medical waste sterilization facility and high temperature incineration facility (operated by ISTAC under the responsibility of

Istanbul Metropolitan Municipality (IMM); Odayeri Class II Landfill Facility (operated by ISTAC under IMM); authorized recycling and hazardous waste treatment facilities and, authorized disposal areas for excavation materials and construction wastes. The capacities of the medical waste sterilization and incineration facilities at 100 tons per day capacity were noted to be sufficient to handle the 5 tons per day of medical waste generated during the operation as they are only operating currently with 60 tons per day.

The estimated 6.3 tons of solid waste per day generated by the project is considered relatively insignificant when compared to the daily average of 16,300 tons of solid waste is being collected and disposed by the IMM and district municipalities.

The radioactive waste stream is expected to include residual radionuclides from unused liquids from radiotherapy or laboratory research; contaminated glassware, packages or absorbent paper; urine and excreta from patients treated or tested with unsealed radionuclides. These wastes will be collected separately. A Radioactive Substance Management Plan will be prepared prior to the start of operations. Clean-up materials such as spill kits will also be managed as hazardous waste. Disposal will be done by firms authorized by Turkish Atomic Energy (TAEK) Authorization in accordance with regulation on Secure Transfer of Radioactive Materials and the Regulation on Management of Radioactive Wastes. In addition to Turkish regulations, the Project will follow waste management practices stipulated in WBG general and sector-specific EHS guidelines.

Air Emissions

Main sources of air pollution during construction were identified in the ESIA as excavation works and movement of vehicles, and engine emissions from exhaust gas from construction equipment and road traffic. Principal pollutants resulting from these sources are dust and particulate matter (PM) from soil excavation and removal; and nitrogen oxides (NO_x), Sulphur dioxide (SO₂) and carbon monoxide (CO) from vehicle exhaust. Air quality baseline measurements were undertaken during the ESIA that included PM deposition and PM₁₀ (dust emissions during construction) and NO_x (related to trigeneration emissions during operation). Air dispersion modelling concentrations indicated compliance with national and IFC limit values and will be subject to monitoring.

GHG Emissions

The total energy required to operate the hospital will be 48 MW. The estimated rated thermal capacities of the trigeneration system and boilers will be 39.24 MW and 52.92 MW, respectively. The system will not be operated at full capacity together and the operating scheme will change according to system needs and/or season. The gas-fired trigeneration system will generate significant GHG emissions equivalent to 93,618 tCO₂/year (using the IPCC default Emission Factor for Natural Gas: 56,100 kg gas/TJ). As per PS 3 requirements, the project will be required to quantify the direct and indirect emissions and undertake necessary actions to minimize these and report on CO₂ emissions annually.

Noise and vibration

The main noise sources during construction include use of construction machinery and equipment during earthworks and structural works, operation of the concrete batch plants and construction traffic related to the transportation of excavated soils and construction materials. During operation noise sources will include the operation of the heating and cooling systems and the increase in road traffic both on and off site from the operation of the facility. In addition, there will be occasional air ambulance helicopter movements. The ESIA included a baseline environmental noise assessment at four locations and a noise modeling study for both construction and operation phases to predict noise levels. These measurements indicate compliance with local and MIGA requirements. A Noise Control and Monitoring Plan has been prepared for the Project as part of the ESMS.

PS4: Community Health, Safety & Security

Community health and safety risks associated with the Project include safety risks from unauthorized access and increased traffic, health risks associated with dust and noise, life and fire safety, infrastructure safety and security. The Project site is vacant, and is primarily surrounded by mass housing complexes in the vicinity. The closest housing settlements are to the west boundary of the Project site at a distance of approximately 200 m. There is another housing complex at a distance of 150 m to the southwest of the Project boundary and to the east of the Project site houses are located approximately 210 m. These residential buildings include shanty houses, apartments and housing complexes. Construction is almost completed for a new mass housing project (Nida Park) located approximately 250 m to the southwest boundary of the Project site.

The Project is being designed and constructed in accordance with *Turkish Regulation on the Protection of Buildings from Fire* (issued on: 19.12.2007, O.G. No: 26735). Relevant technical requirements, including those delineated in applicable international standards, were integrated into the Ikitelli IHC design and construction tender documents, e.g. fire suppression systems will be available throughout the hospital and a fire alarm system will be designed and installed in accordance with the requirements of U.S. National Fire Protection Agency (NFPA) Code 72. Fire control and mitigation measures for the construction phase of the Project are contained in the EPRP. During the operation, the Project will comply with Turkish regulations on worker health and safety and fire signage and provisions for life and fire safety under PS4 and the WBG EHS Guidelines. The project has also been designed in accordance with Turkish regulations and standards for protection against seismic activity and complies with the Regulation on Buildings to be constructed in Seismic Zones.

A Security Plan will be developed to be implemented during the operation of the Project. Security will be provided in a manner that does not jeopardize the community's safety or Service Provider(s) of Istanbul PPP A.S.'s relationship with the community and that is consistent with national requirements. International best practice will be applied to hiring, training and mobilizing security staff. Istanbul PPP A.S.'s Service Provider(s) will ensure that security personnel have not been involved in past abuses and are adequately trained. Force will only be sanctioned in preventive or defensive circumstances in proportion to the threat and security will operate within the law.

PS 6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

As part of the ESIA, ecological walkover surveys and literature studies were conducted by flora and fauna experts in 2013 and 2016 and flora and fauna species assessed according to international guidelines. Details can be found in Chapter 12 and Annex L of the ESIA. The area surrounding the Project site is heavily developed and natural areas within and around the Project site are limited. Two critically endangered flora species, both of which are listed under IUCN Red List category, of *Cirsium polycephalum* and *Cephalaria tuteliana* were identified on the site fringes. Under PS6 the Project site is determined to be a Tier 2 habitat as the site fails to sustain more than 10% of the global populations of either of the species. The ESIA reports that 90% of the species are located outside the project boundaries. As a mitigation measure, the seeds of the species were collected on September 16, 2014 and transferred to the Turkish Seed Gene Bank. Terrestrial fauna studies revealed that the Project area does not contain endemic or endangered vertebrate species. One vulnerable species was observed that can be affected during the construction activities (*Testudo graeca* - Spur-thigh Tortoise). Appropriate mitigation measures are included in the construction phase ESMP. Prior to the start of construction activities, any tortoise specimens seen at the site will be collected and relocated to alternative habitats. Also, to protect this species at the Project site, some semi natural parts will be left in the area, which may be useful for other species. During operations, some tortoises may survive and continue to reproduce.

F. Environmental Permitting Process and Community Engagement

The Project was assessed under the Turkish Environmental Impact Assessment Regulation (EIA) (Official Gazette date/number: November 25, 2014/29186). Under the Regulation, hospital projects are exempt from preparation of an EIA report. The Ikitelli Provincial Directorate of Environment and Urbanization (PDEU) issued a letter to the Project confirming its exempt status on November 16, 2016. The trigeneration system, received an exemption letter from the Istanbul Provincial Directorate of Environment and Urbanization (PDEU) in March 2017. The concrete batching plants are $100\text{m}^3/\text{h}$ and are exempt from additional Turkish ESIA requirements.

A stand-alone Stakeholder Engagement Plan (SEP) has been developed for the Project, to help structure a systematic communication with the stakeholders during the ESIA study. The details of the prior stakeholder engagement activities and the current activities conducted for the ESIA study are presented in Chapter 4: Scope of the ESIA and Stakeholder Engagement and Annex D, Stakeholder Engagement Activities. A Stakeholder Engagement Plan (SEP) has been developed for the Project and finalized in February 2017. The stakeholder engagement plan will be carried out in different phases of the Project as described below:

- Phase 1: Pre-construction activities (current phase)
- Phase 2: Construction (future consultations)
- Phase 3: Operation (future consultations)

The SEP clearly identifies all project stakeholders including government agencies, NGOs, neighboring communities, and the public. It includes a grievance mechanism that provides an open channel for continuous and structured communication between management and the general public and describes a detailed strategy to place, investigate, respond, and file

a given complaint and the expected timeline associated with these actions. Through this process, the public can express individual and collective concerns and issues regarding the construction and operation of the facility. The SEP also outlines communication methods appropriate for each Project phase, including publications through a corporate website. The Project has now hired a full time Community Liaison Officer who will remain throughout the duration of construction activities and operations.

Consultations during MIGA due diligence revealed support for the project given the need for additional hospital beds, current site vacancy and the general economic boost to the area.

MIGA supports its clients (as defined in MIGA Policy on Environmental and Social Sustainability) in addressing environmental and social issues arising from their business activities by requiring them to set up and administer appropriate grievance mechanisms and/or procedures to address complaints from Affected Communities.

In addition, Affected Communities have unrestricted access to the Compliance Advisor/Ombudsman (CAO), the independent accountability mechanism for MIGA. The CAO is mandated to address complaints from people affected by MIGA-guaranteed business activities in a manner that is fair, objective, and constructive, with the goal of improving environmental and social project outcomes and fostering greater public accountability of MIGA.

Independent of MIGA management and reporting directly to the World Bank Group President, the CAO works to resolve complaints using a flexible, problem-solving approach through its dispute resolution arm and oversees project-level audits of MIGA's environmental and social performance through its compliance arm.

Complaints may relate to any aspect of MIGA-guaranteed business activities that is within the mandate of the CAO. They can be made by any individual, group, community, entity, or other party affected or likely to be affected by the environmental or social impacts of a MIGA-guaranteed business activity. Complaints can be submitted to the CAO in writing to the address below:

*Compliance Advisor/Ombudsman
International Finance Corporation
2121 Pennsylvania Avenue NW
Room F11K-232
Washington, DC 20433 USA
Tel: 1 202 458 1973
Fax: 1 202 522 7400
E-mail: cao-compliance@ifc.org*

G. Availability of Documentation

The following documentation is available electronically as PDF attachments to this ESRS at www.MIGA.org.

- Environmental and Social Impact Assessment: Ikitelli Integrated Health Campus, Final Draft, February 2017
- Environmental and Social Action Plan: Ikitelli Integrated Health Campus, Final Draft, February 2017
- Stakeholder Engagement Plan: Bursa Integrated Health Campus, Final Draft, February 2017

Furthermore, a Project specific website has been established to disclose Project related information to the public. It is available for viewing at the following locations:

<http://www.pppikitellihastanesi.com>