

OFFICIAL DOCUMENTS

*Administration Agreement between the European Commission and the International Bank for
Reconstruction and Development concerning the Part II Europe 2020 Programmatic Single-Donor
Trust Fund
Trust Fund (No. TF072687)
(EC Contract No CCI2014)*

This Administration Agreement is concluded under Direct Management in the context of the Framework Agreement between the World Bank Group and the European Commission dated April 15, 2016, which sets the general conditions for this Agreement. The Framework Agreement shall be applicable and form an integral part of the Administration Agreement for the Trust Fund.

1. The International Bank for Reconstruction and Development (the “Bank”) acknowledges that the European Commission (the “Donor”, and together with the Bank, the “Parties” and each a “Party”) agrees to provide the sum of one million eight hundred thousand Euro (€1,800,000) (the “Contribution”) for the *Part II Europe 2020 Programmatic Single-Donor Trust Fund*, No. 072687 (the “Trust Fund”) in accordance with the terms of this Administration Agreement.

The estimated total budget of the Trust Fund is one million eight hundred thousand Euro (€1,800,000). The indicative budget set out in Annex 5 shall be used for monitoring purpose only and shall not be binding.

2. The Contribution shall be used to finance the activities set forth in the “*Part II Europe 2020 Programmatic Single-Donor Trust Fund* Description” attached hereto as Annex 1, and shall be administered by the Bank on behalf of the Donor in accordance with the terms of this Administration Agreement, including the “Standard Provisions” attached hereto as Annex 2 and “Governance” attached hereto as Annex 3.

Expected results of the Trust Fund and corresponding indicators (including baselines, result goals and sources of data) are set out in Annex 4.

The Implementation period shall start on the date following that on which the last of the two parties signs.

3. The Donor shall deposit the Contribution in accordance with the following schedule and in the currency specified in Section 1 above (“Contribution Currency”) into such bank account designated by the Bank (each amount deposited hereinafter referred to as an “Installment”) upon submission of a payment request by the Bank:

- (A) Promptly following countersignature – € 900,000
- (B) € 540,000 subject to the disbursement of 70% of the preceding installment.
- (C) € 360,000 subject to the disbursement of 70% of the preceding installment.

The period for payment of further instalments shall be 60 days.

The period for payment of the balance shall be 90 days.

4. When making any deposit, the Donor shall instruct its bank to include in its deposit details information (remittance advice) field of its SWIFT deposit message, information indicating: the amount deposited, that the deposit is made by the Donor for TF072687 (the *Part II Europe 2020 Programmatic Single-Donor Trust Fund*), the Commission internal reference number and the date of the Administration Agreement, the name of the project for which the funds are intended, the name of the Commission department responsible for the Trust Fund and the date of the deposit (the “Deposit Instructions”). In

addition, the Donor shall provide a copy of the Deposit Instructions to the Bank's Accounting Trust Funds Division by e-mail sent to tfremitadvice@worldbank.org or by fax sent to +1 (202) 614-1315.

5. Except with respect to the Deposit Instructions, any notice, request or other communication to be given or made under this Administration Agreement shall be in writing and delivered by mail, fax or e-mail to the respective Party's address specified below or at such other address as such Party notifies in writing to the other Party from time to time:

For the Bank (the "Bank Contact"):

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GTI03
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For the Donor (the "Donor Contact"):

Mr. Göktuğ KARA
Team Coordinator
Sectors Transport – Climate Change
Delegation of the European Union to Turkey
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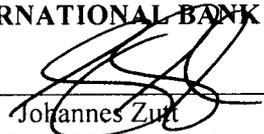
6. In the event any amounts are to be returned to the Donor under this Administration Agreement, the Bank shall transfer such amounts to the Donor, unless otherwise agreed with the Bank.

7. All annexes hereto and the Framework Agreement between the World Bank Group and the European Commission constitute an integral part of this Administration Agreement, whose terms taken together shall constitute the entire agreement and understanding between the Donor and the Bank. In the event of any inconsistency, the Framework Agreement prevails over the Administration Agreement and the Administration Agreement prevails over its Annexes. Unless otherwise specified in an annex hereto, this Administration Agreement may be amended only by written amendment between the Bank and the Donor.

8. The measures taken to identify the EU as a source of financing shall be in accordance with Attachment 4 of the Framework Agreement.

9. Each of the Parties represents, by confirming its agreement below, that it is authorized to enter into this Administration Agreement and act in accordance with these terms and conditions. The Parties are requested to sign and date this Administration Agreement, and upon possession by the Bank of this fully signed Administration Agreement, this Administration Agreement shall become effective as of the date of the last signature.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

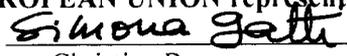
By: 

Name: Johannes Zurt

Title: Country Director for Republic of Turkey, Europe and Central Asia Region

Date: Nov. 10, 2017

EUROPEAN UNION represented by the EUROPEAN COMMISSION

By: 

Name: Christian Berger

Title: Head of Delegation - Turkey

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Date: 30/11/17



Part II Europe 2020 Programmatic Single-Donor Trust Fund Description

This Annex shall be applicable to and form an integral part of the Administration Agreement for the Trust Fund between the Bank and the Donor.

1. Objectives

The objective of the Trust Fund: The European Commission and the Bank share a common objective of building competitive and sustainable economies and reducing poverty and social exclusion – goals of the Europe 2020 Agenda, which are built on three pillars of smart, sustainable and inclusive growth.

The European Commission and the Bank concur that direct interaction is beneficial to both institutions and through them to the beneficiary countries. This applies particularly to the provision of analytical, advisory and knowledge services and technical assistance. The European Commission has expressed an interest in ensuring that the Bank continues to provide technical assistance in the framework of the Trust Fund in furtherance of the common objective set forth above.

2. Activities

The European Commission has expressed an interest in ensuring that the Bank provides technical assistance in the framework of the Trust Fund with the **specific objective** of supporting sustainable, efficient and safe transport in Turkey through developing sustainable urban mobility plans (SUMP) in selected cities, assisting implementation of the national strategy on intelligent transport systems (ITS), and promoting intermodality through modal shift and railway sector reform.

The activities aim to contribute to the eventual achievements by the Government of Turkey of several indicators¹ of the overall Transport Sectoral Operational Programme for Turkey under the Instruments of Pre-accession Assistance Phase II (IPA-II). Achievement of these indicators will depend on investments on infrastructure and institutional reforms which are the responsibility of the Government of Turkey and are outside the scope of the activities to be carried out by the Bank under this Agreement.

The Activities to be financed by the Trust Fund, in support of the objective above, and of which the Bank has implementation responsibility, are described below.

Activity 1: Technical Assistance for Sustainable, Accessible and Inclusive Urban Mobility. This activity aims at creating conducive environment for sustainable, accessible and inclusive urban mobility in Turkey, both using bottom-up and top-down approaches, in line with SOP Activity 3.2, “Accessible and Inclusive Transport”, both by contributing to formulation of national policies and by strengthening the city-level capacity.

- **Activity 1.A – Assistance on developing Sustainable Urban Mobility Plans.** Under this component, strategic advice and technical assistance will be provided by the World Bank to two selected Turkish cities through the process of preparing Sustainable Urban Mobility Plans. Kocaeli Metropolitan Municipality and Izmir Metropolitan Municipality have been identified by the World Bank in liaison with the Ministry of Transport, Maritime Affairs and Communication (MTMAC), and the European Commission. At the completion of this activity, the Bank will have provided specific recommendations to strengthen the transport master plans of the two cities, for integration

¹ Some of the indicators that are relevant to the context include (i) Changes in the modal split (freight-ton) transport in the corridor(s) / regions invested in, (ii) Number of ITS applications, (iii) ITS solutions deployed, (iv) Share of users of public transport in the population (in selected metropolitan/urban areas), and (v) Number of Sustainable Urban Mobility Plans developed.

of all key elements of SUMP and conformity to the standards of good SUMP examples of European cities. Additionally, through this assistance, the experience and lessons from developing a SUMP will be documented for the use by other cities as well as for development of relevant national policies.

- ***Kocaeli Metropolitan Municipality*** The World Bank will provide strategic advice and technical assistance to support the Municipality in key areas including: (i) revisiting the investment prioritization by integrating multi-criteria analysis including a set of sustainability-oriented criteria; (ii) rationalizing the investment list in the short and medium term with regard to the available sources of funding; (iii) ensuring the financial sustainability of new mass transit systems, in particular rail based transport, in order to efficiently manage the additional financial burden brought about by the new modes including the operating costs; (iv) improving and systematizing the citizens involvement in the planning and decision making process; (v) improving the link with land-use planning in particular with regard to the industrial geography of the area; (vi) integrating impact evaluation and planning cycle process.
- ***Izmir Metropolitan Municipality*** The World Bank will provide strategic advice and technical assistance to support the Municipality by : (i) introducing innovative tools for assessment of the current situation in view of the many recent developments including the expansion of the municipality borders and the heavy investments in transport carried-oud during the recent years; (ii) providing support in developing the vision and set the high level priorities in terms of mobility; (iii) supporting the development of models and planning tools to integrate state-of-the-art techniques; (iv) supporting the integration of sustainability principles in the definition and analysis of investment scenarios; (v) using multi-criteria analysis including a set of sustainability-oriented criteria for project selection and prioritization; (vi) assessing the financial impact of the scenarios in terms of investment and operations; and (vii) reviewing the institutional organization and the role of public and private sector in providing public transport.
- ***Activity 1.B – Proposals for improvement of the institutional and regulatory framework.*** Under this component, the World Bank will review the current institutional and regulatory framework concerning urban transport planning and investments and propose improvements with a view to promote sustainable, accessible, inclusive, and climate neutral urban mobility. Included in the review would be an assessment of the current urban transport issues, built upon the Urbanization Review carried out by the Bank in 2013, and a diagnosis of the existing national/sub-national laws, regulations and institutional arrangement that concern (i) urban transport policy and planning, (ii) development of transport infrastructure in urban areas, and (iii) provision of passenger transport services in urban areas, including contracting arrangements for public transport services. These will be benchmarked against international good practices, relevant to the Turkish situation, among which will be Western European cases. This will be followed by proposals for regulatory reforms² and capacity building for relevant stakeholders, potentially including both national and sub-national, and both public and private, entities. Lessons learned from SUMP exercises (1.A) will inform this activity.
- The review and proposals will encompass the following dimensions: (a) policies and objectives governing urban transport in Turkey; (b) institutional arrangement and breakdown of jurisdictional

² For this, the World Bank team will identify specific provisions in the legislation and regulations concerned, assess the way in which such provisions hinder sustainable, accessible and inclusive urban mobility, bring international good practices, and propose options in which the specific provisions might be revised/enhanced. The team, however, will not work directly on the language in the legislation/regulations as this is to be done by Turkish lawmakers.

and functional responsibilities among the national government, provincial governments and municipalities; (c) urban transport planning legislation and practice, including land development, development of transport infrastructure, and interface with land use and urban planning; (d) public transport organization, route planning, service procurement and contractual arrangements; (e) funding mechanisms and levels for urban transport infrastructure and operation; and (f) framework for evidence-based policy-making assisted by systematic data collection on urban mobility, monitoring of key performance indicators, and transport modeling.

- **Activity 1.C – Stakeholder workshops on policy options for sustainable, accessible and inclusive urban mobility.** Under this component, the World Bank will organize stakeholder workshops with an aim to reach a consensus on urban mobility policies among key stakeholders, including metropolitan municipalities, MTMAC, other relevant ministries, and the European Commission’s Directorate-General for Mobility and Transport (DG MOVE). At three thematic workshops—(i) public institutions for urban transport; (ii) funding urban transport, and (iii) contractual arrangement and private sector participation to urban transport services—the World Bank will present proposed policy options to the stakeholders and facilitate their discussions, and if agreed by all stakeholders, document the consensus among the stakeholders in form of a communique.

Activity 2: Technical Assistance for Implementation of the National Strategy for Intelligent Transportation Systems. This activity is in line with SOP Activity 2.1, “Supporting the ITS Strategy and Other ITS Measures” and supports implementation of the National Intelligent Transportation Systems (ITS) Strategy and Action Plan, which has been prepared by the Ministry of Transport, Maritime Affairs and Communications in consultation with various stakeholders. Under this TA, the World Bank will assist the MTMAC and other stakeholders to take the crucial next steps for implementation of the Strategy: development of national ITS architecture and preparation of a 10-year strategic plan for national ITS development.

- **Activity 2.A – Review and refinement of National ITS Architecture.** The draft national ITS architecture has been prepared by MTMAC. Based on the review of the draft architecture, the World Bank will recommend further refinement of the National ITS architecture and disseminate the recommended refinements to stakeholders in academia, industry and provincial/municipal authorities for their consideration and adoption.
- **Activity 2.B – Review of technical standards.** The World Bank will review and comment on the technical standards that have been selected under the coordination of the MTMAC. The Bank’s review will aim to ensure that the standards will (a) provide interoperability within Turkey as well as with other international systems, (b) capture enabling and evolving technologies within each functional area defined in the architecture, and (c) not limit or constrain technological innovations that might take in the future. Additionally, the World Bank will review the terminology used in the architecture as well as the technical standards, in support of finalizing the glossary that is being prepared by the MTMAC to ensure that the terminology is clearly defined and consistently used in all key documents.
- **Activity 2.C – Operationalization of ITS Strategy.** Under this activity, the World Bank will assess various ITS services and sub-systems and identify high priority ITS projects recommended to be implemented in the short- and medium-terms, and develop preparation document in support of the next steps. Assessment and prioritization should be based on the key transport challenges and priorities defined in the National ITS Strategy and Transport and Communication Strategy: Vision 2023. Recommendations will be made for the following specific activities: (a) develop criteria to evaluate ITS services/sub-systems in line with the policy objectives of the National Strategy; (b) define sub-systems or market packages —combination of service(s), hardware, software, spatial scope, and management scheme—based on the functional requirements of the architecture and

taking into consideration of compatibility for system integration, flexibility for future upgrades and system expansion; (c) map ITS services/sub-systems against needs, policy objectives, and institutional setup; (d) based on the criteria developed, prioritize ITS services/sub-systems for short (1-3 years), medium (4-7 years) and long term (up to 10 years) implementation; (e) assess operating environment and institutional arrangement/capacity to identify opportunities and constraints in implementing high-priority ITS services identified above; (f) develop a deployment program for the ITS services to be implemented in the short-term, including proposals for specific projects, based on the funding level; (g) prepare terms of reference for further assessment of feasibility of high-priority projects, and (h) propose institutional arrangements that would provide the basis for continuous learning and sustainable deployment and operation of ITS applications.

Activity 3: Technical Assistance for Promoting Intermodality, Modal Shift and Rail Reform. This activity aims at directly supporting Turkey’s Transport Strategy by 2023, as part of the SOP Activity 1.4, “Promoting Inter-modality and Modal Shift”. It is designed to reinforce the approach laid out in the Turkish Combined Transport Strategy (CTS). The Activity implemented by the World Bank will comprise five elements: (i) a policy, institutional and legislative analysis, including an analysis of the current and potential policy incentives for combined transport, (ii) a Rail/Intermodal Freight Market Efficiency Diagnostic and Recommendations study, (iii) the preparation of benchmarks based on to implementing intermodal good practices which can be used to prepare TOR for a Feasibility Study of an intermodal project, and (iv) support to the railway reform program, including identification of opportunities for private sector participation.

- **Activity 3.A – Policy and Institutional Options Analysis.** The Government aims to develop intermodal options to encourage a modal shift from road transport to rail and maritime transport. In coordination with the Strategy Department of MTMAC, this activity will focus on the current regulatory, organizational and institutional barriers to intermodality. The World Bank will review the existing draft combined transport regulation, with an aim to foster intermodality building on the foundations laid by the Turkish intermodal transport strategy. This activity will also formulate recommendations on how and to what extent intermodal transport would help mitigate climate change
- **Activity 3.B – Rail/Intermodal Freight Market Efficiency Diagnostic and Recommendations.** This activity will analyze the main market barriers hampering the modal shift towards the railways and intermodal alternatives. It will include benchmarking TCDD in terms of costs/revenues ratios, marketing capacity and capability and a rapid assessment of the quality of operations (time, delay, handling equipment and facilities, rolling stock, etc.) on key market segments. The analysis will provide a set of practical recommendations to improve the efficiency of the railways in order to (i) attract freight traffic from roads and (ii) serve as the backbone of an intermodal chain. These recommendations shall serve as a guiding tool for a future comprehensive business plan for TCDD.
- **Activity 3.C – Support to implement intermodal good practices.** This activity will consist of capturing and sharing the international good practices in designing intermodal facilities. The World Bank will compile set of benchmarks and performance standards for intermodal facilities, which will be used to prepare a model of TOR for FS and design of intermodal/logistics centers. The model will be applied for the preparation of TORs for logistic centers and for further use by MTMAC for implementation of the Feasibility Study. The activity will also carry-out a capacity assessment and prepare a capacity building programme for DG Railways to design and implement good practices for intermodal facilities.
- **Activity 3.D. – Support to the Rail Reform.** This activity is centered on the preparation or the update of a financial model for TCDD to support Government’s efforts in ensuring fiscal discipline and supporting TCDD’s financial sustainability. The financial model will help to analyze the impact of TCDD unbundling and the forthcoming participation of new freight operations as well

as assessing the impact of possible private sector participation in the rail sector. Using the financial model, this activity will result in recommendations for the following: (i) elaborate a list of policy and investment priorities with a focus on (a) the impact of efficiency improvements as well as changes in tariffs to improve the competitiveness of the railways and (b) railway safety in the context of TCDD unbundling and the forthcoming participation of new freight operators, and (ii) assess the specific areas for private sector participation in the current organization of TCDD.

Indicative expected outputs and timeline:

Activities and Outputs	Tentative Delivery Date
Activity 1	
Activity 1.A	
Output 1.A.1: Analysis of the current mobility situation and assessment of the transport master plan in place or under preparation	6 months after start of implementation
Output 1.A.2: A report on recommendations for strengthening the transport master plans for Kocaeli and Izmir	12 months after start of implementation
Output 1.A.3: Lessons learned and recommendations for implementation of SUMP in other Turkish cities	18 months after start of implementation
Activity 1.B	
Output 1.B.1: A report including chapters on (1) review on the institutional and regulatory framework, (2) international benchmarking, and (3) proposed options for institutional and regulatory reforms and improvement	8 months after start of implementation
Activity 1.C	
Output 1.C.1: Preparation and organization of three one-day stakeholder workshops presenting policy options, with participation by policy-makers and practitioners involved in urban transport planning both at national and municipal authorities (approx. 30-50 participants)	Within 3 months after completion of 1.B
Output 1.C.2: Preparation of a communique incorporating the discussions during the stakeholder workshop	1 month after the workshops
Activity 2	
Activity 2.A	
Output 2.A.1: Recommendation for a refined ITS Architecture	8 months after start of implementation
Activity 2.B	
Output 2.B.1: Recommendations for refined technical standards including glossary	10 months after start of implementation
Activity 2.C	
Output 2.C.1: Draft recommendations for an ITS Deployment Program for Turkey, including the framework for national ITS development program; proposal for the future institutional arrangements for promotion of the ITS	14 months after start of implementation
Output 2.C.2: Recommendations on the selection of high-priority projects and TOR for feasibility study for said high-priority projects	18 months after start of implementation
Activity 3	
Activity 3.A	

Output 3.A.1: Review of the regulatory, organizational and institutional barriers to intermodality	8 months after start of implementation
Activity 3.B	
Output 3.B.1: Draft Performance benchmark of TCDD	8 months after start of implementation
Output 3.B.2 Recommendations to improve the efficiency of the railways	11 months after start of implementation
Output 3.B.3. Recommendation on scope of work for TCDD business plan	14 months after start of implementation
Activity 3.C	
Output 3.C.1: Recommend model of TOR for FS and design of intermodal/logistics centers	8 months after start of implementation
Output 3.C.2. Recommendations for implementation of the model for the Bandirma-Tekirdag logistic center	10 months after start of implementation
Output 3.C.3. Report on capacity assessment and proposed capacity-building program	10 months after start of implementation
Activity 3.D.	
Output 3.D.1. Draft Financial Model for TCDD	6 months after start of implementation
Output 3.D.2. Recommendation on Policy priorities with a focus on railway safety in the context of TCDD unbundling	10 months after start of implementation
Output 3.D.3. Assessment of specific areas for private sector participation in the current organization of TCDD.	12 months after start of implementation

3. Eligible Expenditures

For Bank-executed activities, the Trust Fund may be used to finance:

- (a) Staff and individual consultant services;
- (b) Cost of travels, including airfares, accommodation and subsistence;
- (c) Cost of training and workshop; and
- (d) Other services including translation.

4. Taxes

- a. The forgoing activities and categories of expenditures may include the financing of taxes in accordance with the Bank's applicable policies and procedures.

5. Program Criteria

- 5.1 Activities are to be financed in accordance with the following program criteria:

The Trust Fund is established to enable the European Commission and the Bank to continue to collaborate and exchange experience and expertise on a number of themes under all three pillars of the Europe 2020 Agenda – of smart, sustainable and inclusive growth. The express purpose of this Trust Fund is to allow the European Commission to avail itself of the Bank's technical assistance and analytical and policy capacity for the purpose of pursuing the goals of Europe 2020. The three pillars of Europe 2020 are broadly in line

with the objectives and strategies adopted in the Europe and Central Asia Region of the World Bank Group. All activities that are in pursuance of these three pillars are eligible to be financed and implemented under this Trust Fund.

Standard Provisions

This Annex shall be applicable to and form an integral part of the Administration Agreement for the Trust Fund between the Bank and the Donor.

1. Administration of the Contributions

1.1 The Bank shall be responsible only for performing those functions specifically set forth in this Administration Agreement and shall not be subject to any other duties or responsibilities to the Donor, including, without limitation, any duties or obligations that might otherwise apply to a fiduciary or trustee under general principles of trust or fiduciary law. Nothing in this Administration Agreement shall be considered a waiver of any privileges or immunities of the Bank under its Articles of Agreement or any applicable law, all of which are expressly reserved.

1.2 The Donor's Contribution shall be administered in accordance with the Bank's applicable policies and procedures, as the same may be amended from time to time, including its procurement, financial management, disbursement and safeguard policies, its framework to prevent and combat fraud and corruption and its screening procedures to prevent the use of Bank resources to finance terrorist activity, in line with the Bank's obligations to give effect to the relevant decisions of the Security Council taken under Chapter VII of the Charter of the United Nations. The Donor acknowledges that this provision does not create any obligations of the Bank under the anti-terrorist financing and asset control laws, regulations, rules and executive orders of an individual member country that may apply to the Donor.

2. Management of the Contribution

2.1 The funds deposited in the Trust Fund shall be accounted for as a single trust fund and shall be kept separate and apart from the funds of the Bank. The funds deposited in the Trust Fund may be commingled with other trust fund assets maintained by the Bank. The Bank, in its capacity as trustee, has legal title to the funds deposited in the Trust Fund.

2.2 The currency in which the funds in the Trust Fund shall be held is Euro (the "Holding Currency").

2.3 The Donor agrees to deposit its Contribution in the Contribution Currency stated in its respective Administration Agreements. In the case of deposits received in a Contribution Currency other than the Holding Currency, promptly upon the receipt of such amounts and the accompanying Deposit Instructions, the Bank shall convert such amounts into the Holding Currency at the exchange rate obtained by the Bank on the date of the conversion. Where deposits prove to be insufficient to complete activities as a result of exchange rate fluctuations, neither the Bank nor the Donor shall bear any responsibility for providing any additional financing.

2.4 The funds deposited in the Trust Fund may be freely exchanged by the Bank into other currencies as may facilitate their disbursement at the exchange rate obtained by the Bank on the date of the conversion.

2.5 The Bank shall invest and reinvest the funds deposited in the Trust Fund pending their disbursement in accordance with the Bank's applicable policies and procedures for the investment of trust funds administered by the Bank. The Bank shall transfer all income from such investment to the Donor's applicable donor balance account with the Bank.

3. Trust Fund Fees and Costs

3.1 The Bank shall deduct and retain for its own account, as a deduction from each Installment, an amount equal to five percent (5%) per Installment as an administrative fee for the Trust Fund.

3.2 The Donor acknowledges and agrees that the percentage deductions for fees in this Trust Fund Fees and Costs section are estimated on the basis of anticipated Contributions. If actual Contribution significantly differ from what was originally anticipated at the time of signature of the first Administration Agreement, or if other circumstances affecting Trust Fund fees or costs change, the Bank reserves the right to request a change to the terms of this Trust Fund Fees and Costs section, which would be effectuated by amendments made to the Administration Agreements of the Donor and which would thereafter be applicable to all new Contributions that are provided either as amendments to supplement existing Administration Agreements or from new Administration Agreements.

4. Accounting and Financial Reporting

4.1 The Bank shall maintain separate records and ledger accounts in respect of the funds deposited in the Trust Fund and disbursements made therefrom.

4.2 The Bank shall furnish to the Donor current financial information relating to receipts, disbursements and fund balance in the Holding Currency with respect to the Contributions via the World Bank's Trust Funds Donor Center secure website. Within six (6) months after all commitments and liabilities under the Trust Fund have been satisfied and the Trust Fund has been closed, the final financial information relating to receipts, disbursements and fund balance in the Holding Currency with respect to the Contributions shall be made available to the Donor via the World Bank's Trust Funds Donor Center secure website.

4.3 The Bank shall provide to the Donor via the World Bank's Trust Fund Donor Center secure website, within six (6) months following the end of each Bank fiscal year, an annual single audit report, comprising (i) a management assertion together with an attestation from the Bank's external auditors concerning the adequacy of internal control over cash-based financial reporting for all cash-based trust funds as a whole; and (ii) a combined financial statement for all cash-based trust funds together with the Bank's external auditor's opinion thereon. The cost of the single audit shall be borne by the Bank.

4.4 If the Donor wishes to request, on an exceptional basis, a financial statement audit by the Bank's external auditors of the Trust Fund, the Donor and the Bank shall first consult as to whether such an external audit is necessary. The Bank and the Donor shall agree on the appropriate scope and terms of reference of such audit. Following agreement on the scope and terms of reference, the Bank shall arrange for such external audit. The costs of any such audit, including the internal costs of the Bank with respect to such audit, shall be borne by the requesting Donor.

5. Progress Reporting

5.1 The Bank shall provide the Donor with **semi-annual** reports on the progress of activities financed by the Contributions. Within six (6) months of the End Disbursement Date (as defined below), the Bank shall furnish to the Donor a final report on the activities financed by the Trust Fund.

5.2 The Donor may review or evaluate activities financed by the Trust Fund at any time up to six (6) months following the End Disbursement Date. The Donor and the Bank shall agree on the scope and conduct of such review or evaluation, and the Bank shall provide all relevant information within the limits of the Bank's applicable policies and procedures. All associated costs, including any costs incurred by the

Bank, shall be borne by the Donor. It is understood that any such review or evaluation will not constitute a financial, compliance or other audit of the Trust Fund.

6. Disbursement; Cancellation; Refund

6.1 It is expected that the funds deposited in the Trust Fund will be fully disbursed by the Bank by December 31, 2020 (the “End Disbursement Date”). The Bank shall only disburse funds deposited in the Trust Fund for the purposes of this Administration Agreement (other than returns to Donor) after such date to the extent such date is changed in accordance with amendments made to the Administration Agreement(s) of the Donor. Following the End Disbursement Date, the Bank shall return any remaining balance of the Trust Fund to the Donor in the Holding Currency in the manner specified in its respective Administration Agreement on a pro rata basis with regard to the total funds deposited in the Trust Fund by such Donor relative to the total funds deposited in the Trust Fund by the Donor, all calculated as Holding Currency amounts.

6.2 The Donor may cancel all or part of such Donor’s pro rata share/contribution, and the Bank may cancel all or any Donor’s pro rata share/contribution, upon three (3) months’ prior written notice, of any Contributions (paid and not yet paid) that are not committed pursuant to any agreements entered into between the Bank and any consultants and/or other third parties for the purposes of this Administration Agreement, including any Grant Agreements, prior to the receipt of such notice. In the event of a cancellation, the Bank shall return to the Donor its pro rata share in the Holding Currency as specified in the Administration Agreement unless otherwise agreed between the Bank and the Donor.

7. Disclosure; Dispute Resolution

7.1 The Bank shall disclose the Administration Agreements and related information on this Trust Fund in accordance with the Bank’s Policy on Access to Information. By entering into Administration Agreements, the Donor consents to such disclosure of their respective Administration Agreements and such related information.

7.2 The Donor and the Bank shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of or relating to the Administration Agreements.

GOVERNANCE OF THE ACTIVITIES

This Annex shall be applicable to and form an integral part of all Administration Agreements between the Bank and the Donor.

GOVERNANCE FOR THE ACTIVITIES SET FORTH IN SECTION 2 OF ANNEX 1 TO THIS ADMINISTRATION AGREEMENT

1. Working Arrangements

The World Bank and the EU Delegation in Ankara will consult each other regularly on the implementation of the Activities in accordance with the description of the Activities in Annex I of this Administration Agreement, including the indicative (and therefore non-binding) output timetable in said Annex.

The EU Delegation in Ankara will be responsible for consulting and seeking oversight and guidance from the Directorate-General for Neighbourhood and Enlargement Negotiations and the Directorate General for Mobility and Transport wherever necessary. The World Bank will nominate up to four relevant sector specialists to form an advisory group, who will be responsible for technical review of and advisory support for the Activities described in Annex 1.

2. Payment requests

Requests for payments related to the Activities set forth in Section 2.1 of Annex 1 to this Agreement will be sent by the World Bank to the Commission with the reference CCI2014, shall be addressed to:

All enquiries in connection with the execution of this contract should be addressed to these persons unless they appoint/delegate other EUD Staff.

Mr. Gökтуğ KARA
Team Coordinator
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The Contractor shall send financial information, including requests for payment, which shall bear the reference number of the Contract, to the following address:

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INDICATIVE INDICATORS FOR THE ACTIVITIES**INDICATIVE RESULTS INDICATORS FOR THE ACTIVITIES SET FORTH IN SECTION 2
OF ANNEX 1 TO THIS ADMINISTRATION AGREEMENT**

<i>Expected Results</i>	<i>Indicators</i>	<i>Baselines</i>	<i>Result goals</i>	<i>Sources of data</i>	<i>Assumptions</i>
Impact	<u>Activity 1 related.</u> Pilot cities with enhanced transport planning practice	Transport plans in Turkish cities primarily concern infrastructure building rather than sustainable mobility	Enhanced understanding of SUMP and adoption of the SUMP approach in the cities participated in the SUMP pilot activities.	Feedback from SUMP pilot implementation and stakeholder workshops	Cities that participated in SUMP have strong will and mobilize technically qualified team to take full advantage of the technical assistance and advisory support.
	<u>Activity 2 related.</u> ITS deployment plan endorsed by relevant government agencies	ITS projects are implemented in an uncoordinated manner by modal agencies and municipalities without proper national level guidance or comprehensive plans for sequencing, prioritization, and needs assessment.	ITS strategy reviewed and updated to ensure that ITS projects both at national and sub-national levels are planned in a coordinated and cost-efficient manner.	Government decisions, investment plans, or any other document that shows support for the deployment plan	Government cooperates and allocated budgetary resources for implementation of the ITS deployment roadmap
	<u>Activity 3 related.</u> Stronger policy and institutional framework to favor inter-modality and modal shift	Lack of practical policy options to implement the railway reform and develop a more sustainable transport system at national level. Lack of focus	Policy, institutional, financial and operational recommendations are formulated to strengthen Government's ongoing and future	TA studies, training surveys, workshops with stakeholders	Government's policies remain in favor of intermodal transport

		on financial and fiscal sustainability. MTMAC and TCDD are overlapping with respect to the reform's implementation.	policy in implementing an intermodal program.		
Outcomes	<u>Activity 1 related.</u> Regulatory and institutional constraints to SUMP identified A legal and institutional framework for urban transport policy making and its connection with central authorities is recommended.	A legal and regulatory framework for urban planning process is established, but in practice the integration between land-use and transport is weak; there is no national level policies on urban mobility	Areas where the existing legal and regulatory framework might be improved in support of sustainable urban mobility are identified; Options for improving the legal and regulatory framework are discussed and the most suitable option is identified and agreed upon by relevant stakeholders.	Stakeholder workshops, communiques drafted	Active participation in the discussion facilitated by the World Bank by all stakeholders, including metropolitan municipalities, national government (MTMAC, other ministries)
	<u>Activity 2 related.</u> ITS deployment plan is developed.	While a national strategy has been developed for ITS, its deployment plan is yet to be prioritized.	Priority ITS measures and sub-systems are identified for short-, medium-, and long-term deployment based on their needs, urgency, and the current state of technological development	Published ITS deployment plan by MTMAC	The relevant government agencies cooperate and show interest in implementing the plan
	<u>Activity 3 related</u> Policy options and capacity strengthening to support the development of efficient and	The policy and institutional framework of the intermodal national strategy has not been studied. Private sector options in rail	A strategy and an implementation plan to increase the rail intermodal efficiency and sustainability are developed including a financial model,	MTMAC and TCDD reports, World Bank team's Aide Memoires	Government agencies and TCDD reach consensus in following the TA recommendations

	sustainable intermodal operations.	logistic operations have not been prepared. There are specific gaps in terms of rail intermodal strategy, TCDD's efficiency, sustainability, and capacity development.	performance benchmark, options for private sector participation etc.		
Outputs	<u>Activity 1 related.</u> Advanced draft SUMP's have been developed for pilot cities	There is no Turkish city that has prepared a SUMP.	The rationale and value of SUMP is well understood by the pilot cities and advanced draft SUMP's are fully owned by the pilot cities for further elaboration.	Record from the SUMP activities	There is strong ownership and technical support through the process of preparing SUMP's in the pilot cities.
	<u>Activity 2 related.</u> Refined ITS architecture, ITS glossary, revised ITS technical standards, and two pipeline projects identified for feasibility studies	Draft ITS architecture prepared by MTMAC, needing refinement, ITS terminology needs standardization, and technical standards need experts review.	Clear and well-prepared ITS architecture that reflects the most recent development in the technologies and based on the current situation in Turkey, technical terminology and standards clearly defined for wider use and reference.	Actual deliverables of the activities	Technical expertise necessary for this work is adequately mobilized, and stakeholders collaborate with the technical team.
	<u>Activity 3 related.</u> Review of the policy barriers to intermodality; Railway sector performance benchmark; Financial model and policy priorities; Model	Currently, there is no systematic policy and institutional review/assessment of the issues and constraints to the development of intermodal transport. The TA needs to take stock of the performance of rail	MoTMC and TCDD will receive the necessary information and analysis to take stock of the sector performance, elaborate policy/financial forecasts and establish priorities,	Actual deliverables of the activities	Government agencies and TCDD commit to review the policy recommendations and participate in the studies and training.

	<p>for TOR and design of logistic centers and application to Bandirma-Tekirdag logistic center; Strengthened capacity of the regulator and; Options for private sector participation.</p>	<p>transport in order to develop well-functioning logistic centers and intermodal chains. Financial sustainability and of TCDD has not been studied recently.</p>	<p>and develop a capacity plan for the regulator.</p>		
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INDICATIVE BUDGET
FOR THE ACTIVITIES SET FORTH IN SECTION 2 OF ANNEX 1 TO THIS
ADMINISTRATION AGREEMENT

Expenditure Category	Amount in Euros
Staff and individual consultant services	1,310,000
Cost of travels, including airfares, accommodation and subsistence	270,000
Cost of training and workshop	70,000
Other services including translation	60,000
Sub-total	1,710,000
Administration fee (5%)	90,000
Total	1,800,000.00

The amount estimated for personnel is calculated taking into account different levels of expertise estimated to be required for carrying out the activities described in Annex 1.

The World Bank Group entity may transfer amounts between categories of the indicative budget. This does not require an amendment of the Administration Agreement if the Action is carried out as described in Annex I.